

APPENDIX A - DEFINITIONS

As used in these University Financial Policies, the following definitions shall apply, unless the applicable Policy expressly states otherwise.

Advance Payments: A payment made for goods or services prior to the receipt thereof.

After-the-Fact Purchase: Occurs when liabilities are incurred or payments are made on the University's behalf without prior approval via a University purchase order or contract when a purchase order or contract is required.

Approving Authority: The person within the Organizational Unit that is responsible for ensuring financial transactions recorded against an Index are appropriate.

Board: The Board of Trustees of the Colorado School of Mines.

Capital Construction: Shall have the meaning described in C.R.S. §24-75-301(1), as now or hereafter amended.

Capital Construction Fund: A fund created for the purpose of constructing, purchasing, building, and/or maintaining land and buildings for use by the University.

Cash Advance: An amount of money approved by the *Organizational Unit* and the Controller's Office that is given to an *employee* to cover incidental out-of-pocket expenses related to *Official University Business* while *In Travel Status*.

Change Fund: An amount of money advanced to the departments that accept cash from customers and, therefore, must have cash available to make change.

Change Fund Custodian: The individual designated by the appropriate department and approved by the controller as responsible for safeguarding and disbursing from a change fund.

Commitment Voucher: A purchase order, a contract, an approved travel authorization, or any other document appropriate to the fiscal transaction as prescribed by University policies and procedures, which provides support that an obligation of the University is being charged to the appropriate account and that purchasing requirements have been satisfied. Additional examples of commitment vouchers include, but are not limited to: grant contracts, license agreements, parking license agreements, and any other contract involving the payment of University funds.

Controlled Maintenance Project: A capital project funded for the purpose of performing routine maintenance of campus facilities.

Course: A seminar, an extended learning event, or continuing education course offered by Mines to non- Mines' Students, faculty, or staff as a part of the core business function of the University.

Deficit: Actual expenses plus encumbrances that exceeds the total approved budget or available net assets, as recorded or reflected in the Finance System, in the Index for which the activity is recorded.

Direct Pay: A method to pay a vendor that does not include a commitment voucher.

Donation: Irrevocable cash and non-cash contributions to the University, departments, or student organizations for which the donor receives nothing in exchange.

Employee: An individual who holds a University faculty, administrative faculty, classified, or Student employment appointment, whether full-time, part-time, temporary, seasonal, or hourly.

Entertainment Expenses: Expenditures for social functions, entertainment events, food, beverages, tickets for shows or sporting events and related supplies for events, which involve one or more University Employees and or one or more guests and the purpose of the expenditure is to represent the University or provide reciprocity of hospitality or build business relationships in pursuit of University goals.

Equipment: Any tangible personal property that has a useful life greater than 1 year and a cost of more than \$5,000, which is not a permanent part of a building and does not lose its identity through incorporation into a more complex unit.

Fundraising Events: An event at which a required monetary payment to attend or participate includes both a gift component (charitable contribution) and a non-gift component (goods and/or services are provided or available to the attendees, sponsors, or donors). The event will most often be completed in a single day; however, the event may consist of a multi-day, singularly identifiable event, such as a trip or cultural celebration weekend. This type of event differs from a *conference* in that some portion of the attendees' payment is intended to be tax deductible. Examples of such events include the collection of gifts or money through sale or auction of merchandise or services, collection of registration or sponsorship fees with a promise of a tax deduction, imposition of admission charges or registration fees with a promise of a tax deduction, and/or membership fees.

Gift: Irrevocable cash and non-cash contributions to departments or Student organizations for which the donor receives nothing in exchange. Donors may place certain restrictions on the use of the funds with which the University must comply.

Gratuities/Tips: A sum of money given to someone as a reward for their services. The amount should not exceed 20% of the pre-tax purchase for items in which Gratuities/Tips are appropriate. Note: Gratuities/Tips for bell hops, maid service, skycaps, concierge services, etc., are not allowed as itemized amounts. These amounts are already reimbursed via the per diem calculations.

Incidental Expenses: Fees and Gratuities/Tips given to porters, baggage carriers, bellhops, hotel maids, and skycaps for airport check-in, and cost of personal telephone calls. Incidental Expenses do not include expenses for laundry, cleaning and pressing of clothing, and lodging taxes.

Index: A unique combination of Fund, Organization, and Program code numbers within the Finance System that is used to record financial transactions.

Index Financial Manager: Responsible for management of all funds within the department and the stewardship of assets within these funds.

Meetings/Conferences: An auxiliary activity to conduct a formal activity of a number of people, primarily other than *employees* or associates, for discussion or consultation on a serious and identified topic, where admission is charged to those attending. Unlike the admission fee for a *Fundraising Event*, the admission fee for a conference is not intended to be tax-deductible, either in total or in part. Activities include professional meetings and or conferences hosted by the University for associated professional/educational organizations.

Metropolitan (Metro) Area: A region including a city and the densely populated surrounding areas that are socially and economically integrated with the area. For purposes of these Policies, a radius of 50 miles from the University is deemed to be the Metropolitan Area.

Non-employee: Any person who does not meet the definition for *Employee* or *Student*.

Non-remuneration employee: Any person who is not a current employee of the University but has a zero pay contract authorized and approved by the appropriate VP that is currently on file and covers the dates for which the individual will be working for the University.

Official Function: Those meetings, special events, and graduation functions hosted by an *Organizational Unit* and attended by guests and or other associates or employees held for an Official University Business purpose.

Official University Business: Any activity that carries out the University's mission of instruction, research, and service or that provides support to the University's instruction, research, and service activities.

OneCard: The University's corporate liability card issued to *Employees* and *Students*.

Organizational Unit: A subset of University. An Organizational Unit may be a department, center, institute, or any other distinct operational activity with the following characteristics:

- Organizational permanency;
- Programmatic autonomy; and
- An annual operating budget that is fiscally independent.

Within the Finance System, these areas are represented in the chart of accounts as Orgs.

Organizational Unit Manger: University employees assigned responsibility for expending University resources within an *Organizational Unit*. This may include any of the following: President, Vice President, Department Head, Division Director, Fund Manager, Principal Investigator, or Administrative Assistant: and it shall not include *Students*.

Out-of-Pocket Expense: *Official University Business* paid for using personal funds in lieu of using a University procurement payment method.

Perquisite: Any extra benefit, privilege, or allowance that is not ordinary compensation, authorized expense Reimbursement, or approved supplemental pay. "Perquisite" does not include incentive awards, salary increases, fringe benefits established pursuant to C.R.S. §§ 24-50-104(8) and (9), or any other employment benefit authorized by state statute, or resolution of the *Board*.

Petty Cash Custodian: The individual designated by the appropriate department and approved by the Controller's Office as responsible for safeguarding, disbursing from, and requesting replenishment of a *Petty Cash Fund*.

Petty Cash Fund: An amount of money issued to a department to be used on a revolving basis for the payment of small and incidental expenses.

Political Expenses: Expenses incurred in relation to activities that are primarily designed to further the interests of a candidate, political party, or special interest group.

Procurement Card Report: A report processed through TEM to record charges incurred on the University's corporate liability credit cards.

Reimbursement: The act of reimbursing an *Employee* or *Non-Employee* who personally paid for *Official University Business* expenses. Receipts and proof of payment are required as documentation of the purchase.

Standing/Regular Meeting: A meeting that takes place more than four times a year or once a quarter.

State Capital Construction Fund: A fund created by statute for the purpose of constructing, purchasing, building, and/or maintaining land and buildings that is wholly or partially funded by the State.

State Capital Construction Project: A construction project funded wholly or in part by funds from the State Capital Construction Fund.

State Controlled Maintenance Project: A capital project funded wholly or in part by funds from the State controlled maintenance fund.

Student: Any person who is registered for coursework at the undergraduate or graduate level at the University.

Temporary Work Location: A location where employment is expected to continue, and does continue, for one year or less.

Training Function: A meeting, conference, or other function which is hosted by an *Organizational Unit* or other associates and held to enhance *employee* knowledge or to educate customers or *employees* that are affected by the University's operations or requirements. Training Functions require a written agenda, study materials, and must be led by an identified presenter(s).

Travel Advance: An amount of money approved by the *Organizational Unit* and the Controller's Office that is given to an *employee* to cover incidental out-of-pocket expenses related to *Official University Business* while in *Travel Status*.

Travel and Expense Management System (TEM): The system used to process *Travel Authorization/Expense Reports, Voucher Reports, and Procurement Card Reports*. The system may be either an electronic or a paper-based system.

Travel & Expense Report: A report processed through TEM that documents *Employee* and *Non-Employee* travel related authorizations and actual expenses.

Traveler's Regular Work Location: Generally, the primary location where the traveler works, including the entire *Metropolitan Area* surrounding the primary location.

Travel Status: An *Employee's* job duties require them to be away from the *Traveler's Regular Work Location* over-night or if the travel includes airfare.

Vendor Agreement: Any form of agreement provided by a vendor, including an on-line (electronic) agreement, containing contractual provisions relating to the goods and/or services to be provided by such vendor.

Voucher Report: A report processed through TEM to reimburse *Employees* for miscellaneous out of pocket expenses.

Voucher Request: Payments made for non-invoice situations such as reimbursements, membership dues, conference fees, etc.