



University of Colorado **Anschutz Medical Campus**

Central Services Administration

**EDUCATIONAL  
TOOLBOX SERIES**



## Fiscal Foundations: A Guide to Navigating Fiscal Policies and Requirements

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# Fiscal Foundations

A guide to navigating fiscal policies and requirements

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Educational Toolbox Series

3/27/2024

# Agenda

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FISCAL POLICIES  
IN REVIEW



POLICY IMPACT ON  
PROCUREMENT



CONTACTS



QUESTIONS

# Fiscal Compliance Training Series

New training series will take a deep dive into the following topics:

- FC: Fiscal Policies
- FC: Sensitive Expenses
- FC: Procurement Card & Travel Card
- FC: Approving Officials

Trainings will include specific examples and practice exercises based on real situations. More information to come.

# **POLICY HIERARCHY**

**External Laws & Guidance** - External Laws & Policies impact CU's policies



**CU Policies** - The University integrates external laws & guidance into all of its policies

**Laws & Policies of the Regents**

**Administrative Policy Statements (APS)**

**PSC Procedural Statements (PPS) & Finance Procedural Statements (FPS)**

**University of Colorado Denver/Anschutz Medical Campus Fiscal Policies**

**School/College/Unit Policies**

*When two or more policies conflict with each other, follow the more restrictive policy,*

*Policies can be more restrictive, but not less as they move down from Laws & Policies of the Regents*

# Fiscal Policies

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APS: Fiscal Roles & Responsibilities

APS: Propriety of Expenses

FPS: Sensitive Expense

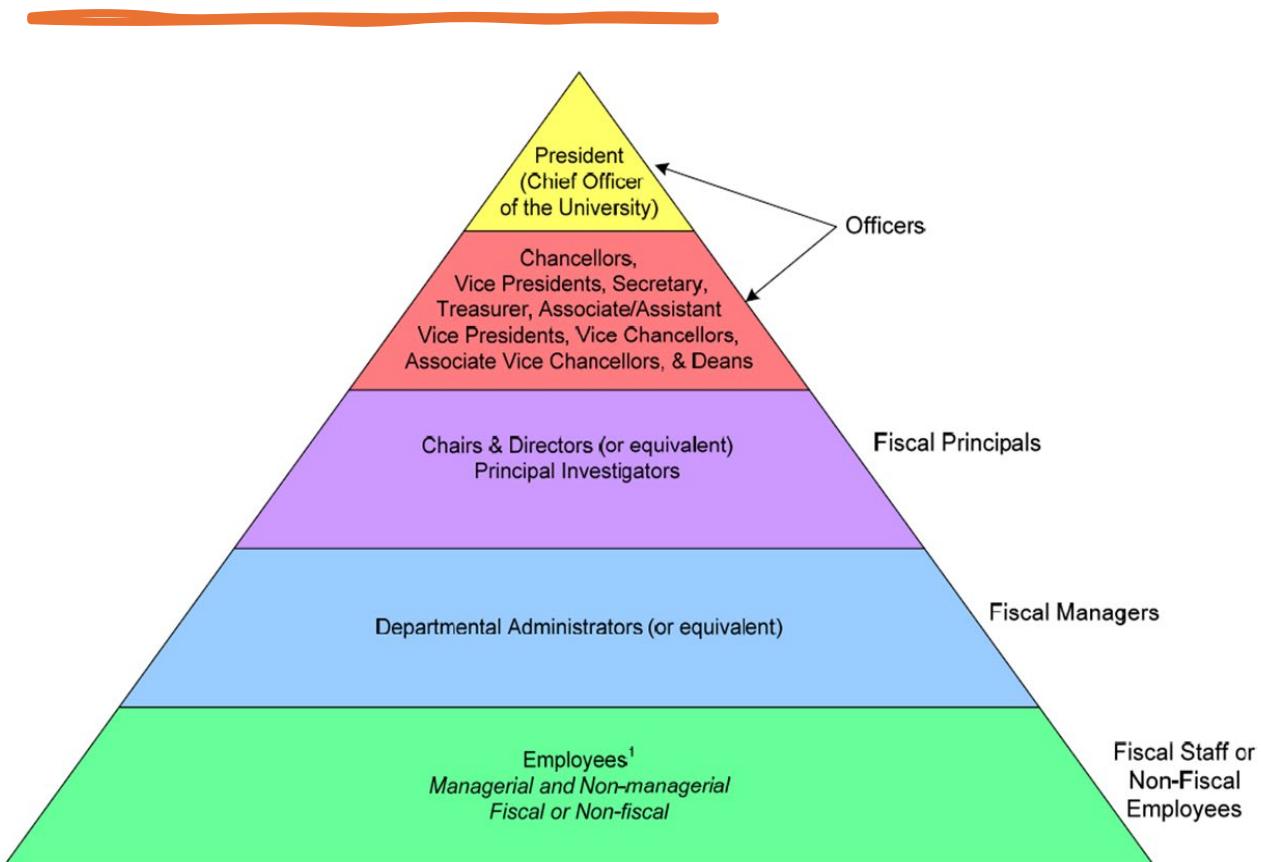
FPS: Official Functions

FPS: Alcoholic Beverages Purchased for University Events

FPS: Recognition and Training

FPS: Business Expense Substantiation & Taxation

# APS 4014: Fiscal Roles and Responsibilities



<sup>1</sup> In approved instances, certain employees of Affiliates are authorized to conduct University Fiscal Transactions; these employees of Affiliates are also referred to as Fiscal Staff.

- Establishes the fiscal roles and responsibilities of employees:
  - Provides clarification and guidance regarding the framework within which financial management occurs.
  - Applies to **all university funds** and to all **employees**.
- If you are involved in purchasing, entering, or reviewing transactions, you are an individual with a **fiscal responsibility**.
- Employees **must understand and stay current** on “applicable policies, laws, regulations, and rules; and contracts, grants, and donor restrictions, regardless of when the approval occurred.”

# APS 4015: Propriety of Expenses

Tests of Propriety are used to evaluate the appropriateness of expenses made using University funds.

The **Tests of Propriety** ask if the transaction is...

1. For Official University Business
2. In the best interest of the University
3. The most effective way to accomplish University business
4. Compliant with laws, regulations, rules, policies, and restrictions
5. Within available resources
6. Directly beneficial to department
7. Reasonable
8. In Compliance with University [Conflict of Interest Provisions](#)



## Additional Considerations:

- Would a University outsider consider the expenditure to be a reasonable & necessary expense of public funds?
- **Is this expense allowable per the award agreement and is it in the budget & budget period?**
- Would you want others (e.g. newspaper, radio, television) knowing & reporting about what you have decided?

# FPS: Sensitive Expenses

Sensitive Expenses are clear auditible areas. Must be able to support the expense and business purpose.

Be sure to document the purpose/reason that expense is appropriate.



AO/Approver: If you're questioning an expense someone else may be too. **ASK QUESTIONS.**

Common Sensitive Expenses:

- Official Function
- Food
- Alcohol
- Donation/Sponsorship
- Family Members
- Flowers/Gifts



# FPS: Official Functions



We are all stewards of university resources and should stay well below the \$115 per person the majority of the time.

Sets forth university requirements for use of the Official Function form **when food/beverage or alcohol is purchased** for an Official Function or CU-hosted conference.

Official Functions can be student functions, training events, employee recognition, etc.

## **When do I need to use the form?**

- Purchase alcoholic beverages in any dollar amount
- Total cost of the food/beverage at official function exceeds \$500
- Per-person cost of food/beverage at official function exceeds \$115

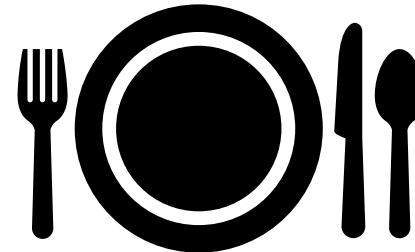
Official Function form is not required if your event does not include food/beverage expenses. However, your unit/college/school could require the Official Function Form below the listed thresholds. Check with your administrators for clarification.

# Food & Related Consumables

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## Allowable:

- Consumables necessary to maintain cleanliness of break-room (e.g. paper towels)
- Beverage Service available to general public (e.g. reception area water in clinic)
- Meals for Employees in Travel Status ([PPS: Travel](#))
- For Official Functions



## Not Allowable:

- Meals hosted virtually
- Food/Snacks for frequent staff meetings
- New hire welcome lunches
- Food/Beverages placed in common work space



Normal workday events should be scheduled so as not to conflict with staff mealtimes

# Events with Alcohol



Departments hosting events with alcohol have an overall **responsibility and accountability** for properly managing their events. Prior Approval must be obtained.

## Allowable Use & Funding

- Official Functions - Gift fund (34) with a Gift Purpose Code 2 of Y
- Conferences hosted by CU - Auxiliary funds (Fund 20 or Fund 29) received through conference/event registration fees. Gift funds with the appropriate designation may also be used.
- Development/Fundraising - Development/advancement fund (Fund 36) or from gift fund (34) with a Gift Purpose Code 2 of Y.
- For non-consumption purposes (research)



Is alcohol necessary at your event for it to be successful?

Does the unit have the proper resources & controls to oversee an event with alcohol?

Did you leave enough time for required approvals?



# FPS: Recognition & Training

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## Recognition Categories:

- Length of Service
- Merit
- Safety
- Participation

## Allowable

- Awards, Rewards, and Prizes
- Staff Appreciation Meals
- Recognition Events

## Staff Appreciation Meals:

Infrequent, unique, official function hosted and attended by the head of an organizational unit for the purpose of showing appreciation. **Not expected to occur more often than quarterly.**

# FPS: Business Expense Substantiation and Tax Implications

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Failure to submit an expense report within 90 days from the transaction date or 90 days of the trip end date will result in the amount of the related expense being reported as additional taxable income to the employee per the University's Accountable plan (**FPS: Business Expense Substantiation & Tax Implications**).

## What does this mean for the employee?

The employee's **paycheck will be reduced** by the amount of tax owed on total transactions that were submitted after 90 days.

## What should you do?

- If you believe there were circumstances that prevented you from submitting the report in 90 days, you must request an exemption from the Fiscal Compliance team.
- You should submit this exemption IMMEDIATELY after receiving the “Taxable Expenses Notification” email



**There is a limited amount of time between report submission and payroll deadlines to submit an exemption. Must submit exemption request immediately to avoid a paycheck impact.**

## What is Fiscal Compliance Doing to help?

In addition to the system alerts that come from Concur, Fiscal Managers receive a monthly aging report for procurement card and travel cards from Fiscal Compliance.

# Procurement Impact

## Specific Requirements



# Sensitive Expense Approvals



Alcohol	Recognition	Gift Cards/PC/CF	Donations/Sponsorships
<ul style="list-style-type: none"><li>Campus <a href="#">Alcohol Authorization</a> form required to be submitted for any event where University funds are being used to support the event, not just the alcohol purchase.</li><li>Officer, Alcohol Advisory Committee, Campus Leadership (when applicable)</li></ul>	<ul style="list-style-type: none"><li>Follow policy grid based on type of recognition, dollar amount, and employee/non-employee status</li><li><a href="#">Recognition Program Authorization</a> and <a href="#">Recognition Reporting Form</a>.</li><li>Important to follow procedures for tax reporting impact</li></ul>	<ul style="list-style-type: none"><li><a href="#">Gift Card Authorization</a> must be submitted prior to the purchase of any gift cards.</li><li><a href="#">Petty Cash and Change Fund Request</a> must be submitted to Fiscal Compliance.</li><li>Custodian, Unit Authorizing Official (must be listed with Fiscal Role on ST), and Fiscal Compliance</li></ul>	<ul style="list-style-type: none"><li>Formstack <a href="#">Donation and Sponsorship Request</a> form</li><li>Officer and Campus Leadership</li><li>Generally prohibited. Campus waiver process authorizes use of University funds and evaluates receiving organization.</li></ul>

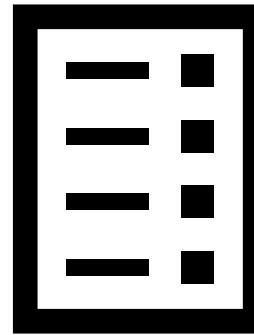
# Substantiation

**Business Purpose** and/or comments must demonstrate the following:

- Direct relationship to University operations
- Grants: Direct benefit to the award, particularly when travel is involved
- Business & Personal Travel: Clearly show what is business and what is personal, use header description to outline itinerary and provide details.

Did you address the Who, What, Where, When, and Why of the purchase?

This should be stated in a way that an external party (auditor) could review the report and understand the validity and allowability of the expenses.



Attach required **Documentation** to support/substantiate the business purpose of the expenditure. Source documents must include:

- Vendor Identification (Merchant Name)
- Date of Purchase
- Description & Quantity of each item purchased
- Cost per Item (if available) and Total Cost of Order
- Cardholder Name and/or Card Number
- Complete explanation of Purchase
- Prior Approvals obtained (forms/emails)



Approvers/AOs **MUST** be familiar with fiscal policies in order to appropriately review expense and travel reports.

# Procurement Method

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## **CU Marketplace is preferred method across the University**

- Commodity List
  - Lists different commodities and the associated Purchasing Agent at the PSC.
  - Describes if University Price Agreement exists or special purchasing considerations
- Strategic Contracts
  - University engages in strategic University Price Agreements with certain vendors to obtain better pricing.
  - If a strategic contract is in place, you must use this vendor (e.g. Staples for Office Supplies)
- **Procurement Card** – Used for small-dollar purchases. The single purchase limit is \$5,000 for general cardholder use.
- **Travel Card** – Used for payment of University travel-related expenses.
- **Personal Reimbursement** - Reimbursements should not be the usual way that the department obtains goods. Limited to \$5,000 and is further limited to commodities not covered by university price agreements.

# Campus Contacts

**Denver & Anschutz Fiscal Compliance:**  
[fs-compliance@ucdenver.edu](mailto:fs-compliance@ucdenver.edu)

**Financial Services - Controller Office:**  
[Finance.AccountingHelp@ucdenver.edu](mailto:Finance.AccountingHelp@ucdenver.edu)



# Questions

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