



Standard Administrative Policy and Procedure

Subject: Allowable Expenses

Number:

I. PURPOSE

As a public, land-grant institution funded in part by state allocations and student tuition, the University of Wyoming is held to a high level of accountability for its business practices. Expenditure of University and state-appropriated funds will only be used to further the University's mission in the following expense categories: instruction, organized research, public service, academic support, student services, institutional support, maintenance and operation of physical plant, scholarship and fellowships, auxiliary enterprises, and other expenses that further the University's mission. State-appropriated funds are generally used in support of instruction, institutional support, and organized research.

II. DEFINITIONS

Allowable Expense: A necessary, reasonable, and appropriate expense incurred for the primary benefit of University business, meets the strategic goals and mission of the University, has a clear Business Purpose, and complies with policy limitations set by applicable federal regulations, sponsored contracts, and University policy.

Business Purpose: A written description of an Allowable Expense that explains who or what the transaction benefits, what the transaction is for, when the goods or services will be needed, where the goods or services will be used or consumed, and why the goods or services are needed.

Entertainment: People or events, which include musicians, actors, comedians or other performing artists. Professional speakers may be included in this category but are differentiated from Guest Speakers (as defined below) in that a professional speaker generally performs for a broad or general audience. Examples of Entertainment may include those people or events that enhance student morale and retention, acquaint guests, such as prospective faculty and staff, official guests, and donors, with the University, or increase community engagement.

Guest Speaker: Professionals usually engaged by academic units or departments to speak on academic and research topics to a specific audience. Examples include visiting professionals or specialists and seminar presenters. Guest Speakers generally receive

reimbursement of expenses and/or a nominal sum as payment for their services. Guest Speakers do not fall within the definition of Entertainment above.

University Funds: Any funds held by the University, including but not limited to state-appropriated block grant dollars, departmental collections of revenue for programs and activities (including ticket sales), amounts collected as a result of the use of campus equipment and facilities, services provided by University employees, the on and off-campus sale of goods and services of University departments, student tuition and fees, federal, state and sponsored research funding, and investment income. These funds are generally referred to as “general” or “public” funds. UW Foundation funds are not governed by this policy.

III. POLICY

The University has various stakeholders and receives funding from multiple sources, including students, donors, taxpayers, alumni, the State of Wyoming, and the federal government. These entities have a significant interest in how the University manages and spends its finances. This Allowable Expenses Standard Administrative Policy and Procedure (Policy) is designed to ensure the appropriate and responsible use of University Funds in line with its mission, relevant laws, and ethical standards. All University faculty and staff members with the authority to approve expenditure transactions must ensure they meet a valid Business Purpose and ~~are expected to exercise judgment and~~ adhere to ~~both the letter and spirit of~~ this Policy.

IV. PROCESS AND PROCEDURE

The University’s Procurement and Payment Services Office holds the authority over procurement for the institution and continuously monitors the expenditure of institutional funds. That Office reviews expenses to ensure that University funds are expended according to sound business practices and with a valid Business Purpose and are consistent with federal, state, and University regulations, policies, and procedures.

V. ALLOWABLE EXPENSES

Expenditures of University Funds are generally allowable if they meet the University’s mission and have a valid Business Purpose. The categories below represent a non-exhaustive list of common Allowable Expenses:

- A. Employee business cards.
- B. Employee training on-site or off-site, if relevant and related to the employee’s job duties or description.
- C. Expenses of the Student Media Board pursuant to UW Regulation 11-6 (Student Media Board).

- D. Expenses related to hosting, inviting, or sponsoring Entertainment. These expenses could include any funds for travel, food, space rental, or general sponsorship.
- E. Expenses related to hosting, inviting, or sponsoring any third-party, Guest Speaker (non-University employee or student). These expenses could include any funds for travel, food, space rental, or general sponsorship.
- F. Fuel for University vehicles.¹
- G. General receptions and meals for prospective and current students and families, including events recognizing student achievement.
- H. Graduate assistantships and fellowships.
- I. Light refreshments and small appliances, including coffee, water, or similar items. These items must be available for all employees, students, and the public and located in common areas.
- J. Office equipment, furniture, books, reference materials, and organizational supplies.
- K. Organized research and economic development expenses consistent with University policy.
- L. Payment of dues and fees for membership in professional organizations that materially contribute to the mission of the University or are required as a condition of employment. An employee's supervisor must submit an explanation of how the dues or fees materially contribute to the mission of the University and/or written explanation that membership is required for the position.
- M. Postal charges, stamps, and mailing expenses.
- N. Promotional items that provide information and/or promote the name or image of the University and display the name, logo, or other icon identifying the University, such as a keychain, coffee mug, calendar, or clothing. Promotional items are not intended for University employees and must be of reasonable value.
- O. Purchase or rental of supplies, materials, and equipment necessary to carry out the mission of the University.
- P. Purchases made in accordance with the University's Procurement Card Policies and Procedures and the University's Procurement Manual.
- Q. Receptions and meals for candidates interviewing for professional, scientific, faculty, and institutional positions.

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¹ Fuel for personal vehicles is covered within the mileage reimbursement following the procedures described in the University Travel and Reimbursement Policy SAPP.

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- R.** Receptions and meals for governmental officials including the Board of Trustees and officials of businesses, corporations, foundations, and other universities serving on advisory boards.
- S.** Receptions and meals for training sessions, strategic planning sessions, or retreats when directly related to the business of the University. These types of receptions and meals should be infrequent.
- T.** Salaries and benefits for employees of the University or as a subcontractor or subgrantee of the University.
- U.** Sponsorships when the University is receiving a benefit for a financial contribution. A sponsorship agreement should be reviewed and executed pursuant to the Quote Bid Threshold Policy. Goodwill or the ability of the student, staff, or faculty to network is not considered a benefit. The dollar value of the sponsorship must be reasonable for the benefit being received.

Examples of common benefits the University may receive in exchange for a sponsorship are:

- 1. Name/logo recognition in event materials or on the event website,
 - 2. Verbal acknowledgment of sponsorship during an event,
 - 3. Invitations to attend sponsor events, and
 - 4. Registration to the event.
- V.** Travel expenses related to University business including airfare, hotel, parking, meals, rental vehicle expense and fuel cost, ground transportation, ride share, tolls, reasonable gratuity, and conference registration fees consistent with the University's Travel and Reimbursement Policy.

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VI. UNALLOWABLE EXPENSES

Below is a non-exhaustive list of unallowable expenses. Examples listed below, regardless of their form of payment,² are not allowable for purchase with University Funds:

- A.** Expenses for faculty and staff appreciation meals, retirement celebrations, and other parties.
- B.** Expenses for Entertainment and Guest Speakers that do not have a valid Business Purpose.

² Forms of payment include but are not limited to interdepartmental transfer (IDT), procurement-card, requisition, personal reimbursement, non-purchase-order invoice, etc.

- C. Expenses for funerals.
- D. Fines or penalties.
- E. Gift cards/preloaded cards/gift certificates and any other cash equivalents for any other purpose than academic research incentives and academic research participant compensation.
- F. Gift, loan, or donation to an individual, association, or corporation.
- G. Goods purchased with University Funds shipped to a personal address, unless an employee is designated as a long-term remote worker and the items being shipped are essential to the employee completing required job duties.
- H. Moving expenses beyond those approved in the University's Travel and Reimbursement Policy.³
- I. Personal memberships in any club or social organization.
- J. Political contributions or lobbying.
- K. Purchases of alcohol, including permits or insurance policies associated with serving or consuming alcohol or other alcohol-related expenses (labor charges for a bartender or bartending supplies).⁴
- L. Purchases for resale to employees or personal purchases using University facilities.
- M. Sales tax and lodging tax in the State of Wyoming.
- N. Subscriptions or ownership of stock in an association or corporation.

Responsible Division/Unit: Division of Budget & Finance

³ The University's Travel and Reimbursement Policy outlines the moving allowance process.

⁴ An allowable exception is use under W.S. 12-4-501 (malt beverage permit for University of Wyoming; fee; rules and regulations).

Source: Office of the Governor Miscellaneous Purchases Memo (Oct. 29, 2008); Wyo. Const. Art 16, Sec. 6(a)(i); Wyo. Const. Art 16, Sec. 6(a)(ii); W.S. 12-4-501.

Links: <http://www.uwyo.edu/regs-policies>; <https://www.uwyo.edu/strategic-plan/index.html>

Associated Regulations, Policies, and Forms: UW Regulation 2-1; UW Regulation 7-8; Quote and Bid Threshold Policy; Honorariums, Incentives, and Sponsored Research Participant Incentives and Participant Support Costs SAP; Procurement Services Manual; [University Travel and Reimbursement Policy](#); [SAPP](#)

Approved: