

University Rule 3-010A: Expenditure and Reimbursement Requirements

I. Purpose and Scope

To describe standards and requirements for adequate documentation of University expenditures, and to proscribe limitations on personal reimbursements.

II. Definitions - see [Policy 3-010](#)

III. Rule

A. Authorization and Approval

All expenditures of University funds require authorization by appropriate individuals including the Account Executive/Principal Investigator or an authorized alternate. In addition, personal reimbursements require administrative approval.

B. Documentation

At a minimum, documentation should include the following:

1. Date of invoice or date purchased
2. Amount
3. Adequate description of business purpose
4. Description of items or services purchased
5. Appropriate invoice or receipts
6. Appropriate accounting distribution
7. Necessary approvals

C. Reimbursements

1. Use of personal credit cards for purposes that otherwise do not benefit the University (such as accumulating "points" that such cards provide to the individual), and then seeking reimbursement from the University, is neither an efficient nor effective procurement method; and runs counter to the principle stated in [Policy 3-010](#), paragraph III.B.1.
2. Reimbursements are subject to the requirements and restrictions contained within the University's purchasing regulations. Violation of procurement regulations may result in non-approval of reimbursement requests.
3. Utah Sales Tax Considerations
 - a. The University of Utah is exempt from Utah State Sales Tax on most purchases when charges are made using direct payment tools and other exemption requirements are met (see Section IV.C.1., below). Sales tax is an unnecessary expense for the University and all reasonable efforts should be made to obtain appropriate tax exemptions and to avoid incurring Utah sales tax.
 - b. Utah Sales Tax amounts will be deducted from requests for personal reimbursement of University of Utah business expenditures. This Rule applies to expenditures made by faculty, staff, and students – with the exception of business meals purchased at established restaurants involving 10 people or less.
 - i. The Dean or equivalent position has the authority to approve reimbursement of sales tax on business expenditures in extraordinary circumstances and on an exception basis. A written explanation of the reasons for noncompliance with preferred procurement methods must accompany authorizing signature in order to obtain a reimbursement of Utah Sales Tax.

- ii. Deans and equivalent positions are allowed, if necessary, to delegate their exception authority as it relates to Utah sales tax reimbursement.
 - c. The University has a Sales Tax Exemption certificate that allows goods to be purchased without paying Utah state sales tax. To maintain the certificate the University certifies that the items will be purchased with University funds and will be used for the University's essential functions. Use of the certificate while paying with personal funds violates state requirements. If documentation suggests misuse of the exemption certificate, reimbursement will require a letter of justification and the cognizant cabinet-level officer's approval.
4. Reimbursements less than the established minimum, currently \$25, should be paid through a departmental petty cash fund, if available. Accumulating several transactions in order to meet the established minimum is acceptable, assuming the payee is the same. Reimbursements in excess of the established maximum, currently \$1,000, require two approvals – the person's supervisor and the director or department chair, along with an explanation of why preferred procurement methods were not used.
5. In accordance with principles set forth in [Policy 3-010](#), Section III.B.1., reimbursement requests will not normally be eligible for expedited payment, (i.e., same day or next day processing), without director or department chair approval.

IV. Rules, Procedures, Guidelines, Forms and other Related Resources

A. Procedures [reserved]

B. Guidelines [reserved]

C. Forms

- 1. [Sales Tax Exemption Certificate](#)

V. References

VI. Contacts – see [Policy 3-010](#)

VII. History

Editorial correction made May 4, 2021 replacing the word “supervisory” with the word “administrative” in Section III-A.

Originally approved 04/09/2013. This rule does not govern expenditures or personal reimbursements related to University Travel

06/01/2017 III.C.3.b.ii. changed to allow Deans to delegate authority to approve reimbursement of Utah sales tax per cabinet decision.