

State Funds (199xx) Restrictions

Frequently Asked Questions

July 17, 2017

Have restrictions changed for state and federal funds? No. The funding restrictions are the same as previous years. Many UCOP departments received Campus Assessment Funds (69085) in prior years which are now being replaced with State funds (19900), therefore we are restating the state fund restrictions for their information. There is a new pre-approval process for any expense requiring additional or exceptional approval. As a reminder, UCOP had implemented additional restrictions on certain types of expenses as detailed in the “Use of UCOP Funds” memo distributed by COO Rachael Nava on May 31, 2017.

Unallowable and New Pre-approval Requirements:

How do I pay for expenses that are not allowed under state or federal law?

Generally, you should avoid expenses that are not allowed under state or federal law. In the event such expenses are absolutely necessary, you will need to identify other funding to augment the unallowable amount. These funds may include Searles (38070), OP Common Fund (69400), etc. Please contact your UCOP Budget Coordinator for more information. See below for a list of unallowable expenses.

If I need exceptional approval because I went over the per-person meal limit, is the entire amount unallowable? No. Only the amount over the per-person meal limit is unallowable. The department should follow the guidance to allow a 10% buffer in planning for business meals as after-the-fact overages will very likely not be approved and would require the of approval of Executive Director Kalmijn.

Do I need preapproval of expenses requiring additional and exceptional approval? Yes. All expenses requiring additional or exceptional approval must be preapproved before the expense is incurred. Requesting preapproval is a new requirement due to the various new restrictions and changes. The UCOP Budget and Finance department will be confirming the availability of non-state/non-federal funds for departmental use. See below for a list of additional/exceptional expenses.

How do I submit a preapproval request? Please submit all preapproval requests for additional or exceptional approval to exceptions@ucop.edu. In your request, please include all available documentation, approval from the department head, and business reason for the request. Do not commit University funds until you have received approval.

When do I need to submit a preapproval request? As soon as possible. For event related expenses, allow at least two weeks before contract signature is required. Plan to allow a 10% buffer in your budget for meal rates to avoid after-the-fact exceptions.

What if I submit the additional/exceptional approval request after-the-fact? An after-the-fact request will require an additional approval by COO Rachael Nava. These requests will very likely **not** be approved and may be considered a personal expense. No University funds may be used to cover personal expenses. You should take all possible steps to avoid needing an after-the-fact approval.

Can Event Services Group (ESG) create my preapproval request? No. The ESG will assist the department when developing the event budget, but it is the responsibility of the department to submit the preapproval for all additional/exceptional requests.

Unallowable expenses using state funds (1990):

What are unallowable expenses when using state funds (1990)? The following state fund restrictions are categorized by commonly used UC policies:

UC Policy G-41: Employee Non-Cash Awards and Other Gifts

Unallowable:

- Sympathy gift (cash contribution or non-cash gift)
- Prizes and other gifts (Raffle prizes, door prizes, and incentive gifts to complete surveys)

UC Policy G-42: Gifts Presented to Non-Employees on Behalf of the University

Allowable:

- Gift awarded to a student for an academic achievement

Unallowable:

- All other gifts under Policy G-42

UC Policy BUS-79: Expenditures for Business Meetings, Entertainment, and Other Occasions

Unallowable:

- **Additional Approval** expenses
 - Employee morale-building events
 - Entertainment of spouse or domestic partner, or family members
 - Tickets to a sporting, theatrical, or musical event
 - A cash contribution which includes the cost of a meal or registration fee made to a nonprofit organization in connection with an employee's attendance at a fundraising event
- **Exceptional Approval** expenses
 - Expenses that exceed the per-person maximum meal rates
- Alcoholic beverages
- Tobacco

UC Policy G-28: Travel Regulations

Unallowable:

- **Exceptional Approval** expenses:
 - Hotel stay within 40 miles of residence/place of business
- Spouse or domestic partner travel expenses
- Alcoholic beverages
- AB 1887 travel restrictions (<https://www.oag.ca.gov/ab1887/faqs>)

Other Travel Restrictions:

- **What is AB1887?** California Assembly Bill No. 1887 prohibits state-funded and state-sponsored travel to states with discriminatory laws, as designated by the California Attorney General. The states currently identified by the California Attorney General as covered by AB1887 are: Alabama, Kansas, Kentucky, Mississippi, North Carolina, South Dakota, Tennessee, and Texas. For additional FAQs: <https://www.oag.ca.gov/ab1887/faqs>
- **Can I use non-state funds to travel to the states listed in AB1887?** At this time, travel to the states listed in AB1887 is permitted if *not* funded by

state funds. However, this policy may be subject to change. If you have any questions, please direct them to Brad Niess, Interim Director UCOP Business Resource Center.

- **What are exceptions to AB1887?** All exceptions require pre-approval. Exceptions include, but not limited to: meeting contractual obligations, participating in meetings or training required by a grant or required to maintain grant funding, and completing job-required training necessary to maintain licensure or similar standards required for holding a position. See all exceptions: <https://www.oag.ca.gov/ab1887>
- **Have new states been added?** Four additional states were added in May 2017. It is important to stay current on any changes. <https://www.oag.ca.gov/ab1887>

Fiscal Year 2017-18 Budget and Expense:

What does this mean for my FY2017-18 budget and expenses? The UCOP Budget and Finance department will shift all budgets in BDS and the GL from Campus Assessment funding (69085) to State funding (19900) during the FY2017-18 budget implementation. Payroll will be updated to reflect the 19900 funds. The BRC will change all current POs encumbered with 69085 funds to 19900 funds. Also, the BRC will move all FY2017-18 expenses from 69085 funds to 19900 funds.

Can I use remaining 69085 funds for unallowable expenses? Campus Assessment Funds are also known by fund number, 69085. All 69085 funds remaining at the end of FY2016-17 will be swept so departments will not have these funds available for FY2017-18, unless they are in the form of approved carryforwards or one-time funding requests. Please use other unrestricted funds.