



OFFICE OF FINANCE AND ADMINISTRATION

Finance and Administration Policy Manual

Updated June 2023

Finance and Administration Policy Manual

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OFFICE OF FINANCE AND ADMINISTRATION

Accounting Standards

Policy statements

UNE's financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) of Fund Accounting as prescribed by the National Association of College and University Business Officers (NACUBO), the American Institute of Certified Public Accountants (AICPA), and the Financial Accounting Standards Board (FASB).

Basis of Presentation

UNE's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, UNE's net assets and changes therein are classified and reported as follows:

- Permanently Restricted Net Assets generally result from contributions of assets whose use by UNE is limited by donor imposed restrictions which stipulates that resources be maintained permanently. This restriction permits UNE to use up or expend part or all of the return derived from the donated assets. Permanently Restricted Net Assets are primarily the corpus of endowment funds.
- Temporarily Restricted Net Assets generally result from contributions of assets whose use by UNE is limited by a donor imposed restriction that permits the University to use up or expend the donated asset and is satisfied either by the passage of time or by UNE's actions (i.e., expend resources for the purpose specified by the donor).
- Unrestricted Net Assets represent all other net assets and generally result from revenues derived from tuition and student services, contributions not restricted by a donor, and investment income (less all expenses incurred in providing educational services, conducting fund raising activities, and performing administrative functions).

Use of Estimates

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue and Expense Recognition

- Revenues are reported as increases in Unrestricted Net Assets unless use of the related assets is limited by donor imposed restrictions, in which case they are reported as increases in temporarily or permanently restricted net assets.
- Expenses are reported as decreases in Unrestricted Net Assets.
- When temporarily restricted resources (including endowment income allocated under the spending formula) are expended for the purposes specified by the donor, the amounts are reclassified from temporarily restricted revenue to unrestricted revenue. The reclassification appears either in the operating section or non-operating section of the statement of activities as net assets released from restrictions, depending on whether the donor restricted the assets to be used for operating purposes (e.g., student aid) or non-operating purposes (e.g., capital projects). Without explicit donor stipulations about how long lived assets must be maintained, UNE reports expirations of donor restrictions when the donated or acquired long lived assets are placed in service.

Expense Allocations

Expenses are presented by functional class within the statement of activities. Operation and maintenance of plant, depreciation, and interest expense are allocated to program and supporting activities based on the relative percentage of plant assets used to support the functional expense category.

Reason for this policy

UNE's financial results are governed by the underlying accounting policies used in the preparation and presentation of the financial statements. The accounting policies must result in financial statements that provide a true and fair view of UNE's financial condition.

Individuals and entities affected by this policy

All members of the Finance & Administration staff with financial responsibility or oversight.

Individuals and entities excluded by this policy

None

Responsibilities

Accounting Office

- Administer and provide guidance for this policy.

- Maintain financial records in accordance with Generally Accepted Accounting Principles.
- Maintain integrity of internal control environment.

Related Documents and Forms

- Financial Accounting Standards Board:
<http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350>
- National Association of College and University Business Officers policy areas:
http://www.nacubo.org/Business_and_Policy_Areas.html
- American Institute of Certified Public Accountants:
<http://www.aicpa.org/Publications/AuthoritativeStandards/Pages/AuthoritativeStandards.aspx>

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Anthony Sorrentino	Controller	asorrentino1@une.edu; (207) 602-2312

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounting Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy.

OFFICE OF FINANCE AND ADMINISTRATION

Banner Finance Module

Policy statement

Access to UNE's financial systems is granted only when there are valid business reasons. In order to request access to UNE's financial systems, a Request for Electronic Access form must be completed and submitted to the Accounting Office for approval.

UNE's financial data and information is considered confidential and must be handled in accordance with our data security and confidentiality requirements policy.

Reason for this policy

Certain UNE Faculty and Staff Members require access to the financial systems in order to allow UNE to operate efficiently and to enable specific business units to process payments and other financial transactions in accordance with risk-control requirements (such as separation of duties). This policy is necessary to minimize the risks associated with granting access to UNE's financial systems.

Individuals and entities affected by this policy

All UNE faculty and staff members

Individuals and entities excluded by this policy

None

Responsibilities

Employees and Supervisors

- Comply with the Data Security and Confidentiality requirements as outlined in the Request for Electronic Access form

Accounting Office

- Administer and provide guidance for this policy.

- Grant access to the University Financial Systems based upon an individual's job requirements
- Maintain the integrity of the internal control environment
- Perform Annual Security Audit

Related Documents and Forms

- Request for Electronic Access including Data Security and Confidentiality Requirements: V:\UNEDocs\ITS\Banner\Banner_Security_Form.doc
- Instructions for requesting a Banner account: <V:\UNEDocs\ITS\Banner\Requesting a Banner Account.doc>

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

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OFFICE OF FINANCE AND ADMINISTRATION

Cash Management

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Policy statements

Overall Authorization

UNE's Board of Trustees has the authority to designate University Officers, faculty and staff members to manage the business affairs of the University. The Board of Trustees has authorized the President and the Senior Vice President of Finance and Administration to establish banking, investment and merchant card service relationships necessary to ensure an efficient operation that meets UNE's overall mission. The Accounting Office under the direction of the Senior Vice President of Finance and Administration is responsible for overall cash management including the establishment of policies and procedures necessary to maintain adequate controls over cash.

Bank Accounts

UNE utilizes a centralized cash management system in order to provide the maximum control over cash which includes segregation of duties to safeguard assets. UNE utilizes a Cash Sweep Account that automatically transfers all account balances into one main account which are invested overnight via a Repurchase Account. Bank accounts are established by functional area to efficiently process and

record both deposits and payments. The Accounting Office works closely with all UNE Colleges and Departments to establish banking services to meet the needs of the individual entities and to ensure accounts maintained are within approved policy.

Bank accounts have been established in Tangier, Morocco to pay for incidental purchases and to provide petty cash disbursements which support campus operations. Balances are kept small in order to minimize foreign currency fluctuations. Significant expenditures are paid by wire from the primary Accounts Payable bank account in the United States. Funds must not be accepted in Morocco or deposited into the Morocco bank accounts. The goal is to maintain an average balance in the accounts which amounts to approximately two months of expenses.

The use of personal checking or other bank accounts by UNE faculty and staff members for the depositing of and/or safekeeping of UNE funds is strictly prohibited.

Cash Forecasting

Short-term cash forecasting is utilized to ensure that adequate cash is available to meet UNE's obligations. The Director of Accounting and Reporting/Controller and the Assistant Vice President of Financial Planning and Analysis utilize the annual operating budget, the capital and deferred maintenance budget, and the capital construction budget in the preparation of short-term cash forecasts.

Wire or ACH Transfers and Check Signing Authority

The President, Senior Vice President of Finance and Administration, Director of Accounting and Reporting/Controller and Assistant Controller are authorized to conduct banking activities. Wire transfers require that two (2) of the authorized signers above approve the transfer of funds from UNE's bank accounts. All checks are signed by the Senior Vice President of Finance and Administration. Checks in amount of \$5,000 or greater require an additional authorized signature.

Internal Transfers

Transfers between UNE bank accounts at any one depository bank require approval of only one (1) of the authorized signers (See *Wire or ACH Transfers and Check Signing Authority*). However, transfers between UNE bank accounts held in different depository banks require approval by two (2) authorized signers.

Credit Card Merchant Accounts

UNE accepts credit cards as payment from external parties for tuition, merchandise, services, and gifts. These payments must be processed through UNE's approved credit card processing vendor. All UNE colleges and departments must comply with the credit card industry standards and procedures set forth by the Accounting Office. This includes ancillary operations that process, store or transmit cardholder data.

Cash Handling

Student Financial Services is the primary department responsible for accepting payments made to UNE. In addition, Student Financial Services acts as the liaison for working with all departments handling cash, with the exception of the Oral Health Center and the University Health Center. Departments handling cash are required to bring cash, check and credit card slips to either the Biddeford or Portland Student Financial Services office on a daily basis so they are included in the daily bank deposit. For each transaction, the departments must indicate index and account numbers in order to ensure that the transactions are posted correctly in Banner. Deposits are taken daily to the bank via contracted security transport.

The University Health Centers are under contract with PPMC who will make deposits on their behalf and maintain documentation as specified in the contract. The Oral Health Center (OHC) prepares daily deposits and records cash activity in the OHC AxiUm system. These deposits are taken daily to the bank via contracted security transport. Documentation of the daily deposits is maintained by the Oral Health Center.

Cash and Bank Account Reconciliation

Cash receipt activity is recorded daily and the deposit totals are reconciled to Banner. Bank Account statements are reconciled to Banner activity monthly and the reconciliation is completed prior to the end of the subsequent month. The monthly reconciliation is reviewed by someone independent of the cash handling or recording functions.

Safekeeping of Funds

All forms of Cash (currency, checks, money orders, negotiable instruments and credit card transactions) must be physically protected through the use of vaults, locked cash drawers, cash registers, locked metal boxes, etc. It is the responsibility of each department who receives cash to make necessary provisions to properly safeguard the cash receipts in their area. Generally, any amount of cash on hand that exceeds \$1,000 must be kept in a vault or heavy safe. Amounts under \$1,000 must be kept in a file safe or reinforced file cabinet with a padlock and bar that secures all drawers. Cash must not be retained in desk drawers or standard file cabinets.

Foreign Currency Transactions

Transactions made in a foreign currency will be reported in US dollars by converting the foreign currency amount to US dollars using the exchange rate on the day the transaction occurs. Electronic transfers sent in foreign currency from our primary bank are recorded in the amount of the actual conversion recorded by the bank for the transaction.

Multiple small transactions made in a single foreign currency over a period of time, not to exceed one month, are converted to US dollars using the average exchange rate for that time period. This applies to petty cash transactions that occur at the Tangier, Morocco campus.

Cash held in foreign banks for operational purposes is reported in US dollars using the exchange rate as of the balance sheet date. Exchange differences are recognized as a gain or loss on currency fluctuations.

Foreign Check / Foreign Money Order Acceptance

UNE does not accept checks of any kind that have been issued from foreign banks located outside the U.S. and Canada. This includes payments from students, vendors and other affiliates, regardless of whether payment is issued in U.S. dollars or foreign currencies. Canadian checks payable in US Dollars are acceptable; however, UNE does not accept checks in Canadian currency. Foreign (Canadian only) checks must be deposited separately from domestic checks.

UNE is sensitive to the strategic partnerships held with our vendors and affiliates abroad as well as our diverse student population. The Accounting Office is available to assist students, faculty, and staff in making the determination of the most cost effective payment alternative, e.g. wire transfers or credit card payments.

Cash Draws for Student Financial Aid, Student Loan, Grants, and Other Sponsored Programs

UNE submits cash draws for federal and state funds after the amounts have been earned or credited to students' accounts under student financial aid and student loan programs. For grants and other sponsored programs, cash draws are submitted during the month following the expenditure of funds. Amounts are recorded in Banner upon acknowledgment of receipt of the funds by the Bank.

Student Transactions

Student payments for tuition, fees, housing, and other miscellaneous charges may be made in person at the Student Financial Services office on either campus, by mail to our lockbox, or online via electronic payment.

Student Refunds

Funds due to students are paid as soon as administratively possible in accordance with Title IV regulations. Students may request that an overpayment be applied to their outstanding loan balance instead of being refunded.

Cash Drawers

Departments accepting payment for merchandise, services, or ticket sales may maintain a cash drawer to facilitate operations. A cash drawer is limited to making change only. Petty cash disbursements or loans of any type or amount are strictly prohibited. Checks will be accepted for the amount of the payment only. The department is responsible for reconciling the drawer each day, submitting funds collected for deposit, and safeguarding the funds. The Accounting Office will periodically count the funds to verify the amount of cash on hand.

Petty Cash Funds

Student Financial Services maintain petty cash funds on both the Biddeford and Portland campuses in order to reimburse employees and students for small purchases made on behalf of UNE. Reimbursements are limited to purchases under \$50. Additionally, the petty cash fund is used to provide student athletes a per day meal allowance.

The Tangier Campus Manager maintains a petty cash fund in order to pay for small purchases required for the efficient operation of the facilities in Morocco. Total purchases shall not exceed \$500 US Dollars (approximately 4,500 Moroccan dirhams) per day.

Petty cash funds are subject to a periodic audit by the Accounting Office. The original amount must be on hand at all times, either in cash or receipts. The custodian of the fund is responsible for the money and its safekeeping.

The fund may be periodically replenished during the year and must be replenished as close to the last day of each fiscal year as administratively possible.

Counterfeit Currency

All departments handling cash are responsible for exercising reasonable care in screening cash transactions for counterfeit currency. If a questionable bill is received, the department should retain possession of the bill and contact the Director of Accounting and Reporting/Controller immediately.

Reason for this policy

Proper cash management is a vital component of the overall fiscal stewardship of assets to ensure UNE's financial health and stability. Several federal regulations require specific reporting of certain financial transactions which necessitates the prompt and accurate recording of cash activity. This policy provides guidance to ensure that UNE funds are received and expended in accordance with applicable laws and regulations.

This policy outlines the limitations and prohibitions related to handling and keeping of cash, establishment of bank accounts, cashing of checks, and the acceptance of foreign currency. Guidance is provided on safekeeping of funds and responsibility to screen cash for counterfeit currency.

Individuals and entities affected by this policy

All faculty and staff members who accept payments (cash, checks, or credit cards) and/or approve or disburse funds on behalf of UNE.

Individuals and entities excluded by this policy

None

Responsibilities

Accounting Office

- Cash management and forecasting
- Bank reconciliations
- PCI compliance
- FBAR reporting
- Provide guidance and clarification on this policy.

Departments

- Adhere to all policy guidelines
- Safeguard assets and personally identifiable information
- Notify the Director of Accounting and Reporting/Controller of suspicious funds or transactions and potential fraud

Related Documents and Forms

Guidelines

- Payment Card Industry Data Security Standard (PCI compliance)
- Report of Foreign Bank and Financial Accounts (FBAR)

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

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Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
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Appendix

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OFFICE OF FINANCE AND ADMINISTRATION

Debt Management

Policy statements

UNE's Board of Trustees has the authority to designate University Officers, Faculty and Staff Members to manage UNE's business affairs. The Board of Trustees has authorized the President and the Senior Vice President of Finance and Administration to enter into debt agreements necessary to support UNE's capital needs while providing for the current and future financial health of the University. The Accounting Office under the direction of the Senior Vice President of Finance and Administration is responsible for overall debt management, including the establishment of policies and procedures necessary to manage debt in compliance with applicable laws and regulations.

Bonds Payable

UNE may participate in conduit tax exempt bond offerings issued by the Maine Health and Higher Educational Facilities Authority (MHHEFA). The bonds may be collateralized by substantially all of UNE's assets and may restrict the granting of liens on facilities, assets or revenues to a third party, except as permitted by the Revenue Bond Agreements or unless MHHEFA is granted an equivalent or superior lien. UNE shall adhere to various agreement provisions regarding such items as additional permitted encumbrances, submission of financial statements and budgets, permitted dispositions and acquisitions of property, additional debt, and meeting certain debt coverage financial ratios.

Mortgages

UNE may utilize traditional mortgage notes to finance capital purchases not eligible for tax-exempt bond issues. The notes are collateralized by said property and contain financial reporting and debt coverage ratio provisions.

Notes Payable and Leases

UNE may utilize equipment notes and leases to finance technical equipment purchases. The notes and leases vary in terms of duration and interest rates depending on the nature of the equipment.

Line of Credit / Letters of Credit

UNE maintains a Revolving Bank Line of Credit for short term borrowing needs. Stand-by Letters of Credit may be issued to guarantee performance for construction purposes. The Letters of Credit are applied against the Line of Credit, reducing the amount available. UNE shall adhere to various

agreement provisions regarding such items as submission of financial statements and debt coverage financial ratios.

Reason for this policy

Proper debt management allows for financial flexibility enabling the University to balance strategic initiatives and day to day operating needs. The policy establishes the framework for approving, managing, and reporting debt. Debt must also be managed in compliance with the specific agreement provisions by the issuer.

Individuals and entities affected by this policy

- The Board of Trustees
- President
- Senior Vice President of Finance and Administration
- Accounting Office

Individuals and entities excluded by this policy

Faculty and staff members not associated with debt management.

Responsibilities

Board of Trustees:

- Establish and periodically review the Debt Management policy to ensure it continues to support the strategic plan.
- Approve Conduit Tax Exempt Bond activity including new issuances and refinancing activity.

Vice President of Finance and Administration:

- Policy implementation and all debt financing activities.
- Certify periodic debt compliance reporting including financial statements, budgets, insurance certificates and financial coverage ratios.
- Post- Issuance Tax Compliance Procedures per the Board of Trustees Policy adopted March 2016.

Accounting Office:

- Prepare periodic debt compliance reporting, including financial statements, budgets, insurance certificates and financial coverage ratios.

- Analyze note payable and lease documents and determine proper accounting treatment per Generally Accepted Accounting Principles (GAAP) and the Financial Accounting Standards Board (FASB).

Related Documents and Forms

- Financial Accounting Standards Board:
<http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350>
- American Institute of Certified Public Accountants:
<http://www.aicpa.org/Publications/AuthoritativeStandards/Pages/AuthoritativeStandards.aspx>
- Post-Issuance Tax Compliance Procedures for Conduit Tax Exempt Bonds – adopted by the Board of Trustees in March 2016.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Anthony Sorrentino	Controller	asorrentino1@une.edu; (207) 602-2312

Subject	Responsible Executive	Title	Responsible Department
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OFFICE OF FINANCE AND ADMINISTRATION

Financial Reporting

Policy statements

General Ledger

The Accounting Office maintains the general ledger containing UNE's accounting transactions. The summary of transactions, including journal entries, serves as the basis for internally prepared monthly financial reports. The year-end financial statements must be prepared in accordance with Generally Accepted Accounting Principles (GAAP), industry regulations, and federal and non-federal grant funding agency regulations.

Journal Entries

The approval of general ledger journal entries is the responsibility of the Accounting Office. Journal entries prepared by departments are submitted to the Accounting Office for approval and processing. Special care must be taken to ensure entries are recorded in the proper fiscal period.

Adequate Documentation

Departments are responsible for review and proof of source documentation for all accounting transactions, including journal entries. Furthermore, departments are accountable for providing this information in a timely manner at the request of the Accounting Office or external auditors. Documentation that is not provided to or maintained by the Accounting Office must be maintained by departments. Supporting documentation, either paper or electronic, must be adequate to support the financial transactions and balances.

Month-end/Year-end Close

All departments must submit accounting transactions for posting on a daily basis. To ensure a proper month-end cutoff, all Banner generated transaction postings must be submitted by 1:30 pm on the last business day of each month. Invoices and journal entries from the UNE community must be submitted by the 5th working day following the end of each month. An additional three days is given at year-end to submit accounting data. Recognition of year-end accruals will be completed by the Accounting Office to record revenue and expenses in the proper fiscal year.

Financial Reporting

The Accounting Office is responsible for providing financial statements to outside entities subject to contractual requirements, debt covenants, financing agreements, or bond ratings. Colleges and departments may release financial information to maintain accreditation. The Senior Vice President of Finance and Administration must approve all other request for release of financial statements.

Reason for this policy

Financial reports are key management tools which ensure the efficient operation of the University. The proper classification of assets and liabilities provides an accurate financial picture of UNE at any given time, while the correct reporting of revenue and expenditures reflect the actual operational activity for that period. In addition, certain conditions associated with grant activity, bond financing, debt obligations, and various contractual agreements require financial reporting. This policy provides guidance to ensure that financial transactions are recorded accurately and timely in accordance with applicable standards and regulations.

Individuals and entities affected by this policy

Deans, Department Chairs and Administration Staff with financial responsibility or oversight.

Individuals and entities excluded by this policy

Employees who do not have financial responsibility for any College, Department, or other unit within the University.

Responsibilities

College and Department Administrative Staff

- Monitor financial transactions in Banner.
- Prepare proposed journal entries to record transactions generated outside of the Banner process or to correct any posting errors.

Deans, Department Chairs and Department Managers

- Monitor financial activity in respective Banner organizations and funds.
- Review and approve proposed journal entries for posting in Banner.

Accounting Office

- Administer and provide guidance for this policy.

- Maintain financial records in accordance with Generally Accepted Accounting Principles.
- Maintain the integrity of the internal control environment.
- Prepare interim financial reports for University management.
- Prepare fiscal year-end financial statements.

Related Documents and Forms

Guidelines

- Generally Accepted Accounting Principles (GAAP) - Financial Accounting Standards Board:
<http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350>
- U.S. Code of Federal Regulations Part 200 (Uniform Guidance): http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- The Uniform Prudent Management of Institutional Funds Act (UPMIFA):
<http://uniformlaws.org/Act.aspx?title=Prudent%20Management%20of%20Institutional%20Funds%20Act>
- NACUBO Financial Accounting and Reporting Manual for Higher Education:
http://www.nacubo.org/Business_and_Policy_Areas.html

Forms

- Journal Entry Form <V:\UNEDocs\Business Office\Forms\Template Journal Entry.xlsx>

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Investment Management

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Policy statements

The Investment policy is intended to describe the operating policies supporting the Board of Trustees' Investment Policy Statement.

Fiduciary Responsibility

The Finance Committee of the UNE Board of Trustees has the fiduciary responsibility for the overall investment policy, asset allocation, determination of risk and return objectives, and approval of the underlying investment managers. The Investment Policy Statement as approved by the Board of Trustees in November 2014 establishes asset classes and benchmarks to assess attainment of investment objectives. The Investment Policy Statement must be reviewed at least annually to ensure it remains current. Institutional Advancement determines the acceptability of gifts in compliance with UNE's non-profit status and mission.

Unitized Pool

UNE's investments are comprised of endowments and other funds designated by the Board of Trustees. University investments are accounted for in accordance with the Uniform Prudent Management of

Institutional Funds Act (UPMIFA) utilizing a unitized pool method. Additions, withdrawals, revenues, and expenses are recorded in units to adjust for the time value of money and other economic factors in currency valuation.

Gifts/Donations

Gifts and donations must be for UNE activities only and goods and services (subscriptions, tickets, t-shirts, etc.) are not generally provided in exchange for these gifts. If goods or services are provided to a donor, Institutional Advancement must notify the donor of the cost of those goods or services so they can deduct them from the overall total gift for tax deduction purposes.

Endowments

Endowments are donations to UNE that specify that only earnings may be used for a stated purpose while the principle is retained. These funds may provide scholarships, fund a named chair, or support a specific program or research. A minimum of \$25,000 is required to establish a named endowment.

Restricted Gifts

Donations to UNE which have specific terms are restricted gifts. Institutional Advancement must maintain the details of all restricted gifts and ensure compliance with these terms. It is the responsibility of the specific department authorized to spend from the restricted fund to ensure that all expenditures charged to the fund are for the activity or activities specified by the terms and that all expenses are properly documented.

Split Interest Agreements & Annuities

Charitable Remainder Trusts, Charitable Living Trusts, and Charitable Gift Annuities must take into account the life expectancy of the donor or named individual(s) to determine the value of the gift at inception. Values are adjusted annually based upon updated life expectancy tables.

Available to Spend Amount

The Accounting Office calculates spendable investment income as the average endowment portfolio value based on the portfolio market value at the end of the most recent sixteen quarters. General economic conditions are considered in setting the spendable income rate at an amount not to exceed six percent. The Board of Trustees authorizes the spendable income rate with consideration to market performance and general economic factors.

Fundraising/Program Income

Money from the sales of UNE logo merchandise, ticket revenue, and other student programs are considered to be income not donations as defined by the IRS. This income must not be recorded as gifts. Gifts made to a specific program, including those made during a fundraising event, must be recorded as a gift and not as fundraising income.

Reason for this policy

Endowments, restricted gifts, and annual giving funds provide support to UNE programs and activities, including financial aid, faculty chairs, research funds, and student programs. Investments which primarily consist of endowments and their associated restricted earnings funds provide a key level of support to UNE and are critical to our long term success. IRS regulations and donor agreements require strict compliance with policies to ensure proper asset management and disbursements associated with these funds.

Individuals and entities affected by this policy

- Institutional Advancement
- The Accounting Office
- Faculty and staff members and student groups who have responsibility for spending from donor restricted funds.

Individuals and entities excluded by this policy

Faculty and staff members not associated with donor restricted funds.

Responsibilities

Finance Committee of the Board of Trustees:

- Establish the investment policy and asset allocation of the Fund.
- Determine risk and return objectives and approve new asset classes and benchmarks.
- Approve Advisor to select and monitor underlying investment managers.
- Monitor the attainment of the Fund's investment and financial objectives.
- Review the investment policy at least annually to ensure it remains current.

Institutional Advancement

- Determine the acceptability of donations.
- Track all gifts and pledges to the University.
- Send acknowledgments to donors in compliance with IRS regulations.

- Maintain detail records of donor intent and restrictions on gifts.

Accounting Office

- Maintain the unitization amounts for each fund and calculate the fund value.
- Record actual annual spend amounts by fund.
- Calculate the available to spend amount for funds held in the investment pool.

Related Documents and Forms

Guidelines

- Investment Policy Statement – approved November 2014
- The Uniform Prudent Management of Institutional Funds Act (UPMIFA)

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Anthony Sorrentino	Controller	asorrentino1@une.edu; (207) 602-2312

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounting Office

History and updates

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Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
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Appendix

There are no appendices to this policy.

OFFICE OF FINANCE AND ADMINISTRATION

Property, Plant and Equipment

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Property, Plant and Equipment Policy

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Policy statements

UNE requires that amounts expended for facilities and equipment (in excess of certain thresholds) be capitalized, depreciated, and periodically reviewed for impairment or possible write-off in accordance with Generally Accepted Accounting Principles (GAAP) and regulatory requirements. This policy provides guidelines for the physical and reporting control of UNE's assets, including accountability over the assets, meeting financial reporting needs, and generating asset management information.

This policy applies to property used in the operations of the University which is either owned by, titled to, under custody, or for which the University is accountable to the federal government or other sponsors. Property not used in the operations of the University should be treated as investments rather than capital equipment. Capital equipment must be safeguarded and used for UNE programs and purposes only.

Classifications of Capital Fixed Assets

- Land - Cost to be capitalized includes all costs connected with acquisition and those incurred in preparing the land for its ultimate use. These include, but are not limited to, the cost of purchase, appraisals, professional services, and title insurance.

- Land Improvements - Improvements to be capitalized include the cost of landscape, surface parking lots, and outdoor athletic fields having a cost in excess of \$30,000. All costs of land improvements associated with newly constructed buildings will be capitalized.
- Building - Cost to be capitalized includes all costs related to acquisition or construction. Acquisition cost includes, but is not limited to, the cost of purchase, professional services, appraisals and title insurance. Construction cost includes, but is not limited to, the cost of professional services, materials, labor, and site preparation.
- Infrastructure - Costs to be capitalized include utilities, wastewater treatment facilities, or any other external, stationary asset (e.g. chiller, campus lighting) that is not part of a building's construction costs or the costs of land improvements. The infrastructure costs must be in excess of \$30,000 and have an expected lifespan of 10 or more years.
- Building Renovations - Building improvements to be capitalized are those in which significant alterations or structural changes a) cost in excess of \$30,000 and b) meet one or more of the following conditions:
 - The project extends the useful life of the building beyond what was originally scheduled.
 - The project substantially changes the use or purpose of the original space.
 - The project expands the total square footage of the building.

The book value of a renovated building will be reduced by the cost of the components being replaced if such costs can be easily ascertained. If the book value of the asset being renovated is unknown, there will be no cost reduction of the fixed asset.

- Demolition of Buildings - The book value of the building will be written off when a building is demolished. If the land is maintained and if the original value cannot be determined, the land will be recorded at a nominal value of \$1.
- Purchased Equipment - Purchased equipment to be capitalized is an article of nonexpendable, tangible personal property with a useful life of more than one year and a cost of \$5,000 or more per unit.
- Constructed Equipment - For equipment constructed at the University, the acquisition cost includes costs similar to those for purchased equipment as well as the costs incurred for materials and recharge center services used in the course of construction. University labor expense is not included in the acquisition cost.
- Library Books - Library books include bound volumes, periodicals, serial titles, and microforms. All such costs will not be capitalized.
- Software - Operating software included in the price of the hardware will be capitalized. When purchased separately, software will be capitalized if the cost exceeds \$5,000. Software developed internally with material and labor costs in excess of \$5,000 will also be capitalized.

- Donated Assets - Land, buildings, and books received as gifts will be capitalized at the fair market or appraised value at the date of the gift. If market value or appraised value is not available, the gifts will be recorded at \$1 nominal value. Equipment received as a gift and having a fair market or appraised value of \$5,000 or more will be capitalized.
- Sales or Disposals of Capitalized Assets - The book value of land, buildings, equipment and books will be removed from the accounting system when sold or disposed of.

Valuation of Capitalized Equipment

The valuation of equipment, whether purchased or fabricated, is based on unit cost. The total unit cost is determined by the sum of:

- The cash disbursed (purchase price, less applicable discounts, plus applicable transportation and installation charges) for each unit;
- The net book value of any assets given in exchange;
- The present value of any liability incurred.

If the equipment is acquired by gift, the valuation is the fair market value at the date of the gift, if determinable. Otherwise, an appraised value is used. If acquired by loan (usually from a grant or contract sponsor), the value assigned to the equipment by the sponsor will be used.

Capitalization of Software

Colleges and universities are required by the National Association of College and University Business Officers (NACUBO) to adopt the American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 98.1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use.

- Internal Use Software - For software to be considered for internal use, it must meet the following tests:
 - it must be acquired, internally developed or modified solely to meet the university's internal needs.
 - during the software's development or modification, the university must not have a substantive plan to market the software externally to other organizations.
- Capitalization of Software Costs - Software implementation generally involves three phases. These phases and their characteristics are as follows:
 - Preliminary project phase – Stage when conceptual formulation of alternatives, the evaluation of alternatives, the determination that the technology needed to achieve performance requirements exists, and the final selection from among the alternatives is made.
 - Application development/implementation phase - Design of chosen path including software configuration and software interfaces, coding, installation of computer

hardware, testing, including parallel processing phase, and employee and consultant travel expenses and consultant fees.

- Post-implementation/operation phase – all training and application maintenance activities incurred after phase two is complete.

Costs associated with the preliminary project and the post-implementation/operating phases must be expensed as incurred. Internal and external costs associated with the application development phase must be capitalized. Costs to develop or obtain software that allows for access or conversion of old data by new information systems must also be capitalized. General and administrative costs and overhead expenditures associated with software development will not be capitalized as costs of internal use software. Training costs are not internal-use software development costs and, if incurred during this stage, must be expensed as incurred.

Capitalization of costs begin when the preliminary project phase is complete and UNE's management has implicitly or explicitly authorized or committed to funding the software project with the intent that it will be completed and used to perform its planned functions.

Capitalization ceases no later than the time at which substantial testing is complete and the software is ready for its intended purpose or rendered in service.

- Upgrades and Enhancements - In order for costs of specified upgrades and enhancements to internal-use computer software to be capitalized, it must be probable that those expenditures will result in additional functionality (modifications which enable the software to perform tasks that it was previously incapable of performing). Upgrades and enhancements normally require new software specifications and may also require a change to all or part of the existing software specifications.

Depreciation Policy

Depreciation is the allocation of the total acquisition cost of a fixed asset over its estimated useful life. Land, certain land improvements, construction-in-progress, inexhaustible works of art, historical treasures, and similar assets are not depreciated. Land is considered to have an unlimited useful life and its salvage value is unlikely to be less than its acquisition cost. Certain land improvements may be considered to have an unlimited useful life and therefore are not to be depreciated. Buildings, land improvements and equipment will be depreciated using the straight line method over the following suggested useful lives:

Useful Life	Description
Real Estate	
N/A	Land
20	Land improvements – general
20	Land improvements - handicap accessibility
60	Excavation and backfill
Infrastructure	
20	Utility systems – steam tunnels, cooling lines
20	Utility systems - electric vaults

Useful Life	Description
Componentized Building and Renovation	
60	Exterior walls and foundations
60	Framing
60	Floors
40	Roofs
25	Roofing
25	Partitions and interior finishes
20	Electric system
25	Plumbing system
20	Heating and air-conditioning system
25	Sprinkler system
25	Elevators, escalators, and other fixed equipment
20	Alarm & P.A. Systems
25	Non-componentized renovation projects
45	Non-componentized buildings
30	Capitalization interest
Equipment	
5 – 10	Scientific and technical
5 – 10	Constructed scientific and technical
3	Computer and software
5 – 10	Telecommunications
5 – 10	Office and educational
10	Furniture and fixtures
5-10	Shop machinery and tools
3 – 5	Vehicles
7 – 10	Miscellaneous equipment

- UNE will use a half-year convention for recognizing depreciation. If equipment is acquired during the fiscal year, a half -year's depreciation is recorded in the year of acquisition and a half-year in the year of disposal.
- Assets will be written off from the depreciation schedule the year after they are fully depreciated. Computer equipment with a three-year useful life will be written off after five years.
- Depreciation of newly constructed buildings will commence in the year of useful occupancy.
- Leasehold Improvements will be depreciated using the straight line method over the remaining life of the lease or the useful life of the improvement, whichever is shorter.

Disposal of University Owned Equipment

- UNE must properly account for disposal of University-owned equipment. For purposes of this policy, disposals include equipment which is stolen, destroyed, discarded as junk, salvaged for parts and components, traded in, sold, or transferred to another institution. The Accounting

Office is responsible for accounting for the disposal of all equipment at the time of disposal in accordance with the applicable financial accounting pronouncements.

- Departments are responsible for advising the Accounting Office of all equipment disposals.
- Any sale of UNE equipment to third parties outside the University, including University faculty or staff members, requires the prior approval of the Accounting Office and the Department of Campus Services based upon written recommendation of the head of the department.
- The Accounting Office must be notified of any internal relocation or sale of University-owned equipment.
- UNE's Department of Security must be notified when equipment is stolen.
- Equipment salvaged for parts and components must be removed from the property records.
- Purchase order requests and purchase orders must indicate if equipment is being traded in as part of the purchase.
- The transfer of equipment to another institution requires approval of the Accounting Office based upon written recommendation of the head of the Department or the administrative Dean, Vice President, or Director.
- Equipment purchased prior to July 1, 1996 with a capitalized value of less than \$5,000 will be removed from the permanent records when the equipment is fully depreciated.

Building and Building Renovation Construction Costs

UNE must properly account for building and building renovation construction costs.

- The Accounting Office is responsible for accounting for all building and building renovation construction costs in accordance with the applicable financial accounting pronouncements.
- At the time that the newly constructed building or building renovation is completed and has useful occupancy, all construction costs will be depreciated in accordance with applicable UNE policy. When completed, research related building construction and renovation will be componentized and recorded as such in the fixed asset schedule.

Equipment Property Management System UNE must ensure proper management and control of equipment.

- All equipment owned by UNE, including equipment purchased through sponsored programs, is subject to UNE's property management policies.
- The Equipment Property Management System records include property description, cost, purchase date, source of funding and location. New versus used equipment is delineated by useful life.

- The safeguarding and use of movable equipment assigned to a department is the responsibility of the department chairperson.
- The purchase of equipment with UNE funds for personal or private use is prohibited.
- Use of UNE property in an off-campus location must be approved by the department chairperson.
- The Accounting Office is responsible for maintaining a permanent, detailed record of all fixed and movable equipment owned by the University, including sponsored program acquisitions and gifts of equipment. Moveable assets are identified with assets tags corresponding to the unique identifier with the equipment property management system.
- The Accounting Office is responsible for maintaining a permanent, detailed record of all fixed and moveable equipment used by UNE but owned by the federal government or other external agencies. Such equipment will be assigned a unique grant asset tag and will remain part of the permanent property records until disposed of. Funding source details are included in the asset description along with the corresponding grant fund associated with the purchase.
- Departments must notify the Development Office and the Accounting Office of all gifts of equipment that have been received.
- The Accounting Office must be notified of any changes in status of equipment, such as relocation or disposal. All changes in status are to be recorded in the permanent inventory record.

Physical Inventory of Equipment

- The Accounting Office is responsible for ensuring that physical inventories of equipment are performed on a regular basis.
- Individual departments are responsible for conducting physical inventories of equipment.
- An annual physical inventory must be made for all UNE equipment with an original cost value of \$25,000 or more.
- University equipment with an original cost value less than \$25,000 must be physically inventoried annually based on a statistical sample of equipment provided by the Accounting Office.
- Equipment maintained by UNE and owned by the federal government or other external agencies must be physically inventoried on an annual basis.

Equipment Screening

UNE must assure the avoidance of purchasing unnecessary or duplicative equipment in accordance with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 (Uniform Guidance).

- The Accounting Office is responsible for maintaining detailed records of all fixed and moveable equipment owned by UNE or used by UNE but owned by the Federal government and other external agencies.
- Departments are responsible for reviewing (screening) departmental equipment records provided by the Accounting Office before purchasing an item of equipment in order to determine if similar and suitable items are available in the department that would make it unnecessary to acquire an additional item of equipment.
- The above screening procedure must be documented before an item of equipment in excess of \$5,000 is charged against a Federal award.
- The Accounting Office will monitor compliance with this policy by reviewing all purchase orders for items of equipment in excess of \$5,000 charged to a Federal award for evidence that such screening has taken place.

Ownership of Capitalized Equipment

In general, UNE owns all equipment purchased with University funds (restricted, unrestricted, gift, grant, contract, etc.). Title to the equipment purchased with federal funds vests in the University upon acquisition, unless exceptions are noted in the specific contract or grant agreement. Although title to equipment purchased with federal funds generally vests in the University, the government reserves the right to transfer title for capital equipment within 120 days of the termination of the contract or grant. In addition, capital equipment is usually subject to certain conditions on use and disposition. These rules can vary by federal agency.

Safeguarding of Assets

- UNE property must be maintained within a secure environment with access limited to authorized faculty, staff and students. Departments are responsible for complying with UNE Security and Safety guidelines for building access.
- UNE Security personnel are responsible for ensuring building access is limited to authorized faculty, staff and students.
- UNE's Department of Security must be notified when property is damaged or stolen.
- Department Heads must approve all asset purchases per the Purchasing policy to prevent unauthorized acquisitions.

- The Accounting Office is responsible for maintaining a permanent detailed record of all fixed and moveable equipment. Such equipment will be assigned a unique asset tag and will remain a part of the permanent property records until disposed of.

Reason for this policy

UNE must ensure adherence with GAAP and other regulatory requirements for recording new and existing assets, changes in assets, and the methodology of record keeping. In addition, this policy is intended to provide steps to assist UNE Faculty and Staff members in the safeguarding, accounting for, and disposing of university assets. Legal responsibilities require that UNE accurately record and account for capital assets on a regular basis. Because each department engages in the acquisition, transfer, disposal, and use of capital equipment, this policy sets forth the roles and responsibilities in regard to capital assets.

Individuals and entities affected by this policy

All University entities, faculty and staff who have responsibility for purchasing, maintaining or disposing of capital assets.

Individuals and entities excluded by this policy

None

Responsibilities

Accounting Office

- Administer and provide guidance for this policy.
- Maintain a policy template.
- Ensure that the fixed asset accounting software is being properly maintained.
- Identify capital assets, accurate use of codes, determine useful lives, reconcile to the general ledger and financial reporting.
- Tag all movable assets.

Department Heads

- Properly care for and protect property.
- Ensure that UNE property is used only in the conduct of official University business.

- Notify the Accounting Office whenever fixed assets are transferred/acquired, sold, donated, destroyed, stolen, lost, or otherwise disposed of.
- Assist in taking physical inventory and tagging of assets.

Related Documents and Forms

Frequently Asked Questions (FAQ)

- **Question:** We are purchasing office furniture which consists of 6 desk chairs at a unit cost of \$500/each, and a conference table at a cost of \$3,000. The total cost is \$6,000. Is this capital equipment under the policy?

Answer: No, since the individual units are less than \$5,000, and can be used independently (not a component of a larger item), this purchase would all be classified as supplies.

- **Question:** A faculty member in my department is constructing a piece of equipment that will ultimately have a cost of greater than \$5,000. While the individual pieces are less than that amount, should this be considered capital equipment?

Answer: Yes, if an individual item is a component of a larger item, which is not functional until completed, the item is considered capital equipment if total exceeds \$5,000.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Anthony Sorrentino	Controller	asorrentino1@une.edu; (207) 602-2312

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounting Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Unclaimed Property

Policy statements

On an annual basis, UNE reviews its records and identifies, reports, and remits any unclaimed property for the required dormancy period to the Office of the State Treasurer of Maine, Unclaimed Property Division in accordance with Title 33, Chapter 41: Uniform Unclaimed Property Act. Unclaimed property consists of money and other personal assets that are considered lost or abandoned when an owner cannot be located after a specific period of time.

Reason for this policy

UNE recognizes its responsibility to make a good faith effort to determine the whereabouts of the owner of property, and also recognizes that there are limits to what can be done to locate the rightful owner of property. UNE makes a concerted effort to contact all outstanding property owners. If these efforts are unsuccessful, the unclaimed property is remitted to the Office of the State Treasurer of Maine, Unclaimed Property Division.

Individuals and entities affected by this policy

All University faculty, staff, students and vendors who have unclaimed property as defined by the State of Maine.

Individuals and entities excluded by this policy

None

Responsibilities

Accounting Office

- Identify, report and remit all unclaimed property to Office of the State Treasurer of Maine, Unclaimed Property department by November 1st of each year.
- Administer and provide guidance for this policy.

Related Documents and Forms

State Resource

- Title 33, Chapter 41: Uniform Unclaimed Property Act:
http://www.maine.gov/treasurer/unclaimed_property/

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Anthony Sorrentino	Controller	asorrentino1@une.edu; (207) 602-2312

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounting Office

History and updates

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5/13/2021	5/13/2021	Update to Contact Information
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy.

OFFICE OF FINANCE AND ADMINISTRATION

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Policy statements

UNE has a stewardship obligation to use its funds prudently and in the fullest support of the University's mission of education, research and public service. To ensure the responsible stewardship of University funds, it is UNE's policy to conduct business according to the principles of accountability, timeliness and accuracy. UNE will make timely payment of appropriate invoices, business office vouchers, and travel and mileage vouchers.

Issuing Payment

Payments for Accounts Payable (AP) requests will be issued for valid business purposes only. Appropriate approvals (per the Signing Authority Policy - see link below) and required back-up documentation must be attached with all AP requests. Back-up documentation includes invoices, purchases orders for purchases greater than \$2,499, business office vouchers, travel expense vouchers and mileage vouchers.

Payment Methods

- **PayMode**

The PayMode service hosted through Bank of America is UNE's preferred method of paying vendors. This service allows UNE to electronically deposit payments directly into the vendor's bank account at no additional cost to the vendor. The PayMode service is for vendor payments only. AP provides PayMode enrollment information to vendors during the new vendor setup process.

- **Electronic Funds Transfers (EFT)/Direct Deposit**

EFT/Direct deposit is UNE's preferred method of payment for all faculty, staff and student reimbursements. EFT/Direct Deposit payments are not to be used for vendor payments. New faculty, staff and students are provided direct deposit forms during the hiring or enrollment process.

- **Wire Transfers**

UNE utilizes Wire Transfers as the standard practice for disbursing international payments. International wire transfers can be made in US dollars and other denominations. A wire transfer to a US bank is discouraged due to the cost associated with sending wire transfers. Currency conversions are calculated by the Office of Finance and Administration based upon the actual translation amount.

- **Check Requests**

All checks, excluding payroll checks, are issued by AP. Issuing a check is the least preferred payment method. Check payments can only be made in US funds and are mailed directly by AP to ensure proper internal controls.

Voiding and Reissuing Checks

In order to void a check and have it reissued, the original check issued must be forwarded to AP. If the original check is not available, an email request to apdept@une.edu must be sent requesting the check be voided and reissued.

Purchase Cards (P-Card)

The Purchase Card (P-Card) program is intended to provide a simple, efficient, cost-effective means for small dollar transactions and travel related items, such as incidental supplies, registration fees, hotels, meals, etc. The P-Card is not applicable for all purchases and cannot be used as a way to avoid the normal purchasing process or signing authority limits. The P-Card must not be used to order from vendors who have established business relationships with UNE. A purchase order is required for all P-Card transaction exceeding \$2,499. (See links below for the Travel Policy and the Signing Authority Policy)

Business Office Vouchers

Business Office Vouchers are used when an invoice will not be issued. Business Office Vouchers are most often used for payments to guest speakers, honorariums, memberships and miscellaneous reimbursements. If you have any questions as to when a Business Office Voucher should be used, please contact AP.

Timing of Payment Processing

Payment requests must be received by AP at least one business day prior to the UNE's current payment schedule.

Emergency Payment Requests

In rare instances, a payment may need to be issued outside of UNE's payment schedule. If an emergency situation arises, contact AP immediately during UNE's normal business hours. The necessary approvals and back-up documentation will be required regardless of how quickly the check is needed. Back-up documentation includes invoices, purchases orders for purchases greater than \$2,499, business office vouchers, travel expense vouchers and mileage vouchers.

Reason for this policy

UNE must maintain control over the disbursement of its funds by requiring proper approval and consistent policy application for payment transactions. This policy seeks to promote fiscal control, timely and accurate payments, and compliance with state and federal regulations.

Individuals and entities affected by this policy

- All UNE faculty, staff, and students
- All vendors

Individuals and entities excluded by this policy

None

Responsibilities

Accounts Payable

- Administer and provide guidance for this policy.

Departments, vendors, faculty, staff and students

- Adhere to all policy guidelines when requesting Accounts Payable payments.

Related Documents and Forms

- Business Office Voucher: <V:\UNEDocs\Business Office\Forms\Business Office Voucher.pdf>
- Travel and Entertainment Policy
- Travel Forms – Approval to Travel: <V:\UNEDocs\Business Office\Forms\Approval to Travel Form.pdf>
- Travel Forms – Mileage Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Mileage Voucher.xlsx>
- Travel Forms – Travel Expense Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Travel Expense Voucher.xlsx>
- Travel Forms Maine State Grants Only – Mileage Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Mileage Voucher - Maine State Grants Only.xlsx>
- Travel Forms Maine State Grants Only – Travel Expense Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Travel Expense Voucher - Maine State Grants Only.xlsx>
- Signing Authority Policy

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounts Payable Office

History and updates

Effective Date	Revision Date	Notes
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5/13/2021	5/13/2021	Update to Contact Information
6/01/2023	5/31/2023	Update for Accounts Payable limit changes

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Purchasing

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Policy statements

The purchase of goods and services from external sources on the UNE's behalf must be based on sound business practice, best value, accountability and compliance with sponsor, donor and regulatory requirements.

What is a Purchase Order (PO)?

A PO is a document supplied to a vendor that indicates the type, description, quantities and agreed-upon price for a product or service. When accepted by the supplier, it forms an agreement between UNE and the vendor. A PO is also used to encumber (hold) funds in a department's budget.

Types of Purchase Orders

- Standard PO: A standard PO covers a single specific order.

- Blanket PO: A blanket PO is used for recurring supply or maintenance needs for a specified period of time. It is used for the purchase of goods and services needed on an on-going basis when the specific items, quantity and frequency are known in advance.

When is a Purchase Order Necessary?

- For all single purchases (including purchase card transactions) greater than \$2,499
- When executing a contract or written agreement for services greater than \$2,499
- If required by a vendor for a purchase less than \$2,500

Vendor Bidding and Quotes

UNE recommends competitive bidding for significant purchases. When competitive bids are not obtained then a quote including the items detailed specifications must be obtained. For certain goods and services, it may be appropriate to complete a Request for Proposal (RFP).

Purchase Order Creation and Approval Routing

Departments are responsible for creating POs and maintaining a PO number log. Completed POs along with quotes, contracts and/or other supporting documentation must be routed for necessary signatures according to UNE's Signing Authority policy.

Sending the Approved Purchase Order to the Vendor and Placing the Order

Approved POs are entered into Banner within one business day of receipt by Accounts Payable. It is not necessary for the PO to be entered into Banner in order to place an order; however, the PO must be fully approved prior to placing the order. The department is responsible for placing the order with reference to the PO.

Changes to Purchase Orders

Contact Accounts Payable for guidance if modifications are needed for an existing PO.

Sales, Use and Excise Tax Exemptions

UNE is exempt from sales and use taxes in Maine, Massachusetts and Florida. There is also an exemption for federal excise taxes for fuel purchases. The Maine and Federal exemption numbers appear on our POs for vendor convenience. Individuals making purchases on behalf of UNE must confirm that the vendor has been issued the correct tax exemption number.

Receipt of Goods

Upon receipt of goods, the content of the order must be compared to the packaging slip to ensure that all products ordered are delivered and are not damaged. The department must contact the supplier immediately if the shipment contains damaged goods or there are missing items.

Product Returns for Credit or Refund

When a supplier has shipped items as outlined on a PO, they have met their obligation and a credit or refund is not guaranteed. The department must contact the supplier to determine their return policy prior to shipping items back.

Open Purchase Order Monitoring

Each department is responsible for monitoring open POs. On a quarterly basis, Accounts Payable will provide an Open PO Report to each department to assist with the review. Departments are responsible for monitoring their budgets and informing AP of any open POs that should be closed as these POs are encumbering funds.

Emergency Purchases

Accounts Payable recognizes that occasionally situations arise whereby an emergency purchase is needed. In this situation, the department must contact AP, complete a purchase order, and obtain the necessary signatures. Accounts Payable will assist with facilitating additional approvals if necessary.

Purchase Cards (P-Card)

The Purchase Card (P-Card) program is intended to provide a simple, efficient, cost-effective means for small dollar transactions and travel related items, such as incidental supplies, registration fees, hotels, meals, etc. The P-Card is not applicable for all purchases and cannot be used as a way to avoid the normal purchasing process or signing authority limits. The P-Card must not be used to order from vendors who have established business relationships with UNE. A purchase order is required for all P-Card transaction exceeding \$2,499.

Payments to Foreign Vendors/Individuals/Entities

Payments to non-US citizens, vendors and other entities are subject to compliance considerations imposed by the IRS, Homeland Security and the Office of Foreign Asset Control. To ensure compliance, all potential foreign payments require review by Accounts Payable prior to making a commitment to the non-US citizen, vendor or other entity. In some cases, tax withholding on a foreign payment will be required.

Special Purchasing Instances

Copy Machines – Copier purchases are handled by Auxiliary Services. Contact the manager of Auxiliary Services directly for assistance with copier purchases.

Computers, tablets, mobile and office telecommunication equipment, printers, scanners and software – Technology purchases are handled by Information Technology Services (ITS). For technology requests, contact ITS by submitting a ticket via the ITS portal.

Gift Cards – The purchase of gift cards is highly discouraged due to tax implications and cannot be purchased using a P-Card. The purchase of gift cards for research participants is permitted subject to

the Grant Post Award Management Policy requirements. All non-grant gift card purchases require pre-approval by Accounts Payable and may result in taxable income for the recipient.

Hazardous Materials - The purchase of certain chemicals, drugs, biological and radiological materials is contingent on special licensing. When purchasing such items, the vendor will indicate if a license is required. To obtain a copy of current licenses or for general questions, contact the Director of Environmental Health and Safety at ehs@une.edu.

Property, Plant and Equipment - The purchase of property, plant and equipment adheres to the same policies that apply to all other purchases as well as to the policies outlined in the Property, Plant and Equipment Policy.

Grant Purchases

Please review the Grant Post Award Management and the Procurement for Federal Awards policies prior to committing funds against a grant. The Grant Accountant reviews and approves all grant related purchases. Also, if a purchase order for a federal or state award is not prepared and fully authorized with all appropriate signatures prior to the order being placed, the expense cannot be charged to the grant. In these cases, the expense would need to be charged to another budget line such as the PI's IDC account or their College.

Contracts

The President and Senior Vice President of Finance and Administration are the only University officials authorized to enter into and sign contracts on behalf of UNE. The Director of Research and Administration is authorized to sign grant related contracts. Forward all contracts to the Contract Administrator per the process outlined in the Contract Policies and Procedures.

Record Retention

All departments must maintain copies of all documentation related to purchases in accordance with the University's record retention policy.

Reason for this policy

UNE has a decentralized purchasing department meaning the authority to make most purchases has been delegated to the departments. All faculty and staff involved in the purchasing process must take full responsibility for understanding UNE's purchasing policies. Purchasing is a business decision made on the behalf of UNE with consideration given to cost effectiveness and interests of the University. This policy is meant to provide guidance to those making purchasing decisions. For clarification on this policy, contact the Accounts Payable Department.

Individuals and entities affected by this policy

All UNE faculty and staff.

Individuals and entities excluded by this policy

None

Responsibilities

Accounts Payable

- Administer and ensure compliance with this policy.
- Provide guidance and clarification on this policy.

Departments

- Adhere to all policy guidelines when purchasing goods or services on behalf of UNE.
- Verify goods and services received are free from damage and match the order specifics, including price and quantity.
- Manage vendor returns and ensure credit for incorrect or damaged goods.

Related Documents and Forms

- Signing Authority Policy
- Travel and Entertainment Policy
- Purchase Order template <V:\UNEDocs\Business Office\Forms\Purchase Order.pdf>
- Maine Sales tax exemption <V:\UNEDocs\Business Office\Tax Exempt Certificates\Maine Permanent Exemption Certificate.PDF>
- Massachusetts Sales tax exemption <V:\UNEDocs\Business Office\Tax Exempt Certificates\MA Tax Exempt Certificate.pdf>
- Florida Sales tax exemption <V:\UNEDocs\Business Office\Tax Exempt Certificates\FL Tax Exempt Certificate.pdf>

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual

- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounts Payable Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
6/01/2023	5/31/2023	Update for Accounts Payable limit changes

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Signing Authority

Policy statements

The President of the University delegates signing authority to designated positions for the purpose of conducting the ordinary course of business for UNE. Signing levels are assigned to specific positions and are established with specific dollar limits for approving business office vouchers, invoices, purchase orders, travel expense reports, mileage vouchers, and travel advance forms. This policy does not apply to contracts or Payroll related items.

Signing Authority

Only designated positions are assigned signing authority. See position listing with approval amounts.

In most cases, department heads are granted signing authority up to \$2,499 and the departmental Dean or Vice President are authorized to approve up to \$4,999. All encumbrances and expenditures of \$5,000 or more must be reviewed and approved by the Senior Vice President of Finance & Administration.

Signing Authority Responsibilities

By approving an expenditure, the individual is responsible and accountable for ensuring that:

- All goods and services have been received.
- The quantities and prices are correct.
- All calculations are correct.
- They have authority over the account index being charged and the account index is accurate.
- The purchase/travel expense/travel advance is reasonable, appropriate and complies with UNE's policies and procedures.

Contract Signing Authority

The President and the Senior Vice President for Finance and Administration are the only University officials authorized to enter into and sign contracts on behalf of UNE. The Director of Research Administration is authorized to sign sponsored program contracts.

Reason for this policy

This policy is intended to ensure that commitments of UNE resources are properly reviewed and approved by authorized employees. The policy identifies which individuals are authorized to enter into transactions with external parties on behalf of UNE, the responsibilities of those individuals, and to outline the conditions under which signing authority may be delegated.

Individuals and entities affected by this policy

All UNE faculty and staff members

Individuals and entities excluded by this policy

None

Responsibilities

Senior Vice President of Finance and Administration

- Approves temporary signing authority.
- Reviews requests for exceptions.

Accounts Payable

- Administer and provide guidance for this policy.

Faculty and Staff

- Adhere to the policy.
- Contact Accounts Payable when a person in a position with signing authority leaves the department, the University, or will be out of the office for an extended period of time.

Related Documents and Forms

None

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual

- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
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History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
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OFFICE OF FINANCE AND ADMINISTRATION

Tax Reporting

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Policy statements

UNE must report taxable payments to the Internal Revenue Service (IRS), Maine Department of Revenue, and the individual receiving the payment, including amounts withheld for federal and state income taxes as required by Federal and State laws.

In general, payments to an individual will be considered taxable income and is subject to federal and state tax. This policy identifies which types of non-salary income are taxable and which forms are used to report that income to the federal and state government.

UNE must comply with Federal law when making payments to non-resident individuals or entities. Immigration and tax implications must be determined prior to making any financial commitments on behalf of the University.

Tax Reporting for US Entities

UNE must issue a Form 1099-MISC Miscellaneous Income (see related documents and forms section) to report certain payments made to individuals and/or organizations other than corporations, governmental agencies, and tax-exempt organizations (e.g. colleges and universities). Whether a

payment is reportable on Form 1099-MISC depends upon the payment amount, payment type, and the supplier's business entity type. Reportable payments include, but are not limited to:

- Independent contractor services
- Consultant services
- Professional services (e.g., accounting and legal services)
- Medical services (e.g., lab tests, physician services, billing/collection)
- Rent
- Prizes and awards to non-employees
- Honoraria to non-employees
- Standardized patients

A Form 1099-MISC is required if the total payments made to a supplier within the calendar year are equal to or greater than the IRS published threshold. If the supplier's business type is a corporation (as verified by Form W-9; see related documents and forms section), the IRS allows for an exception to the requirement of producing a Form 1099-MISC for most payments. This is called the "corporate exception." However, the corporate exception *never* applies to suppliers that provide medical and legal services. Medical services include:

- Ambulatory services
- Medical technician services
- Nursing services
- Physician treatment/care
- Therapy (all types)
- Lab exams
- Consultations
- Billing and collections

IRS reportable payments for services from individuals must not be processed through petty cash funds or via the purchase card (P-Card). Suppliers must be classified as either 1099-MISC reportable or non-reportable in Banner. All payments to 1099-MISC reportable suppliers, except a supplier's documented business expense reimbursements, must be included in the year-end tax reporting to IRS.

Suppliers must complete Form W-9 Request for Taxpayer Identification Number and Certification see related documents and forms section. If the supplier does not complete Form W-9, UNE must withhold tax on payments per IRS guidelines for reportable payments. Backup withholding tax must be remitted to the IRS on Form 945. Failure to obtain proper documentation or to submit backup withholding tax will result in IRS imposed fines and penalties

Tax Reporting for Non-US Entities

Payments to Non-US Individuals as Independent Contractors: Prior to engaging a non-US individual to perform services for the University in the United States, UNE must review the independent contractor's status verifying that the individual is eligible to perform services and receive payments in the US per the United States Bureau of Citizenship and Immigration Services (BCIS), United States Department of Homeland Security (DHS), and the Internal Revenue Service (IRS).

Payments to non-US individuals may be subject to backup withholding per IRS guidelines, unless a tax treaty exists either exempting the supplier or reducing the tax withholding. Non-US individuals must complete Form W-8BEN Certificate of Foreign Status of Beneficial Owner for United States Withholding and Reporting - Individuals; see related documents and forms section and UNE must report all payments to foreign individuals regardless of the amount to the IRS on Form 1042-S Foreign Person's US Source Income Subject to Withholding (see related documents and forms section).

Payments to Non-US Companies and Organizations: Prior to engaging a non-US company or organization to perform services or supply goods in the United States, UNE must confirm the entity is eligible to conduct business in the US per the DHS and IRS. Non-US entities must complete Form W-8BEN-E Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting – Entities (see related documents and forms section) and UNE must report all payments to foreign entities regardless of the amount to the IRS on Form 1042-S.

Reason for this policy

The laws and regulations that govern payments to non-US individuals and organizations differ significantly from those that apply to US citizens, legal permanent residents, asylees or refugees, and US organizations. UNE is liable for taxes, penalties and interest if it fails to comply with IRS and US immigration regulations.

UNE must comply with IRS and State of Maine tax withholding regulations when making payments to individuals and/or organizations other than corporations, governmental agencies, and tax-exempt organizations (e.g. colleges and universities).

UNE is bound by BCIS, DHS and IRS regulations when making payments to foreign nationals. Depending on an individual's visa type and work authorization status, he/she may be prohibited from receiving payments and reimbursements or from having payments made on their behalf by UNE. Even payment of bona fide business expenses may be prohibited by immigration restrictions.

Individuals and entities affected by this policy

- All University faculty, staff and students
- Non-US suppliers of goods and services
- US independent contractors, other individuals, and unincorporated businesses

Individuals and entities excluded by this policy

None

Responsibilities

Departments

- Obtain a completed Form W-9 for new vendors prior to entering into agreements on behalf of UNE.
- Obtain a completed Form W-8BEN or W-8BEN-E prior to entering into agreements with non-US individuals or entities.

Accounts Payable

- Administer and provide guidance for this policy.
- Determine accuracy and completeness of Forms W-9, W-8BEN and W-8BEN-E.
- Determine reportable or non-reportable 1099-MISC status for purposes of tax withholdings and IRS reporting.
- Determine backup withholding status for non-US individuals and entities and ensure compliance with BCIS, DHS and IRS regulations.
- Submit backup withholdings to the IRS on Form 945.
- Prepare annual IRS filings for 1099-MISC and 1042-S payments.

Related Documents and Forms

Forms

- Form W-8BEN (individuals) – www.irs.gov/pub/irs-pdf/fw8ben.pdf
- Form W-8BEN-E (entities) – www.irs.gov/pub/irs-pdf/fw8bene.pdf
- Form W-9 – www.irs.gov/pub/irs-pdf/fw9.pdf
- Form 945 – www.irs.gov/pub/irs-pdf/f945.pdf
- Form 1042-S – www.irs.gov/pub/irs-pdf/f1042-S.pdf
- Form 1099-MISC - www.irs.gov/pub/irs-pdf/f1099msc.pdf

Related Documents

- Internal Revenue Service – www.IRS.gov

- US Department of Immigration – www.uscis.gov
- US Department of Homeland Security – www.dhs.gov

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounts Payable Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Travel and Entertainment

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Policy statements

This policy establishes how UNE will reimburse individuals for travel and entertainment expenses incurred while conducting University business. UNE has a stewardship obligation to use its funds prudently and in the fullest support of the University's mission of education, research and public service. Travel and entertainment expenses must be reasonable and necessary, and travelers must always use the most cost-effective means of travel. All travel reimbursements must meet IRS accountable plan rules in order to be excluded from the traveler's gross income.

While no policy can address every scenario, this document is intended to cover the most common travel-related situations; when unusual circumstances arise, the spirit of this policy along with good judgement, should prevail.

Receipts

A receipt is defined as original, detailed and reflecting a zero balance due. Meal receipts must include a summary receipt or credit card charge slip along with a detailed receipt. The receipt must outline the name of the payee, date, detail of the items purchased, and a detailed description of the business

purpose. If a meal receipt includes meals for others, include the name of each person, their relationship to UNE and a detailed business purpose. A summary receipt or credit card charge slip is not considered to be sufficient documentation of an expense. Without proper documentation, certain reimbursements will result in taxable income to the recipient. For receipts in denominations other than US currency, the US equivalent must be clearly noted on each receipt. For all reimbursements, an appropriate receipt must accompany the request. The same definition applies for all purchases made on a departmental purchase card (P-card) and for purchases made against a sponsored grant or contract.

Travel Pre-Approval

A complete Approval to Travel form is required for all travel involving an overnight stay. The original fully-approved form must be submitted to Accounts Payable (AP) prior to making travel arrangements.

Travel Advances

Expenses such as airfare, registration fees, hotels, etc. must be prepaid using UNE's corporate card (Atlas Travel only) or the office purchase card (P-card). The use of the office P-card to prepay expenses for department staff members will eliminate the need for a travel advance in most cases. However, when necessary, an advance of up to \$500 for domestic travel and an advance of up to \$1,000 for international travel may be requested.

Registration Fees

Registration fees must be paid directly to the company or organization by using the office P-card or by submitting a business office voucher to AP.

Air Travel

All airfare reservations for individuals and groups must be booked through UNE's designated travel agency, Atlas Travel. Reservations should be made at least 14 days in advance to ensure the most convenient and cost effective fares. The lowest available economy/coach fare must be selected. Business and first class fares are not permitted unless medically necessary. To qualify for a medical exemption, documentation from a medical professional is required. Flights booked through Atlas Travel will be charged to the corporate P-card and will be expensed to the departments at the end of each month. The Purchase Card policy prohibits booking flights using a departmental P-card. Please review the Grant Post Award Management Policy prior to booking a flight against a sponsored grant or contract.

Trip cancellations must be made prior to the original travel date or the full ticket cost will be forfeited. Non-refundable tickets are non-transferrable and in most cases can only be applied to other non-refundable fares on the same carrier subject to penalties. Travelers must use non-refundable tickets towards their next purchase if the airline travels to the new destination.

Baggage Fees

Charges for baggage that is reasonable and appropriate for the purpose and length of stay are allowable. UNE will reimburse for excess baggage fees if the traveler is travelling with heavy or bulky equipment required to conduct University business.

Personal Vehicle Use

Employees may use personal vehicles for business travel only if it is less expensive than renting a car, taking a taxi or booking a flight. Travel by personal vehicle is reimbursed at UNE's approved mileage rate. Tolls and parking are also reimbursable with original receipt or electronic toll statement. At times, it may be more economical to be driven to the airport or rail station. In these cases, mileage and tolls are reimbursable as long as the total reimbursement does not exceed the cost of airport parking fees or other ground transportation options. Tickets, fines, towing and repairs are not reimbursable expenses.

Rail Travel

Rail travel may be used if it is more economical than air travel. The lowest available economy/coach fare must be selected.

Taxis

Taxis rides taken while conducting University business is acceptable as long as the fare is reasonably priced. If free or lower cost shuttle service to and from a hotel, airport or train station is available, this service should be selected before opting to pay a higher taxi fare.

Limousine and Shuttle Service

These services should be used only when they are less expensive than alternative means of transportation.

Car Rentals

Employees may rent a car only when it is required for daily use at the business destination or if there is not a less expensive means of transportation from the airport/train station or from the point of origin to the business destination. If an employee rents a car for one week and uses the car partially for business and partially for personal use, the weekly cost of the car must be prorated. Employees must rent a car of an appropriate size (economy or mid-sized) based on the number of employees traveling. The fuel policy of the rental agency should be reviewed carefully to avoid excessive refueling charges upon return of the automobile. When travelling in the United States on University business, it is not necessary to purchase extra insurance coverage. UNE provides blanket liability and collision insurance. If the traveler elects to purchase additional insurance, the cost of the insurance will not be reimbursed to the traveler. When traveling outside of the country, UNE requires the traveler to purchase physical damage coverage from the rental agency.

Intercampus Travel

Mileage is reimbursable at the University's approved mileage rate from an employee's "primary" campus (campus where the majority of work is performed) to the "non-primary" campus for the purpose of attending a meeting or other event if they are then returning to their "primary" campus during the same work day. If an employee is assigned to work an entire day on their "non-primary" campus, this is considered a normal commute and mileage is not reimbursable. Mileage is capped at 23 miles each way. Mileage is reimbursed from campus to campus and not from the employee's home to

campus or campus to home. Tolls for intercampus travel are also reimbursable with original receipts or electronic toll statement.

Lodging

Lodging while traveling on University business is reimbursable for reasonable and actual expenses incurred. When booking a hotel room, ask for corporate or educational rates if available. Hotel cancellations must be made prior to the arrival or cancellation date to avoid cancellation charges.

Meals While Traveling on University Business

Meals and meal tips while traveling on University business are reimbursable for reasonable and actual expenses incurred. Meals charged to a hotel bill require itemized receipts in order to be reimbursed.

Sales, Use and Excise Tax Exemptions

UNE is exempt from sales and use taxes in Maine, Massachusetts and Florida. There is also an exemption for federal excise taxes for fuel purchases. Individuals making purchases on behalf of UNE must confirm that the vendor has been issued the correct tax exemption number.

Family or Companion Travel

In most cases, family and companion travel expenses will not be reimbursed to faculty or staff. If the expenses are paid for or reimbursed by UNE, they will be considered taxable income. In rare instances, family and companion travel will not be treated as taxable income, only if the travel is for a documented, bona fide business purpose, per IRS regulations. Prior approval is required if the employee plans to seek reimbursement for the family or companion portion of expenses.

Business Meetings

Business meeting expenses (meals, refreshments, labor charges, room rental, equipment rental, etc.) for bona fide University business in which at least one UNE faculty or staff member is in attendance are reimbursable.

Entertainment and Social Events

The event must have a bona fide business purpose. When planning the event, every effort should be made to use Sodexo Dining Services. If Sodexo is not an option, meals and catering must be provided using reasonably priced restaurants and catering services. All attendees must be directly involved in the business purpose of the event and the event cannot include spouses, partners, children or friends unless there is a bona fide business purpose for their attendance.

Personal Travel

If personal travel is combined with University business related travel, only the business portion of the trip is allowable and reimbursable. Personal expenses must be paid for using personal credit cards or other methods that do not result in UNE paying for the personal expense.

Alcohol

Alcohol is reimbursable to the extent that the expense is reasonable and is for a legitimate business purpose. Alcohol is not reimbursable when purchased by a student or when it will be charged against a sponsored grant or contract.

Tips

Tips are reimbursable without a receipt with the exception of meals. Tips should be reasonable and unusual amounts must be explained.

- Bellhop - \$2.00 first bag and \$1.00 for each additional bag
- Housekeeping - \$2.00 to \$5.00 per day
- Skycap - \$2.00 first bag and \$1.00 for each additional bag
- Taxi Driver – 15% to 20% of the fare
- Valet - \$2.00 to \$5.00
- Wait Staff (sit down) – 15% to 20%
- Wait Staff (buffet) – 10%

Advancing Personal Funds

Departments should select vendors who will accept either University PO's or purchase cards (P-cards). Otherwise, the vendor should be pre-paid using a business office voucher. Many items can be purchased using our preferred office supply vendor, WB Mason, or by using the Wal-Mart Card. For travel, flights must be booked through Atlas Travel.

Purchases must be made through established purchasing policy and procedures. As a general rule, Individuals should not advance their own funds to purchase anything travel and entertainment related or for supplies and services on behalf of UNE. In limited instances, the department or individual may need to pay for an item and be reimbursed. If it is necessary that an employee advance personal funds to purchase supplies for University business, the department must be certain the purchase is a bona fide business expense; otherwise the reimbursement could be considered taxable income to the employee. All travel related expenses purchased using personal funds will be reimbursed after the travel occurs.

Employee/Student Gifts and Celebrations

Celebratory events and gifts to honor an individual for personal reasons such as wedding showers, baby showers, housewarming parties, promotions, retirements, etc. will not be paid for or reimbursed with University funds.

Gift Cards

Gift cards purchased with University funds and awarded to University faculty, staff, students or others for any reason (e.g., gifts in lieu of compensation) are considered taxable income and are subject to tax withholding. IRS regulations state that the value of gift cards must be included in the recipient's gross income regardless of the amount. The value of all gift cards must be provided to the Payroll Office for proper allocation to the individual's gross income. Before purchasing gift cards, consult with Accounts

Payable. For specific details regarding purchasing gift cards for grant related research subjects review the Grant Post Award Management Policy for specific details.

Examples of Non-Reimbursable Expenses

- Travel Insurance, travel accident insurance and trip cancellation insurance
- Insurance (both collision damage waiver and liability) from a rental car agency, except when renting a vehicle outside of the United States
- Child, pet and elder care expenses
- Personal care items, such as toiletries and medications
- Entertainment expenses (in room movies, theater tickets, museum admission, etc.)
- Gasoline expenses when mileage is being reimbursed
- Haircuts/styling, saunas, massages, spa treatments, etc.
- Formal wear
- Magazines, books and newspapers
- Parking tickets or speeding fines
- Alcohol on federal and state grants
- Airline club membership
- Country club membership
- Auto club membership
- Fees associated with upgrades to business/first class, aisle or exit row seating
- No-show charges for hotel or car service if traveler did not cancel within the required timeframe (extenuating circumstances are up to manager discretion)
- Excess baggage fees (unless related to heavy or bulky equipment)
- Expenses related to personal travel in conjunction with business travel
- Dry cleaning/laundry for trips less than seven days
- Lost or stolen property
- Other expenses not deemed a bona fide business expense

Reason for this policy

Expenditures of University funds for travel and entertainment must occur in furtherance of the mission of education, research and public service. A business purpose must exist for all expenditures. This policy defines conditions under which UNE will pay or reimburse for bona fide expenses incurred for travel and entertainment and other expenses. This policy also describes circumstances under which certain University paid or reimbursed expenses will be treated as taxable income to the recipient.

Individuals and entities affected by this policy

- All University Faculty and Staff Member
- All Students
- University Guests

- Contracted Service Providers
- Exempt Professionals

Individuals and entities excluded by this policy

None

Responsibilities

Accounts Payable

- Administer and provide guidance for this policy.

UNE Departments

- Adhere to all policy guidelines when travelling or entertaining on behalf of UNE.

Related Documents and Forms

- Business Office Voucher: <V:\UNEDocs\Business Office\Forms\Business Office Voucher.pdf>
- Travel Forms – Approval to Travel: <V:\UNEDocs\Business Office\Forms\Approval to Travel Form.pdf>
- Travel Forms – Mileage Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Mileage Voucher.xlsx>
- Travel Forms – Travel Expense Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Travel Expense Voucher.xlsx>
- Travel Forms Maine State Grants Only – Mileage Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Mileage Voucher - Maine State Grants Only.xlsx>
- Travel Forms Maine State Grants Only – Travel Expense Voucher: <V:\UNEDocs\Business Office\Forms\Travel Forms - Travel Expense Voucher - Maine State Grants Only.xlsx>
- Maine Sales tax exemption: <V:\UNEDocs\Business Office\Tax Exempt Certificates\Maine Permanent Exemption Certificate.PDF>
- Massachusetts Sales tax exemption: <V:\UNEDocs\Business Office\Tax Exempt Certificates\MA Tax Exempt Certificate.pdf>
- Florida Sales tax exemption: <V:\UNEDocs\Business Office\Tax Exempt Certificates\FL Tax Exempt Certificate.pdf>

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounts Payable Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
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Appendix

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OFFICE OF FINANCE AND ADMINISTRATION

Vendor Master File Management

Policy statements

The creation and maintenance of vendor files in the Accounting system (Banner) is a process solely controlled by Accounts Payable (AP). AP ensures vendor information is accurate and supported by applicable documents as prescribed by Internal Revenue Service (IRS) guidelines.

Vendor Master File

The Accounts Payable Manager and Accountant maintain the vendor master file. The AP Specialists have read access only to the vendor master file.

Required Vendor Documentation

- **W-9 Form**
All new US vendors must complete a Request for Taxpayer Identification Number and Certification (W-9) form prior to being setup in Banner. The form identifies the legal entity of a business or individual including payee's legal name, address, taxpayer identification number, and type of organization.
- **W-8BEN and W-8BEN-E**
A Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals) W-8BEN form is required for all foreign individuals prior to being setup in Banner. The form identifies an individual's legal name, permanent address, taxpayer identification number, and tax status.

A Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) W-8BEN-E form is required for all foreign entities prior to being setup in Banner. This form identifies a foreign entities' legal name, permanent address, country of incorporation, and tax status.

Master Vendor File Maintenance

- **Updates to Master Vendor File** -The Accountant position is primarily responsible for the set-up and maintenance of the vendor master file. After the initial setup of a vendor, updates will not be made unless a revised W-9, W-8BEN or W-8BEN-E is received. However, address changes do not require a new form; they are updated as vendors send updates.

- **Duplicate Vendors** – AP generates and reviews a duplicate vendor list on a biannual basis. The list compares vendor name, EIN and address. If duplicates exist, AP will determine which vendor code should continue to be used (best practice is to use the code with the oldest personal identification number or PIDM). Duplicates are then forward to Information Technology Services (ITS) to be merged into one vendor code.
- **Inactive Vendors** - AP generates and reviews an inactive vendor list on a quarterly basis. The list is generated based on vendors without activity for the previous three years. For students in the following statuses, the list is run quarterly and generated based on inactivity for the previous six months: withdrawn, program completed, inactive, or academically dismissed. All inactive vendors are terminated.
- **Reactivating a Terminated Vendor** – AP will not reactivate a terminated vendor, with the exception of a student, without a new W-9, W-8BEN or W-8BEN-E.

Reason for this policy

This policy ensures an effective system of internal controls relative to vendor master file maintenance and vendor payments preventing erroneous or fraudulent payments. The IRS documentation ensures compliance with federal tax withholding and reporting requirements.

Individuals and entities affected by this policy

- All members of the Accounts Payable department
- Deans, Department Chairs, and Administrators purchasing items or arranging services on behalf of the University.
- Any individual, partnership, or corporation requesting payment by UNE for goods or services.

Individuals and entities excluded by this policy

None

Responsibilities

Accounts Payable

- Administer and provide guidance for this policy.

All Departments

- Adhere to all policy guidelines when purchasing items or arranging services on behalf UNE.

Related Documents and Forms

Forms

- Form W-8BEN - V:\UNEDocs\Business Office\Forms\Form W-8BEN – use for foreign individuals only.pdf
- Form W-8BEN-E - V:\UNEDocs\Business Office\Forms\Form W-8BEN-E – use for foreign companies only.pdf
- Form W-9 - V:\UNEDocs\Business Office\Forms\Form W-9 – use for US individuals and companies.pdf

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Samantha Getchell	Accounts Payable Manager	sgetchell1@une.edu; (207) 602-2442

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Accounts Payable Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/13/2021	5/13/2021	Update to Contact Information
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Budget Transfers

Policy statement

Transfers of budgeted funds between account lines must be requested using a Banner Budget Transfer Form (see link below) and must specify if the transfer is permanent or temporary. Permanent transfers carry forward to the subsequent fiscal years. Temporary transfers do not carry forward to subsequent fiscal years. All Banner Budget Transfer forms require signature approval(s) by the Department Head or Dean from all departments and/or colleges whose budgets will be impacted by the change. Budgeted funds cannot be moved from a salary line to an operating expense line.

Below is an example of when a Banner Budget Transfer Form is to be submitted:

- An account line balance within a department is negative. Budgeted funds may be transferred using a Banner Budget Transfer form from one or more funds with a positive account balance, with the exception of the salary line

Reason for this policy

This policy exists so that all departments, as well as the appropriate administrators, are made aware of their overall and specific spending. Noticing a trend in overspending/underspending for a line can help to create a more accurate budget for the following fiscal year.

Individuals and entities affected by this policy

All faculty and staff members involved with their area's budget.

Individuals and entities excluded by this policy

None

Responsibilities

University Budgeting

- Administer and provide guidance for this policy.
- Review the Banner Budget Transfer Form to ensure that it has been completed properly.
- Process budget changes.

Department Heads and Deans

- Ensure that the Banner Budget Transfer Forms are filled out correctly.
- Ensure proper signatures. All departments involved in the transfer must sign the Banner Budget Transfer Form indicating their approval. (In the event that a physical signature is impossible, approval may be sent via email. This approval must be attached to the Banner Budget Change Form before being sent to the Budgeting Office for approval and processing).

Related Documents and Forms

Please contact University Budgeting if you need the most recent copy of any of the following forms:

- Banner Budget Transfer Form: <V:\UNEDocs\Business Office\Forms\Budget Transfer Form.xlsx>

Frequently Asked Questions (FAQ)

- **Question:** Do I need to submit a Banner Budget Change Form to fix negative lines if my overall budget is positive?

Answer: Yes. Actively managing your Banner budget includes making temporary adjustments to correct current fiscal year overages in each account line as well as permanent changes to reflect anticipated changes to subsequent fiscal years.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Matthew Kogut	Associate Vice President of Finance	mkogut@une.edu (207) 602-2077

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Budgeting Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/31/2023	5/31/2023	Updated to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Fringe Benefit Rate

Policy statement

UNE provides an array of benefits to its faculty and staff members that are either fully or partially funded by the University, including benefit plan related expenses (medical, retirement, education, etc.) and tax related expenses (matching FICA/Medicare tax).

UNE applies a fixed fringe benefit rate to salaries as they are paid and charged in the Banner accounting system. All fringe benefit allocations are applied to Banner account 66850.

The current fringe benefit is 30%, effective June 1, 2016.

Faculty and staff are responsible for using the fringe benefit rate as a percent of salaries in all budgeting and planning documents, new position requests, and external grant proposals which are being asked to fund employee salaries.

The fringe benefit rate is not applied to UNE's currently enrolled student salaries. However, all other paid personnel whether full-time, half-time or part-time are applied the fringe rate.

The fringe benefit rate for sponsored program grants or contracts will be 24% or 30% depending upon the timing the grant was entered into. The fringe rate of 24% generally is applicable for grants entered into prior to November 2016. However, the percentage that applies is dependent upon the approved rate in the grant or contract agreement.

Reason for this policy

The fringe benefit rate is used to account for the cost of employee benefits and related employment expenses from departmental funding sources.

Individuals and entities affected by this policy

All UNE faculty and staff members who have budgetary management or planning responsibilities.

Individuals and entities excluded by this policy

Those faculty and staff members who do not manage budgets.

Responsibilities

Director of Financial Planning

- Administer and provide guidance for this policy.

Related Documents and Forms

Please contact University Budgeting if you need the most recent copy of any of the following forms:

- Banner Budget Transfer Form: <V:\UNEDocs\Business Office\Forms\Budget Transfer Form.xlsx>
- General Budgeting Policy

Frequently Asked Questions (FAQ)

- **Question:** Why is the fringe benefit rate applied to positions that are not eligible for all benefits?

Answer: While on an individual basis, an employee may not participate in all UNE benefits, the use of the fringe rate represents the average benefit and employment related costs for all employees.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Matthew Kogut	Associate Vice President of Finance	mkogut@une.edu (207) 602-2077

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Budgeting Office

History and updates

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Previously Enacted	9/22/2017	
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

General Budgeting

Policy statements

Budget Planning Process

From November through March of each fiscal year, the Budgeting Office undergoes an annual Budget Planning Process. Deans and/or division heads are required to complete enrollment and budget projection documents for the subsequent five fiscal years. Additionally, all operating and personnel needs for the fiscal year immediately following must be submitted during this process. College and division budgets must receive approval by the Senior Vice President of Finance & Administration, Provost (if applicable) and the University President.

Fall Adjustment Process

From September through October of each fiscal year, the Budgeting Office conducts the Fall Adjustment Process. Academic deans and/or division heads are required to provide updated enrollment and budget projections for the current fiscal year.

Capital Budget

The Capital Budget for each fiscal year is determined by UNE senior administration in conjunction with the Budgeting Office and UNE Campus Services. The Capital Budget is first approved by the UNE President, and then approved by the UNE Board of Trustees for each fiscal year.

Reason for this policy

Budget Planning Process

The Budget Planning Process is an integral component of UNE's strategic plan as well as the strategic financial plan. Through this process, the needs of each area are made known and prioritized so that adequate resources are available to meet the strategic goals of the University.

Fall Adjustment Process

The Fall Adjustment Process is used to accurately project the current fiscal year budget to year end, using updated enrollment and all other relevant data available. The Fall Adjustment Process provides UNE senior administration with the most current budget projections and the opportunity to determine if

strategic action should be taken. Lastly, the current budget projections provided through this process aid the senior administration during the succeeding Budget Planning Process.

Capital Budget

The Capital Budget ensures the proper review and approval of all proposed capital additions.

Individuals and entities affected by this policy

- All University departments
- All University staff and faculty members who have budgetary responsibilities

Individuals and entities excluded by this policy

None

Responsibilities

Budgeting Office

- Administer and provide guidance for this policy.
- Oversee the annual Budget Planning Process
- Continuously monitor UNE's approved budget vs. the actual budget throughout the fiscal year

Academic Deans and Division Heads

- Provide enrollment, budget and personnel projections to the Budgeting Office during the Budget Planning Process, Fall Adjustment Process, and as requested.

Related Documents and Forms

- UNE Budget Cycle Document (Available upon request from University Budgeting)
- Budget Transfer Policy
- New Position Request Policy
- Redistribution of Unfilled Position Funds Policy

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Matthew Kogut	Associate Vice President of Finance	mkogut@une.edu (207) 602-2077

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Budgeting Office

History and updates

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5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

New Position Requests

Policy statement

New position requests must be submitted to the Budgeting Office during the annual budget planning process. Requests must identify which University-wide priority from the current Strategic Plan that the position addresses. Additionally, each new position request needs to identify whether or not there are decreases in departmental expenses or increases in revenue that will offset the cost of the new position. A Position Request Form must be completed for each new position and must be approved by the Senior Vice President of Finance & Administration, Provost (if applicable) and the University President. In addition, a Position Log, which is a summary of all new position requests, must also be submitted during the annual budget planning process.

Direct replacement positions resulting from a disciplinary action (e.g., reassignment, demotion, termination) that occur during the fiscal year do not need to go through this process.

Reason for this policy

To ensure that all newly added positions are financially sustainable and can be directly tied to specific University-wide priorities from the current Strategic Plan.

Individuals and entities affected by this policy

All Deans and Senior Administrators that are involved in the annual budget planning process.

Individuals and entities excluded by this policy

None

Responsibilities

Director of Financial Planning

- Administer this policy

Related Documents and Forms

Please contact University Budgeting if you need the most recent copy of any of the following forms:

- Position Request Form
- Position Log

Frequently Asked Questions (FAQs)

- **Question:** If a position can be fully-funded by the department, do I still need to follow the New Position Request policy?

Answer: Yes. Even when full-funding is available from a department or college, you must follow the New Position Request policy.

- **Question:** Do I need to follow the New Position Request policy if my added position can be covered by grant funding?

Answer: Yes. This policy includes grant-funded positions.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Matthew Kogut	Associate Vice President of Finance	mkogut@une.edu (207) 602-2077

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Budgeting Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/31/2023	5/31/2023	Update to Contact Information

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Appendix

There are no appendices to this policy.

OFFICE OF FINANCE AND ADMINISTRATION

Redistribution of Unfilled Position Funds

Policy statement

Budgeted funds for positions that are currently unfilled may only be transferred on a temporary basis (current fiscal year-only) to another salary line within the same organization. The transferred funds can only be used to cover approved temporary employees if funds are not currently available in that line. Budgeted funds for unfilled positions may not be transferred to operating account lines. A Budget Transfer form is used to complete this transfer and must receive approval by the Departmental Dean and the Assistant Vice President of Financial Planning and Analysis. This policy is not applicable to the permanent transfer of a position between departments.

Reason for this policy

This policy has been put in place in order to ensure that budgeted funds associated with a position are available when a replacement position is filled.

Individuals and entities affected by this policy

All UNE Faculty and staff members who have budgetary responsibilities.

Individuals and entities excluded by this policy

None

Responsibilities

Director of Financial Planning

- Administer and provide guidance for this policy.
- Ensure that budgeted funds are allocated appropriately

UNE Faculty and Staff

- Submit Budget Transfer form as applicable

Related Documents and Forms

Please contact University Budgeting if you need the most recent copy of any of the following forms:

- Banner Budget Transfer Form: <V:\UNEDocs\Business Office\Forms\Budget Transfer Form.xlsx>

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Matthew Kogut	Associate Vice President of Finance	mkogut@une.edu (207) 602-2077

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Budgeting Office

History and updates

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Previously Enacted	9/22/2017	
5/31/2023	5/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Conducting International and Interstate Operations and Transactions

Policy statement

UNE personnel will notify and collaborate with the respective Finance and Administration office as soon as possible when new UNE operations and transactions are international and interstate in nature. If the department is unsure which Finance and Administration office to contact, they should contact the Compliance Office of Finance and Administration.

Reason for this policy

This policy has been put in place because there are often important aspects to consider when UNE conducts interstate/international operations and transactions. Important considerations need to be evaluated and the research and processing time is typically longer due to extensive requirements by governments, states and other regulatory agencies. Additional information is often needed for which the UNE department is called upon to assist in clarifying or obtaining.

For international transactions, the laws and regulations of both the U.S. and the foreign country involved need to be evaluated. These laws and requirements may relate to taxes, business operations, reporting, financial payment regulations, travel, etc. For interstate operations and transactions, there are similar aspects to evaluate.

With early notification, the Office of Finance and Administration will be able to proactively evaluate the requirements and complete the actions needed in a timely manner in order to satisfy the desired outcomes of the UNE department.

Examples of interstate/international transactions and operations that may result in increased research, requirements and processing time are listed in the Appendix of this policy.

Individuals and entities affected by this policy

All UNE departments engaging in interstate/international operations and transactions.

Individuals and entities excluded by this policy

Previous international or interstate transactions for which the UNE department and Finance and Administration have history with and know the additional lead time that is necessary to process the transaction completely in a timely manner.

Responsibilities

UNE Departments

- Apprise Finance and Administration of new international and interstate operations with as much notice as possible.
- Work in conjunction with Finance and Administration in obtaining additional information as needed to evaluate and/or satisfy the regulatory requirements.

Finance and Administration Office(s)

- Evaluate the information provided by the UNE department regarding the operations or transactions sought.
- Identify the financial and business related laws, regulations, and requirements associated with the operations and transactions.
- Work in conjunction with the UNE department in obtaining additional information as needed and keep the University department apprised of the status.
- Prepare the appropriate documents and complete the applicable financial or business transaction.

Related Documents and Forms

All current applicable UNE forms as appropriate as well as possible external documents and forms required.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Jeff Crocker	Assistant Vice President of Financial Compliance and Planning	jcrocker@une.edu (207) 602-2303

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Compliance Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
05/31/2023	05/31/2023	Updated to Contact Information

Appendix

Examples of interstate/international transactions and operations that may result in increased research, requirements and processing time:

- Payments (through Accounts Payable or Payroll) to residents of foreign countries working outside the U.S.
- Payments (through Accounts Payable or Payroll) to residents of foreign countries working in the U.S.
- The actual financial transaction of disbursing funds outside the country to an individual or a foreign bank.
- Educational programs field placements in states other than Maine or in countries other than the U.S.
- On-line educational programs in states other than Maine or in countries other than the U.S.
- Advertising in states other than Maine or in countries other than the U.S.
- UNE personnel teaching students in physical classroom settings located in states other than Maine or in countries other than the U.S.
- The hiring of UNE employees (either benefit eligible or non-benefit eligible) who work in states other than Maine or countries other than the U.S.

Note: UNE has not necessarily entered into all the activities listed above and this list is not all inclusive.

OFFICE OF FINANCE AND ADMINISTRATION

Policy on Policies

Policy statements

Annual Review of Policies by Finance and Administration Personnel

All policies of UNE's Office of Finance and Administration will be reviewed on an annual basis by the respective offices of Finance and Administration. Proposals for revisions and new policies will be provided to the Assistant Vice President of Financial Compliance and Planning for review. The Assistant Vice President of Financial Compliance and Planning will provide recommendations to the Senior Vice President of Finance and Administration relating to the request. Finance and Administration personnel need not wait until the annual review time period to submit important requests for revisions or new policies. Necessary policy changes or proposals for new policies can be submitted to the Assistant Vice President of Financial Compliance and Planning at any time.

Requests for Policy Revisions and New Policies by the UNE Community

All requests for revisions to existing policies or new policies for UNE's Office of Finance and Administration policies will be submitted by UNE personnel to the Assistant Vice President of Financial Compliance and Planning at any time of the year. The Assistant Vice President of Financial Compliance and Planning will coordinate the request with the appropriate Finance and Administration office for review and consideration and the UNE department may be contacted for further discussions. The Assistant Vice President of Financial Compliance and Planning will provide recommendations to the Senior Vice President of Finance and Administration relating to the request and the UNE department will be apprised of the results of the evaluation.

Reason for this policy

In order to ensure that the policies of UNE's Office of Finance and Administration are comprehensive, effective and current, this policy sets forth requirements and processes for annual review and submissions of revised and new policies. It requires a team effort of Finance and Administration and non-Finance and Administration personnel to continually enhance the quality and completeness of UNE's documented finance and administration related policies.

Policies are important to:

- Supporting UNE's mission
- Documenting how UNE conducts business

- Achieving accountability
- Providing the UNE Community with clear and concise guidelines

Individuals and entities affected by this policy

- All Finance and Administration members who are designated as Policy Clarification Contacts or have policy making responsibilities.
- All UNE personnel and departments for which the respective policies apply.

Individuals and entities excluded by this policy

None

Responsibilities

UNE Personnel

- Contact the Policy Clarification Contact if an explanation of a policy is needed prior to submitting a request for a policy revision or new policy.
- Submit requests to the Compliance Office of Finance and Administration for proposed policy revisions or new policies.

Compliance Office of Finance and Administration

- Administer and provide guidance for this policy.
- Review, modify and submit policy revisions and new proposed policies to the Senior Vice President of Finance and Administration.
- Ensure timely completion and oversee the process of UNE's annual policy review.

Policy Clarification Contacts

- Review assigned policies on an annual basis to ensure accuracy and effectiveness of existing policies and identify the need for new policies.
- Submit proposed changes to existing policies and submit requests for new policies to the Compliance Office.

Senior Vice President of Finance and Administration

- Review the proposed policy revisions or new policy and approve or deny.

Related Documents and Forms

Forms

- Policy Template (maintained by the Assistant Vice President of Financial Compliance and Planning)

Frequently Asked Question:

- **Question:** What constitutes a policy revision or new policy?

Answer: A policy revision request can be as basic as wording clarification. However, it can also be for substantive content or a request to consider a policy change. Also, a new policy request may be required due to a new development or a situation that has occurred to prompt a policy.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Jeff Crocker	Assistant Vice President of Financial Compliance and Planning	jcrocker@une.edu (207) 602-2303

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Compliance Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
05/31/2023	05/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

**State Authorization and State Authorization
Reciprocity Agreement (SARA)**

Policy statements

State Authorization

UNE must remain in compliance with state authorization regulations related to online learning programs and field placements which take place outside of the State of Maine. UNE is not required to seek state authorization in states which are currently members of the State Authorization Reciprocity Agreement (SARA), but must submit new or renewal applications for state authorization in non-SARA states as required.

State Authorization Reciprocity Agreement (SARA) Required Licensure Notification

As a SARA institution, UNE must notify students of the licensure requirements for their state of residence. This requirement applies to any course or program which leads to licensure operating under SARA protocols, including all of UNE's online programs and those campus-based programs which have field placements in states outside of Maine. If a course or program does not lead to licensure, this notification is not required.

UNE will meet the SARA licensure notification requirement by providing an email notification to the applicable enrolled students. This email notification will be issued by the Registrar Office. The email will state that UNE's licensure programs meet the requirements for licensure in the State of Maine and that licensure requirements may vary from state to state. The email will refer the students to a UNE website page (<https://www.une.edu/registrar/records/licensure-notification/licensure-notification>) which provides links to licensing agency contact information for each state in the U.S by program. Therefore, the student may research the licensure requirements in their current state of residence or for any state in which they may be interested in practicing.

Reason for this policy

State Authorization

In order to operate online learning programs and allow field placements in non-SARA states, UNE needs to meet state authorization regulations. State authorization is a formal determination by a

state's higher education agency that enables an institution to conduct approved educational activities within that state's borders. States want to ensure they have a record of educational activities offered by institutions with specific standards met and protections for students. Educational activities that trigger the need for state authorization vary by state. The typical triggers for UNE are offering online learning programs to out-of-state residents, field placements for online learning or campus-based students at locations outside of Maine, and employing faculty members residing out-of-state.

State Authorization Reciprocity Agreement (SARA)

In December 2015, UNE became a SARA institution. SARA is an arrangement among member states that establishes comparable national standards for interstate offering of postsecondary online learning courses and programs (<http://nc-sara.org/>). SARA eliminates the requirement for an institution to apply for state authorization for activities performed in other SARA states.

As a SARA institution, UNE is required to notify students of the licensure requirements of their state of residence. The following is SARA's Licensure Notification Requirement which UNE agreed to as part of its SARA application:

"Agree to notify in writing all students in a course or program that customarily leads to professional licensure, or which a student could reasonably believe leads to such licensure, whether or not the course or program meets requirements for licensure in the state where the student resides. If an institution does not know whether the course or program meets licensure requirements in the student's state of residence, the institution may meet this SARA requirement by informing the student in writing and providing the student the contact information for the appropriate state licensing board(s). An e-mail dedicated solely to this purpose and sent to the student's best known e-mail address meets this requirement. The institution should use other means to notify the student if needed."

Annual Data Reporting to NC-SARA

The National Council for State Authorizations Reciprocity Agreements (NC-SARA) requires participating institutions to report exclusively distance education (EDE) enrollment and out-of-state learning placements (OOSLP) annually. The data are to be reported to NC-SARA through an online reporting portal.

Exclusively Distance Education Enrollment (EDE enrollment): Institutions must annually report the number of students engaged exclusively in distance education who are enrolled at the institution. The EDE enrollment data ***must be disaggregated by state, territory, or district*** where the activity takes place. These EDE enrollment data need to include both degree and non-degree for-credit courses.

Out-of-State Learning Placements (OOSLP): Institutions participating in SARA must also annually report to NC-SARA the number of their students engaged in certain OOSLP activities, such as clinical rotations, internships, student teaching, etc., disaggregated by state and two-digit Classification of Instructional Programs (CIP) codes as assigned by the U.S. Department of Education.

Individuals and entities affected by this policy

- All distance learning programs
- Programs offering field placements outside of the State of Maine
- Programs that lead to licensure

Individuals and entities excluded by this policy

Campus-based programs that are not offering field placements outside of the State of Maine

Responsibilities

Compliance Office of Finance and Administration

- Administer and provide guidance for this policy.
- Oversee the process of UNE's compliance with state regulations related to online learning programs and field placements which take place outside of the State of Maine.
- Continuously monitor regulations in non-SARA states in which UNE operates.
- Submit new applications and renewals related to state authorization and SARA.
- Complete reporting requirements related to state authorization and SARA.
- If the state authorization applications and reports require institutional information, the Compliance Office will coordinate with various UNE units as needed.

Academic Departments

- Provide state authorization and SARA application and reporting information to the Compliance Office upon request. The type of information required from the Academic Departments is generally programmatic in nature, including but not limited to curriculum details, faculty information, field placement requirements, site locations and student enrollment counts.
- Contact the Compliance Office of Finance and Administration if a new program of study is planned that will be offered online, require field placements, or will lead to licensure.

- Provide the out-of-state learning placements to the Compliance Office of Finance and Administration for meeting the requirement of the annual data reporting.

Registrar Office

- If a program is operating under SARA protocols and leads to licensure, the Registrar Office will send email notifications to all enrolled students to meet the SARA licensure notification requirement.

Related Documents and Forms

None

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Jeff Crocker	Assistant Vice President of Financial Compliance and Planning	jcrocker@une.edu (207) 602-2303

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Compliance Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
05/19/2022	05/19/2022	Include the Annual Data Reporting requirement.
05/31/2023	05/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Clinical and Non-Clinical Affiliation Agreements

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Policy statements

All Clinical and Non-Clinical Sites where students are conducting fieldwork as part of their required coursework must enter into a contract with UNE prior to the start of the students' placement.

Contract Submission

All Clinical and Non-Clinical Affiliation Agreements must be submitted to the Contracts Office through the Contract Insight Software (Cobblestone). Once submitted, the contract will be reviewed and processed for signature.

Contracts not processed through the Contracts Office run the risk of the following: insufficient funds committed to in the contract (if applicable); non-binding contracts if not signed by at least one Authorized Signer of the University; personal liability placed upon non-authorized signers who sign the contracts alone; and committing to non-standard requirements not typically acceptable to the University and/or the students' program of study.

Authorized Signer(s) and Signatures

When the terms of the agreement are agreed upon by both the Site and UNE, the agreement will be signed by the Senior Vice President of Finance and Administration or by an Authorized Official (see Appendix A). UNE does not require original signatures and originals will only be provided to the Site upon request.

Contract Insight Software (Cobblestone)

Contract Insight (Cobblestone, found at <https://une.cobblestonesystems.com>) is a web-based contract management software system which allows UNE to manage and track the contract process. In addition, Cobblestone serves as a repository for contracts. Copies of all fully executed agreements that have been processed through Cobblestone are maintained in the software and can be accessed by Authorized Users.

Authorized Users

In order to be given access to Cobblestone, a Contract Management Software Authorization Form (see Related Documents and Forms section below) must be completed and signed by the Department's Senior Administrator and then submitted to the Contracts Office.

Required Forms and Documents

Programs (departments) will have each student conducting a field placement sign two student forms, "FERPA Consent Form" and "Exclusion from Participation in Government Health Care Programs" (see Related Documents and Forms section below). These forms serve as continuous consent throughout the term of the students' attendance at the University and programs will keep these on file within their department.

Contract Templates

UNE will accept contracts in the form of Site Templates and UNE Templates. Site Templates as well as UNE Templates which have been edited by the Site may require additional review by Legal, which is coordinated by the Contract Office.

UNE Templates have been designed to protect UNE and include legal provisions relating to HIPAA, FERPA, Liability and Insurance. These Templates have been tailored to meet the accreditation needs of each individual Department. If changes to a Template are needed, a request must be submitted to the Contracts Office.

Reason for this policy

Agreements must be executed in order to document affiliations with Sites allowing field placements to students in various UNE programs. This ensures that these arrangements are documented to address a mutual understanding of expectations, outline obligations of the parties, and to set requirements which

ensure adherence to UNE and Site policies. Contracts are reviewed and routed along University-Council approved processing steps in order to ensure that contract provisions are reviewed for compliance, departmental approvals are in place, and contracts are signed by designated authorized individuals of the University.

Individuals and entities affected by this policy

All programs which have students completing field placements.

Individuals and entities excluded by this policy

None

Responsibilities

Academic Departments and Programs

- Identify sites, ensure Sites' approvals are in place to accept UNE students into placements, and determine, by coordinating with the Site, if a UNE Template or Site Template will be used to establish the agreement.
- Submit all Clinical and Non-Clinical Affiliation Agreements to the Contracts Office through Cobblestone.
- Ensure students sign the two student consent forms, "FERPA Consent Form" and "Exclusion from Participation in Government Health Care Programs Consent Form."
- Review and approve various student and/or Program requirements identified by the Contract Office as part of the agreement review.
- Ensure that UNE Templates meet the program accreditation requirements. Submit a request to the Contracts Office for review and update if changes are needed.
- Ensure that student and/or departmental requirements can be adhered to if using a Site Template.

Contract Office

- Administer and provide guidance for this policy.
- Oversee the process of maintaining agreements with Clinical and Non-Clinical Sites.

- Process contract requests, review agreements, identify student and/or Program requirements, send to legal for review if necessary, and return edits to the Site for review if needed. Send finalized agreements to the Senior Vice President of Finance and Administration for signature. Upload the fully executed agreement to Cobblestone once the signature process is complete.
- Update UNE Templates as needed.
- Manage Contract Insight Software (Cobblestone).

Related Documents and Forms

Forms

Please contact the Contracts Administrator if you need a copy of any of the following forms:

- Contract Management Software Authorization Form
- FERPA Consent Form
- Exclusion from Participation in Government Health Care Programs

UNE Templates

- Submit a request to the Contract Administrator for a copy of the program's UNE Template if needed. Numerous templates exist, tailored as necessary for the University's Programs.

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Kelly Tilbe	Contract Administrator	kreissfelder@une.edu (207) 602-2522

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Contract Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/12/2022	5/12/2022	Updated responsibility to Contract Office
5/31/2023	5/31/2023	Update to Contact Information

Appendix

Appendix A – Authorized Officials Grid (University-authorized signatories)

APPENDIX A

Authorized Officials

An official becomes authorized to enter and/or approve or sign contracts on behalf of the University only pursuant to a resolution of the Board of Trustees.

All contracts with the University must be signed by an authorized signer. However, other individuals at the University may be co-signers along with the authorized signer. If an authorized signer is not a signer on a University contract and another employee at the University signs alone, that contract is not binding to the University and the non-authorized individual signer could be held personally liable for the commitments in the contract.

	President	Senior VP of Finance and Admin.	Provost & Senior Vice President	VP for Global Affairs	VP for Research & Scholarship (VPRS)	Director of Research Admin.
Academic:						
Academic Agreements	X	X*	X*			
Articulation Agreements	X	X*	X*			
International:						
International Agreements	X	X*	X*	X*		
Moroccan Documents	X			X		
Clinical Affiliation Agreements	X	X	X			
Sponsored Programs & Research:						
Grant Applications	X	X	X		X**	X**
Grant Awards	X	X	X		X**	X**
Contracts for Spons. Research	X	X	X		X**	X**
Finance & Administration:						
Purchase Agreements (Services, Consulting, IT Software/ Licensing, Equipment)	X	X				
Equipment Lease Agreements	X	X				
Real Estate Contracts (Construction, Purchase & Sale Agreements, Real Estate Lease, Deeds)	X	X***				
Security Agreements	X	X				
Loans	X	X				
Student Affairs (Engagement)	X	X				
Conference Services Agreements	X	X***				
Other Agreements:						
CME	X	X				

* Requires written approval by President.

** If APRS is PI or key personnel on award, requires President, Provost or Senior VP of Finance & Admin. to sign.

*** Contract requires approval by VP of Operations before signature.

OFFICE OF FINANCE AND ADMINISTRATION

Purchase Agreements

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Policy statements

All Purchase Agreements must be in place prior to the purchase effective date. Purchase Agreements cover services which include consulting, engagements, maintenance, software license and support, space rentals, equipment installation, etc. Purchase Agreements are necessary regardless of cost and are executed in order to reflect the mutual understanding of the parties related to the exchange of services and compensation.

Contract Submission

All Purchase Agreements must be submitted to the Contracts Office either via email to the Contract Administrator or by submission into the Contract Insight Software (Cobblestone). (Cobblestone is being introduced in phases to various areas of the University, based upon contract type and area served.)

Once submitted either through Cobblestone or via email, the contract will be reviewed and processed for signature.

Contracts not processed through the Contracts Office run the risk of the following: insufficient funds committed to in the contract (if applicable); non-binding contracts if not signed by at least one Authorized Signer of the University; personal liability placed upon non-authorized signers who sign the contracts alone; incomplete departmental approval and, if applicable, Information Technology Department approval; and committing to non-standard requirements typically not acceptable to the University.

Authorized Signer(s) and Signatures

When the terms of the agreement are agreed upon by both the Vendor and UNE, the agreement will be signed by the Senior Vice President of Finance and Administration or by an Authorized Official (see Appendix A). UNE does not require original signatures and originals will only be provided to the Vendor upon request.

Contract Insight Software (Cobblestone)

Contract Insight (Cobblestone, found at <https://une.cobblestonesystems.com>) is a web-based contract management software system which allows UNE to manage and track the contract process. In addition, Cobblestone serves as a repository for contracts. Copies of all fully executed agreements that have been processed through Cobblestone are maintained in the software and can be accessed by Authorized Users.

In order to be given access to Cobblestone, a Contract Management Software Authorization Form (see Related Documents and Forms section) must be completed and signed by the Department's Senior Administrator and then submitted to the Contracts Office.

For contracts not yet processed through Cobblestone, documents and contracts processed will be stored electronically on UNE's electronic storage drive R:\\Plover\\BannerV under the restricted folder "Contracts".

Required Forms and Documents

In order for a contract to be processed, a Voucher and/or Purchase Order (depending on the dollar threshold; see Related Documents and Forms section for more information) with designated departmental approval signatures must be submitted with the contract and Contract Request Form. Additionally, all proposals and/or invoices that accompany the contract must be submitted, as applicable.

Contract Templates

UNE will accept contracts in the form of Templates from the Vendor and/or UNE Templates. Vendor Templates as well as UNE Templates which have been edited by the Vendor may require additional review by Legal. After the initial review, if the Contract Administrator determines UNE legal review is necessary, the Contract Administrator will forward the edits to them for review and guidance.

UNE Templates have been designed to protect UNE and include legal provisions relating to Independent Contractors, Liability, Indemnification, Insurance, Ownership of Deliverables, Representations and Warranties, Care of Confidential Information and Publicity, as well as a review of business terms,

including payment terms, term length, use of University data and logo, etc. If changes to a UNE Template are needed, a request must be submitted to the Contracts Office.

Contract Document Retention

Contract documents are electronically stored either in Cobblestone or in UNE's electronic storage drive at R:\Plover\BannerV under the restricted folder "Contracts." The Contract Office will also follow the UNE Retention Policy.

Reason for this policy

Agreements must be executed in order to document purchases with Vendors providing various services to UNE. This ensures that these arrangements are documented to address a mutual understanding of expectations, outline obligations of the parties, and to set requirements which ensure adherence to UNE and Vendor policies. Contracts are reviewed and routed along University-Council approved processing steps in order to ensure that contract provisions are reviewed for compliance, departmental approvals are in place, and contracts are signed by designated authorized individuals of the University.

Individuals and entities affected by this policy

All University administrators, faculty, staff, and agents of the University for commercial transactions.

Individuals and entities excluded by this policy

Purchases funded by grants received by UNE. These are handled by the Office of Sponsored Programs.

Responsibilities

University Departments

- Initiate the contract process and complete required UNE forms with proper departmental approvals.
- Submit all Agreements to the Contracts Office, along with required forms, through email or Cobblestone.

Contract Office

- Administer and provide guidance for this policy.
- Oversee the process of maintaining agreements with Vendors.

- Process contract requests, review agreements, send to legal for review if necessary, and return edits to the Vendor for review if needed. Send finalized agreements to the Senior Vice President of Finance and Administration for signature. Ensure the fully executed agreement is shared with the department once the signature process is complete.
- Update UNE Templates as needed.
- Manage Contract Insight Software (Cobblestone).

Related Documents and Forms

Forms

- Contract Management Software Authorization Form (Contact the Contract Administrator if needed)
- Contract Request Form
- Business Office Voucher, ONLY if purchase is \$2,499 and under or Student Event Contracts with no dollar amount (see Accounts Payable Payment Methods Policy)
- Purchase Order for purchases \$2,500 and over (see Accounts Payable Payment Methods Policy)
- W-9 (see Accounts Payable Payments Methods Policy)

UNE Templates

- Submit a request to the Contract Administrator for a copy of the appropriate UNE Template if needed. Numerous templates exist which are tailored as necessary for the University's Purchases.

University Policies

- Accounts Payable Payment Methods

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Kelly Tilbe	Contract Administrator	kreissfelder@une.edu (207) 602-2522

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Contract Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	9/22/2017	
5/12/2022	5/12/2022	Added reference to Contract Request Form and updated reference under Responsibility to Contract Office
6/1/2023	5/31/2023	Increase in signing authority for Dept Heads & Pls

APPENDIX

Appendix A – Authorized Officials Grid (University-authorized signatories)

APPENDIX A

Authorized Officials

An official becomes authorized to enter and/or approve or sign contracts on behalf of the University only pursuant to a resolution of the Board of Trustees.

All contracts with the University must be signed by an authorized signer. However, other individuals at the University may be co-signers along with the authorized signer. If an authorized signer is not a signer on a University contract and another employee at the University signs alone, that contract is not binding to the University and the non-authorized individual signer could be held personally liable for the commitments in the contract.

	President	Senior VP of Finance and Admin.	Provost & Senior Vice President	VP for Global Affairs	VP for Research & Scholarship (VPRS)	Director of Research Admin.
Academic:						
Academic Agreements	X	X*	X*			
Articulation Agreements	X	X*	X*			
International:						
International Agreements	X	X*	X*	X*		
Moroccan Documents	X			X		
Clinical Affiliation Agreements	X	X	X			
Sponsored Programs & Research:						
Grant Applications	X	X	X		X**	X**
Grant Awards	X	X	X		X**	X**
Contracts for Spons. Research	X	X	X		X**	X**
Finance & Administration:						
Purchase Agreements (Services, Consulting, IT Software/ Licensing, Equipment)	X	X				
Equipment Lease Agreements	X	X				
Real Estate Contracts (Construction, Purchase & Sale Agreements, Real Estate Lease, Deeds)	X	X***				
Security Agreements	X	X				
Loans	X	X				
Student Affairs (Engagement)	X	X				
Conference Services Agreements	X	X***				
Other Agreements:						
CME	X	X				

* Requires written approval by President.

** If APRS is PI or key personnel on award, requires President, Provost or Senior VP of Finance & Admin. to sign.

*** Contract requires approval by VP of Operations before signature.



Post-Award Grant Accounting and Management

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Policy statements

General

It is UNE's policy that post-award grant accounting functions of sponsored programs comply with all applicable revenue and cost principles. Sponsored programs may be awarded by either Federal or State governments or by private sources (all herein referred to as "awards" unless noted specifically).

UNE must ensure that expenditures, invoicing and reporting are consistent with the intent of the awards as well as with all contractual requirements and governmental regulations that govern the use of such funds.

The financial policies for UNE also pertain to the practices, purchasing and accounting for grant and contracts. Therefore, the policies included in this policy statement are not all-inclusive of the policy requirements but are in addition to other UNE policies.

Grant Accounting System

After receipt of the award notification from the granting agency, all pertinent information is forwarded by the Office of Sponsored Programs to the Grant Accountant. References herein of "Grant Accountant"

are referring to a Post-Award department member performing that task. The Grant Accountant creates an award folder (in electronic format for all pertinent documents and in hard copy format for the documents required for review) which is reviewed by the Assistant Vice President of Financial Compliance and Planning for the accurate establishment of the award's requirements (e.g. compliance, budget, invoicing and reporting).

A unique accounting system award number is assigned for the award by the Grant Accountant and established by the Controller or Assistant Controller in the accounting system. Award numbers include components of the Index, Fund, Org and Program to distinguish them from other awards and non-awards in the accounting system. UNE utilizes a range of numbers (e.g. 2xxxx) in the general ledger to track all awards for identification and maintains a complete chart of accounts for each individual grant, non-grant programs and departments. The award number may change each year for multi-year awards and the Post-Award Grant office will be in communication with the PI if and when this occurs; the benefit of this approach is for ease and accuracy with tracking and reporting of expenditures by award year for PIs and the Post-Award Grant office.

Principal Investigators (PIs) will record both the award number and the account number on all expenditure source documents.

UNE utilizes the Banner system for recording its accounting records.

Listed below are samples of expense account numbers that are typically used with awards:

61100	Admin/Professional Salaries
61400	Faculty Salaries
62100	Staff Salaries
63100	Student Salaries
65100	Temporary Salaries
66850	Fringe Benefits Costs
70300	Lab Supplies
71740	Consultants
71745	Contracted Services
71620	Equipment Purchases
71630	Equipment Repair & Maintenance
72600	Miscellaneous
72810	Travel/Conference/Meetings
74600	Indirect Costs

New PIs and their support staff will meet with the Grant Accountant upon the establishment of an award to discuss the overall grant post-award accounting and management process. If needed, the PIs can also meet with the Grant Accountant at any time thereafter to discuss UNE's accounting system, monitoring of expenditures, budgets or any other questions or concerns. The Grant Accountant will assist the PI in expending and recording the funds according to generally accepted accounting principles and the award requirements.

Allowability of Costs for Awards

UNE will follow the provisions of the Uniform Guidance (the government grant standards) in determining allowable costs for an award. All direct costs on an award must be charged in a timely manner, documented with submission for payment using UNE prescribed policies, accompanied with source documentation, recorded in the accounting system, and be:

1. **Reasonable** and necessary for the performance of the project. A cost may be considered reasonable if the nature and amount of the cost reflect actions that a prudent person would have taken under circumstances prevailing at the time. Among other factors, a reasonable cost is one generally recognized as necessary for the operation of the institution or the performance of the sponsored agreement and is consistent with established institutional policies and practices.
2. **Allowable** as dictated by University policy, sponsor and award policies and requirements, and/or governmental regulations.
3. **Allocable** as a cost for goods and services that has a direct benefit and is directly attributable to the award.

Any expense that does not meet all of the above requirements, as well as all the provisions of the Uniform Guidance Subpart E, cannot be charged to the award.

Unallowable Costs

The Uniform Guidance will determine the allowable and unallowable expenditures for Federal awards. Examples of costs normally considered **unallowable** for Federal awards include but are not limited to the following:

Advertising and public relations
Alcoholic beverages
Donations
Entertainment
Fines and penalties
Fully depreciated assets or assets gifted by the Federal government
General purpose equipment, buildings and land
Housing and personal living expenses
Insurance and indemnification
Legal costs
Lobbying
Memberships in any civic or community organization
Royalties or patents

Please note this is not an all-inclusive list. Use the Uniform Guidance, Subpart E-Cost Principles as a reference for allowable and unallowable costs (<http://www.ecfr.gov/cgi-bin/text-idx?SID=c922e018b3c92571cdedc2840664f7c5&mc=true&node=sp2.1.200.e&rgn=div6>).

UNE doesn't allow **alcoholic beverages** to be charged to any federal, state or private award or contract.

The Federal Fly America Act requires that **air travel for Federally funded awards** (whether directly or from pass-through funds) must be with U.S. carriers. There are exceptions to this in specific situations per the Act; consult with the Grant Accounting Office and the Accounts Payable Office prior to booking airfare with non-U.S. carriers for Federally funded awards in order to evaluate if an exception applies.

Expenditure Review and Approval

The PI is responsible for ensuring compliance with the external funding agency's expenditure requirements and regulations as well as University policies and procedures. Costs charged to an award are reviewed by the Grant Accountant for allowability for that specific award. The Grant Accountant has the authority to question, request additional information, or deny a request for payment. All expenditures must have documentation of the nature and support of the expense.

Most PIs can approve all expenditures on the award and have signing authority up to \$2,499. Certain PIs may sign up to \$4,999 if their position or signing authority has been granted at that level (e.g. Vice Presidents). Any expenditure \$2,500 or greater must be approved by the respective dean or the Associate Provost for Research and Scholarship. For expenditures \$5,000 or greater, the Senior Vice President of Finance and Administration must sign. Refer to UNE's Signing Authority policy for further information. If the expenditure is payable to the PI, it requires the PI's supervisor's approval prior to processing.

The PI will take appropriate measures to ensure that expenditures are reasonable in amount, nature and timing. The Grant Accountant conducts periodic reviews of reasonableness of the cost of goods and services being charged to the award. All procurement transactions shall be conducted in a manner which provides, to the maximum extent practical, open and free competition. Invitations for bids and/or requests will be considered for significant purchases. **Refer to the separate policy of Procurement for Federal Awards for the many requirements regarding purchasing under the Uniform Guidance for Federally funded awards (whether directly or from pass-through funds).**

UNE's policy is that expenditures \$2,500 or greater must have a purchase order supporting the purchase. Purchase orders assist in the tracking of encumbered expenses as award expenditures are monitored. Purchase orders are required prior to the order of the goods or services being rendered. If a purchase order for a federal or state award is not prepared and fully authorized with all appropriate signatures prior to the order being placed, the expense cannot be charged to the grant. In these cases, the expense would need to be charged to another non-grant budget line for the PI or college, such as the PI's or college's IDC fund.

All purchase orders related to an award must be coded with the grant award number, which indicates that it is a sponsored program expenditure. All sponsored program purchase orders are provided to the Grant Accountant for review and approval prior to processing by the Accounts Payable Office.

Expense and Budget Monitoring

The PI is responsible for the review, approval and submission of all expenditures related to an award or contract including documentation to substantiate the expense. The PI's signature is required on requests for payments such as invoices, purchase orders, travel expense reports, and personnel action forms. The Grant Accountant must review and approve these submissions for allowability of the costs.

In addition, other offices within Finance and Administration assist in the review of award transactions for adherence to UNE policies. The various source documents such as invoices, purchase orders, travel expense reports, and personnel action forms are maintained in the applicable offices (Accounts Payable, Payroll and Accounting). PIs, the Grant Accountant, and supporting offices must pay careful attention to ensure that the appropriate and fully authorized source documents are maintained.

The Grant Accountant reviews the progress on an award's actual expenditures compared to budget on a monthly basis prior to the cash draw process or invoicing. The Banner Finance accounting system maintains the accounting information of both expenditure and budgeted amounts. The Grant Accountant will identify and discuss with the PI any significant differences of actual expenditures to ensure that total costs do not exceed the amounts budgeted for the award period. PIs are provided real time access to expenditure information in the Banner system and are expected to monitor charges on their account for consistency with budget and accuracy of accounting transactions. Questions regarding expenditures or budget status can be directed to the Grant Accountant.

Budget Revisions

The PI initiates any re-budgeting requests in writing to the Office of Sponsored Programs when the revision requires external funding agency approval. All other requests are submitted either to the Office of Sponsored Programs or the Grant Accountant for review. All budget revisions will be reviewed for compliance with Federal regulations or award requirements by the Office of Sponsored Programs and/or Grant Accountant.

The budget revision request must include a description and justification. UNE's process is to follow the funder's guidelines for re-budgeting. If necessary, the Office of Sponsored Programs submits a written request to the funding agency for approval as specified by the funder. Once the approval by the sponsor (if required) is received, such approval and supporting documentation must be submitted to the Grant Accountant for further processing.

In the event of a budget revision, the Banner accounting system will be updated. The Assistant Vice President of Financial Planning and Analysis reviews all re-budgeting entries before they are entered into Banner.

Cost Transfers

A cost transfer is a reassignment of an expense to or from one award to another award or non-award after the expense was initially charged. All cost transfers are subject to review for appropriateness based on the terms and restrictions of the affected award. All cost transfers will require the completion of a Cost Transfer Form (unless noted as an exception below), accompanied by a Journal Voucher Form

for non-payroll transfers and the appropriate Payroll form for payroll transfers, as well as detailed supporting documentation that clearly explains the circumstances. Cost transfers discovered within 90 days of the posting of the expenditure will require approval from the PI and the Post-Award Grant Accounting Department. Cost transfers requested 90 days after the posting of the expenditure require signatures of the Dean of the college or Associate Provost for Research and Scholarship (for Center awards), the Post-Award Grant Accounting Department and the Senior Vice President of Finance and Administration.

Some adjustments will not require a Cost Transfer Form. These exceptions will require the submission a Journal Voucher Form with proper documentation and approval from the PI and the Post-Award Grant Accounting Department.

The adjustments that do not require a Cost Transfer Form include:

- Corrections made within the same accounting period of the original charge
- Pre-award costs transferred to the project
- Adjustments that credit the award (refunds, reclassification to a non-award, etc.)
- Reclassification within the same award (e.g. an award with multiple funds)
- Reclassification to another account line within the same award,
- Clearing an overdraft (award that is overspent)
- Payroll redistributions to correct the “period of work performed” on a grant

It is the responsibility of the PI to ensure that only allowable costs are charged to the award. Expenses must be reviewed and reconciled in order to minimize cost transfers. As outlined throughout this policy, the Post Award Grant Accounting Department assists through thorough review of daily expenses as well as overall review during agency invoicing and reporting processes.

Timekeeping and Effort Reporting

Preceding the payroll payments, all new hires, transfers, pay changes, and award allocation changes for PIs, faculty and staff members working on awards must be submitted on a Personnel Action Form and approved by the PI, Grant Accountant, the Dean of the college or Associate Provost for Research and Scholarship, and the Senior Vice President of Finance and Administration. The Personnel Action Form provides specific information such as the rate of pay, Banner award number, and award allocation percentage.

The distribution of pay for awards for non-exempt hourly staff is based upon actual work hours. Their work time is recorded on a bi-weekly time sheet prepared by the staff member and approved by the PI or manager prior to submission of the time sheet for payment. The time sheet is then submitted to the Payroll Office for processing.

The distribution of pay for awards for salaried PIs and exempt staff is based upon the award allocation percentage indicated on their Personnel Action Form. The award allocation percentage is based upon information and expectations to reasonably approximate the activity or activities actually performed. If at any point during the quarter, the grant allocation percentage should be changed due to a significant change in work activity, a new Personal Action Form must be initiated immediately. However, short-term (such as one or two month) fluctuations between workload categories need not be considered as long as the distribution of salaries is reasonable over the longer term.

At the end of each quarter, the Grant Accountant generates Effort Reporting Forms from the Banner system. These reports are provided to the PI for review and approval. The PI must verify work activity and indicate if any adjustment in allocation is needed. In the event that an adjustment is identified during the effort reporting process, the PI must prepare a Personnel Action Form in order to redistribute the applicable previous salary paid for that quarter and/or adjust the award allocation percentage for future salary appropriately. The authorized Personnel Action Form is submitted to Human Resources and the Grant Accountant for review and approval. Once the Personnel Action Form is approved, the PI will return the Effort Reporting Forms to the Grant Accountant for review to ensure any follow up adjustments are initiated and processed. All these policies and measures must be made such that the final amount charged to the award is accurate, allowable, and properly allocated.

Invoicing and Reporting

The Grant Accountant will prepare the invoicing to and/or draw downs from the awarding agency and will submit the fiscal reporting requirements for awards. All expenditures pertaining to the award are approved by the PI prior to invoice submission or draw down. The Accounting Office performs the draw down with the source documents provided by the Grant Accountant.

Sub-recipient Guidelines

UNE is accountable for entering into research sub-contracts and for appropriately monitoring those sub-recipients. A sub-agreement is a transfer of a portion of the University's obligations on an award to another party. The third party in these cases is known as a sub-recipient. The Office of Sponsored Programs (OSP) provides guidance to PIs regarding the sub-recipient agreement process. Upon submission of an application with an identified sub-award, OSP will first determine if the proposed partners are excluded from participation with the federal government before submitting the application with the named partner. The OSP requires the prospective sub-recipient to complete the UNE Sub-Recipient Commitment Form. The OSP will then process a Sub-Award Agreement. All of the requirements of the funding agency are considered for inclusion in the agreement.

OSP staff will perform any required FFATA reporting via FSRS.gov within 30 days of full execution of initial agreement or subsequent modification that triggers a reporting responsibility.

Potential sub-recipients are reviewed for their capacity to perform the scope of work and that they are not excluded from receiving Federal funds. The PI is responsible for monitoring the sub-recipient's post-award performance and costs. The PI must monitor the sub-recipients to ensure that performance goals are achieved and, to the extent possible, that they are administering the awards in compliance with applicable laws, regulations and the provisions of the agreement.

UNE will evaluate sub-recipient costs for reasonableness with the methodology as documented previously in this policy in the Allowability of Costs for Awards section.

Consulting and Contractor Agreements

The Office of Sponsored Programs (OSP) assists PIs with the arrangements for consulting services when necessary for the application and/or award. Consulting services are sought when the necessary expertise or availability of current personnel does not exist internally. As part of the proposal review process, the PI, Department Chair, and relevant College Dean are expected to review the proposed staffing plan and evaluate whether the services needed for the specific grant program are available internally. This three level review process ensures that the internal staffing capabilities have first been carefully considered. After receiving department and college approval via the Proposal Transmittal Form, OSP also reviews the staffing plan. If OSP concurs that a consultant/contractor is necessary for a particular project, it will further review the qualifications, level of expertise, and reasonableness of fees of the proposed consultant(s) or contractor. OSP will determine if the proposed partner(s) are excluded from participation with the federal government before entering into a formal agreement with the contractor or consultant. The Office of Sponsored Programs maintains a consulting agreement template which is modified to suit the respective transaction.

UNE will evaluate consulting and contractor costs for reasonableness with the methodology as documented previously in this policy in the Allowability of Costs for Awards section.

Procurement Standards

The Uniform Guidance provided a grace period for non-Federal entities to implement the new Uniform Guidance procurement standards. At UNE, the procurement standards in the Uniform Guidance are effective on June 1, 2018. **Refer to the separate policy of Procurement for Federal Awards for the many requirements regarding purchasing under the Uniform Guidance for Federally funded awards (whether directly or from pass-through funds).**

Indirect Cost Rate

UNE submits a proposal to the U.S. Department of Health and Human Services with supporting documentation to substantiate the claim for an indirect cost rate. The proposal is submitted every three or four years depending upon the period of time approved by the U.S. Department of Health and Human Services. This indirect cost rate is applied to all Federal grants and contracts received by the institution. In certain instances, the indirect cost rate may be limited by the funding agency to an amount less than the negotiated rate. Effective June 1, 2016, UNE's approved indirect cost rate, using the Simplified Method, is 71.40 % for on-campus locations and 29.00 % for off-campus locations. Effective June 1, 2020, UNE's approved indirect cost rate, using the Modified Total Direct Costs Method, is 42.00 % for on-campus locations and 18.00 % for off-campus locations.

Matching or Cost-Sharing Contributions

In accordance with Uniform Guidance Section 200.306, UNE adheres to the following:

- a) Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity.

- b) For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of UNE's cost sharing or matching when such contributions meet all of the following criteria:
- Are verifiable within UNE's records;
 - Are not included as contributions for any other Federal award;
 - Are necessary and reasonable for accomplishment of project or program objectives;
 - Are allowable under Uniform Guidance Subpart E—Cost Principles;
 - Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs; and
 - Are provided for in the approved budget when required by the Federal awarding agency.

Program Income

The Uniform Guidance defines program income as including “gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance.” UNE requires PIs to identify and document program income on projects from both Federal and non-Federal awards. The description of the income must be appropriately documented and the resulting revenue and expenses properly recorded and accounted for.

In the event of program income resulting from a Federal award, UNE will follow the provisions of the Uniform Guidance Section 200.307. Depending upon the type of Federal award and the specifications within the award, program income will be required to be treated in one of the following ways:

- “Deduction” – Deducted from total allowable costs to determine the net allowable costs.
- “Addition” – Added to the Federal award and used for the purposes and under the conditions of the award.
- “Cost sharing or matching” – Used to meet the cost sharing or matching requirement of the award.

Property and Equipment

Reference the UNE Property, Plant and Equipment policy for the various aspects of the management of property and equipment.

Travel and Related Expenditures

Reference the UNE Travel and Entertainment policy for the various aspects of travel expenditures.

Annual Audit

UNE is audited annually as required by the Uniform Guidance Subpart F with a “single audit” when Federal award expenditures are \$750,000 or more in a fiscal year. The audit statements and accompanying report is submitted to the Federal Audit Clearinghouse either 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period, whichever is earlier.

Record Retention

The Grant Accountant retains the documents pertaining to awards for a minimum of three years after the submission of the Financial Status Report (FSR) on the final segment of the award. The PIs and all Finance and Administration departments, such as Accounts Payable, Payroll and Accounting, ensure that all award source documents are safely stored in the appropriate medium of hard copy or electronic format for this retention period. The Grant Accountant monitors adherence to the required retention period and documents.

Reason for this policy

From the post-award perspective, the reason for this policy is to promote accurate, compliant and effective accounting and management oversight of all funds appropriated to UNE from federal, state and local governments, non-profit agencies, and private sources.

Individuals and entities affected by this policy

- Principal Investigators of awards
- Office of Sponsored Programs
- UNE administration, faculty and staff participating in awards and/or supporting Principal Investigators
- Finance and Administration staff involved with grant administration and processing award transactions

Individuals and entities excluded by this policy

UNE administration, faculty and staff not involved in the administration and transactional activities of awards.

Responsibilities

Grant Accountants of Finance and Administration

- Administer and provide guidance for this policy.

Principal Investigators and Their Support Personnel

- Responsibilities are outlined above in the Policy Statement.

Related documents and forms

For Federal grant compliance reference the Uniform Guidance <http://www.ecfr.gov/cgi-bin/text-idx?SID=c922e018b3c92571cdedc2840664f7c5&mc=true&node=sp2.1.200.e&rgn=div6>

Website address for this policy

TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Angela White	Grant Accountant & Compliance Manager	awhite@une.edu (207) 602-2308

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Post-Award Grant Office

History and updates

Effective Date	Revision Date	Notes
Previously Enacted	08/01/2016	Prior policies/procedures included in this policy format.
07/18/2017	07/18/2017	Updated retention section to align with our practice.
11/15/2017	11/15/2017	Updated Cost Transfer section.
05/17/2018	05/17/2018	New procurement regulation references/updates.
05/13/2021	05/13/2021	New IDC rate update.
05/19/2022	05/19/2022	Inclusion of FFATA reporting tasks by OSP.
06/01/2023	05/31/2023	Increase in signing authority for Dept Heads & Pls.

Appendix

There are no appendices to this policy

OFFICE OF FINANCE AND ADMINISTRATION

Procurement for Federal Awards

Policy statement

The U.S. Office of Management and Budget's "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" (hereinafter referred to as the "Uniform Guidance"), published 2 CFR 200, sets forth the requirements for procurements pertaining to Federal awards. These Federal regulations are intended to ensure that organizations make cost-effective purchases for Federal awards.

This UNE policy applies to all expenditures for goods and services allocated to Federal awards, whether those monies come directly from a Federal agency or through an intermediary, known as a "pass-through entity". In addition, some non-federal sponsors may also hold UNE to the federal regulations, in which case, this policy will also apply to those non-federal awards. Consult with either the Post-Award Grant Accountant or the Office of Sponsored Programs if unsure about the applicability of this policy to a particular award.

The standards for Federal award related purchases are typically greater than for those funded from other university sources.

Certain Federal awards may include further procurement requirements that are unique to those grants and in addition to the requirements of this policy. It is therefore important for Principal Investigators to work closely with the Post-Award Grant Office and the Office of Sponsored Programs to ensure compliance with the requirements of each Federal award.

For purposes of this policy, the term "goods and services" may include many expenditures allocated to a Federal award such as supplies, equipment, consulting and outside services (with or without a written agreement) and sub-recipient agreements. However, the term doesn't include payroll, transportation, travel or conference expenditures. Contact the Post-Award Grant Office to seek guidance with questions regarding if the type of expenditure is subject to these procurement provisions.

Purchase card transactions for goods and services are included under the guidelines of this policy.

In the event this policy and regulation is not followed, the regulations prohibit the charging of the expenditure to the Federal award. The expenditure will need to be paid by a non-federal discretionary source of the Principal Investigator, College or Center.

General Procurement Standards:

(The Uniform Guidance regulation sections are referenced at the end of each requirement.)

Though these “General Procurement Standards” typically apply to all Federal award purchases, the degree of actionable steps and documentation does vary based upon the dollar value of the goods or services purchased. These distinctions are illustrated in the section below entitled “Levels and Methods of Procurement”.

The following standards typically are the responsibility of Principal Investigators. However, they also apply to all UNE representatives who are involved in the purchasing process for expenditures allocated to Federal awards.

- A) Must **maintain oversight** to ensure that goods purchased from vendors and services provided by contractors are performed in accordance with the terms, conditions, and specifications of their intended orders, arrangements or contracts. (200.318(b))
- B) Must avoid any actual or apparent **conflicts of interest**. (200.318(c))
- C) Must avoid acquisition of **unnecessary or duplicative items**. (200.318(d))
- D) Consideration should be given, whenever possible, to **consolidate or break out procurements** to obtain the most economical purchase. (200.318(d))
- E) Where appropriate, an analysis should be made of **lease versus purchase alternatives**, and any other appropriate analysis to determine the most economical approach. (200.318(d))
- F) Must award contracts only to **responsible contractors** possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. (200.318(h))
- G) **Must maintain records sufficient to detail and document procurements**. (See “Levels and Methods of Procurement” for the different action steps and documentation at varying dollar levels.) These records will include, but are not necessarily limited to the following:
 - Rationale for the method of procurement;
 - Selection of contract type;
 - Contractor/seller selection or rejection;
 - Basis for the contract or purchase price; and
 - Unusual situations or circumstances. (200.318(i))
- H) All procurement transactions must be conducted in a manner providing **full and open competition**. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:
 - Placing unreasonable requirements on firms in order for them to qualify to do business;
 - Requiring unnecessary experience and excessive bonding;

- Noncompetitive pricing practices between firms or between affiliated companies;
 - Noncompetitive contracts to consultants that are on retainer contracts;
 - Organizational conflicts of interest;
 - Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
 - Any arbitrary action in the procurement process. (200.319)
- I) **Detailed product specifications** should be avoided if at all possible when conducting solicitations to potential vendors. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated. (200.319(c)(1))
- J) Selection of goods and services are not exclusively required to be based upon the **lowest price** though that is one of the prime factors to always consider. Many other factors may be considered such as vendor’s experience, quality or services offered, ability to deliver the quantity or service required at the time needed.
- K) **Sole source or non-competitive procurement** may be used only when one or more of the following circumstances apply:
- The item is available only from a single source; **Note: this includes Consortium Agreement (Sub-Award) or Consulting Agreement, where the Subawardee or Consultant has been specifically identified in the awarded grant application or proposal;**
 - The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the university; or
 - After solicitation of a number of sources, competition is determined inadequate. (200.320(f))
- L) May use a **time and materials type contract** only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Contact the Office of Sponsored Programs to facilitate the requirements of such a contractual arrangement. Time and materials type contract means a contract whose cost to the university is the sum of:
- The actual cost of materials; and
 - Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit. (200.318(j))
- M) The university must **be responsible for the settlement of all contractual and administrative issues** arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. (200.318(k))
- N) Must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed **state, local, or tribal geographical preferences** in the evaluation of bids or proposals,

except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. (200.319(b))

- O) Must take all necessary steps to assure that **minority businesses, women's business enterprises, and labor surplus area firms** are used when possible.

Steps must include:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- Requiring the prime contractor, if subcontracts are to be let, to take the same affirmative steps listed above. (200.321)

- P) Must **negotiate profit** as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. Consult with the Office of Sponsored Programs if this situation occurs. (200.323(b))

- Q) Costs or prices based on **estimated costs** for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the university under the Uniform Guidance Subpart E—Cost Principles. (200.323(c))

- R) Must **make available, upon request** of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the **Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition**. This request typically occurs prior to purchase. (200.324(a))

- S) Must **make available upon request, for the Federal awarding agency or pass-through entity** pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, **when**: (The Simplified Acquisitions Threshold, referred to below, is currently \$250,000.)
- The university's procurement procedures or operation fails to comply with the Uniform Guidance procurement standards;
 - The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
 - The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;

- The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
- A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold. (200.324(b))

T) The Uniform Guidance procurement standards do not alter UNE's **fixed asset** requirements as outlined in the Property, Plant and Equipment policy.

Levels and Methods of Procurement: (200.320)

Levels:

All Federal award purchases will fall into a level of procurement based upon the dollar amount and this determines the methods and document required for the purchasing process.

The three dollar levels of procurement are as follows: (The terminology for the levels is established with the regulations. The dollar amounts will periodically be adjusted for inflation by the Federal government and when that occurs the UNE policy will be updated.)

- **Micro-Purchase:**
 - Acquisition of goods or services up to \$9,999.
- **Small Purchase:**
 - Acquisition of goods or services between \$10,000 and \$249,999.
- **Procurement by Sealed Bids or Competitive Proposals:**
 - Acquisition of goods or services \$250,000 and greater.

Generally, the Purchase Order form dollar total will be taken into account when **determining the dollar amount of a purchase** of goods and services. However, all facts of the expenditure amount will need to be considered. The purchase price is defined as the total costs of the good or service. The "aggregated dollar amount" of the goods or services are considered in determining the amount. That is, similar groupings of purchases must be aggregated but totally distinct goods or services do not require the dollar amount to be combined.

If you are unsure which level the expenditure will fall into, please contact the Post-Award Grant Office.

Methods:

It is important to note that UNE is not allowed to consider lack of timely planning as reasons to lessen the requirements of the regulations. Therefore, planning as far in advance as possible for purchases will foster the ability to gather the necessary documentation and obtain the approval signatures required in a timely manner.

Regardless of the Level and Method of Procurement, the UNE Purchase Order form is required in accordance with UNE's current standard purchasing requirements. Nothing in this policy shall eliminate or alter the typical UNE Purchase Order form signature requirements or limits outlined in UNE's Purchasing Policy.

The “General Procurement Standards” noted above typically apply to all Federal award purchases regardless of the dollar level of the purchases. However, the degree of flexibility and required documentation shall vary based upon the dollar value of the goods or services purchased. These details and distinctions are illustrated as follows:

Micro-Purchase Method: (Acquisition of goods or services up to \$9,999.)

- Purchasers may use their own judgement in evaluating the optimal cost/price while considering the best mix of quality, service and price.
- Purchasers may use their own judgement in identifying potential suppliers.
- To the extent practicable, purchases must be distributed equitably among qualified suppliers considering the optimal price for the quality of item or service being provided.
- Purchases may be made without soliciting competitive quotations if the price is considered to be reasonable and reasonable efforts are made to ensure fair and competitive pricing.
- Documentation regarding any research or the decision making process for the selection of the vendor and good or service is not required to be maintained by the Principal Investigator. Therefore, no documentation is to be included with the Purchase Order form or invoice.

Small Purchase Method: (Acquisition of goods or services between \$10,000 and \$249,999, unless Sole Source provisions apply.)

- Price or rate quotations must be solicited from a minimum of two (2) qualified sources. The purchaser, applying their judgement, may solicit greater than two sources as they deem appropriate for specific situations.
- A “quotation” can be “solicited” in any of the following or combination of ways:
 - Documented based upon verbal or written/printed sources.
 - By phone, email, mail or fax.
 - With screen shots from websites, copies of published price lists or advertised pricing in established magazines or journals.
- **Documentation of all “quotes” must be submitted with the Purchase Order form as the PO is circulated for approval among all respective parties and prior to making the purchase. The documentation may also need to include explanations when unusual or special circumstances exist.**
- Acceptable documentation includes notes about verbal conversations with vendor (include time, date, and name of individual contacted), vendor documentation, vendor responses, criteria used for final goods or service selection and explanations (particular when unusual or special circumstances exist).
- If a sole source vendor or non-competitive procurement situation applies, which meets one of the four eligible criteria outlined in the General Procurement Standards section above, ensure the criteria reason is fully documented.
- **A purchase made without an authorized UNE Purchase Order form, including the necessary and required sufficient documentation in accordance with the procurement regulations, cannot be charged to the Federal award. The expenditure will need to be paid by a non-federal discretionary source of the Principal Investigator, College or Center.**
- If a purchaser requires assistance or has questions regarding obtaining sufficient quotes or with unusual situations, contact either the Post-Award Grant Office or the Office of Sponsored Programs for assistance and guidance.

Procurement by Sealed Bids or Competitive Proposals (Acquisition of goods or services \$250,000 and greater.)

- For purchases requiring these methods, contact the Post-Award Grant Office or the Office of Sponsored Programs for assistance prior to beginning the evaluation process of selecting a vendor or consultant/sub-recipient for the goods or services. It is important that the purchaser communicate their plans for these major purchases as early as possible.
- The steps required for these purchases will include such methods as sealed bids or competitive proposals with many regulatory components to adhere to.

Reason for this policy

The U.S. Office of Management and Budget's "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" (referred to herein as the "Uniform Guidance"), published 2 CFR 200, sets forth the requirements for procurements pertaining to Federal awards.

The effective date of this policy at UNE is June 1, 2018.

Individuals and entities affected by this policy

- Principal Investigators of federal awards
- Office of Sponsored Programs
- UNE administration, faculty and professional staff participating in awards and/or supporting Principal Investigators of federal awards
- Finance and Administration staff involved with grant administration and processing award transaction

Individuals and entities excluded by this policy

UNE administration, faculty and professional staff not involved in the oversight, administration and transactional activities under federal awards.

Responsibilities

Grant Accountants of Finance and Administration

- Administer and provide guidance for this policy.
- Ensuring appropriate methods and documentation is included with the Purchase Order forms.

Office of Sponsored Programs

- Administer and provide guidance for this policy.
- Ensure that appropriate methods and documentation is included with Purchase Orders related to consulting and sub-recipient agreements.

Principal Investigators and Their Support Personnel

- Responsibilities are outlined above in the Policy Statement.

Related Documents and Forms

None

Website address for this policy

TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Angela White	Grant Accountant & Compliance Manager	awhite@une.edu (207) 602-2308

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Post-Award Grant Office

History and updates

Effective Date	Revision Date	Notes
06/01/2018	05/17/2018	The Uniform Guidance procurement regulations for UNE is effective June 1, 2018
06/01/2018	07/11/2018	Revised due to The National Defense Authorization Act (NDAA) for Fiscal Year 2018 (Public Law 115-91, December 12, 2017) (NDAA 2018) increasing the micro purchase threshold from \$3,000 to \$10,000 and the simplified acquisitions threshold from \$150,000 to \$250,000.
05/31/2023	05/31/2023	Update for Contact Information.

Appendix

There are no appendices to this policy.



OFFICE OF FINANCE AND ADMINISTRATION

Federal Funds Procurement, Suspension and Debarment of Vendors

Policy statement

The Federal Government prohibits expending federal funds on goods and/or services from any entity Suspended or Debarred from doing business with the federal government. Procurement of goods and/or services with federal funds from a supplier or contractor should be checked for Debarment before purchasing and/or awarding a contract or sub award.

This UNE policy applies to all expenditures for goods and services allocated to Federal awards, whether those monies come directly from a Federal agency or through an intermediary, known as a “pass- through entity”. In addition, some non-federal sponsors may also hold UNE to the federal regulations, in which case, this policy will also apply to those non-federal awards. Consult with either the Post-Award Grant Accountant or the Office of Sponsored Programs if unsure about the applicability of this policy to a particular award.

Debarment should be checked prior to purchasing or contracting with any entity or agency to ensure the entity or agency has not been Debarred or Suspended by the federal government at the System for Award Management (SAM.gov) website (<http://www.sam.gov/>).

In addition, any federal awards that have been classified as a contract, whether cost reimbursable or fixed price, under Federal Acquisition Regulations (FAR) require additional attestation by the supplier for purchase of \$35,000 or more. The university contracting officer shall insert the clause at [52.209-6](#), Protecting the Government’s Interests when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment, in solicitations and contracts where the contract value exceeds \$35,000.

The SAM website must be checked to verify the entity or agency has **not** been Debarred or Suspended prior to creating a vendor when spending federal dollars. The Accounts Payable Office must document the Suspension and Debarment verification by including a screen print of the Exclusions search in the vendor file. If the entity or agency is on the list, purchases cannot be made and contracts cannot be approved until the entity or agency is removed from the Exclusions listing.

On an annual basis, the grant accountant will provide the accounts payable office with a listing of all active federal awards for the current year. The accounts payable office will obtain a list of all vendors

who were paid during the fiscal year from these awards. The accounts payable office will verify all that vendors who were paid on any federal award are not listed on the SAM.gov website at the time of the annual review. The Suspension and Debarment verification must be documented by including a screen print of the Exclusions search. If at any time the SAM.gov website indicates the vendor has active exclusions, no invoices will be paid until the entity or agency is removed from the exclusion listing.

Definitions

Debarment: In general, an exclusion from federal government contracting and subcontracting for a reasonable, specified period of time because an individual or vendor failed to perform or their performance was inadequate.

Suspension: A disqualification from federal government contracting and subcontracting for a temporary period of time because a company or individual is suspected of engaging in criminal, fraudulent, or seriously improper conduct. Suspension is to be used on an interim basis pending debarment proceedings.

Reason for this policy

The university is required to buy goods and services from vendors who are in good standing with the federal government. Vendors debarred or suspended under federal regulations are not in good standing and may not be used as a vendor for such procurements.

Individuals and entities affected by this policy

All UNE faculty and staff members

Individuals and entities excluded by this policy

None

Responsibilities

Accounts Payable

- Administer and provide guidance for this policy.

Office of Sponsored Projects

- Review contracts and subawards and insert contract language as appropriate.

Grant Accountant

- Provide annual list of all federal awards to accounts payable.

Faculty and Staff

- Adhere and support the policy.
- Contact Accounts Payable or the Post Award Grant office when they become aware of a debarred or suspended vendor.

Related Documents and Forms

[System for Award Management \(SAM.gov\)](#)

Website address for this policy

- Current location: V:/UNEDocs/Business Office/Policies/Finance and Administration Policy Manual
- Website: TBD

Contacts

Subject	Contact	Title	Contact Information
Policy Clarification	Jeffery Crocker	Assistant Vice President of Financial Compliance	jcrocker@une.edu ; (207) 602-2303

Subject	Responsible Executive	Title	Responsible Department
Ownership	Philip Shapiro	Interim Senior Vice President of Finance and Administration	Post Award Grant Office

History and updates

Effective Date	Revision Date	Notes
Previously enacted		Officially published in Finance and Administration Policy Manual in May 2022
05/31/2023	05/31/2023	Update to Contact Information

Appendix

There are no appendices to this policy