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**Section Title:** Financial Policies  
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**Responsible Executive:** Associate Vice President, Office of Financial Affairs  
**Responsible Office:** Office of Financial Affairs  
**Contact:** Controller, Brook Thompson  
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## 1.00

# TRAVEL

## STATEMENT OF PURPOSE AND RESPONSIBILITY

Many Regis University personnel incur travel expenses in the performance of their job responsibilities. Accordingly, this travel policy and related procedures are designed to provide these employees and their supervisors with guidelines for those expenditures. The enclosed policies are structured to provide the employee with assurance that IRS requirements are met and employees are sheltered from further tax liability. The demands of federal funding and insurance regulations are also reflected in the policies.

Travel policies are pertinent only to the individual employee or team/field trip group traveling on behalf of Regis. Business meetings, entertainment, and hospitality, whether they occur while traveling or while at home, are covered in the Business Meals and Entertainment policy.

Although travel can be an exciting and rewarding experience, the traveling employee often sacrifices time and is inconvenienced in order to travel on Regis business. For this sacrifice and inconvenience, the traveling employee is heartily thanked.

### 1.01 **General Considerations:**

- .01 Travel is undertaken when other methods of communication are insufficient to accomplish the business objectives.
- .02 Expenses incurred are at the most reasonable level.
- .03 Personal preferences in travel prevail whenever the resulting costs are reasonable.
- .04 Exceptions are explained on the employee's expense report and approved by the supervisor who approves the purchasing card expense report or countersigns the Expense Report/Reimbursement Request Form.
- .05 Questions regarding interpretation of the Travel Policies are referred to the Controller.
- .06 All travel expenditure reimbursements are due within 90 days of travel.
- .07 Travel expenses must be made on university purchasing options (purchasing cards, etc.) when available.

## APPLICABILITY AND DEFINITIONS

### 1.02 **Applicability:**

- .01 This Travel Expenses Policy and related procedures apply to all travel that is reimbursable by the University. Again, it must be noted that this policy does not cover expenses which are incurred in a business meeting (with at least one other individual present), entertainment (of prospective students or alumni), or hospitality environment.

### 1.03 **Definitions:**

- .01 Travel approval is made by the traveler's supervisor.
- .02 Expenditure approval is given by the individual who is responsible for the budget supporting the expense. When the traveler is also the budget manager, the

traveler's supervisor gives the approval.

.03 Travel wholly within a day is travel that does not require overnight lodging.

.04 Travel extending beyond one day is travel that requires overnight lodging.

.05 Reasonable is a term often used by the IRS to indicate that an expense is incurred in the ordinary and necessary operations of a company and are not excessive or extravagant.

#### 1.04 **Forms:**

.01 The following forms are referred to in this chapter of Business Policies and Procedures:

- Travel Advance Request Form
- Check Request Form
- Expense Report/Reimbursement Request Form

These forms are accessible for faculty and staff via the Financial Affairs SharePoint

<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### **GENERAL POLICES**

#### 1.05 **Prior Authorization to Travel:**

.01 Travel wholly within a day will be arranged between the supervisor and the employee.

.02 Travel on behalf of Regis that is reimbursed by a non-Regis organization must be approved via a Travel Advance Request Form. The travel is not to be approved if there is a conflict of interest with the sponsoring group or agency.

#### 1.06 **Conference Registration:**

.01 Conference registration materials requiring advance payment should be purchased using a Regis Purchasing Card or attached to a Check Request Form with a copy and forwarded to Accounts Payable.

.02 The completed registration form will be mailed directly from Accounts Payable to the address provided with the payment.

.03 If an institutional membership fee is being paid along with a registration fee, the Check Request Form is routed through the Office of Financial Affairs.

#### 1.07 **Travel Advance:**

.01 A travel advance based on a written estimate of reasonable expenses may be requested via the Travel Advance Request Form. The Travel Advance Request Form must be submitted to Financial Affairs at least 10 working days prior to departure to receive an advance.

.02 Travel advances are reconciled on an Expense Report/Reimbursement Request Form within five (5) working days of the return date indicated on the Travel Advance Request Form. The Expense Report/Reimbursement Request Form contains instructions for the handling of shortages or overages of travel advance funds.

.03 Only one travel advance per traveler may be outstanding at any time unless trips are back-to-back. Travel advances that are not cleared will be deducted from an

employee's paycheck approximately sixty days after the return date indicated on the Travel Advance Request Form.

## **TRANSPORTATION METHODS**

### **1.08 Air Travel:**

- .01 Please make reservations as far in advance as possible. Employees are asked to travel at the lowest coach airfare that meets their travel needs.
- .02 When the airline offers a significantly reduced fare for traveling over the weekend, the University will reimburse for any associated extra meals and lodging provided there is no overall increase in the cost of the trip to the University.
- .03 Travel expenses not within the business purpose of the trip, including expenses for accompanying family members or friends, are the responsibility of the traveler.
- .04 Frequent flyer awards are considered the property of the traveler.
- .05 Unused airline tickets should be returned promptly to the place of purchase for credit processing. This is true even for those that appear to be non-refundable.
- .06 Lost tickets must be reported promptly to the vendor for airline notification and re-ticketing.
- .07 Airline ticket exchanges, which result in increases in the original fare, should be noted on the Expense Report/Reimbursement Request Form.
- .08 The liability incurred as a result of lost or stolen baggage rests with the traveler. If baggage is lost due to a transportation provider's error, first seek any needed items or compensation from the provider; if it is not available, while away from home employees may replace basic and necessary emergency personal care items and submit a claim on the Expense Report/Reimbursement Request Form for reimbursement along with receipts up to \$50.
- .09 Air Travel must be purchased using a Regis Purchasing Card if available. If employee is a frequent traveler, a purchasing card can be ordered following instructions at the link below:  
<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### **1.09 Ground Transportation:**

- .01 The traveler is encouraged to use whichever means of ground transportation is cost effective, available, and compatible with University business. When drivers of public transportation are readily accessible, please utilize the Regis Purchasing Card and ask for a receipt to assist in documenting your travel expenses.

### **1.10 Rental Vehicles:**

- .01 Rental vehicles are used when more economical or practical means of transportation are not available. Unless there are specific reasons otherwise (e.g., multiple passengers or excessive baggage), compact to intermediate size cars are used. Receipts are turned in with the purchasing card expenses or with the Expense Report/Reimbursement Request Form at the conclusion of the trip.
- .02 Insurance for rental car coverage should be purchased on rental vehicles. Any accidents should be promptly reported to the appropriate law enforcement agencies, the rental car company, and the Business Insurance Office within Financial Affairs. The purchasing card should cover any immediate liability incurred by the Regis employee in the case of an accident.

1.11 **Personal Automobile:**

- .01 Personal automobiles may be used for Regis University business and will be reimbursed. Mileage is calculated from the Regis site to the off-campus business and return to Regis. The cost of driving to and from work is not reimbursable. The current mileage reimbursement rate is 50 cents per mile.
- .02 Parking expenses incurred while on University business are reimbursable.
- .03 Normally, total reimbursement for private automobile travel will not exceed the total travel cost by common carrier between the points of travel.
- .04 Affiliate faculty are reimbursed for the excess over 40 miles round trip travel to a campus site. The mileage is calculated from the point of departure to class and the return trip home.
- .05 Fines for traffic violations or illegal parking are non-reimbursable expenses, regardless of amount.

1.12 **Regis University Vehicles:**

- .01 Regis University vehicles are typically assigned to a department and are the immediate responsibility of the department head. University vehicles are to be used only for University business.
- .02 In certain instances, Regis vehicles have been assigned to specific employees because of the nature of their University positions. Vehicle allowances are taxable in accordance with requirements of the Internal Revenue Code.
- .03 Drivers of Regis University vehicles must have a valid driver's license and receive approval from the Business Insurance Office within Financial Affairs to be an authorized driver.
- .04 Please report accidents and injuries with University vehicles as soon as possible to the proper police authorities and to the Business Insurance Office within the Office of Financial Affairs. The interval of time immediately following an accident is a stressful one and sometimes includes a period of intense reactions. Regis employees are asked to cooperate with law enforcement and health service officers but are cautioned to let all facts speak for themselves and avoid either offering value judgments or attempting to accept liability.
- .05 Regis provides license plates and insurance coverage for all University vehicles. All other expenses including fuel, maintenance, mechanical repairs, and damages not covered by insurance are the responsibility of the department using the vehicle. Traffic fines incurred in the operation of Regis University vehicles are the personal responsibility of the employee/driver.

**LODGING, MEALS, AND MISCELLANEOUS ALLOWANCES**

1.13 **Lodging:**

- .01 For travel extending beyond one day, the University reimburses reasonable lodging expenses. Employees are free to stay at conference/convention hotels even when that cost may be higher than other available lodging.
- .02 A detailed listing, by day, of lodging charges is the appropriate receipt to submit for reimbursement; a credit card slip is not acceptable documentation of lodging expenses.
- .03 If an employee stays with an individual host while traveling and avoids the cost of lodging, it is appropriate to expend a reasonable amount on a gift or meal as an

expression of gratitude.

1.14 **Meals:**

- .01 Meals are reimbursed when an employee travels away from home and away from the work site for more than five hours on Regis University business.
- .02 Regis will reimburse on either an actual expense basis or per diem basis. The per diem allowance provides for a standard amount for an employee's daily meals and incidental expenses while the employee is traveling away from home on business. For per diem, the employee is not required to keep actual itemized expense receipts in order to document expenditures as the employee would if the actual expense basis of reimbursement had been chosen. However, when using the per diem allowance, the employee still must keep records to document the time, place, and business purpose of the travel. Actual expense or per diem reimbursement must be consistently applied on a per trip basis. If an employee uses per diem for one day of the trip, per diem must be used for every day of that trip. This also applies when using actual expense method.
- .03 Reasonable actual expenses for meals are reimbursed when the employee submits original receipts to document the expenditure.
- .04 When using a per diem reimbursement the IRS Publication 1542, Per Diem Rates, will be used. The per diem is intended to cover amounts spent for food, beverages, taxes, and tips related to the meal. The allowance will be prorated based upon the following table when the employee is not away for the full working day.
  - Publication 1542, Per Diem Rates listing locations and standard rates.
- .05 Meals paid for as part of a conference registration fee are not also reimbursable on the per diem allowance nor will actual receipts be accepted for reimbursement. It is anticipated that the employee will partake of the conference meal.
- .06 When meals are incurred for entertainment or business meeting purposes (entertaining students, alumni, and clients) during a trip, the employee should follow the "Hospitality" guideline section covered in the Business Meals and Entertainment policy. The per diem meal allowance should be reduced to reflect the substitution of the "Hospitality" meal.
- .07 Room Service, when reimbursed as an actual expense, can be used when the cost is reasonable or at times when it would be inappropriate for the employee to leave the room or hotel.

1.15 **Miscellaneous Allowances:**

- .01 Cleaning/Laundry On extended trips or in unusual circumstances it is appropriate to be reimbursed for reasonable cleaning expenses. The "unusual circumstances" should be noted at the time reimbursement is requested.
- .02 Tipping Reasonable tipping is expected, and normally is accounted for as an addition to some other base cost. For example, the tip given to a parking attendant for retrieving your automobile would be a part of parking costs. For meals, this does not exceed 20% of the meal price.
- .03 IRS Exclusions There are certain non-business-related expenses that the IRS specifically disallows under Regis' accountable plan. These include pay per view television, in-room movies and other forms of entertainment of an employee traveling on University business. Regis, therefore, does not reimburse these non-

business expenditures.

### **TRAVEL POLICIES SPECIFIC TO STUDENTS**

Team and departmental field trip staff follow all policies so far outlined in this chapter when traveling on Regis business. However, this section will additionally cover all team and field trip travel that is sanctioned by the University.

#### **1.16 Travel Advances:**

- .01 In order to obtain a travel, advance for team or field trip travel, a coach or sponsoring faculty member submits a completed Travel Request Form to Accounts Payable. Please try to allow a minimum of two weeks prior to the date the advance is needed.
- .02 A student traveling alone (without faculty or athletic directors) on Regis business may receive a travel advance if a Regis employee requests the advance on behalf of the student and accepts the responsibility of teaching the student to spend and maintain receipts in accordance with these travel policies.

#### **1.17 Expense Report:**

- .01 Each travel advance check will be made out to the coach or sponsoring faculty member who submitted the request. Therefore, it is the responsibility of that employee to gather receipts from expenditures and complete the Expense Report/Reimbursement Request Form to clear this advance. Please attach all original receipts to an 8-1/2" X 11" sheet of paper and include with the Expense Report/Reimbursement Request Form just after the return from the trip. Any money that is to be returned or additional reimbursement needed may be remitted or obtained in accord with the directions on the Expense Report/Reimbursement Request Form.

#### **1.18 Team and Group Meals:**

- .01 Each coach or sponsoring faculty member, with the approval of the department head, arranges for team or group meals on road trips. There isn't a specific "per diem" for group travel: Individual team or departmental budgets as well as reasonableness are taken into consideration when planning meals.

#### **1.19 Airline, Hotel, and Ground Transportation:**

- .01 Each coach or sponsoring faculty member should pre-arrange any anticipated trip well in advance to obtain the best possible costs, airfare, or other travel expenses. When booking airline travel a travel agent must be used.
- .02 Hotels should be pre-booked before each trip. Hint: Consult the home team coach or sponsoring organization for their group rates.
- .03 Ground transportation (rentals, taxis, and shuttles) is normally pre-booked before the trip.
- .04 If a Travel Advance has not been submitted for these purchases, a Regis Purchasing Card is to be utilized for expenses.

#### **1.20 Team or Group Entertainment Expenses:**

- .01 Entertainment expenditures for athletes or student groups while on road trips is allowed when approved by a department head. The coach or sponsoring faculty member uses discretion when determining the nature of the activity and verifies that there is the budgetary means to support such an activity. University vehicles may be used for these group-sponsored occasions but must not be made

available for purely private use.

1.21 **Incidental Expenses:**

- .01 Long distance telephone charges and other personal items are paid for by the individual athlete or student who has incurred the expense. Expenses such as laundry, emergency medications, and emergency clothing purchases can all be covered out of the departmental budget with department head approval.

1.22 **Regis University Vehicle Use:**

- .01 The University has assigned certain vehicles that are available for the sole use of departmental travel. The respective departments are responsible for all operating expenses. Gasoline credit cards are available through Accounts Payable.
- .02 All drivers of Regis University vehicles must have a valid driver's license. Additionally, federal and state laws require a Commercial Driver's License (CDL) in order to drive 16 passenger vans or buses. The department head ensures that all drivers of University vehicles carry a proper license. Departmental budgets are authorized to reimburse staff for CDL license tests on a one-time basis. All drivers must be approved drivers by the Office of Business Insurance within Financial Affairs.
- .03 Drivers of University vehicles do not receive mileage reimbursement for use of that vehicle.

**TRAVEL POLICIES SPECIFIC TO INTERNATIONAL TRAVEL**

Employees and students engaging in international travel follow all policies so far outlined in this chapter when traveling on Regis business. However, this section additionally covers policies specific to international travel sanctioned by the University.

1.23 **Student Health/Medical Insurance:**

- .01 All students participating in Travel abroad programs sanctioned by Regis University must show proof of adequate [Travel and International Medical Coverage](#). Regis University purchases Foreign Accident and Sickness for emergencies and repatriation only. All study abroad students are responsible for obtaining adequate travel and medical insurance coverage while abroad. Some program providers offer travel insurance for the duration of the program. Students who wish to travel before, during, or after the program should purchase additional insurance to cover non-program related travel.

1.24 **Air Travel:**

- .01 Due to the extended flight time of international travel, as well as the need for employees to be adequately prepared for work upon arrival, it is permissible for employees to utilize "**Business Class**" seating on international flights. Permission must be granted by the individual responsible for expenditure approval prior to purchasing a ticket.

1.25 **Foreign Travel Meals and Per Diem:**

- .01 The University will utilize the Maximum Travel Per Diem Allowances for Foreign Areas as published by the U. S. Department of State. It is the employee's responsibility to obtain the most recent rate schedule and attach it to the Employee Expense Report Form. The U. S. Department of State updates this document monthly and makes it available at <https://aoprals.state.gov>



1.26 **Foreign Exchange Rates:**

- .01 The employee is responsible for obtaining written documentation detailing the exchange rate that is used in converting expenditures to U. S. Dollars. This documentation must be attached to the Employee Expense Report Form.

2.00 **BUSINESS MEALS AND ENTERTAINMENT**

**STATEMENT OF PURPOSE AND RESPONSIBILITY**

Business meals and entertainment activities are supported by Regis University funds when they are designed to assist in achieving program objectives. University funds are not used for personal entertainment or benefit.

2.01 **General Considerations:**

- .01 Pursuant to Internal Revenue Service guidelines, Regis maintains a reimbursement or other expense allowance arrangement for business meals and entertainment activities which constitutes an accountable plan. Employees comply with all procedures outlined in this section. The failure to do so may result in the disallowance of a reimbursement and/or taxable income to the employee.
- .02 Expenses should always be at a reasonable level.
- .03 It is allowable to follow personal preferences in business meals and entertainment activities so long as the resulting costs are reasonable.
- .04 Please refer questions regarding interpretation of the Business Meals and Entertainment Policies to the Controller or the Controller's designee.

**APPLICABILITY AND DEFINITIONS**

2.02 **Applicability:**

- .01 These policies on business meals and entertainment apply to the hosting of all business meals and any entertainment activity where the University incurs charges or when an employee seeks reimbursement.
- .02 The Travel policy document covers travel and conference registration fees.
- .03 Student meals and entertainment expenses are covered in the Travel policy document.

2.03 **Definitions:**

- .01 The individual who is responsible for the budget supporting the expense gives expenditure approval. Budget managers are authorized to approve expenditures for business meals and entertainment that comply with this section of the policy. When the person seeking reimbursement is also the budget manager, that person's supervisor gives the approval.
- .02 Reasonable is a term used to indicate that an expense is incurred in the ordinary and necessary operations of the University's business and is not excessive or extravagant.

2.04 **Forms:**

The following forms are referred to in this chapter of Fiscal Policy Manual:

- Expense Report/Reimbursement Request Form

These forms are accessible for faculty and staff via the Financial Affairs SharePoint

<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

## **GENERAL POLICIES**

### **2.05 University Functions:**

- .01 University functions such as the President's annual employee appreciation and awards luncheons or Christmas party are intended to involve all employees. Typically, they allow for a spontaneous atmosphere whereby employees from various departments are given an opportunity to experience the human dimension of the University. Events such as these are an appropriate expense against the institution's budget and should be approved by the Budget Manager in the area where the funds are reserved for a given function.

### **2.06 Departments:**

- .01 A department may find good reason to host an event that involves all of its employees and employees from other units. Examples include an annual open house or a retirement reception. These appropriate expenses within the context of a department's budget require prior approval from the Vice President who is responsible for that department. Additionally, if a normally scheduled workday is involved, these activities are to be scheduled to start at 4:00 p.m. or later.
- .02 Departments may also charge their budgets for the coffee, tea, and water services that are available for visitors and staff throughout the day; similarly, budgets may be charged for the pastries and juices made available during staff meetings. Additionally, the meal and space rental costs for departmental functions and planning retreats are appropriate departmental expenses.

### **2.07 Working Lunches:**

- .01 Working lunches on campus that involves people from various departments may be charged against a department's budget. Similarly, departments may find infrequent occasions (e.g., orientation/clearance/etc.) when it is more efficient to provide meals to employees in an area adjacent to their duty stations.
- .02 When working lunches involve non-exempt employees (per Fair Labor Standards Act definition), supervisors are cautioned that the meal period be included as part of the working hours and be compensated accordingly.
- .03 Normally, working lunches among employees take place in a campus dining facility or conference room. However, when there is a reason (e.g., privacy/confidentiality) to hold such a luncheon off campus, the procedures in Section 2.08.01, below, are to be followed.

### **2.08 Meals and Entertainment Activities Away from Campus:**

- .01 Business meals and entertainment activities that take place away from the University's campuses are generally appropriate when they involve hosting an outside visitor or client, including enrolled and prospective students and alumni. A business meal away from the campus may also involve University employees

as provided in Section 2.07.03, above.

- .02 When seeking reimbursement for hosting outside meals or for entertainment expenses, an employee submits an Employee Expense Report/Reimbursement Request Form or uses a University purchasing card accompanied by all original, itemized receipts and an explanation containing relevant information:
  - Names and business relationships of participating individuals;
  - Business purpose;
  - Date of business meal or related expenses;
  - Location of event; and
  - Amount of expenditure.
- .03 The Employee Expense Report/Reimbursement Request Form is to be approved and forwarded to Accounts Payable.

### **3.00 MEMBERSHIPS, DUES, AND SUBSCRIPTIONS**

#### **STATEMENT OF PURPOSE AND RESPONSIBILITY**

Regis University often benefits by being represented in certain national or regional organizations and associations. Therefore, as a matter of development and corporate responsibility, Regis allows its staff to participate in relevant organizations and associations. The intent of these policies is to distinguish between organizational memberships that are the University's responsibility and memberships that are generally considered an individual's personal or professional responsibility.

The current CFO is responsible for approving centrally provided funds that support institutional memberships.

#### **APPLICABILITY AND DEFINITIONS**

##### **3.01 Applicability:**

- .01 These policies on memberships, dues and subscriptions are applicable for all faculty and staff that are employed by Regis University.

##### **3.02 Definitions:**

- .01 Institutional Membership: Any membership in an association or organization where the University has the prerogative of naming the individual who will represent the institution. For example, if the individual named to represent the institution leaves the University's employment, another individual may be named as the institutional representative.
- .02 Professional membership: Any membership in an association or organization where the University cannot name a successor representative. In these situations, when an individual leaves the University's employment, the individual's status in the organization remains the same but Regis is no longer represented.

##### **3.03 Forms:**

The Check Request Form is referred to in this chapter of the fiscal policy.

- Check Request Form

This form is accessible for faculty and staff via Financial Affairs SharePoint <https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### **GENERAL POLICIES**

#### **3.04 Membership and Dues:**

- .01 The University pays for memberships and dues in a society, association or similar organization where the membership serves the direct needs of Regis through the information and support services of the organization.
- .02 The number of memberships is restricted to the minimum required to meet the needs of the University.
- .03 Once a membership is obtained, it is supported by regular attendance at the organization's meetings. The cost of travel, lodging and meals associated with those meetings is supported through regular departmental budgets.
- .04 Examples of organizations that are eligible for institutional membership support include: Accrediting agencies, AACRA, AJCU, AGB, CAEL, IHEC, NACUA, NACUBO, NAFSA, NASFAA, NLN, RMACRAO, RMASFAA, WICHE and various chambers of commerce.
- .05 Memberships in professional societies and associations (e.g., American Accounting Association, Phi Delta Kappa, and Sigma Xi) are generally considered the responsibility of an individual unless it is a requirement of the employees position.
- .06 Departments may elect to support institutional memberships from their own funds.

#### **3.05 Procedures:**

- .01 Application forms (plus one photocopy for accounting records) for institutional memberships are filled out completely, attached to a Check Request Form and accompanied by any explanatory narrative.
- .02 A Check Request Form is filled out as completely and all materials forwarded to the Office of Financial Affairs where proper account codes will be affixed and approval for the membership reviewed.
- .03 Financial Affairs will handle the details of any final processing.
- .04 Subscription forms (plus one photocopy for accounting records) for magazines and newspapers are forwarded to Accounts Payable, accompanied by a Check Request Form that has been approved at the department level.

### **SUBSCRIPTION POLICIES - GENERAL**

#### **3.06 Subscriptions:**

- .01 Department heads may approve funding, through their budgets, of subscriptions to magazines and newspapers.

## **4.00**

## **INDEPENDENT CONTRACTORS**

## **STATEMENT OF PURPOSE AND RESPONSIBILITY**

While hourly wage and salaried jobs are the prevailing form of employment at Regis University, short-term needs, peak loads, and specialized functions occasionally require the use of independent contractors. This chapter of the Regis University Fiscal Policies is designed to help the manager understand when personal services can be carried out by an independent contractor (as opposed to an employee) and to explain the procedures for contracting for personal services.

The Associate Vice President of Human Resources will have the responsibility and ultimate authority to determine whether a working alliance is properly classified as an independent contractor relationship or should be considered an employee.

### **4.01 General Considerations:**

- .01 The University can suffer considerable risks and liabilities if an individual is misclassified as an independent contractor when, in fact, the classification should be employee.
- .02 Regulatory agencies including the Internal Revenue Service, Social Security Administration, State Workers Compensation Insurance, and Federal and State Unemployment Agencies have an interest in the classification of independent contractors and have agreed upon a set of rules (listed as definitions in this chapter) to classify independent contractors and employees.
- .03 Employee benefits are not offered to independent contractors.
- .04 Questions regarding interpretation of these policies are referred to the Associate Vice President of Human Resources or the Associate Vice President's designee.

## **APPLICABILITY AND DEFINITIONS**

### **4.02 Applicability:**

- .01 These policies are followed in all cases when there is a need for personal services that are not already assigned to a University authorized position. That is, they are to be used when obtaining the services of an independent contractor.

### **4.03 Definitions:**

- .01 Independent contractors generally:
  - Are told the desired end result of their work but are not given details or instructed as to the means of completion.
  - Do not receive training from the University but come to the job with the professional expertise to complete it.
  - Provide services that are not an integral part of the University's business but supplement it.
  - May provide whomever they deem appropriate to finish the job; they are not required to complete the task personally.
  - Do not hire, supervise, or pay employees of the University.
  - Work for many businesses. Regis is not their only means of income.
  - Set their own work hours.
  - Don't work continuously for the University.
  - Don't always work on the Regis premises.
  - Don't have to follow a set of rules determined by the University.
  - Don't submit regular reports to the University.
  - Are paid by the job, not in regular amounts at set intervals.

- Generally, do not receive reimbursement for expenses.
- Supply their own tools and materials.
- Have an investment in the assets and facilities used to perform the tasks.
- Can make a profit or loss on the enterprise.
- Offer their services to the general public; they advertise.
- Cannot be fired, the contract protects them.
- Cannot quit, the contract obligates them.

.02 University employees usually meet the following set of criteria:

- Must comply with the University's instructions about the work done.
- Receive training from or at the direction of the University.
- Provide services that are integrated into the University's business.
- Render these services personally; it would not be acceptable for them to substitute other individuals in their place.
- May hire, supervise, and pay assistants on behalf of the University in some instances.
- Have a continuing working relationship with the University.
- Must follow set hours of work.
- Work primarily for the University.
- Do their work on the Regis premises or on Regis issued devices.
- Must do their work in a sequence set by the University.
- Must submit regular reports to the University.
- Receive payments of regular amounts at set intervals.
- Receive payments for business and/or travelling expenses.
- Rely on the University to furnish tools and materials.
- Lack a major investment in facilities used to perform the services.
- Cannot make a profit or suffer a loss from their services.
- Work for one employer at a time.
- Do not offer their services to the general public.
- Can be fired.
- May resign at any time without incurring liability.

.03 The term employee includes, but not limited to, the following Regis classifications: Faculty, Adjunct Faculty, Administrator, and Staff.

#### 4.04 **Forms:**

The following forms are referred to in this chapter of Fiscal Policy Manual.

- Independent Contractor Agreement
- IRS Form W-9

These forms are accessible for faculty and staff via the Financial Affairs SharePoint

<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

## **GENERAL POLICIES**

4.05 **Making the Independent Contractor Determination:**

- .01 Though no single criterion provides conclusive evidence, the definitions for independent contractor and employee can be used in most cases to determine whether independent contractor status is warranted.
- .02 The major factor in the determination of employee vs. independent contractor is the amount of control exercised in the relationship. If a person is providing services according to University procedures, is being supervised by a University manager, or can be fired from the job, then an employee is providing the services.
- .03 The University will generally classify an individual as an employee when there is uncertainty as to the classification.
- .04 Generally, individuals who are classified as employees at Regis University, cannot simultaneously be independent contractors of the University. The Associate Vice President of Human Resources decides exceptions to this general rule.

4.06 **Procedures for Contracting Independent Contractors:**

- .01 The University manager wishing to initiate the agreement will complete the Independent Contractor Agreement. Both the initiating departments budget manager and the independent contractor must sign and date the agreement before submitting to Human Resources for approval. The agreement invalid until signed by the Associate Vice President of Human Resources.
- .02 Three originals of the agreement are required; one to be maintained by the Associate Vice President of Human Resources; one to be returned to the independent contractor after it has been executed; and one to be kept in the department initiating the agreement.
- .03 If the use of an alternate form is desirable, the agreement must be reviewed and approved by the University's legal counsel before being executed by the Associate Vice President of Human Resources. The Associate Vice President of Human Resources will arrange for this approval.
- .04 Ask the independent contractor to complete a Form W-9.
- .05 Forward the agreements and Form W-9 to the Associate Vice President of Human Resources.
- .06 The agreement is considered executed when signed by the Associate Vice President of Human Resources. The Associate Vice President of Human Resources will subsequently assign an agreement number to the executed agreement. Two originals are then forwarded by the University manager who initiated the agreement, one for their files and one to be forwarded to the independent contractor.
- .07 Assignment of work or initiation of work does not occur prior to the completion and execution of the Independent Contractor Agreement.

4.07 **Accounting for the Personal Services Agreement:**

- .01 The Associate Vice President of Human Resources will forward a copy of the agreement and the Form W-9 to Accounts Payable.
- .02 Upon receipt of the agreement, the Accounts Payable administrator will encumber the appropriate budgetary unit for the amount specified on the agreement.

4.08 **Requesting Payment of a Personal Services Agreement:**

- .01 When invoices are received from an independent contractor, it is marked "approved for payment" with the agreement number indicated, the budget manager signs and dates the approval, and the invoice is forwarded to Accounts Payable. It is not necessary to complete a Check Request to make payment to an independent contractor.

4.09 **Due Diligence:**

- .01 The individual or department who requests an independent contractor agreement is responsible for administrative details as they relate to processing invoices, monitoring performance, ensuring compliance with terms and conditions and so forth.

4.10 **Agreement Changes/Change Orders:**

- .01 Independent contractor agreement changes are subject to the same procedures and processing as those detailed in this chapter for initial agreements. All amendments should clearly refer to the original agreement by agreement number, and a copy of the original agreement, with any changes, should accompany the current amendments.

**5.00**

**GENERAL CONTRACTS**

**STATEMENT OF PURPOSE AND RESPONSIBILITY**

This chapter provides procedures for contractual matters of Regis University when those matters do not include employment and/or independent contractor arrangements. It also describes the process by which the University formally obligates itself under contractual terms and conditions.

By University policy, the President, the Provost/Vice President for Academic Affairs and the CFO/Sr. Vice President may obligate Regis University via contractual documents. The General Counsel of the University is required to review and recommend all contracts.

It is the responsibility of all department heads, budget managers, faculty, staff, and students to use the above offices and the attending procedures when dealing with contractual matters.

Employees can be held personally and financially responsible for contractual obligations not approved pursuant to the policies and procedures herein described.

Questions regarding this chapter should be referred to the Associate Vice President for Finance.

**APPLICABILITY AND DEFINITIONS**

5.01 **Applicability:**

- .01 This policy and related procedures apply to all employees and departments of Regis University.
- .02 The procedures set forth are generally applicable to all contracts with external entities (with the exception of employee agreements which are covered in the Human Resources Manual, independent contractor agreements which are treated separately in Chapter 4 and purchase orders which are treated in Chapter 6,



Purchasing), especially those which result in the disbursement of funds.

- .03 Contracts include agreements arising from the settlement of disputes between Regis and other parties, memoranda of understanding and other written or oral agreements which are intended to obligate the University to performance or payment.

#### 5.02 **Definitions:**

- .01 A contract is a legally binding agreement between two principal parties or an amendment to such an agreement, whether written or oral. Contracts include such common forms as invoices, vendor purchase orders, memoranda of agreement or understanding, agreements, settlements of disputed claims and orders or other arrangements whereby the University becomes obligated to performance or payment. Regis University Purchase Orders are not included in this section because their formulation and execution are treated separately (see Chapter 6, Purchasing).
- .02 Personal Services - Personal services refer to any service performed as opposed to the purchase of tangible goods. These personal services can be obtained from a sole proprietor or partnership, or from a corporation. See Chapter 4, Independent Contractor Policies, for personal services in the independent contractor context (usually the type acquired from a sole proprietor or partnership). This chapter covers all other personal service agreements.
- .03 Independent Contractors - Careful distinction must be made between work that should be accomplished by individuals who are employees of the University and work that may be accomplished by individuals or firms on a personal services contract. The responsibilities and obligations of the University differ with employment arrangements and agreements. Regis has a third-party liability for the acts of its employees whereas independent contractors are liable for their own actions. The status should be carefully considered, and cases of doubt generally resolved in favor of the employee classification. An erroneous classification as an independent contractor can result in serious penalties to the University for failure to deduct applicable taxes (see Chapter 4, Independent Contractor Policies).

### **GENERAL POLICIES**

#### 5.03 **Use of Contracts:**

- .01 Contracts, rather than purchase orders, will be used when:
- The terms and conditions of a Purchase Order will not protect the interests of Regis University. Questions of adequate protection are referred to the General Counsel.
  - Acquiring personal services costing over \$10,000, including maintenance and service agreements.
  - Leasing or renting land, rooms or buildings.
  - Acquiring architecture, engineer, land surveying, landscape architecture, medical, legal, accounting or other professional services.
  - Acquiring goods and services for construction projects, including labor and materials and applicable contractor's overhead for erection, remodeling, or repair of buildings, roads, etc.
  - All employee (see Human Resources Policy Manual) or independent contractor (see Chapter 4, Independent Contractor Policies) services.

- Inter-entity agreements for academic program delivery, student internships, clinical affiliations, and student financial arrangements.

## **PROCEDURES**

### **5.04 Drawing up the Contract:**

- .01 All contractual arrangements must be in writing.
- .02 Contact the University's General Counsel regarding contractual matters.
- .03 Special attention must be given to the time required to draft, negotiate, and secure the necessary approvals for each contract. Ample time must be allowed for each step. The University's General Counsel must be consulted as early as possible for legal questions during the negotiation and drafting stages of a contract.
- .04 Generally, the department or person originating the contract is responsible for ensuring that the contract document addresses all necessary business terms and conditions. The University's General Counsel and the Vice Provost for Finance and Budget will also review these conditions.

### **5.05 Contract Clauses:**

- .01 Regis University uses several different contract formats. The University's General Counsel can recommend the most appropriate format.

### **5.06 Contract Signatures – Format:**

- .01 All University contracts should be made in the name of Regis University and signed in the following format:

Regis University

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

The signature of the President, the Provost/Vice President for Academic Affairs, or the Senior Vice President/CFO is necessary on all contracts. The signature of any other appropriate person may be included for protocol purposes.

### **5.07 Signatures and Approvals of Contracts – Contract Routing:**

The following steps should be taken to secure the required approvals and provide the necessary copies:

- .01 Matters involving contracts are to be brought to the attention of the University's General Counsel who will be responsible for contract coordination and contact with the Senior Vice President/CFO, Provost/Vice President for Academic Affairs or the President as necessary.
- .02 The originating department or person should ensure that all the business terms and conditions have been addressed in the written contract.
- .03 The University's General Counsel must approve and recommend all content, terms and conditions, format, and any other details pertinent to the contract. The General Counsel will communicate any specific recommendations or instructions to the originating department.
- .04 After the contract form has been approved by General Counsel, prepare a minimum of two copies of the contract and have them signed by the outside contracting party, ensuring that the person signing has the power to bind that

party.

- .05 Forward the two signed copies of the contract to [contracts@regis.edu](mailto:contracts@regis.edu) for signature.
- .06 In instances where the University will be signing a contract first, steps 1, 2, and 3, above are to be followed identically. After the General Counsel's review (#3, above), General Counsel will coordinate signature with Senior Vice President/CFO.
- .07 The Senior Vice President/CFO will either execute the agreement on behalf of Regis University or refer the contract to the Provost/Vice President for Academic Affairs or the President for final review and approval.
- .08 Once fully signed, copies of the contract are to be distributed as follows:
  - The General Counsel will keep one original signature copy of the contract for the University's files.
  - One original signature copy of the contract should be returned to the outside contracting party.
  - One photocopy (or extra signed copy if it was provided) of the contract is to be marked as a departmental copy and given the department responsible for administration of the contract.

#### 5.08 **Contract Accounting:**

- .01 Whenever a contract involves either the payment or receipt of funds, the originating department will see that one photocopy is made and forwarded to the Controller. The originating department will work with the Office of Financial Affairs to attend to any necessary accounting details such as encumbering funds, paying proper departmentally approved invoices, certifying project completion, and so forth.
- .02 Departments that subsequently receive an invoice related to a contract merely need to complete a Check Request Form, include the invoice approved, sign and date it, indicate the contract number and forward it to Accounts Payable. A Check Request Form is not used to pay an invoice when funds have been encumbered for a contract by way of a purchase order.

#### 5.09 **Contract Administration, Due Diligence:**

- .01 The individual or department who requests a contract is responsible for administrative details related to billing, monitoring performance, ensuring compliance with terms and conditions, and so forth. Any variance from this procedure must be discussed and resolved with the Associate Vice President for Finance.
- .02 Additionally, the Associate Vice President for Finance may designate particular support units, (e.g., Office of Financial Affairs) to be responsible for discrete elements related to due diligence.

#### 5.10 **Contract Changes:**

- .01 Contract changes (i.e., modifications or amendments) are subject to the same procedures and processing as those specified for initial contracts.
- .02 All documents modifying or amending a previous contract must clearly refer to the original contract. A copy of the original contract document with previous changes should accompany the current amendments during the routing described in Section 5.07.

.03 The form used to make the revision should be clearly marked or titled Contract Revision.

## 6.00

# **PURCHASES OF GOODS AND SERVICES**

## **STATEMENT OF PURPOSE AND RESPONSIBILITY**

This chapter is intended to guide employees at Regis University through the steps of purchasing goods and business services that are used in the University's operations. Various instruments that are necessary to the purchasing process are included. The ways and instances in which they are used are introduced as well.

### 6.01 **General Considerations:**

.01 Every budget manager must be familiar with the purchasing procedures and ensure that only reasonable and necessary expenses are incurred in fulfillment of the Regis University mission. Additionally, budget managers must guard against actions that cause private inurement or individual benefit from any purchase recommended on behalf of the University. Finally, budget managers are limited in their authority to spend by the amount of expenditure budget allocated to each manager's department.

.02 Centralized purchasing is required for the following:

- All computer and audio-visual equipment must be purchased through Information Technology Services (ITS). This equipment will be maintained and serviced by ITS. All purchases and requests for services must be directed to the ITS Help Center.
- All copy and print equipment, including supplies (paper and toner) must be purchased through the Copy and Print Center. This equipment will be maintained and serviced by the Copy and Print Center. Copy and print equipment includes copiers, printers, scanners, and fax machines. The purchase of equipment and supplies and requests to service, relocate or modify printing or copying equipment, must be directed to the Copy and Print Center via requests to the ITS Help Center.
- All capital purchases described above must follow the stated approval processes. Any other purchases in excess of \$5,000 must be approved by the Office of Financial Affairs and the Senior Vice President and CFO. Requests for these approvals are to be submitted to the Office of Financial Affairs.
- All furniture/appliance purchases must be selected through the approved vendors. Final purchase proposals must be presented to Auxiliary and Business Services. Proposals to replace furniture must be sent to Auxiliary and Business Services for inventory control purposes and furniture repairs will be coordinated by Auxiliary and Business Services.

## **APPLICABILITY AND DEFINITIONS**

### 6.02 **Applicability:**

.01 These purchasing policies and procedures are intended to cover the acquisition of goods or services on behalf of Regis University when the acquisition value is anticipated to be less than \$5,000 and does not involve employment of staff, leasing or renting of buildings or space, licensed (e.g., architect, engineer)

services, building construction, or independent contractor arrangements. See the Independent Contractor and General Contracts chapters for these other agreements.

- .02 See the Bids, Quotations and Requests for Proposals chapter for the procedures that are understood to precede the actual purchasing of goods and services.
- .03 Purchase of meals, lodging, airline tickets, etc. incurred during travel on behalf of Regis or for the purpose of a University meeting are covered in the Travel Policies and Business and Entertainment Expenses chapter.

#### 6.03 **Definitions:**

- .01 Pre-approved purchasing arrangements refer to situations where vendors have an established arrangement with Regis for handling either walk-in traffic or phone or electronic orders with a minimum of paperwork. These vendors include Bon Appetit (Regis Food Service); Follett College Stores Corporation (Regis University Bookstore); Ricoh (Print and Mail Center), and Staples (general office supplies).
- .02 Purchase Order refers to a central administrative system generated document that formally describes the vendor, the goods and services being acquired, shipping terms, price per item, and total cost. These instruments are initiated by the completion of a Purchase Requisition (see 6.12.03) and may be used at any time but are required for capital purchases (see 6.12.07).

Purchase Orders may be further described as being either a Regular Purchase Order (PO) or a Blanket Purchase Order (BO). A Regular Purchase Order is shipment specific and will be closed out when the transaction is completed (i.e., the goods are received, and the vendor is paid). A Blanket Purchase Order is generally used when a number of similar transactions are expected with a given vendor throughout the year (e.g., fuel charges, vehicle repairs).

- .03 Purchase Requisitions are documents initiated at the department level and approved by a budget manager. A Purchase Requisition describes the goods or services required, may or may not suggest one or more vendors, and detail any unique specifications or requirements. Issuance of a Purchase Requisition is required for capital purchases and must be approved by the Senior Vice President and Chief Financial Officer. The completed Purchase Requisition is forwarded to Accounts Payable where the information is used to generate the formal Purchase Order.
- .04 Invoices are bills issued by a vendor that show the detail of goods or services purchased, the transaction date, the unit and extension prices, the selling and shipping terms, and other similar information. Original Invoices approved by the budget manager or receiving party become the basic instructions and authorization to Accounts Payable for making payment and satisfying obligations to vendors. Purchases made through the BO/PO process require that vendors submit invoices directly to Accounts Payable. Accounts Payable must receive confirmation from the initiating department that the receipt of goods and/or services have been completed before the invoice is paid.
- .05 Employee Expense Report/Reimbursement Requests are essentially Check Requests in a special format to assist an employee in organizing travel and non-travel business expenses when a Regis purchasing card is unavailable.
- .06 Check Requests are departmentally generated forms that request Accounts

Payable to issue payment against an original invoice. Check Requests are the most often used form of requesting payment of a purchased good or service.

.07 Capital Assets are those tangible assets which have a purchase price or a fair market value of \$5,000 or greater, and which have an expected useful life of three years or more.

.08 Certificate of Exemption Number. Whenever dealing in a transaction on behalf of Regis University, please make ready reference to the institution's Certificate of Exemption Number. This number was issued Regis by the Colorado Department of Revenue and is commonly referred to as a Tax-Exempt Number. Regis employees in Making University purchases may obtain a copy of the certificate from Accounts Payable for use. The certificate may also be viewed on the Financial Affairs SharePoint site.

.09 Private Inurement occurs when an employee or related party is placed in the position to profit from an event or from resources that are part of a non-profit venture. A vendor making a normal profit in the normal course of business is participating in an Arm's Length Transaction and is not considered private inurement.

#### 6.04 **Forms:**

The following forms are referred to in this chapter of Business Policies and Procedures.

- Purchase Requisition Form
- Check Request Form
- Employee Expense/Reimbursement Form
- Expenditure Transfer Form
- Certificate of Exemption

These forms are accessible for faculty and staff via the Financial Affairs SharePoint

<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### **GENERAL POLICIES**

#### 6.05 **Reasonable and Necessary Expenditures:**

.01 Procurement on behalf of Regis University is always done on the basis of what is the most reasonable and advantageous to the University.

#### 6.06 **Private Inurement:**

.01 The 501(c)(3) (IRS Non-profit) status enjoyed by Regis University is threatened by actions that could be construed as adding to the private wealth of any individual or company. Therefore, employees are cautioned to operate without allowing private inurement or benefit to result from the transaction.

.02 Regis employees respect the University's property by not using it for personal purposes and utilize their time at work in endeavors aimed at the Regis Mission of education and service to others.

.03 Regis employees do not accept gifts in exchange for a business transaction. This does not include the acceptance of items of nominal value that are clearly tokens of respect or friendship and not related to any particular transaction or activity.

**6.07 Avoidance of Sales Tax:**

- .01 Regis University is exempt from paying sales and use tax for its purchases. When Regis employees arrange for Regis to purchase goods on their behalf, and then reimburse the University for the purchase, they unavoidably shelter themselves from paying sales tax. Since this action places both the University and the employee at risk, these transactions are to be avoided.

**PROCEDURES**

**6.08 Preapproved Purchasing Arrangements:**

- .01 Regis has arranged for special purchasing agreements with several local vendors. These include Staples (general office supplies); Follett College Stores Corporation (Regis University Bookstore); Ricoh (Print and Mail Center); Bon Appetit (Regis Food Service).
- .02 These vendors have established efficient procedures to facilitate providing goods and services to the Regis community. The acquisition, delivery, and billing processes minimize the time staff members are involved in procurement activities, and eliminate much of the risk involved when employees must leave Regis' premises to secure merchandise and supplies. All considered, including trade discounts, these vendors provide a very cost-effective means of acquiring certain supplies and services.

**6.09 Contracted General Office Supplier:**

- .01 Regis employees use Staples, Amazon Business or Follett (see Section 6.10) in all cases when purchasing office supplies. The University saves time and effort, and assumes much less risk when ordering from Staples, where the supplies are delivered, or in buying from Follett, where the supplies are maintained on campus.

**6.10 Follett College Stores Corporation (Regis Bookstore):**

- .01 Regis employees use Follett or Staples (Section 6.09) in all cases when purchasing office supplies. The institution saves time and effort, and assumes much less risk when ordering from Staples, where the supplies are delivered, or in buying from Follett, where the supplies are maintained on campus.
- .02 Regis University leases its bookstore operations to Follett College Stores Corporation. Follett has exclusive rights on the University campuses to buy and sell products traditionally bought and sold in college bookstores including class rings, course adopted software and custom anthologies. Regis has also granted Follett nonexclusive rights to use the University seal and logo on stationary, soft goods, notebooks, pens, pencils, decals, and other such items.
- .03 Follett sells interdepartmental supplies to all units of the University at a minimum of twenty percent (20%) discount from retail for all merchandise except textbooks. Employees, officers and agents of Regis are entitled to personal discounts of ten percent (10%) from regular prices on any merchandise that is regularly carried. The Regis employee discount is allowed on any sale of \$1.00 or more but does not apply to sale merchandise, text books, computer hardware, and academic discounted software.
- .04 University departments are entitled to use the Regis Bookstore location at the Lowell Campus. Regis purchases may be made in the bookstore by using a Regis University Purchase Card. Employees may be asked by the bookstore cashier to identify themselves. One copy of the charge slip is provided the department at

the time of sale.

6.11 **Regis Food Service (Bon Appetit):**

.01 Bon Appetit is contracted to manage and operate the Regis University Food Service. Bon Appetit prepares a variety of food and beverages for the students, faculty, staff, employees, invited guests and others designated by the University. The Food Service provides dining for patrons at the following locations:

- Student Center
- Faculty and Staff Lounge (located in the Student Center)
- Claver Hall and Clarke Hall (Clarke Café)

Any other location as agreed

.02 Department budget unit numbers are required to bill a University related event.

.03 An invoice is sent the week following an event, with payment being expected within 30 days of receipt of invoice. All invoices over 30 days are subject to a 1-1/2 percent monthly surcharge.

.04 Cancellations can be made at no charge if notice is given 48 hours in advance. Failure to provide the 48-hour notice will result in a service charge to the department.

.05 Guests of the University can be hosted during the regular operating hours of the cafeteria by making arrangements with the Bon Appetit Cashier and using the existing setups in the Student Center Dining Room.

**PETTY CASH**

Please contact Financial Affairs.

6.12 **Sales Tax:**

.01 Regis University as a non-profit organization is not required to pay sales tax. Therefore, **sales tax will not normally be reimbursed.**

.02 Regis employees for Making University purchases can obtain a copy of the Regis Tax-Exempt Certificate from Office of Financial Affairs for use. This certificate should be used for all out of pocket purchases made for Regis so that no tax will be charged (See Certificate of Exemption).

.03 Circumstances, however, may require that an employee pay tax for items needed by the University. Under these circumstances, i.e., where sales tax has been paid, Regis will reimburse an employee for nominal amounts of sales tax up to \$3.00.

.04 Sales tax on travel expenses, especially outside Colorado, is often unavoidable and will be reimbursed in all cases.

To avoid paying sales and lodging taxes to hotels and motels within Colorado, Regis will need to be directly billed or the employee traveling will need to ascertain the room rate in advance and take a Regis generated check made out to the hotel or motel.



## **PURCHASE ORDERS**

### **6.13 Regular Purchase Orders:**

- .01 A Purchase Order is used to procure any capital asset (see Section 6.08.02) and it is used in any situation where the budget manager wishes to encumber funds. Also, a Purchase Order is used when the purchase is subject to approval. (See Section 6.17, Special Approvals.)
- .02 Vendors often require a Purchase Order Number to confirm an order and will reference this number when invoicing.
- .03 Purchase Orders are commonly referred to as either Regular or Blanket Purchase Orders. Both Regular and Open Purchase Orders are initiated by sending a completed Purchase Requisition Form (see Section 6.15) to Accounts Payable if the amount is less than \$5,000. For purchase orders in excess of \$5,000 the request is sent to The Office of Financial Affairs and a determination is made if the expense is capital. All capital expenses must be approved by the Senior Vice President and Chief Financial Officer. If approved, the requisition is returned to the Office of Financial Affairs. The department's budget will be encumbered by the full amount of the Purchase Order.
- .04 Regular Purchase Orders are typically used for goods and services that are acquired for a department or project as a one-time purchase. When the transaction is complete, (i.e., merchandise satisfactorily delivered, an approved invoice filed, and the vendor paid), the Regular Purchase Order is closed out and its respective number is not used again. That is, the associated encumbrance is liquidated, and the actual value of the transaction now appears on a monthly Department Expense Activity Report as a "PJ" entry.
- .05 All invoices for items purchased with a Purchase Order should reference the Purchase Order Number and be signed and dated by the department budget manager before being sent to Accounts Payable. It is not necessary to complete a Check Request to make payment with a Purchase Order. When this happens, the invoice is paid via Check Request procedures, and an expense is recorded; but the original encumbrance is left open, thereby appearing as a double deduction from current budget.
- .06 If the budget unit to be charged is different than the encumbered unit, this is noted on the invoice.
- .07 Accounts Payable matches approved invoices and outstanding Purchase Orders on a two-week cycle, assuring that all invoices are paid within thirty days.

### **6.14 Blanket Purchase Orders:**

- .01 Using a Blanket Purchase Order eliminates the waiting period for subsequent purchase orders to the same vendor. Open Purchase Orders should be used when several purchases against a given unit or account number are to be made to a specific vendor during a fiscal year.
- .02 Open Purchase Orders are initiated by sending a completed Purchase Requisition Form indicating this is to be an Open Purchase Order to Accounts Payable.
- .03 A new Open Purchase Order must be requested at the beginning of each fiscal year.
- .04 The unit's budget will be encumbered and will be gradually unencumbered as purchases are made against the purchase order.

- .05 All invoices for items purchased with a Purchase Order should reference the Purchase Order Number and be signed and dated by the department budget manager before being sent to Accounts Payable. It is not necessary to complete a Check Request to make payment with a Purchase Order. When this happens, the invoice is paid via Check Request procedures, and an expense is recorded; but the original encumbrance is left open, thereby appearing as a double deduction from current budget.
- .06 If the budget unit to be charged is different than the encumbered unit, this is noted on the invoice.
- .07 Accounts payable matches approved invoices and outstanding Purchase Orders on a two-week cycle, assuring that all invoices are paid within thirty days.

**6.15 Purchase Requisitions:**

- .01 Purchase Requisitions are required as the means of gathering the necessary information and approvals prior to issuing a formal Purchase Order to a vendor. The more complete and legible the information is on a Purchase Requisition, the fewer chances there will be of a procurement misunderstanding.
- .02 When completing a Purchase Requisition, it is helpful to be familiar with the Bids, Quotations and Proposals policy chapter.
- .03 A Purchase Requisition is intended to describe the goods or services required, may or may not suggest one or more vendors, and should detail any unique specifications or requirements. A department budget unit number must be affixed as well as the signature of the budget manager. Additional approvals may be required as detailed in Section 6.17, Special Approvals.
- .04 When completed, a Purchase Requisition is forwarded to Accounts Payable. Unless otherwise instructed, Accounts Payable personnel will forward a copy of the Purchase Order generated from the Purchase Requisition to the appropriate vendor initiating the order. If an order has already been placed with the vendor, indicate this on the Purchase Requisition so that a duplicate order is not placed.

**6.16 Approving Invoices:**

- .01 Immediately upon the receipt of goods or services ordered on a Purchase Order, an invoice is signed and forwarded to Accounts Payable. If an invoice was not sent with the shipment, sign the Shipping Report/Bill of Lading and forward it to Accounts payable.

**6.17 Special Approvals:**

- .01 In addition to the budget manager, certain procurement activities require the approval of specialized coordinating units. The special approvals are intended to ensure the integrity of technical specifications that arise from University policy, contractual obligations, or law and regulation.
- .02 Purchase Requisitions for the following goods and services are routed through the department designated for each. The Requisition will be approved, or the department will be consulted, and then it will be forwarded on to Accounts Payable.
  - Audio visual equipment (including cameras) purchase or repair- Information Technology Services.
  - Bulk or permit mail services-Auxiliary & Business Services.

- Cellular Mobile Telephones-Telecommunications Manager.
- Copying and Print Services-Auxiliary & Business Services.
- Facilities repair or alteration-Director of Physical Plant.
- Personal computer or network equipment, peripherals and software purchases, repair or training-Information Technology Services Network Administrator or Field Tech Supervisor per administrative responsibility (see Section 6.22, below).
- Personnel, Independent Contractor Agreements-Associate Vice President of Human Resources and Controller.
- Related party transactions including purchase from University faculty, staff or students-Questions related to related party transactions may be directed to the University General Counsel.
- Telephones or other telecommunication services-Information Technology Services.
- Terminals, communication equipment (ADI's, cabling, adapters, etc.) and system printers connected to the mainframe-Information Technology Services.

**CHECK REQUESTS/PURCHASING CARD/EMPLOYEE  
REIMBURSEMENTS/EMERGENCIES**

**6.18 Definition:**

- .01 Check Requests, Purchasing Card transactions, and Employee Expense Report/Reimbursement Request Forms serve to inform Accounts Payable that an appropriate expense has occurred, and now is approved for payment. Neither will encumber budgets, but will immediately appear as an expense on the departments' Monthly Budget to Actual Expenditure Report.

**6.19 Check Requests:**

- .01 Check Requests are completed and forwarded to Accounts Payable via the in box in the entrance of the Office of Financial Affairs as soon as the requestor has all the needed documentation.
- .02 Unless the invoice/billing has a future payment date, the Check Request, Request will be processed immediately and you can expect a check will be issued within two weeks after submitting the Check Request, Request.
- .03 If Accounts Payable finds the request is inadequately documented (see Section 6.21), it will be returned at once with an explanation to the department making the request. It is important that these delays are minimized.
- .04 Check Request Forms include the option of having your check mailed to the payee or holding it for pick-up. Vendor checks typically must be mailed to the vendor directly.

**6.20 Employee Reimbursements:**

- .01 Employee Expense Report/Reimbursement Requests are generally used for University travel and business meeting expense reimbursements (see the Travel and Business Meals and Entertainment policy chapter) when a Purchasing Card is unavailable.
- .02 An Employee Expense Report/Reimbursement Request is completed and signed by a budget manager. Should the employee seeking reimbursement also be the budget manager, then the employee's supervisor will approve the transaction

before sending it to Accounts Payable.

- .03 Capital assets are obtained with Purchase Requisitions and are not purchased out-of-pocket by employees.

### **DOCUMENTATION OF EXPENSES/BOOKKEEPING ERRORS**

#### **6.21 Documentation of Expenses:**

- .01 Original invoices are always the preferred documentation for an expense and, in some cases, is the only documentation allowed.  
By paying only by original invoice, Accounts Payable assures that no items are paid twice.

Regis also has a responsibility to those who provide us with restricted funds (state, federal and donated dollars) to maintain original receipts for future audits of individual programs.

- .02 Regis has an IRS accountable plan. That is, by keeping the appropriate documentation of travel and business expenses, Regis Payroll does not add your employee reimbursements for travel and business meetings to your W-2. Therefore, Regis must either maintain original receipts or abide by the Federal Per Diem guidelines. (See the Travel and Business Meals and Entertainment policy chapter).
- .03 In rare cases when a receipt from a vendor is not available, an explanation written on department letterhead detailing the purchase and signed by an authorized budget manager, including place and amount of purchase may be substituted.
- .04 If receipts are lost, the vendor can often replace them. In the case of lost receipts related to travel, business meals, or small purchase cash register receipts, the employee can explain the loss and sign and date the request in order to be reimbursed. Use this solution with restraint. Repeated requests with lost receipt explanations jeopardize the institution's accountable plan; those reimbursements will become taxable to the employee.

### **SPECIAL NOTES - COMPUTERS, TELEPHONES, FAXES, MOVING COSTS, MONTHLY REPORTS**

#### **6.22 Computing Equipment and Peripheral Equipment Purchasing:**

- .01 All Purchase Requisitions for personal computer and network equipment, peripherals, and software for use by Regis University faculty, student labs, administration and staff require the signed approval of the Information Technology Services Field Tech Supervisor.
- .02 All terminals, communications equipment (ADI's, cabling, adapters, etc.) network equipment, and printers to be connected to the mainframe or network for use by Regis University faculty, student labs, administration and staff are to be requisitioned through the Information Technology Services Department.
- .03 Department budgets include funding for most of this equipment.
- .04 Department budgets will replace stolen or lost equipment.
- .05 See Chapter 7, Property Control for an explanation of these requirements, and for further information.

6.23 **Personal Cell Phone and Internet Devices:**

- .01 Regis University does not reimburse for personal cell phone and internet devices and use.

6.24 **Moving Expenses:**

- .01 Moving expense reimbursements will be added to taxable income and subject to Social Security (or FICA Alternative), Medicare and State & Federal Withholding taxes.

6.25 **Monthly Budget to Actual Expenditure Activity Reports:**

- .01 Budget/Expenditure Reports are intended to give Budget Managers relevant and accurate expenditure information in a timely manner.
- .02 To be useful, the reports have to be understandable while including a great deal of information. Read the reports, noting first the date range of the information; then read each column title so that the subsequent numbers have relevance. The Office of Financial Affairs personnel are available to review the data.
- .03 The departmental budget managers' reviews of these reports are important to the fiscal health of the institution in these ways:
- Coding errors, whether done by the requesting party or in the transactional process somewhere, are caught and corrected in a timely fashion.
  - Procedural and system logic are tested and reviewed each month via the inspection.
  - Adherence to the budget restrictions is given attention and overspending can be curbed or cured as a result.
- .04 Each manager is encouraged to direct questions to the Office of Financial Affairs.
- .05 If an entry needs to be moved, and the manager can detail the correction, an Expenditure Transfer Form may be completed to correct the bookkeeping entry. Corrections received throughout the month are recorded on the next month's report.
- .06 Object codes are defined as explicitly as possible for relevance to the budget manager. Like items will be classed together whenever possible to limit unnecessary or redundant object codes. A current list of object codes can be obtained from Office of Financial Affairs.

6.26 **Gift Card Purchasing:**

- .01 Gift Card purchases for confidential/anonymous research subjects may be allowed, however, the request for expenditure must accompanied with the IRB approval letter that describes compensation to research subjects and clearly states that participants remain anonymous. Due to the confidential/anonymous nature of data collected, the University will waive the requirement to obtain personal information for research subjects receiving \$50 or less in gift card compensation.

**7.00**

**PROPERTY CONTROL**

**STATEMENT OF PURPOSE AND RESPONSIBILITY**

This chapter provides a means to track the acquisition, use and disposal of capital assets obtained in the course of Regis' business. The intent is to assure

the safeguarding of Regis assets and to maintain the information needed to comply with Financial Accounting Standards Board Statement #93 regarding the recording and depreciation of assets. It is also intended that employees responsible for acquisition and maintenance of these assets have the means to understand and respond to those responsibilities.

#### 7.01 **General Considerations:**

- .01 The Regis University Associate Vice President of Finance is responsible for the implementation of the policy and procedures pertinent to property control.
- .02 Every employee who acquires, uses or disposes of capital equipment on behalf of the University needs to be familiar with this chapter, and the procedures will aid the employee in determining the appropriate response to every situation regarding the University's assets.

### **APPLICABILITY AND DEFINITIONS**

#### 7.02 **Applicability:**

- .01 The policy and procedures pertinent to property control apply to any situation in which a capitalized asset is acquired, used or disposed.
- .02 Clarification and interpretation of the applicability of an individual circumstance should be referred to the Associate Vice President of Finance.

#### 7.03 **Definitions:**

- .01 Capital Assets or Fixed Assets are those tangible assets which have a purchase price, or a fair market value if traded or donated, of \$5,000 or greater and which have an expected useful life of three years or more. Sensitive equipment including expensive cameras, audio-visual equipment, computer equipment and scientific/medical equipment with costs in the upper hundreds are also capital assets.
- .02 Regis University often leases equipment used in many areas of operation. If certain criteria are met, the lease is considered a purchase and the equipment is a leased capital asset.

Capitalization of leased property means the equipment is added to the University's inventory. This results in the property being counted and depreciated as if the University owned it. In accordance with Financial Accounting Standards Board Statement #13, the capitalization criteria include:

- The lease transfers ownership of the property to the University at the end of the lease term;
- The lease contains a bargain purchase option;
- The lease term is equal to 75% or more of the estimated life of the property; or
- The value of the lease payments is equal to 90% or more of the fair value of the property.
- The University considers leases that do not meet at least one of these criteria operating leases or rentals.

#### 7.04 **Forms:**

The following forms are referred to in this chapter of Business Policies and Procedures.

- Purchase Requisition Form
- Retirement or Movement of Fixed Assets Form

- Department Deposit Summary Form

These forms are accessible for faculty and staff via Financial Affairs SharePoint  
<https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### **GENERAL POLICIES**

#### **7.05 General:**

- .01 All property, equipment, supplies and materials acquired on behalf of the University must be used solely in fulfilling the University's mission.
- .02 Regis University is exempt from paying sales and use tax for its purchases. When Regis employees arrange for Regis to purchase goods on the employee's behalf, and then reimburse the University for the purchase, they unavoidably shelter themselves from paying sales tax. Since this action places both the University and the employee at risk, these transactions are to be avoided.
- .03 Purchase of capital assets requires the completion of a Purchase Requisition, approval of the request by the Chief Financial Officer, and subsequent issuance of a Purchase Order. Check Requests are not used in the purchase of a capital asset, nor are employee reimbursements acceptable forms of purchase.
- .04 Department managers are asked to keep the Manager of Accounting informed as to the relocation or disposal of all capital assets within the department.
- .05 Contributed capital assets are assigned a fair market value by the Advancement Office using methods defined by Generally Accepted Accounting Principles (GAAP) and Internal Revenue Service regulations.

#### **7.06 Acquisition of Fixed Assets:**

- .01 Assets may be purchased through the Regis purchasing system or they may be acquired through donor contribution. In either case, assets will be tracked through the accounting system, and The Office of Financial Affairs will maintain an asset listing.
- .02 For the accountant to be able to identify capital purchases, a purchase order or blanket order must be set up for each purchase before the purchase is made.
- .03 Acquisition by purchase is initiated with a Purchase Requisition. (See Chapter 6 - Purchasing and Chapter 8 - Bids, Quotations and Proposals.)
- .04 Acquisition through donor contribution should be referred to the Advancement Office. The Board of Trustees has developed a separate Policy Concerning Gifts to Regis University (see Appendix Donations.)

#### **7.07 Retirement or Movement of Fixed Assets:**

- .01 The Retirement or Movement of Fixed Assets Form is used when disposing of or moving capital assets belonging to Regis University. In all cases, if the asset is affixed with a bar-code, the location of the asset is important; a Retirement or Movement of Fixed Assets Form should be filed if the asset is retired or reassigned. Also, if any asset can be reasonably assumed to be a capital asset, even though it has no bar-code, complete the Retirement or Movement of Fixed Assets Form.

7.08 **Disposal of Fixed Assets:**

- .01 In addition to completing the Retirement or Movement of Fixed Assets Form, all fixed assets are to be disposed of by placing in a trash bin and must be defaced with a white spray painted 'X'. This is in compliance with Regis Security Regulations.
- .02 All computer equipment must be disposed through Information Technology Services. It is often possible to find a use for the discarded parts.
- .03 All audio-visual equipment must be disposed through the Library in order to find a possible use for the discarded parts.

7.09 **Sale of Fixed Assets:**

- .01 The sale of fixed assets whose purchase cost or value at the time of acquisition is \$5,000 or more must be approved by the Associate Vice President of Finance. Assets cannot be sold to Regis faculty, staff or students.

7.10 **Removal of Fixed Assets from any Campus:**

- .01 Any fixed asset permanently removed from Regis University Campuses requires that a Retirement or Movement of Fixed Assets Form be completed and sent to The Office of Financial Affairs.
- .02 Any Regis owned personal computer equipment being used in an off-campus location must be recorded in the inventory by Information Technology Services.

**SPECIFIC SITUATION PROCEDURES**

7.11 **Academic Computer and Networking Equipment:**

- .01 Information Technology Services has the exclusive responsibility for all instructional and open computer labs, on all campuses, for Regis College, the School for Health Care Professions, and the School for Professional Studies. Microcomputer support is provided for the faculty whose primary purpose in the use of technology is directly related to the instructional process.
- .02 All new computer equipment purchases or acquisitions, for faculty or instructional purposes must be reviewed and approved by the Information Technology Services Field Tech Supervisor. This includes all computer or networking equipment that is to be donated to Regis University. Information Technology Services staff is available to assist departments in assessing their needs to ensure that all equipment purchases meet Regis University standards. Exclusions to this section include the purchase of computer hardware directly related to advancing the academic mission through academic research or scholarship.
- .03 Purchase Requisitions for academic research or scholarship computer hardware can be purchased by a Regis University college. The purchase must first be approved by the College Dean after being vetted by Information Technology Services. All purchases must be submitted to the Office of Accounts Payable with a completed **Academic Research or Scholarship Computer Hardware Purchase Approval Form**. Purchases in excess of \$5,000 must also follow procedures required under Section 6.13 Procedures-Purchase Orders.

7.12 **Administrative Computer and Networking Equipment:**

- .01 Information Technology Services has the exclusive responsibility for all microcomputer support for staff and administration in those areas reporting to the President's Office and to the Vice Presidents for Administration, Student Life, and Development. They also support the Provost and all areas reporting there



whose functions are administrative, i.e., Registrar, Libraries, Information Technology Services (as administrators), Academic Deans and the College for Professional Studies faculty that use Regis owned microcomputers primarily for administrative purposes and secondarily for the instructional process. In addition, they support clerical personnel who provide administrative support to academic divisions and departments and the hardware purchased by Student Life for student office use, i.e., Student Government, Radio Station, Highlander, and Ranger Yearbook.

- .02 Each individual department will incur the expense for all software, PC and PC printer upgrade and repair part purchases that are exclusive to that department and should plan accordingly.
- .03 Regis University standardized software programs, as designated by Information Technology Services, will be purchased through site licensing and paid for by a separate software budget maintained by Information Technology Services and Information Technology Services.

#### 7.13 **Vehicle Fleet:**

- .01 Regis purchases vehicles with approval of the Senior Vice President and Chief Financial Officer.
- .02 The Office of Financial Affairs records all vehicles owned by the University for insurance purposes. This list of vehicles includes department, serial number, bar code number, invoice number, date and description. It is updated as needed and included in inventory.
- .03 To operate a Regis University owned vehicle, operators must submit a copy of their driver's license to their department head, who files the information and forwards a copy to The Office of Financial Affairs.
- .04 While driving a Regis vehicle, a current operator's license must be on the employee's person.
- .05 The operator of a University vehicle is responsible for being familiar with Chapter 1 of these Policies and Procedures - Travel. (See especially Section 1.11)

#### 7.14 **Contributions, Works of Art, Historical Treasures and Similar Assets:**

- .01 A contribution is a transfer of cash or other asset, or a settlement or cancellation of a liability. This occurs in a voluntary manner with no reciprocal transaction.
- .02 Regis University measures a contribution at the fair value of the item received. Contributions of services are recognized by Regis if the services:
  - Are provided by those who provide similar services to others for compensation; and
  - Are for the same services as normally purchased by the University.
- .03 Contributions of works of art, historical treasures and similar assets will be recognized when acquired at cost if purchased or at fair value. The fair value of these assets will be estimated by referring to quoted market prices, prices in transactions involving the same or similar assets, independent appraisals and other available evidence. If there is a major uncertainty about the existence of value of an item, this may indicate that the item is not an asset and should not be recognized.
- .04 If there are donor-imposed restrictions on contributions received by the University, Regis will distinguish between those that contain permanent

restrictions that will increase permanently restricted net assets, and those received with temporary restrictions that increase temporarily restricted net assets. Regis will recognize the expiration of a donor-imposed restriction in the period in which the restriction expires. The University will add other contributions to unrestricted net assets.

- .05 Employees who may be involved with soliciting, negotiating, or receiving donated items see the Gift Policy.
- .06 Employees will not issue receipts with an estimated value of the gift to the donor.
- .07 When contributions are received for which a partial benefit is enjoyed by the contributor (e.g., a cash contribution to a club on campus in return for a University mug or T-shirt) the value received will be given to the contributor in a written receipt form.

## **8.00**

### **BIDS, QUOTES, PROPOSALS**

#### **STATEMENT OF PURPOSE AND RESPONSIBILITY**

Regis University has a fiduciary responsibility given the trust bestowed on it by its students, parents, alumni and friends. As a private educational institution there is also an incumbent responsibility to pursue the University's mission within the context of an IRS 501(c)(3) organization. These responsibilities can be well served by orderly procedures for obtaining bids, quotations and proposals for the goods and services that are purchased by the University.

It is the responsibility of the Associate Vice President of Finance and Budget, as well as all the University's budget managers, to see that these policies and procedures are followed. Requests for exceptions are to be referred to the Associate Vice President of Finance and Budget.

#### **APPLICABILITY AND DEFINITIONS**

##### **8.01 Applicability:**

- .01 The policy and procedures as they relate to bids, quotations and proposals apply for all Regis University employees when securing goods and general services that are anticipated to exceed \$5,000.
- .02 After reviewing this policy, an individual will want to consider specific procurement details that can be found in the General Contracts policy and the Purchasing policy documents.

##### **8.02 Definitions:**

- .01 Phone bids refer to situations where the contact is in person or by phone and is generally reserved for situations where the goods or services are anticipated to cost between \$1,000 and \$2,500.
- .02 Requests for quotations (RFQ's) are to be used any time the value of the goods or services are expected to be \$2,500 or greater and specifications for the procurement request are very specific such as procuring motors, vehicles and building renovations. RFQ's involve a formal process that is competitive and requires a written response to an invitation to bid.
- .03 Requests for proposals (RFP's) are intended for situations where the final outcome of the procurement activity is expected to be variable. (E.g., contracting out design work, vending services, food services or the bookstore.) RFP's involve a formal process that is competitive and requires a written response.

### 8.03 **Forms:**

The following forms are referred to in this chapter of Business Policies and Procedures.

- Bid Memorandum
- Abstract of Bids
- Request for Proposals (RFP) Memorandum
- Purchase Requisition

These forms are accessible for faculty and staff via Financial Affairs SharePoint <https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### 8.04 **Bids, Quotations and Proposal Policies:**

- .01 Regis University seeks to invite competitive pricing and proposals from vendors whenever practical.
- .02 While sensitive to relations with various constituents, Regis also seeks to prevent any situation that could be interpreted as allowing a private inurement or benefit with the consequence of placing at risk the University's exempt status under the Internal Revenue Code.

### 8.05 **Phone Bid Procedures:**

- .01 By definition, phone bids are anticipated to minimize the cost of securing knowledge about goods and services and their prices when a modest outlay of funds is anticipated (between \$1,000 and \$2,500).
- .02 The contact with at least two vendors will generally secure the information necessary for the buyer to place an order or prepare a Purchase Requisition (the use of Purchase Requisitions is described in the Purchasing chapter).
- .03 A facsimile quotation or a catalog reference number can serve as the necessary documentation to demonstrate that a fair price has been obtained.
- .04 A memo or note explaining which vendors were contacted and which one is being recommended should accompany the Purchase Requisition when it is forwarded to the Office of Financial Affairs.

## **PROCEDURES**

### 8.06 **Request for Quotation:**

- .01 Purchases anticipated to total over \$2,500 should be processed through the competitive bid or Request for Quotations (RFQ) process. Bids are not used to test the market or to obtain estimates. Further, a sense of fair play should be demonstrated towards all vendors.

### 8.07 **Bid Memorandum:**

- .01 When a purchase is expected to exceed a total of \$2,500, the department develops a Bid Memorandum (free-form document) with the following information:
  - Complete description of the goods, services or construction involved (see paragraph 8.42, below);
  - Quantity desired, if applicable;
  - Estimated cost;
  - A list of two or three vendors that are deemed appropriate, with complete

- addresses and phone and facsimile numbers;
- Any other information deemed pertinent;
- Date needed and proposed date for bid opening; and
- A signature showing fund manager approval.

.02 It is from the Bid Memorandum that the department will prepare a formal Invitation to Bid, (sometimes referred to as an RFQ). The Bid Memorandum is an internal document that will serve to show that the department has performed its due diligence with respect to any given Invitation to Bid.

## 8.08 **Specifications:**

The description of goods, services or construction in a Bid Memorandum should be precise enough to ensure that the product will do the job required but should not restrict the bidding of similar products. To assist in this description, the following specifications may be included:

- .01 Brand Name and Model Number or Equal - Bid documents using this type of specification should set forth two or three brand and model numbers that are acceptable. If there are certain minimum features that are absolutely essential and any alternate bid would have to contain, list these features.
- .02 Brand Name and Model Number Only - Use of this specification is restrictive and should be justified in the Bid Memorandum. Examples for use of this specification would be:
  - To replace identical items which are part of a set of existing items.
  - To provide a mix of the several most commonly used types of equipment that students might be using on the job after graduation.
  - To add to a set of items when the built-in features of the existing equipment are such that only the item requested has the physical or operational characteristics dictated by the existing equipment.
  - To bid an item with a unique feature or operating characteristic that is absolutely essential because of a mandatory requirement imposed by an outside agency.
  - When the item has been specifically identified, approved and funded as part of a project funded by an outside donor or agency.
- .03 Performance Specifications - When appropriate, the desired performance of the item can be set forth. Specifications of this type should include the criteria by which an evaluation and award will be made.
- .04 Standardized Specification - When appropriate, specifications issued and/or used by either professional organizations or the federal government may be referenced. Bidders can be required to certify that these standardized specifications have been met.
- .05 Product Acceptability - The bid process may require submitting bid samples, descriptive literature, technical data, or other material necessary to determine product acceptability. The bid process may also provide:
  - Inspection or testing of a product for such characteristics as quality of workmanship;
  - Examination of such elements as appearance, finish, taste or feel
  - Other examinations to determine whether it conforms with any other purchase description requirements.

- The acceptability evaluation should be conducted by the department to determine whether a bidder's offering meets the needs as set forth in the Invitation for Bids. Any bidder's offering which does not meet the acceptability requirements should be rejected.

**8.09 Bid Preparation:**

- .01 The department should prepare an Invitation to Bid document (i.e., formal RFQ) by using the information that appears in the Bid Memorandum. The Associate Vice President for Finance will review the Invitation to Bid and suggest any changes that might be needed.
- .02 After the Invitation to Bid document has been finalized it should be sent to prospective vendors with complete instructions concerning any required response or bid format. Vendors should be instructed to identify, in the lower left corner or the sealed envelope containing their submission, that it is a Bid for \_\_\_\_\_ and identify the closing date and opening time.
- .03 As the various bids are received, a notation of the date and time received should be placed on the face of any envelope that is submitted by a bidder.

**8.10 Bid Evaluation:**

- .01 All quotations (i.e., bids) received in response to an Invitation to Bid are to be received by the requesting department and opened at the hour and date specified.
- .02 An Abstract of Bids (a free-form document) should be prepared and quoted products should be evaluated against the description and specifications used in the Invitation to Bid.
- .03 These factors may be considered in evaluating any bid response:
  - delivery date after receipt of order
  - cash discounts
  - warranties (type and length)
  - future availability
  - results of product testing
  - local service
  - cost of maintenance agreements
  - future trade-in value or availability of repurchase agreements
  - availability of training courses
  - financial terms if not a cash purchase
  - space limitations
  - esthetics
  - adaptability to environment
  - cost of operations
  - safety and health features relating to regulatory codes or requirements
  - compliance with specifications and other relevant factors
  - past performance or reputation of vendor

**8.11 Bid Awards:**

- .01 Based on the bid evaluation, the department will forward their recommendation along with the Abstract of Bids to the Associate Vice President for Finance for approval and processing of the bid award.

- .02 The Associate Vice President for Finance may deem it sufficient to issue a Purchase Order, in which case a Purchase Requisition will need to be prepared by the department and forwarded to the Office of Financial Affairs). Alternately, the Associate Vice President may consider it advisable to have a contract issued and will initiate that process in cooperation with the department.
- .03 When the selection of the successful vendor is complete, the department has the responsibility of communicating the results to all parties that responded to the RFQ.

#### 8.12 **Request for Proposals:**

- .01 A Request for Proposals (RFP) may be used in situations where sealed bids in the form of RFQ's are not practical. Such situations arise when it is not possible to determine the scope and content of specifications in an exact and precise enough manner to enable vendors to bid, nor can an award be made on the basis of price only. Examples are:
  - Management studies
  - Artwork and design
  - Consulting
  - Manuscript preparation
  - Food vending services
  - Food service operations
  - Bookstore operations
- .02 If there is doubt about the appropriate use of this type of procurement action, contact the Associate Vice President for Finance prior to preparing an RFP.

#### 8.13 **Process and Necessary Information:**

- .01 First, prepare an RFP Memorandum (a free-form document analogous to a Bid Memorandum, Section 8.07) which is anticipated to contain sufficient detail and the information necessary to prepare the RFP. The RFP Memorandum should be considered a source document and part of the audit trail. It should describe, in some detail, the type of service being sought and any parameters that would be relevant. There should be an explanation stating why an RFQ (see Section 8.06) isn't advantageous to the University and the names, addresses and phone and facsimile numbers of possible vendors. The RFP Memorandum should also anticipate the criteria by which the University would evaluate any proposals. It should be approved by the appropriate budget manager.
- .02 Next, the department should prepare the actual RFP using the information that appears in the RFP Memorandum. The Associate Vice President for Finance will review the RFP and suggest any changes that might be needed. After the RFP is finalized it should be sent to prospective vendors with complete instructions for any required response or proposal format. Vendors should be instructed to place the RFP name and the closing date on the lower left corner of any envelope containing a proposal.
- .03 Representatives of the University may be scheduled for an advance walk through.
- .04 After the department has opened the RFPs, copies should be provided to all members of an ad hoc Evaluation Committee (3-5 members suggested) that has been named for the purposes of review and recommendation.
- .05 The Evaluation Committee, after their review, will forward a copy of their

recommendation to the Associate Vice President for Finance for review and approval. At this point, the Associate Vice President may consider it sufficient to issue a Regis Purchase Order (see the purchasing chapter) or alternately, may initiate the process of having a contract drawn up (see the General Contracts chapter). It is understood that further negotiations may have to take place before a final agreement is reached between the recommended vendor and the University.

.06 When the vendor selection is complete, the department should communicate the results to all parties that responded to the RFP.

#### 8.14 **Sole Source Purchases:**

.01 Occasionally a situation will arise where the item required is so specific that nothing else can be used in its place and it can only be procured from one source. These situations are called sole source purchases and are to be secured through the following procedures:

1. Prepare a Purchase Requisition with all pertinent information and signatures.
2. Attach a memo to the Purchase Requisition which provides a complete justification explaining why the item is the only one that can fulfill requirements and/or why only one the vendor can supply the item.
3. In addition, a quotation from the vendor should accompany the Purchase Requisition and contain:
  - Price
  - Delivery conditions and FOB point
  - Payment terms
  - Warranty, if applicable

### 9.00

## **PAYROLL**

### **STATEMENT OF PURPOSE AND RESPONSIBILITY**

This chapter outlines payroll policies and procedures that are developed as a natural extension of policies, procedures, and restrictions detailed in the Regis University Human Resources Manual, the Collective Bargaining Agreement between the University and the Regis College Chapter of the American Association of University Professors, and the Student Employment policies of the Office of Financial Aid.

#### 9.01 **General Considerations:**

.01 Payroll activities presuppose a valid agreement or personnel action that authorizes a compensation payment. For all faculty, staff, and students these actions are cleared through Human Resources.

.02 Concurrent obligations lie with the Director of Human Resources, the Director of Financial Aid, the Controller, and the Payroll Administrator to implement these policies. Department managers adhere to these policies and procedures, obtaining advise from the Payroll Administrator when clarification is needed.

### **APPLICABILITY AND DEFINITIONS**

#### 9.02 **Applicability:**

.01 This chapter is applicable to all employees of Regis University, and particular sections apply as given situations warrant.

.02 Particular questions regarding Payroll Policy and Procedures should be addressed to the Payroll Administrator.

9.03 **Definitions:**

- .01 Established Workweek at Regis University - the established workweek begins at 12:01 a.m., Mondays.
- .02 Exempt/Non-Exempt: The terms refer to the status of an employee as being eligible for overtime. Exempt employees are not eligible for overtime. They include executive, administrative, professional and outside sales positions as set forth under the Fair Labor Standards Act of 1938, as amended. Non-exempt employees are entitled to overtime compensation.
- .03 Federal Fair Labor Standards Act (FLSA), As Amended comprises Federal law referenced in Federal statutes at 29 U.S.C., Sections 201-216. FLSA contains minimum wage, overtime pay, and record keeping requirements.
- .04 Hours Worked: The time for which an employee is entitled to compensation.
- .05 Overtime Hours: Hours worked by eligible employees in excess of 40 hours during an established workweek. This provision applies to non-exempt employees.
- .06 Excess Hours: Hours worked in excess of the normal eight hours per day when the total weekly hours do not exceed 40.
- .07 Regular Rate: The regular rate of pay is the hourly rate as determined by agreement for exempt employees or by letter of appointment for non-exempt employees, and is paid for all regular and excess hours worked. For budgeting, accounting and calculation purposes, Regis uses the standard 2,080 work hours in a year (2,088 leap year) when working with salaried employee regular rates.
- .08 Overtime Compensation: remuneration to eligible non-exempt employees for overtime given in cash or in the form of compensatory time.
- .09 Form W-2: Every employee is required to complete an IRS Form W-4 (tax withholding allowances) in compliance with the Internal Revenue Code. Unless otherwise notified by the employee, Payroll will use this address to mail the annual earnings statement, Form W-2.

9.04 **Forms:**

The following forms are referred to in this chapter of Business Policies and Procedures. These forms are accessible by contacting the Office of Payroll within the Office of Human Resources:

- Form W-4, Employee's Withholding Allowance Certificate
- Cash Earning Voucher Form

9.05 **Policy:**

- .01 The University's Policies and Procedures for compensation are consistent with state and federal laws.
- .02 Employees are paid on the designated payroll dates.
- .03 The University has designated two methods of payment:
  - Direct Deposit
  - Check



- .04 Employees, other than students, who participate in direct deposit, are mailed a remittance advice. Those who receive a check are mailed a check.
- .05 Student employees working at the Lowell Campus receive their paper checks at the Office of Student Services. Students who participate in direct deposit are mailed a remittance advice. Those students working at sites other than Lowell are mailed a check or remittance advice.
- .06 The University does not recognize and cannot pay for employment unless the individual is hired through the appropriate Human Resources or Student Employment procedures.
- .07 Accounts Payable should never process a payment to an independent contractor as compensation for hours worked unless the request is in accordance with an independent contract. (See the Independent Contractor chapter)

### **PROCEDURES**

#### **9.06 General Considerations:**

- .01 Regis University employees will only be paid on the basis of written Letter of Appointment with exempt employees and in accordance with Personnel Action Forms, Notice of Increase Letters, and/or time sheets for non-exempt and student employees.
- .02 The Human Resources Department prepares and validates the basic documents for all faculty, temporary faculty, staff and student employees.
- .03 There are three payroll cycles within the University. These require the maintenance of separate payroll calendars for the Regis College faculty and the exempt and non-exempt staff, the adjunct faculty, and the students.

#### **9.07 Faculty Procedures:**

- .01 Regis University Faculty are paid in accordance with the terms and conditions of the Collective Bargaining Agreement between Regis University and the Regis College Chapter of the American Association of University Professors, and in keeping with the agreed pay rates for individual faculty members.
- .02 The terms of the Collective Bargaining Agreement call for the academic year salary to be paid in prorated amounts monthly over a twelve-month schedule.
- .03 College Faculty contracts normally extend from August 1, through the following July 31, and require performance in the academic school year. An accrual of the remainder of each contract is required at the fiscal year end.
- .04 Regis College Faculty who receive compensation from federal contracts and grants will be additionally required to certify their pay on Time and Effort Reports in compliance with Title 2 in the Code of Federal Regulations (2 CFR), Revised.

#### **9.08 Adjunct Faculty Payroll Procedures:**

- .01 Adjunct Faculty at Regis University are engaged by contracts and are considered exempt employees for payroll purposes. The terms and conditions of this employment are recited in the agreement signed by the employee.
- .02 Adjunct Faculty contracts are structured to be paid on the 15th day of every month.
- .03 Regis University staff, who additionally teaches as an adjunct faculty member, will be paid the last working day of the appropriate month for which they are due the additional compensation. That is, staff who are due additional pay for adjunct

appointments will receive a combined check in the ordinary course of the regular Regis University staff payroll.

**9.09 Staff Payroll Procedures:**

- .01 Regis University pays its regular exempt and non-exempt staff on a biweekly schedule.
- .02 Exempt employees are required to attest to their leave taken on a biweekly basis.
- .03 Regular non-exempt employees who are subject to the Fair Labor Standards Act are handled as "non-exempt salaried" employees for payroll purposes. Reporting of hours worked, vacation, sick leave and leave without pay occur before paychecks have been issued and any adjustments are made in the next check.
- .04 Overtime for non-exempt personnel accumulates from biweekly and is paid on the week following the pay period in which it is reported. All overtime must be approved in advance by the supervisor. The Human Resources Department handles details of the bi-weekly reporting schedule for non-exempt employees.
- .05 If a non-exempt employee elects to take compensatory time in lieu of monetary payments, the compensatory time must be used within the same work week as the overtime was accumulated.

**9.10 Student Payroll Procedures:**

- .01 Student payrolls are paid on a biweekly basis.
- .02 No student is paid unless there is an explicit authorization from the Office of Financial Aid.
- .03 During Christmas and Spring break, students may leave preaddressed envelopes with the Payroll Office for forwarding payroll checks.

**9.11 Temporary Employees Procedures:**

- .01 The employment of any temporary employee must be arranged in advance through the Human Resources Department.
- .02 Non-exempt temporary employees are required to file time sheets certifying their hours worked; these time sheets are to be signed by both the temporary employee and the supervisor.
- .03 Temporary employees are paid in accordance with the biweekly schedule for Regis University staff members.

**9.12 Other Matters:**

- .01 IRS Form W-4 and INS Form 9 (I-9). Prior to an employee's arrival at Regis University, there is a Workday process to complete an INS Form 9 and an IRS Form W-4. Any subsequent change in withholding allowances or exemptions should be done by directly filing a revised W-4 with Regis Payroll. After the employee's arrival, an orientation is held to familiarize the individual with various policies and procedures.
- .02 IRS Form W-2. Regis University will mail earnings statement to every employee after the close of the calendar year. By law, these are known as IRS Form W-2 statements and must be mailed on or before January 31, following the close of the calendar year. Regis mails these statements to the address shown on the employee's most recently filed IRS Form W-4, or an updated address.

- .03 Miscellaneous Cash Payments, e.g., Student Sports Officials. During intramural and club sport activities it is often found desirable to compensate student sports officials with nominal cash payments. This can be accomplished by completing a Cash Earning Voucher Form and having the student present it at the Lowell Campus Cashier's Window during normal business hours.

### **TAX TREATMENT OF TUITION ASSISTANCE**

#### **9.13 Employee Tuition Benefits:**

- .01 Regis University offers employee tuition benefit (ETB) to its employees according to the eligibility and benefit amounts outlined in the Human Resource Policy Manual. For participating employees, taxability of this benefit will comply with Internal Revenue Service guidelines and all applicable state laws.
- .02 The policy and procedures pertinent to Employee Tuition Benefit apply to all situations in which the University pays an employee's tuition.
- .03 Tuition assistance provided outside of the ETB plan is subject to working-condition fringe benefit taxability detailed in section 9.10.
- .04 Taxability is determined according to IRS guidelines.

#### **9.14 Determination of Taxability:**

- .01 Undergraduate Studies - Employee Tuition Benefit provided to employees participating in any Regis University undergraduate program is currently a non-taxable fringe benefit as defined by Internal Revenue Code (IRC; section 117).
- .02 Graduate Studies Taxable - Tuition assistance, ETB, and Continuing Professional Education (CPE) provided to employees at the graduate level is a taxable fringe benefit if either:
- The studies are required to meet minimum educational requirements for qualification in employment or other trade or business. The minimum education necessary to qualify for a position or other trade or business are determined from a consideration of such factors as the job requirements of the University, the applicable laws and regulations, the standards of the profession, and the trade or business involved.
  - The education is part of a program of study being pursued that will lead to qualification in a new trade or business. A change of job duties does not constitute a new trade or business if the new duties involve the same general type of work as is involved in the employee's present position.
- .03 Graduate Studies Nontaxable - Tuition assistance, ETB, and Continuing Professional Education (CPE) provided to employees at the graduate level is a non-taxable working condition fringe benefit under IRC Section 132 if either:
- The education maintains or improves skills required by the employee in their employment or other trade or business
  - The education was undertaken in order to meet the express requirements of the employer

#### **9.15 Determination of Job- Relatedness of Graduate Classes/Programs:**

- .01 A determination process will be completed for employees who receive ETB for graduate-level courses to establish taxability of the tuition assistance.
- .02 If the course/degree-program meet the qualifications of job-related fringe benefit according to IRS guidelines, no ETB earnings will be included in wages payable subject to the IRS maximum. Otherwise, the Office of Payroll will make

appropriate inclusion in income of ETB and withholdings.

- .03 To be excludable from an employee's taxable income as a working condition fringe benefit, the education paid for by ETB or other tuition assistance must maintain or improve skills required by an individual's employment and/or be a condition of employment. This includes refresher courses, courses on current developments, and academic and vocational courses. However, if the education is required to meet the minimum educational requirements for an employee's job, or the education will qualify an employee for a new trade or business, the educational payments are included in gross income subject to FITW and FICA [IRC Reg. 1.162-5; IRC 3121(1)(18), (20), 3306(b)(13), (16)].
- .04 The Controller reserves the right to request any additional information necessary to document the job-relatedness of ETB and may overrule the supervisor's determination. The Controller will handle appeals on an as needed basis. Outside sources, such as legal counsel or consultation with an accounting firm may be utilized at the Controller's discretion for assistance in these matters.
- .05 Non-degree Seeking ETB - The job-relatedness test will be applied at the class level for non-degree seeking employees receiving tuition assistance in any form.
- .06 Degree Seeking ETB - The job-relatedness test will be applied at the class level for degree seeking employees receiving tuition assistance in any form.

9.16 **Procedures:**

- .01 Employees wishing to receive Employee Tuition Benefit must follow the procedures established by the Office of Human Resources to apply for the benefit.
- .02 The Job-relatedness Test Form must accompany all graduate-level ETB applications. This form must be signed by the employee and the employee's supervisor; and returned to the Office of Human Resources.
- .03 Human Resources will forward the application and the determination test to the Office of Student and University Accounts for processing by that office. Following the add/drop period for each academic session, the Office of Student and University Accounts will pay tuition charges to the lessor of the maximum benefit available or the amount of tuition due for all eligible employees, spouses, and dependents. Once tuition has been paid, the ETB application and the determination test will be forwarded to the Office of Payroll for inclusion in earnings according to IRS rules.

**10.00**

**CASH RECEIPTS AND DEPOSITS**

**STATEMENT OF PURPOSE AND RESPONSIBILITY**

In order to ensure timely deposit of collected funds and to minimize any exposure or risk to either an employee or to a Regis University asset, this policy and related procedures have been developed for the collection and depositing of all monies due Regis.

10.01 **General Considerations:**

- .01 It is the responsibility of the Regis University Cash Manager to implement these policies and procedures.
- .02 Every employee who collects cash or other types of payments on behalf of Regis University at any site on any campus should be familiar with these policies and

procedures.

## **APPLICABILITY AND DEFINITIONS**

### 10.02 **Applicability:**

- .01 As appropriate to a given situation, this policy and related procedures on Cash Receipts and Deposits are applicable when monies are collected on behalf of Regis University.
- .02 Clarification and interpretation of the applicability of an individual circumstance are to be referred to the Associate Vice President for Finance and Budget or to the Cash Manager.

### 10.03 **Definitions:**

- .01 Cashiering refers to accessing the University's administrative integrated software to post the payment immediately to a student's account or to a general ledger revenue account.
- .02 Departmental Deposits are those funds collected to be deposited directly to a general ledger revenue account as opposed to a student's account.
- .03 A student account consists of charges created when a student registers for a credit bearing course and when fees or fines are assessed.

### 10.04 **Forms:**

The following forms are referred to in this chapter of Business Policies and Procedures.

- Department Deposit Summary

These forms are accessible for faculty and staff via Financial Affairs SharePoint <https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

### 10.05 **Collecting and Receipting Policies:**

- .01 All cash, checks and money orders collected are deposited at least weekly. A deposit is made daily if the amount collected totals more than \$100. This includes departmental deposits.
- .02 In all cases, payment accepted for a student (to be used to reduce the student account or pay a fee or fine) will be forwarded immediately to a campus cashier and placed on the student account within 48 hours of receipt.
- .03 A cash receipt will be given to every student who makes cash payment.
- .04 Regis University accepts Visa, MasterCard, American Express and Discover Credit Cards as forms of payment. PCI compliance rules and regulations require that all credit card payments taken for DEPARTMENTAL DEPOSITS must be called in to the cashier's office directly. NO CREDIT CARD INFORMATION CAN BE WRITTEN DOWN, EMAILED OR STORED IN ANY WAY. The following information must be provided to the cashier's office when transferring a call for credit card payment:  
\*FULL 19-digit budget number to be credited. \*Amount to be charged.  
\*Description of charge. \*Mail code if receipt for payment is needed. All credit card information must be taken by the cashier's office from the cardholder directly.
- .05 The CFO & Senior Vice President for Finance authorizes all regular and special bank accounts, and no employee or University group or department is empowered to otherwise maintain a separate account on behalf of the University

or for any University sponsored activity.

## **PROCEDURES**

### **10.05 Departmental Deposits, On-Line Cashiering:**

- .01 When checks are collected at the department level for any reason, they are transmitted along with a completed Department Deposit Summary to the campus cashier in the time frame described in section 10.05, Policies. Credit card payments taken at the department level must be transferred to the cashier's office and the budget number must be given over the phone, or the card holder must present the card to the cashier's office along with the Departmental Deposit Summary.
- .02 The depositing department must place the appropriate general ledger account number on the deposit slip. A list of current revenue objects can be obtained from The Office of Financial Affairs. Any revenue number may be used in combination with the department's unit number to create the necessary account number.

### **10.06 Student Account Payments - Mailed:**

- .01 Payments received via mail are posted to the student account by a cashier the same day as received.
- .02 Payments received in person are immediately posted by the cashier.

### **10.07 Receipt of Donations and Gifts:**

- .01 All payments of gifts and donations are to be sent immediately to the Advancement Office so that they can be appropriately recognized.
- .02 The Advancement Office will post all gifts and donations within 48 hours. Gifts exceeding \$10,000 will be entered and deposited the same day.

### **10.08 Returned Checks:**

- .01 All returned checks are immediately processed through the bank a second time. This includes all payments taken via electronic check.
- .02 If a check is rejected by the bank, and the payor has a student or employee account with the University, the Office of Financial Affairs will immediately reverse the original transaction and place a returned check charge on the individual's account.
- .03 If a check is rejected by the bank, and the payor does not have a student or employee account with the University, the Cash Manager will forward the check to the submitting department and reverse the original transaction. Collection will be the responsibility of the submitting department.
- .04 Returned donations/gifts checks will be returned to the Advancement Office for collection. Advancement Office personnel will reverse the original transaction, and no additional charges will be assessed.
- .05 Employees who have written a rejected check to the University have 30 days to redeem the check with cash or a credit card payment.

### **10.09 Training:**

- .01 The Regis University Office of Financial Affairs is responsible for providing the additional instruction and detailed procedures needed to complete any

cash/check/credit card/money order transaction.

- .02 The Office of Financial Affairs assists the site/department in obtaining the appropriate equipment for completing these transactions.

## **11.00**

# **HONORARIUMS**

## **STATEMENT OF PURPOSE AND RESPONSIBILITY**

The purpose of this chapter is to establish the policies for issuance of honoraria. It also establishes the necessary procedures surrounding the use, limitations, and payment of honoraria.

## **APPLICABILITY AND DEFINITIONS**

### **11.01 Applicability:**

- .01 These policies are followed in all cases where a budget manager authorizes the payment of an honorarium.

### **11.02 Definitions:**

- .01 Honorarium: an amount of money paid to an individual in recognition for special services performed or distinguished achievement for which no fee is charged or expected or where custom or propriety forbids the setting of a fixed amount.
- .02 Short-term: A period of time defined for this policy as less than two weeks from start date to end date.
- .03 U.S. Citizen: An individual who has citizenship in the United States and holds a current U.S. social security number.
- .04 Non-resident Alien: An individual who has citizenship in another country but is in the United States under an approved visa. The individual may or may not have a U.S. social security number.

### **11.03 Forms:**

One or more of the following forms may be used in the processing of Honoraria.

- Honorarium Request Form
- Form W-9 - Request for Taxpayer Identification Number and Certification
- Form 8233 - Exemption From Withholding on Compensation for Independent Personal Services of a Non-resident Alien Individual.
- Instructions for Form 8233

These forms are accessible for faculty and staff via Financial Affairs SharePoint <https://regis365.sharepoint.com/sites/FinancialAffairs/SitePages/Home.aspx>

## **GENERAL POLICIES**

Generally, honoraria are paid to individuals of scholarly or professional standing in conjunction with an academic or University-sponsored activity.

### **11.04 Examples for which an Honorarium may be Paid:**

- .01 A special lecture or short series of lectures.
- .02 A guest speaker, expert advisor, or artist for a course offering or other similar function.

- .03 A guest speaker or performer for a commencement exercise or other similar function.
- .04 Conducting a seminar or a workshop of no more than two-week duration. If an employee-employer relationship exists, the payment must be processed through Human Resources as a temporary employee using the employee stipend payment process.
- .05 The services provided must be short-term in length. Services over a longer period of time will be considered either an independent contractor or employee relationship. The Associate Vice President of Human Resources is responsible for this determination and should be contacted prior to the commitment.
- .06 The amount of the honorarium must not exceed \$600.00 without approval from the Provost.
- .07 Payments made to an individual who is currently an employee of the University must be processed through Human Resources as an employee stipend payment to meet Internal Revenue Service guidelines. This is considered supplemental pay for employment taxes and withholding. Fringe benefits, including retirement contributions, are not paid in connection with supplemental pay.

11.05 **Procedures for Requesting Honorarium Payments and the Taxability of the Payments:**

- .01 The requesting budget manager must complete the Honorarium Request Form including a detailed description of the purpose or function for which the honorarium is being paid. A copy of any written correspondence confirming the individual's participation should be attached.

11.06 **Payments Made to a U.S. Citizen (non-employee):**

- .01 For honoraria which exceed \$600.00, a completed Form W-9 must be submitted along with the Honorarium Request Form. The Accounts Payable Office must have the individual's home address and U.S. social security number prior to the honorarium check being issued. Per Internal Revenue Service regulations, honoraria are considered miscellaneous income subject to reporting. If the total amount(s) paid, per individual, is in excess of \$600 per calendar year for miscellaneous income payments, the University will issue the individual a 1099-Miscellaneous Income Report at the end of the calendar year in which payments are made.
- .02 Submit the completed Honorarium Request Form to Accounts Payable for processing and payment.

11.07 **Payments Made to an Employee of the University:**

- .01 The requesting budget manager must submit the completed Honorarium Request Form to Human Resources for processing as an employee stipend payment per section 11.05. Honorarium payments are taxable income and will be added to the employee's paycheck on the next regularly scheduled pay date for the employee.

11.08 **Payments Made to a Non-Resident Alien:**

- .01 Non-resident aliens may or may not be eligible to receive honorarium payments. This is dependent upon the visa classification and are subject to restrictions. The Controller should be consulted prior to any commitments with non-resident aliens.



- .02 A copy of the individual's visa and/or passport must be submitted with the Honorarium Request Form. The Accounts Payable Office must have the individual's foreign address and foreign identification or passport number prior to the honorarium check being issued.
- .03 If the non-resident alien's country of residence has a tax treaty with the United States, the honorarium may be exempted from tax; therefore, the non-resident alien must provide the University with a completed Form 8233 prior to the check being issued. Otherwise, the University must withhold 30% for taxes as stated in I.R.S publication 515. Any questions regarding the taxability of the payment should be directed to the Controller.
- .04 Submit the completed Honorarium Request Form to Accounts Payable for Processing.
- .05 Per Internal Revenue Service regulations, honoraria are considered miscellaneous income subject to reporting. The non-resident alien will be issued a 1042S (a 1099 for non-resident aliens) at the end of the calendar year in which payments are made. The non-resident alien may then, if applicable, file for a refund directly from the IRS of the amounts withheld by the University.

## 12.00

### **RESTRICTED AND DESIGNATED STATEMENT OF PURPOSE AND RESPONSIBILITY**

The purpose of this policy is to give clarity and transparency to the process surrounding the creation, operation and closure of restricted and designated accounts. These accounts are to be created and maintained in accordance with this policy.

#### 12.01 **Definitions:**

- .01 **Activity:** A specific occurrence that does not relate to Regis' normal course of business. Most activities have corresponding revenues and expenses associated with them.
- .02 **Designated Fund:** Funds that are assigned by University management for a specific activity or purpose. Designated funds have more discretion in use than restricted funds. The University may change the purpose of designated fund without the consent of a donor or grantor.
- .03 **Gift:** any voluntary, nonreciprocal transfer of cash or other asset from individuals or private organizations, such as corporations and foundations, to Regis University.
- .04 **Gift fee:** A 5% administrative gift fee is applied on all philanthropic commitments. For gifts of \$1 million and above the fee is 2.5%.
- .05 **Gift Restriction:** a donor stipulated purpose for their gift. Gift restrictions must be agreed to at the time the gift is established and must be documented in writing.
- .06 **Grant:** a transfer of assets to Regis from a foundation, corporation, association or governmental entity for specific purposes governed by a formal agreement between the University and the donor and subject to specific reporting requirements. Some grants by the nature of their reciprocal requirements are not donative in intent but are contractual.
- .07 **Purpose:** a specific interest of the University that may not be generally related to Regis' normal course of business. Purposes are broader than activities. A

purpose can be a set of related activities.

.08 Restricted Fund: A general ledger account that was created for and used for a specific activity. These funds are limited for the use stipulated by the grant or gift restrictions.

.09 Spending Plan: A strategy to spend the balances within a restricted or designated account.

## 12.02 **Responsible Parties:**

### .01 Department / Budget Manager

- Monitor its restricted and designated accounts.
- Responsible for creation of and adherence to spending plans for each of its restricted and designated accounts.
- Ensure that all gifts received by its employees are forwarded immediately to the Office of University Advancement.
- The Dean or Vice President requests the creation of a restricted or designated fund from either Financial Affairs, University Advancement or the Center of Research and Scholarship, depending on the nature of the monies received.

### .02 University Advancement

- Approve the creation of a new donor purpose restricted fund. These funds generally began from private foundation grants or gifts.
- Provide Financial Affairs request for the approval and creation of a restricted fund.
- Ensures that all gifts received by the University are properly recorded and acknowledged as required by this policy, the Gift Acceptance Policy, and IRS regulations.
- Create and communicate the gift fee for restricted accounts.
- Maintain donor documentation in accordance with Gift Acceptance Policy that clearly indicate any donor restrictions, if applicable.

### .03 Center for Scholarship and Research (CSRE)

- Approve the creation of a grant, research-orientated restricted account.
- Communicate to Financial Affairs the approved request for the creation of a restricted account.
- Responsible for compliance in grant research and spending.
- In coordination with Financial Affairs, assist Primary Investigators to reconcile grant accounts and properly invoice the granting entities.

### .04 The Office of Financial Affairs

- Issue final approval of the creation of all restricted and designated accounts.
- Assist departments with the reconciliation and managing of restricted and designated accounts.
- Close and inactivate restricted and designated accounts when restriction or designation has been met and funds spent.
- Mitigate overspends in accounts as needed.
-

## **PROCEDURES**

### **12.03 Fund Creation – Restricted (Donor or Grant Funds):**

- .01 Advancement or Deans/AVP and above should carefully decide whether there is a business-need for a restricted account for a specific activity or purpose. The Office of Financial Affairs can help with this determination, and can verify that a fund does not presently exist for the purpose in question.
- .02 Once Advancement or Dean/AVP decides that a new fund is necessary, the Dean or Vice President requests the creation of the restricted or designated fund. If the fund is related to research, the request should be sent to the Center for Research and Scholarship. If the request is for a donor-supported fund, the request should be submitted to University Advancement.
- .03 If the request is first submitted to CSRE or University Advancement, those departments will follow their internal policies to verify the requested fund is necessary and appropriate. Once the fund is deemed necessary and appropriate, University Advancement or CSRE submits the request to the Office of Financial Affairs.
- .04 The Office of Financial Affairs reviews and approves restricted funds. Once this approval is completed, the Office of Financial Affairs will create the fund and notify the submitter of the request.
- .05 If the request is rejected at any point in the process, the decision will be subject to the appeals process for 30 calendar days after the notification of rejection has been sent to the submitter.

### **12.04 Fund Creation – Designated (Management Assigned Purpose):**

- .01 Deans/AVP and above should carefully decide whether there is a business-need for a designated account for a specific activity or purpose. Examples of needs include student fundraising through bake sales, ticketed events, etc. or specific student fee for travel. The Office of Financial Affairs can help with this determination, and can verify that a fund does not presently exist for the purpose in question.
- .02 Once the Dean/AVP decides that a new fund is necessary, the Dean or Vice President requests the creation of the designated fund to the Office of Financial Affairs.
- .03 The Office of Financial Affairs will consult with Cabinet for approval. Once this approval is completed, the Office of Financial Affairs will create the fund and notify the submitter of the request.
- .04 If the request is rejected at any point in the process, the decision will be subject to the appeals process for 30 calendar days after the notification of rejection has been sent to the submitter.

### **12.05 Fund Maintenance:**

- .01 For each restricted and designated account, the respective department is required to design and implement a spending plan. A spending plan is a multi-year projection that demonstrates the expectation to spend monies received to the fund. Typically, spending plans must show spending within the first three years.
- .02 Restricted and designated accounts must be self-supporting and should not run in deficits.

- .03 Operating monies (fund 10) can only support restricted and designated accounts in the following circumstances:
- A trip where a department is sending faculty or staff as part of professional development. Direct expenses must have support to back-up the transfer.
  - A one-year deficit fulfillment if the division overall is not in a deficit. Consultation with Financial Affairs must occur for revised spending plan or movement to fund 10.
- .04 If the fund is placed in a deficit or a spending plan has not been followed, the Office of Financial Affairs reserves the right to mitigate overspends as needed. The account will be placed in a "frozen" status until the deficit is cleared or the spending plan is reinstated.
- .05 All gifts are subject to a 5% administrative gift fee when they come in. For gifts of \$1 million and above Regis has instituted a reduced administrative fee of 2.5%. The gift fee is a transfer of the fund to the general institution. Please refer to University Advancement's 5% Gift Fee Memo for additional information.

12.06 **Fund Closure:**

- .01 At the end of the activity, purpose or grant it will be necessary to close the account.
- .02 The Office of Financial Affairs, with assistance from the department, CSRE, and University Advancement, will perform a final reconciliation of the Fund.
- .03 Once the account is fully reconciled and it is determined there will be no further revenues nor expenses expected in the fund, the Office of Financial Affairs will close and inactivate the fund and all associated General Ledger Accounts.

12.07 **Appeals/Violations:**

- .01 Any Decision or action taken by the Office of Financial Affairs is subject to the following appeal process:
- If one disagrees with an action or decision made, then a formal request for appeal should be directed to the Controller within the Office of Financial Affairs within 30 days of the action or decision in question. The Controller will make and communicate a judgement on the appeal within five business days.
  - If one disagrees with the results of the Controller's findings, then a formal request for re-appeal should be directed to the Associate Vice President of Financial Affairs within five days of the communication of the initial appeal judgement. The Associate Vice President will review all related information and policies, and issue a judgement within ten business days of the re-appeal request submission.
  - The Associate Vice President is the highest level of appeal, and decisions founded from the re-appeal process are considered final.