

## POLICY CONCEPT FORM

<b>Name and UO Title/Affiliation:</b>	Kelly B. Wolf, AVP for Business Affairs and Controller
<b>Current Title/# (if applicable):</b>	06.00.08 Expenditure Guidelines
<b>Submitted on Behalf Of:</b>	Business Affairs Office
<b>Responsible Executive Officer:</b>	Jamie Moffitt, VPFA

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**SELECT ONE:**  **New Policy**       **Revision**       **Repeal**

*Click the box to select*

**HAS THE OFFICE OF GENERAL COUNSEL REVIEWED THIS CONCEPT:**     **Yes**       **No**

**If yes, which attorney(s):** Craig Ashford (pending)

### GENERAL SUBJECT MATTER

*Include the policy name and number of any existing policies associated with this concept.*

[Click here to enter text.](#)

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### RELATED STATUTES, REGULATIONS, POLICIES, ETC.

*List known statutes, regulations, policies (including unit level policies), or similar related to or impacted by the concept. Include hyperlinks where possible, excerpts when practical (e.g. a short statute), or attachments if necessary. Examples: statute that negates the need for or requires updates to an existing policy; unit level policy(ies) proposed for University-wide enactment; or existing policies used in a new, merged and updated policy.*

**UO Fiscal Policy (Pending)**

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### STATEMENT OF NEED

*What does this concept accomplish and why is it necessary?*

**Policy was last updated in 2002. Pertinent concepts have been incorporated into new UO Fiscal Policy and supporting procedures.**

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### AFFECTED PARTIES

*Who is impacted by this change, and how?*

[Click here to enter text.](#)

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**CONSULTED STAKEHOLDERS** (See Fiscal Policy Submission)

### Reason for Policy

The University of Oregon, as part of the Oregon University System, operates in a decentralized environment. To increase operational efficiency and effectiveness a system of controls and procedures relying on delegated spending authority and approval of transactions at the Responsibility Unit level has been put into place.

In this environment, Unit Administrators are responsible for ensuring the appropriate use of university funds within the constraints of limited resources available to them. Unit Administrators are also responsible for ensuring that all fiduciary responsibilities related to those funds are met. This policy is intended to promote proper stewardship of university funds by providing a broad statement addressing the appropriate and legal uses of University of Oregon funds in support of the university's mission. All Unit Administrators and individuals who initiate, review, approve, process, or record financial transactions on behalf of the university should be familiar with this policy.

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### Entities Affected by this Policy

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### Web Site Address for this Policy

<http://policies.uoregon.edu/policy/by/1/06-finance-and-business-affairs/expenditure-guidelines>

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### Responsible Office

Office of the Vice President of Finance and Administration: 541-346-3003, [vpfa@uoregon.edu](mailto:vpfa@uoregon.edu)

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### Enactment & Revision History

Unknown

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### Policy

University of Oregon funds are defined as all funds available to the university received from internal and external sources, including funds held at the University of Oregon Foundation and excluding agency funds. When incurring expenses to be paid from University of Oregon Foundation funds, the University of Oregon Foundation is responsible for ensuring that expenditures of foundation funds do not violate donor intent. University employees must

ensure that expenditures are in alignment with the university's priorities, mission, and the guidelines set forth in this policy.

University of Oregon funds may be used for business-related expenses incurred in furtherance of the university's mission. University of Oregon funds may not be used for extreme, excessive, or illegal expenses, for expenses that are not related to carrying out an individual's job responsibilities, or for expenses reimbursed from other sources. Expenditures must be consistent with applicable policies unless specifically exempted by an external agency, grantee, or donor. Expenditures not otherwise disallowed, may be made within the scope of reasonable financial management, and may be reviewed on a case-by-case basis by individuals with appropriate approval authority.

### **Tax Reporting**

Certain expenditures paid by the university on behalf of employees, student employees or independent contractors may be subject to tax reporting depending on the circumstances. Examples include but are not limited to providing any of the following (or allowances for any of the following):

- Airline club
- Automobile
- Auto related expenses including insurance payments
- Clothing
- Club dues
- Gifts
- Housing
- Memberships
- Moving or relocation costs
- Performance or achievement awards

### **Authority**

The UO Vice President for Administration and Senior Vice President & Provost or designees shall have oversight for this policy. All Unit Administrators and individuals who review and approve financial transactions on behalf of the university are responsible for ensuring that expenditures are consistent with this policy.

### **References**

Oregon Administrative Rules (OAR) - see [Purchasing and Contracting Services Laws and Policies](#)

[Practitioner's guide](#) - A learning guide developed to assist Unit Administrators in exercising stewardship and using resources effectively.

[Purchasing and Contracting Services website](#): The website is designed to provide basic steps and information to meet your purchasing and contracting needs.

### [Purchasing and Contracting Policy](#)

IRS Section 132 Computation of Taxable Income outlines the types of payments to employees that may be excluded from gross income for certain fringe benefits.

### **Procedures:**

#### 1 Authorization

Unit Administrator must designate staff authorized to enter into purchasing agreements for the University. Purchasing and Contracting Services (PCS) in the Business Affairs Office is responsible for maintaining Departmental Signature Authorization Forms for each department within the University. These forms are used by the Dean, Director, or Department Head to indicate that signature authority has been delegated to specific individuals within their Responsibility Unit. It is crucial to inform PCS, throughout the year, when an individual once authorized on a Departmental Signature Authorization Form is no longer authorized. PCS updates these forms on an annual basis.

#### 2. Elements of Approval

There are three aspects to expenditure approval, a programmatic, a budgetary and a compliance aspect. The following describes each aspect and summarized relevant institutional roles and responsibilities.

##### a) Programmatic approval

Programmatic approval indicates that the proposed expenditure has a related business purpose and meets objectives related to department, college, school, and university mission. Programmatic approval is primarily the responsibility of Unit Administrators and their designee(s). Institutional executive management and appropriate central offices may provide guidance.

##### b) Budgetary approval

Budgetary approval indicates that the proposed expenditure is a priority, and that sufficient funds are available to incur the expense. Budgetary approval is primarily the responsibility of Unit Administrators and their designee(s). Institutional executive management and appropriate central offices may provide guidance.

##### c) Compliance approval

Compliance approval indicates that the proposed expenditure has met all applicable laws, regulations, policies, and procedural requirements; and that the expense is incurred using good business practices. Compliance approval is primarily the responsibility of Unit Administrators and their designee(s). Institutional executive management and appropriate central offices may provide guidance. In addition, central offices are responsible for reviewing selected departmental transactions for compliance.

See the [Practitioner's Guide](#) for a discussion of the decision making process used in exercising stewardship and effectively using resources.

**Forms/Instructions:**

Documentation for the purchase of goods and services must provide support for the business purpose of the expenditure. The business purpose must be clearly and explicitly stated unless otherwise evident.

For forms, instructions, and checklist, see [Purchasing and Contracting Services Forms](#) online site.

**Expenditure Approvals Roles & Responsibilities Summary**

RESPONSIBLE PARTY/Responsibility

EMPLOYEES

Supply business purpose and documentation to support expenditure in a timely manner.

Seek guidance from Responsibility Unit regarding the appropriateness of expenditures from a programmatic, budgetary and compliance standpoint when appropriate

Seek prior approval from Responsibility Unit or Central Office when appropriate.

RESPONSIBILITY UNIT

Ensure expenditure is appropriate from programmatic, budgetary and compliance standpoint regardless of the source of funds.

Seek guidance and training from central offices regarding the appropriateness of expenditures from a programmatic, budgetary and compliance standpoint when appropriate.

Maintain documentation to support business purpose.

CENTRAL OFFICES (BUSINESS AFFAIRS, OFFICE OF RESOURCE MANAGEMENT AND OFFICE OF RESEARCH SERVICES)

Establish policy & monitoring performance.

Provide guidance and training to Unit Administrators and departmental staff regarding the appropriateness of expenditures from a programmatic, budgetary and compliance standpoint regardless of the source of funds.

Review selected departmental transactions for compliance.

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**Related Resources**

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