

University Enterprises, Inc. Policies and Procedures	Policy No. 2005
Section: Business Services	
Policy: Expenditure Policy	
Effective or Revised: December 11, 2015	

University Enterprises, Inc. Expenditure Policy

I. PURPOSE

To provide management with policies and regulations governing UEI expenditures.

II. SCOPE

This policy applies to all UEI personnel, including central administration and sponsored programs.

III. POLICY

I. Background and Purpose

Business expenses include the ordinary and necessary expenditures directly connected with or pertaining to UEI's trade or business. Among the items included in business expense are management expenses, commissions, labor, supplies, incidental repairs, traveling expenses, advertising and other selling expenses, insurance premiums and rental for the use of business property and expenses related to sponsored programs.

II. Policy and Regulations

A. Policy Provisions

1. UEI is committed to promptly paying its bills as they become due. Cash discounts will be taken if applicable.
2. All disbursements will be properly substantiated. Supporting documents will include evidence of receipt and approval.
3. A determination will be made by the Accounts Payable Supervisor that all invoices comply with provisions of purchase orders, contracts, leases, service agreements and that the same payments have not been previously made.
4. UEI will comply with all applicable federal and state payment reporting requirements.
5. The indirect cost rates (Facility and Administration rate) charged to federal or non-federal programs will be based on rates jointly approved by the Assistant Vice President of the Office of Research Affairs and the Director of Sponsored Programs Administration.
6. Reimbursement will be made for costs associated with facilities used in connection with federally sponsored programs, contracted cost share arrangements, faculty release time or for other state expenditure reimbursement requirements.

B. Regulations

Consistent with the policy provisions in Section A above, the following regulations apply to UEI disbursements:

1. All disbursements (other than petty cash) will be made by check or by wire transfer. No checks will be made payable to cash and only individuals authorized by the UEI Executive Director will make wire transfers.

2. Supporting documents will include original invoice or certified invoice copy, and purchase order, if appropriate. If original invoices or receipts have been lost, photocopies will be accepted if clearly marked "Original Lost, Duplicate Copy" and certified that payment has not been previously made.
3. Expenditure must include signatures for authorized signers, signed check requests, or signed consultant agreement, as applicable.
4. Signature cards documenting who may authorize accounts payable transactions will be obtained and updated annually or as appropriate.
5. All returned/abated and stale dated checks will be defaced and voided.
6. Payment terms are net 30 days unless agreements with vendors or industry standards differ.
7. Business Services Division and Sponsored Programs Administration will keep the University informed of financial aid disbursements.
8. Hospitality expenditures must serve the purpose of promoting the mission of the University, be reasonable in amount, and substantiated with one-up signature, original receipts/invoices, or certified invoice copy. If a one-up benefit from the hospitality event, the next level one-up must sign. Procedures related to Hospitality policy, not otherwise covered in this policy, should default to California State University, Sacramento, *Hospitality, Payment or Reimbursement of Expenses*, ADM-0111.

C. Allowable/Prohibited Expenditures

1. Any expenditure not related to the normal course of business is prohibited.
- 2a. For UEI central staff: Unless prior approval is obtained from the Executive Director, a meal reimbursement for public relations is limited to no more than \$50 per person for dinner and \$25 per person for lunch. A public relations gift is limited to no more than \$100 per person unless approved by the Executive Director. Public relations expenditures are defined as expenses incurred to advance public relations between UEI and the Campus Community or the Community at large. The expenditure must have a direct business purpose. Expenditures for employee recognition are not covered under this policy.
- 2b. For UEI sponsored and University Support programs: UEI follows the University's policies related to hospitality expenditures. Refer to California State University, Sacramento, *Hospitality, Payment or Reimbursement of Expenses*, ADM-0111, Revised 10/02/13.
3. Entertainment expenditures which do not promote UEI business are prohibited.
4. Political contributions are prohibited.
5. Honorariums to students are prohibited.
6. Expenses related to lobbying are prohibited.

IV. RELATED POLICIES

Policy #2025 Purchasing Policy

Policy #2035 Travel Policy

California State University, Sacramento, *Hospitality, Payment or Reimbursement of Expenses*, ADM-0111