2026

FINANCIAL POLICIES

ADMINISTRATION AND FINANCE

Financial policies covering Fiscal Responsibility; Procurement; Travel, Moving and Relocation Expenses and Hosting, Hospitality and Entertainment.

UNIVERSITY OF THE VIRGIN ISLANDS

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SECTION I: FISCAL RESPONSIBILITY

1.0 FISCAL ROLES AND RESPONSIBILITY

1.1 PURPOSE

To establish a policy outlining the fiscal roles and responsibilities of University employees.

1.2 POLICY STATEMENT

The University has a fiduciary responsibility to fulfill its overall mission ethically and in compliance with applicable laws, policies, regulations, and rules, contract and grant requirements, and donor-restrictions. Accordingly, all administrators, faculty and staff of the University have a stewardship responsibility to support and enhance the mission of the University, to ensure that the University fulfills its legal and financial obligations to internal and external stakeholders, to safeguard the University's financial, human, information and physical assets, and to faithfully honor all its obligations as a public trust. To facilitate the successful fulfillment of this obligation, it is important to establish that every employee of the University has a defined role that is faithfully carried out, consistent with that employee's responsibility to help the institution honor its public trust. This applies to all employees, including managers and supervisors, department heads, deans, directors, vice presidents, provost, president, and other University officials. All employees must be advised of their fiscal roles and responsibilities during their orientation as employees of the University.

1.3 SCOPE AND APPLICABILITY

This policy statement establishes the fiscal roles and responsibilities of employees by providing guidance regarding the framework within which their financial responsibility is exercised at the University. This policy applies to all University funds, regardless of source, and applies equally to all University schools, operating units, administrative officers, faculty, and staff.

1.4 FISCAL ROLES AND RESPONSIBILITIES

The fiscal roles and responsibilities that are necessary to maintain the fiscal integrity of the University are distributed throughout the institution based on the institution's organization hierarchy and the administrative structure applicable to the management of the institution's financial resources. A given employee may perform several fiscal roles. Employees must be familiar with the fiscal responsibilities appropriate to the various fiscal roles they are called upon to exercise. The following is a description of the types and related hierarchy of fiscal roles and associated responsibilities within University management.

A. Trustees

The University's Board of Trustees maintains ultimate responsibility for the well-being and long-term viability of the University. Their responsibilities include fiduciary ones, and accordingly, are the highest fiscal authority for the institution.

B. President

The President is the chief executive officer of the University responsible and accountable to the Board of Trustees for all academic, fiscal, and operational matters of the University, including compliance with all applicable laws, policies, rules, and regulations.

C. Corporate Officers of the University

In addition to the President, and in accordance with the Bylaws of the Board of Trustees, other Corporate Officers of the University are the Provost, the Vice President for Administration and Finance who serves as Corporate Secretary/Treasurer of the University, the Vice President for Institutional Advancement, and the Internal Auditor.

D. Administrators

The administrators, or persons acting as administrators of the University, are those individuals who provide administrative and fiscal leadership for a major functional area of responsibility within the University. They have ultimate responsibility under the President for the fiscal integrity of the functional organization they oversee and direct. Their fiscal role is to provide leadership and oversight and to develop and maintain a culture of fiscal responsibility to ensure that all funds are spent and managed in accordance with the goals, objectives and mission of the organization and in accordance with all applicable University policies and regulations.

In addition to the President, administrators of the University consist of individuals who hold titles such as Provost, Vice President, Chief Information Officer, Associate Vice President, Vice- Provost, Associate Provost, Deans of schools and colleges, and the Controller. This includes anyone serving in a position that has a broad functional and leadership role with oversight responsibility for the direction of separately budgeted departments or programs, managed at the operating level by fiscal principals and such other persons or titles designated by the President from time to time to serve as administrators of the University.

The financial leadership role exercised by administrators of the University includes the following responsibilities:

1. Taking reasonable actions to ensure that employees within their functional area of responsibility have been informed about their fiscal roles and are properly carrying out their fiscal responsibilities;

2. Initiating appropriate investigative, reporting and remedial action as a result of the financial review process consistent with their assigned fiscal duties;

3. Setting an example within their functional area of responsibility for ethical conduct and integrity as outlined in the University's policy on Code of Business Conduct and Ethics;

4. Ensuring the maintenance of internal controls through continuous assessment and adjustment, and initiating immediate discussions with the Controller and disclosing any reportable conditions and material weaknesses in internal controls;

5. Identifying and documenting the delegation of approval authority within their functional area of responsibility, with careful consideration for proper segregation of duties; prevention of fraud, abuse or conflict of interests; and University policies preventing further delegation;

6. Ensuring that they exercise their approval authority properly;

7. Taking reasonable actions to ensure that the approval authority they delegate is utilize properly; and

8. Being knowledgeable about their responsibility and accountability for the operations of their functional area of responsibility regardless of delegation.

E. Fiscal Principals

Fiscal principals, or persons acting as fiscal principals, are those individuals who have direct operational responsibility for how funds are spent and managed in a department, unit or program for which they are responsible. Their fiscal role is to ensure that funds are managed in keeping with the goals, objectives and mission of the organizational unit or program, that expenditures are made in accordance with the approved budget, are spent in compliance with all applicable policies, rules and regulations and are fully and properly accounted for in a manner that is consistent with the University's accounting procedures.

Fiscal principals include department and unit heads with direct approving authority for the expenditure of funds as well as principal investigators managing sponsored programs. Additionally, an administrator of the University is deemed to be acting in the role of a fiscal principal when directly approving expenditures for the management and operation of a budget unit for which he or she is the signature authority.

The financial operational role exercised by fiscal principals includes the following responsibilities:

1. Taking reasonable action to ensure that subordinate employees within their

responsibility units have been informed about their Fiscal Roles and are properly carrying out their fiscal responsibilities;

2. Providing guidance and direction to subordinate employees in carrying out their assigned fiscal duties;

3. Initiating appropriate investigative, reporting and remedial action in response to periodic financial reviews;

4. Ensuring that they exercise their approval authority properly;

5. Taking reasonable actions to ensure that the approval authority they delegate is utilized properly;

6. Assisting in setting a tone within their responsibility unit and the University as a whole for ethical conduct and integrity, as outlined in the University's policy on Code of Business Conduct and Ethics;

7. Assisting in continuously assessing and adjusting, or making recommendation for adjusting, internal controls, and initiating immediate discussions with the appropriate Officer and disclosing any reportable conditions and material weaknesses in internal controls; and

8. Being knowledgeable about their responsibility and accountability for the fiscal transactions of their responsibility units regardless of delegation.

F. Fiscal Officers

Fiscal officers are those individuals who provide daily fiscal control and oversight with respect to how the funds of a program, or the University, are spent and managed. Their role is to provide financial control and oversight to ensure that funds are spent according to fiscal policy, that funds are spent in alignment with the account purpose, that processes and controls are in place, that assets are safeguarded, that transactions are recorded and reported properly, that accounts are properly balanced and reconciled, and that either the expenditures are in conformity with the budget, or appropriate budget changes have been made to reflect a change in the original budget.

Fiscal officers include the Controller, budget officers, or persons within a department or a component with budget and financial control responsibilities.

The financial control and oversight role exercised by fiscal officers include the following responsibilities:

1. Taking reasonable action to ensure that subordinate employees within their responsibility units have been informed about their fiscal roles and are properly carrying out their fiscal responsibilities;

2. Initiating appropriate investigative, reporting, and remedial action as a result of the financial review process;

3. Ensuring that they utilize their approval authority properly and taking reasonable actions to ensure that the approval authority they have delegated is utilized properly;

4. Being familiar with financial policies and procedures and ensuring that all relevant laws, University policies, procedures, regulations, and rules, and contracts, grants and donor restrictions are available to the University community;

5. Assisting in continuously assessing and adjusting, or making recommendation for adjusting internal controls, and initiating immediate discussions and disclosures of any reportable conditions and material weaknesses in internal controls with the appropriate administrative officer, fiscal principal or Controller;

6. Ensuring that all access granted to financial information is in accordance with University policies;

7. Ensuring approval authority which they delegate is used properly; and

8. Assisting in the maintenance (through continuous assessment and adjustment) of Internal Controls, including documented organizational plans and fiscal procedures.

G. Fiscal Staff

Fiscal staff refers to any employee at the University involved in University fiscal transactions, such as initiating purchases, receiving cash or negotiable instruments, entering or reviewing transactions into the University's finance system, monitoring contractors, or verifying compliance.

H. Other Responsibilities Applicable to University Officers, Fiscal Principals, Fiscal Officers or Fiscal Staff

Employees who personally participate in a fiscal transaction have the following fiscal responsibilities, which are not intended to be exclusive, as appropriate to their level of involvement:

1. Ensuring that there is proper authorization for the fiscal transaction, including requisite reviews, proper documentation, adequate funds are allocated or otherwise available within regularly approved budgets to cover it; it is properly recorded in the

University's Finance System in a timely manner in accordance with all other University accounting policies; it complies with all University and other applicable laws, policies, regulations, and rules, and contracts, grants and donor restrictions and will result in no violation of the University's Conflict of Interest policy.

2. Challenging any transaction that does not appear to be an appropriate expenditure of University funds.

3. Seeking confidential consultation with an appropriate administrator of the University, fiscal principal, Controller, Vice President for Administration and Finance, or the Internal Auditor if asked to perform a fiscal activity or approval that may be inconsistent with University policies or requirements.

4. The University Controller will provide training and support on fiscal roles and responsibilities.

1.5 POLICY IMPLEMENTATION

The President has delegated to the Vice President for Administration and Finance and, through the Vice President, to the University Controller the overall responsibility for the development and implementation of the financial management guidelines to satisfy the fiduciary obligations of the University and to provide the necessary training and support on fiscal roles and responsibilities.

To facilitate the successful fulfillment of the fiscal roles and responsibilities defined in this policy, all Fiscal Employees are required to comply with the following interrelated Financial Policy Statements:

1. Policy on Internal Controls

2. Business Code of Conduct and Ethics

2.0 POLICY ON INTERNAL CONTROLS

2.1 PURPOSE

To describe general policy guidelines for establishing and maintaining a strong and effective internal control system for the efficient management of financial and business affairs of the University.

2.2 POLICY STATEMENT

The University has a fiduciary responsibility to ensure that its financial operations are carried out effectively and efficiently and that its financial reporting meets the highest tests of validity and reliability and that University funds are used only for official University business in full compliance with applicable laws, policies, regulations, rules, contract, grant and donor restrictions as well as generally accepted accounting principles. Accordingly, the University will exercise appropriate fiscal responsibility over all funds and financial resources in its custody by implementing an effective system of internal controls and other sound financial policies and practices that ensure the highest level of fiscal accountability. The internal control system shall be designed to incorporate the following five components:

1. An optimal control environment that sets the tone for the organization, clearly defines fiscal roles and responsibilities, establishes financial policies and practices based on well-established accounting principles and employs due diligence in enforcing compliance with those policies.

2. Risk assessment procedures designed to identify and analyze relevant threats and exposures and their consequence and their potential for adverse impacts on the institution.

3. Control activities including appropriate policies and procedures to ensure management directives are carried out, objectives are achieved and risks are mitigated.

4. Information and communication systems that support the identification, capture and exchange of information in a timely manner to allow people to carry out their duties and responsibilities.

5. Monitoring processes that assess the overall quality and effectiveness of internal controls over time.

2.3 DEFINITION

Internal controls refers to and include practices and procedures for ensuring reliable financial information, establishing accountability and safeguarding of assets and determining that transactions are proper for the account and in compliance with applicable statutes, University policies and regulations.

2.4 INTERNAL CONTROL ENVIRONMENT

The University shall establish organizational plans and procedures designed to maintain an effective internal control environment so as to:

1. Safeguard and protect assets of the institution, such as facilities, data, equipment, supplies, inventory, accounts receivables, and cash (including checks and credit card payments), from unauthorized access or theft;

2. Establish a clearly defined system of authorization for approval of financial transactions;

3. Ensure the accuracy and reliability of accounting data and other management information;

4. Promote operational efficiency and effectiveness;

5. Ensure adherence to prescribed policies and compliance with all applicable laws, regulations, policies, and rules, as well as contracts, grants, or donor restrictions;

6. Institute an effective process of continuous assessment to minimize and mitigate risks and to make appropriate adjustment for any changes in conditions that affect the internal controls.

2.5 STANDARDS FOR INTERNAL CONTROLS

The University shall establish procedures for implementing internal controls and best business practices that:

1. Comply with Generally Accepted Accounting Principles of the Governmental Accounting Standards Board (GASB);

2. Carry out the operations of the University without material weakness in internal controls as defined by GASB and, where applicable, Cost Principles for Educational Institutions articulated in *2 CFR, Part 220* and Uniform Administrative Requirements

   for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations as provided for in *2 CFR, Part 215.*

3. Hire and use external auditors and maintain an internal audit function in keeping with the Bylaws of the Board of Trustees.

4. Maintain annual audited financial statements with a goal of receiving an unqualified opinion.

Responsibility of Administrative Officers for Internal control

Administrative Officers are responsible for conducting the business activities of the University in a manner consistent with good internal control policies and procedures. Individuals responsible for administering University funds are expected to:

1. Ensure that internal control procedures are available to and understood by those carrying out financial transactions;

2. Grant or delegate financial authority carefully, with consideration for proper segregation of duties;

3. Ensure that appropriate reviews and monitoring take place, including regular review of transactions for reasonableness and necessity, and conduct a periodic review of operating reports and performance indicators;

4. Hold individuals accountable for their actions when enforcing compliance with internal control policies and procedures.

5. Communicate financial information properly and in a timely manner, and grant access to financial information only for appropriate business uses; and

6. Set a tone within the University on ethical conduct and integrity.

2.6 REVIEW AND EVALUATION OF INTERNAL CONTROLS

The President has delegated to the Vice President for Administration and Finance and by extension the University Controller, the primary responsibility for the promulgation of policies and procedures for the purpose of establishing and maintaining an effective system of internal controls within the University.

A. Reporting of Internal Control Weaknesses

Any observed weaknesses in internal control should be brought to the attention of the Vice President for Administration and Finance and/or the Internal Auditor.

B. Procedures and Guidelines

The President and Vice President for Administration and Finance are authorized to establish financial business procedures and guidelines to carry out the provisions of this policy.

3.0 POLICY ON CODE OF BUSINESS CONDUCT AND ETHICS

3.1 INTRODUCTION

It is the goal of University to adhere to the highest ethical standards in all that it does. The University expects that those who are part of the University community, including faculty, staff and student-employees ("University Personnel") will adhere to such standards in their dealings with each other and with those beyond the University community. Ethical business conduct calls for all University personnel to assume responsibility for safeguarding and preserving the University's assets and resources in the fulfillment of its mission. The University will comply fully with all relevant laws and all contract and grant requirements, as well as with its own high standards of integrity and quality. University personnel are expected to assume personal responsibility and accountability for understanding relevant laws, rules, and regulations, and contract and grant requirements. In addition to complying with specific laws, rules, or regulations that govern business activities, standards of fairness, honesty, and respect for the rights of others will govern the University's conduct at all times.

3.2 ETHICAL PRINCIPLES

A. Compliance with Laws

The University will transact its business in compliance with the laws of the Virgin Islands and all other applicable federal laws. University personnel will familiarize themselves with any legal obligations arising out of the work done for the University, including but not limited to the obligations to comply with applicable recordkeeping requirements and not to retaliate against anyone who reports a suspected violation of the law. If questions arise regarding compliance with the law, or if it appears that a University policy conflicts with the relevant law, the personnel who become aware of that situation should contact the University office that has oversight responsibility for the policy or the Internal Auditor.

B. Contractual and Grant Obligations

In addition to its commitment to comply with applicable laws, the University recognizes its contractual obligations to donors, the government, suppliers, research sponsors, employees and others with whom it contracts. Regardless of the source of funds, the University will honor and adhere to its contractual obligations.

C. Integrity and Quality

University personnel are called upon to recognize that the University has earned and must maintain a reputation for integrity and quality that goes beyond compliance with laws, rules, regulations and contractual obligations. The University strives for excellence in administration as well as academics. Accordingly, University personnel are expected to strive at all times to maintain the highest standards of quality and integrity in the exercise of their responsibilities and to avoid even the appearance of misconduct or impropriety.

D. Conflict of Interest

University personnel should avoid situations that create or appear to create conflicts between their personal interests and the interests of the University. All decisions made by University personnel in the course of their professional responsibilities to the University are to be made solely on the basis of their desire to promote the best interests of the University. If an individual's personal interests might lead an independent observer reasonably to question whether the individual's actions or decisions on behalf of the University are influenced by those personal interests, the individual should recuse himself or herself from the decision making process and notify the responsible University officials, as described in more detail in the University's Conflict of Interest Policy.

Special rules concerning disclosure of conflicts relating to research are described in the Conflict of Interest Policy. In addition, it is the University's policy to comply in all respects with local and federal laws concerning conflicts of interest.

E. Confidential Information

University personnel may have access to confidential, proprietary and private information. Those who have access to such information may not make any unauthorized use or disclosures of the information, either during or after their employment by the University.

F. Antitrust Considerations

Like other economic enterprises, colleges and universities are subject to federal and state antitrust laws, which are aimed at protecting competition. For this reason, University personnel should avoid agreements or exchanges of information with other colleges and universities that adversely affect economic competition between institutions. University personnel should never enter into agreements with other colleges or universities regarding future tuition, fees, financial aid, or salary levels. In addition, it is ordinarily inadvisable for University personnel to disclose or exchange future plans or projections concerning these subjects with other colleges or universities. University personnel should not participate in surveys concerning these matters unless the survey seeks public information or information that is historical in nature. University personnel who have affiliations with other colleges and universities (e.g., on the board of trustees of another institution) should not disclose the University's non-public business information to the other institution, or vice versa.

G. Financial Reporting

All University accounts, financial reports, expense reimbursements, time sheets and other documents, including those submitted to external reporting agencies and other stakeholders must be accurate, clear and complete and fully consistent with generally accepted standards of accounting and reporting.

H. Authority to Contract

All University transactions must be authorized by appropriate individuals and conducted in accordance with applicable University policies and procedures. Only individuals properly authorized to do so may sign financial instruments or enter into or execute contracts and other agreements on behalf of the University.

I. Consequences of Violations of University Policies

Each person is responsible for ensuring that his or her own conduct and the conduct of anyone reporting to him or her fully comply with this Code and with the University's policies. Violations may result in disciplinary action up to and including discharge from employment, in accordance with the policies of the University. Individuals found to be in violation of this Code may, in some circumstances, be subject to civil or criminal charges and penalties.

3.3 REPORTING OF SUSPECTED VIOLATIONS/EMPLOYEE PROTECTION POLICY

The University is committed to maintaining a workplace where personnel are free to raise good faith concerns regarding the University's business practices and encourages such reporting. University Personnel should report suspected violations of applicable laws, government regulations, contracts, and grant requirements, or this Code, by using normal reporting channels. Alternatively, personnel may report their suspected violations or other observed risks and exposures to a higher level of management or the Internal Auditor. If a violation is reported anonymously, the University will investigate the suspected violation to the extent possible with the level of detail that was provided for investigation. All University Personnel are expected to cooperate fully in the investigation of any suspected violation.

The University is prohibited from retaliating against any person who, in good faith, has reported a suspected violation of law ,government regulations, University policy, contracts, and grant requirements, or this Code, or has made a complaint against the University or another individual or entity with which the University has a business relationship, on the basis of a reasonable belief that the practice is in violation of law or University policy, contracts, and grant requirements, or this Code. Any Personnel who believe that they have been subjected to any form of retaliation as a result of reporting a suspected violation of law or policy should immediately report the situation to the Vice President for Administration and Finance or Internal Auditor. These officers are vested with the responsibility to conduct the appropriate investigations and make a report to the President.

Personnel who wish to obtain information, in confidence, concerning their options for reporting suspected violations or retaliation should contact the Internal Auditor.

3.4 QUESTIONS ABOUT THIS CODE

Questions about this Code may be directed to the Vice President for Administration and Finance.

SECTION II: PROCUREMENT POLICIES

1.0 PURCHASING

1.1 PURPOSE

The purpose of this section is to establish comprehensive procurement policies, internal controls, competitive standards, approval authorities, and documentation requirements governing the acquisition of goods, services, construction, professional services, and technology in a manner that ensures transparency, fiscal stewardship, regulatory compliance, and audit readiness.

1.2 POLICY STATEMENT

The University embraces its fundamental obligation to carry out its purchasing program in full compliance with all applicable laws and regulations, to build public confidence in the integrity of public purchasing at the University and to obtain the greatest value from funds expended for the benefit of the University. It is the policy of the University to obtain high quality goods and services at reasonable cost to fulfill the mission of the University, to ensure that procurement is conducted in an open, fair and impartial manner avoiding any impropriety or appearance of impropriety. The University is committed to seeking competition to the maximum degree feasible, to giving all qualified vendors access to the University's business, and to following purchasing practices and procedures designed to achieve desired levels of effectiveness and administrative efficiency.

The University shall conduct procurement activities in compliance with:

- Virgin Islands Code
- Federal regulations including 2 CFR §200 (Uniform Guidance) when applicable
- Grant, contract, FEMA, and sponsor requirements
- Board of Trustees policies
- Internal control standards
- Conflict of Interest policy

All procurement activities must be documented in a manner sufficient to withstand internal and external audit review.

1.3 SCOPE AND APPLICABILITY

This policy shall apply to all purchases of goods and services, including the procurement of the services of contractors for construction projects, regardless of the source of funding to be used. This applies equally to all University schools, operating units, administrative officers, faculty, and staff.

Restrictions on the use of federal funds are frequently imposed by the granting agency. If the federal grant or contract funds contains conditions that are more restrictive than the stipulations contained in these policies, the University is obliged to comply with those restrictions. Particular care shall be exercised to comply with federal laws as well as any applicable contract requirements or special terms of grants and donations.

This policy applies to all procurement transactions regardless of funding source, including but not limited to:

- General operating funds
- Federal and local funds (example: FEMA, NSF, restricted legislative appropriations)
- Capital Financing funds
- Restricted or donor funds
- Auxiliary funds

Where funding source requirements conflict with this policy, the more restrictive requirement shall prevail.

1.4 RESPONSIBILITY

The University maintains a procurement environment in which responsibility for purchasing is shared by the President, the Vice President for Administration and Finance, the Purchasing Department, senior officers and deans of the University, the heads of departments and end-users. All employees involved in the purchasing process must take full responsibility for understanding the University's policies and procedures regarding purchasing and vendor relations.

A. The President

The President, as the University's Chief Executive Officer, is the University's chief contracting officer who is authorized to execute contracts and agreements on behalf of the University, and he/she has delegated procurement authority to the Vice President for Administration and Finance. No other individual at the University is authorized to executed contracts or agreements binding the University unless they have expressly received delegated authority to do so. Any agreements signed by unauthorized persons shall not bind the University and such individuals whose signature appears on the documents may be held personally liable for any financial obligation accruing therein.

B. The Vice President for Administration and Finance

The Vice President for Administration and Finance is responsible for overseeing the purchasing function of the University, signing contracts and agreements based on authority delegated by the President, and for issuing appropriate guidelines and procedures for the implementation of the procurement policies. The Vice President for Administration and Finance shall ensure internal controls, segregation of duties, and compliance with federal procurement standards when applicable.

C. Purchasing Department

The Purchasing Department is responsible for organizing and administering the purchasing function of the University, for making purchasing commitments based on authority delegated by the President and Vice President for Administration and Finance, for developing sources of supply and approving orders, obtaining quotations and bids when required, and maintaining productive relationships with vendors. For purposes of this policy, the head of the Purchasing Department is designated as the Chief Procurement Officer. The Purchasing Department is also responsible for executing and administering service contracts subject to limitations described in these policies, and ensuring the delivery of promised goods and services, and performing other support purchasing services in accordance with sound and prudent business practices to realize for the University the maximum value for every dollar expended. This department also oversees the disposal of excess property owned by the University and vending machine contracts. The Purchasing Department (Procurement Office), under the Chief Procurement Officer (CPO), shall:

- Ensure compliance with competitive thresholds
- Maintain centralized procurement files
- Conduct price and cost analysis when required
- Administer solicitations (IFB, RFP, RFQ, RFI)
- Negotiate terms and conditions
- Oversee vendor performance
- Maintain procurement logs for audit purposes
- Ensure FEMA and grant documentation standards are met

D. Deans, Directors, Department Heads, and Supervisors

Senior administrators of the University have the responsibility to review and approve requests for special purchasing transactions in excess of limits which can be approved by department heads, to monitor budgets within their area of responsibility, and to ensure compliance with University policies and procedures for the procurement of goods and services.

E. Departments Heads and Budget Approvers

Department heads and budget approvers are responsible for validating the business purposes of purchasing transactions, approving requisitions, ensuring that adequate funding is available, and ensuring compliance with University policies and procedures.

F. End-User Departments

End user departments are responsible for determining their purchasing needs are legitimate, initiating requisitions, and ensuring the proper receipt of goods and services as the basis for payments to vendors.

1.5 CODE OF ETHICS

A. Standards of Conduct

All University officials and other employees shall exercise sound business judgment and maintain the highest ethical and moral standards in the conduct of University business. Employees must discharge their duties impartially so as to ensure fair and open competition among vendors of goods and services. Moreover, they must conduct themselves in such manner as to foster confidence in the integrity of the Purchasing Department.

All employees having official responsibility for procurement transactions are vested with a public trust and responsibility which must be exercised faithfully and properly at all times and which require them to maintain a standard of conduct that is beyond reproach and is in full compliance with all applicable laws and regulations.

The University endorses the Code of Ethics as advocated by the National Association of Educational Buyers (NAEB). Purchasing personnel are expected to be familiar with this Code of Ethics and abide by it.

All procurement personnel and evaluation committee members must complete annual Conflict of Interest disclosure certifications.

Evaluation committee members must sign a Confidentiality and Non-Disclosure Agreement prior to accessing proposals.

B. Gifts and Gratuities

It shall be a breach of ethical standards for any employee of the University to accept, solicit, or agree to accept a gratuity or payment of any kind (whether in cash or in kind) from a third-party. Current or potential contractors are prohibited from offering an employee of the University a gratuity of any kind, except nominal gifts with a market value of $20.00 or less, aggregating to no more than $50.00 per year.

The conduct of University officials and employees participating in the procurement process shall be in full compliance with the University's Conflict of Interest and Disclosure Policy and with the University's Code of Conduct.

1.6 DELEGATION OF PURCHASING AUTHORITY

A. Purchasing Department

The President and the Vice President for Administration and Finance have delegated to the Purchasing Department the responsibility to manage the procurement of goods and services, with the goal of obtaining the maximum value for every dollar expended while operating in compliance with the policies of the Board and applicable administrative guidelines. To achieve this goal, the Purchasing Department has been delegated the authority to:

1. Oversee procurement activities of the University in accordance with procurement policies and administrative guidelines of the University.

2. Acquire equipment, supplies and services for all departments of the University in an economical, expeditious and reasonable manner in accordance with University procurement policies.

3. Develop and interpret procurement policy, resolve questions/disputes/protests, and promote good vendor relationships.

4. Provide advice and guidance on all University procurement activities and assist departments as needed.

5. Recommend approval of contracts, agreements, equipment leases, etc. for signing by authorized officials of the University.

6. Perform final negotiations, issue purchase orders, award contracts and assure vendor performance compliance.

7. Delegated purchasing authority must be documented in writing and reviewed annually.

8. Electronic approval workflows (e.g., Banner or ERP system) shall constitute valid authorization.

1.7 HANDLING OF SPECIALIZED PURCHASES

Subject to applicable policies of the Board, the President is authorized to delegate responsibility for the ordering and/or approval of certain types of purchases or for negotiations of such purchases when coordination with a particular department will prevent unnecessary duplication of orders and will insure product compatibility and standardization, or when it is otherwise determined to be in the best interest of the University.

1.8 FINANCIAL APPROVAL AUTHORITY FOR PURCHASES

Financial approval authority is a formal delegation that allows an individual to spend or approve the commitment of university funds within the scope of their management responsibility, such as a school, department or administrative unit. Financial approval authority does not include signature authority, as described above. The threshold limits established herein apply to the total aggregate value of the procurement, including any and all amendments, renewals and change orders. Structuring, bifurcation or any other form of manipulation of the procurement arrangements to avoid the approval limits is strictly prohibited and shall lead to disciplinary sanctions, up to and including termination of employment. The following table specifies the threshold levels of approval for dollar expenditures for the purchase of goods and services. Procedures shall be established to ensure that the required signature approval appears on all purchase orders or requisitions for the purchase of goods and services prior to final commitment and/or processing.

A. Approval Authority for the procurement of goods and services:

1. Over $1,000,000.00 – Board of Trustees.
2. Up to $1,000,000.00 – University President.
3. Up to $100,000.00 – Vice President for Administration and Finance.
4. Up to $50,000.00 – Vice Presidents, Component Heads[1] and Deans of Schools and Colleges.
5. Up to $10,000.00 – Department and Budget Unit Heads and their designees upon written authorization.

Thresholds apply to the total aggregate value of the procurement, including amendments, renewals, and change orders. Artificial division of procurements to avoid approval thresholds is strictly prohibited.

1.9 AVAILABILITY OF FUNDS

No purchase of materials, supplies, equipment or services shall be awarded pursuant to these procedures unless funds therefore have been approved by the Board of Trustees, or have been received through a grant or restricted appropriation to the University, and are available for the purchase, as confirmed in accounting systems at the University.

Procurement may not proceed without documented budget verification in the University's financial system.

1.10 DELEGATION OF SIGNING AUTHORITY

The procurement of supplies, equipment or services shall be approved only by a person who has been properly authorized by the University pursuant to University policy on Signature Authority.

[1] Component Head refers to a member of Cabinet with a separate budget allocation such as President, Provost, Vice President, Vice Provost, Chief Information Officer or Campus Executive Administrator.

1.11. ROLES AND RESPONSIBILITIES OF APPROVERS

A. Financial approvers are responsible for reviewing a transaction to consider whether costs are:

- Reasonable and necessary
- Consistent with established university policies and practices applicable to the work of the university, including instruction, research, and public service
- Consistent with sponsor or donor expenditure restrictions

The overarching roles and responsibilities and university policies related to financial approval are outlined in:

- University Code of Conduct
- Signature and Financial Authority
- Responsibility for University Financial Assets

Also set forth broadly across the university community is the responsibility to report any suspected unusual financial activity. Financial Irregularities outlines the procedures to follow when suspicion or discovery of financial irregularities arises. Concerns can be reported confidentially or anonymously through the University's Compliance Hotline or the University's Internal Auditor.

All financial transaction approvers are responsible for reviewing salary and non-salary expenditures to ensure adherence to university policy. This includes a comprehensive review (see guidance below) of each transaction to which the approver is assigned, to ensure adherence to university policy and compliance requirements.

B. Expenditure approval

When reviewing transactions, approvers must:

- Validate that charges are appropriately documented, including business purpose which provides the reason for the expenditure, explains how the expenditure supports University business and relates to the item charged, clearly answers the five basic questions: Who, What, When, Where and Why, and includes explanation of allocation, where applicable.
- Confirm the accuracy of the transaction through review of receipts or other documentation.
- Determine that the correct expenditure types were used (e.g., allowable or unallowable).
- Ensure the transaction is treated consistently with other similar transactions.
- Verify that the expenditure is appropriate for the funding source, which means they must understand the fund type and any specific restrictions on the Award(s) being charged by referring to the sponsor's terms and conditions or the fund purpose, and that funds are or will be available to cover the cost.
- Examine and follow up on unusual transactions before approving them, considering patterns for the requestor, preparer, or business unit.

C. Approval Limitations

- Individuals may not approve their own expense reimbursement, or the expense reimbursement of an individual to whom they report directly or indirectly.
- Individuals may not use the authentication information of another person to approve expenses on their behalf. University credentials cannot be shared to approve the transactions of others.
- Individuals may not be the final approver of transactions between the university and other organizations in which the individual or an immediate family member has a significant financial interest

Some transactions require a second approval or an end-route, even if the first approver or preparer has sufficient authority.

D. Generally, there are four potential participants in the workflow process for a given transaction:

- **Preparer** initiates the transaction which starts the approval workflow process. Preparers are responsible for entering transactions accurately, selecting appropriate approvers as described below and for collecting, submitting or maintaining backup source documents.
- **Approver(s)** provide the official financial authorization for the transaction, attesting that the transaction is reasonable and necessary, allowable and allocable for the expenditure item, as well as correctly coded and documented.
- **FYI Recipient(s)** receive an email notification informing them that the transaction has been initiated. FYI Recipients are not responsible for approving the transaction. The FYI Recipient can follow up with the transaction originator as required.
- **Central Office(s)** are typically added via an automatic end-route approval based on business rules. End-routes send transactions to central office staff (e.g., Controller's Office or Grant Management Specialists or Compliance personnel) for additional review and approval. Some routing rules have been set up at the school or college level, and will automatically add an appropriate approver.

Depending upon the type of transaction and the financial authority of the preparer the transaction may route to additional approvers.

1.12 UNAUTHORIZED PURCHASES AND EMPLOYEE LIABILITY

No person shall commit the University to agreements, licenses, contracts, leases, or other legally enforceable obligations unless authorized to do so by the Board of Trustees, or by the President in accordance with Paragraph 1.8 above, as may be amended from time to time. Only the President or his/her designees are authorized to obligate the University. No University department or employee may place an order, by any means, in the name of the University without prior written permission to do so.

The University is under no obligation to authorize payment for expenditures not made in compliance with applicable policies.

Any employee who commits the University to a purchase, sale, lease or other arrangement without proper authorization may be personally liable for the transaction and may be subject to discipline.

A. Prohibited Purchases

The procurement in the name of the University of goods or services for any individual or entity, whether for profit or non-profit, other than the University, is not authorized and is expressly prohibited. After-the-fact requisitions (confirming POs) are prohibited except in documented emergency circumstances approved by the CPO.

1.13 PROCUREMENT METHODS BASED ON DOLLAR THRESHOLDS

Except as provided for in this policy, competition shall be the basis for selecting qualified vendors for all goods and services that are procured by the University. Persons delegated purchasing authority shall be responsible for obtaining the best value for purchases by evaluating price and other pertinent factors (e.g., quality, service) always ensuring that the best interests of the University are being served.

The following are the guidelines applicable to the selection of procurement methods for goods and services, soliciting bids/proposals and the documentation required for the process.

1. In general, a purchase with a value that is less than $10,000 may be made following administrative guidelines for Small Purchases.

2. Purchases costing between $10,000 and $25,000 may be made following administrative guidelines for the solicitation of Informal Quotation and bids.
    a. At least two (2) written quotations are required unless documented justification supports limited competition.

3. Formal solicitation (IFB or RFP) is required for purchases exceeding $25,000 for goods and non-professional services.

4. The Procurement of Professional Services is subject to the following guidelines:

    a. Written proposals are not required, but encouraged, for the purchase of professional and consultant services costing up to $25,000.

    b. At least two (2) written proposals, obtained through a competitive process, are required for the purchase of professional and consultant services costing more than $25,000.

c. Evaluation criteria must be documented and weighted prior to release of RFP.

d. Scoring sheets must be retained in procurement file.

5. The procurement of repair, renovation and construction services is subject to the following guidelines:

6. Informal bids are acceptable for repair, renovation and construction services costing up to $50,000.

7. Formal bids are required for the purchase of repair, renovation and construction services costing more than $50,000.

8. Public advertisement period must comply with Virgin Islands Code.

9. Bid tabulation must be documented and retained.

1.14 EXCEPTIONS TO COMPETITIVE REQUIREMENTS

A. Competitive procedures may be waived under these circumstances:

1. Sole Source Purchases which are defined to mean purchases that are available only from one source, including but not limited to:

   a. Items that are available from one source because of patents, copyrights, secret processes, or natural monopolies;

   b. Films, manuscripts, or books published and available from only one source;

   c. Electricity, water and other utility services;

   d. Captive replacement parts or components for equipment;

   e. Books, papers and other library materials for the University public library that are available only from the person holding exclusive distribution right to the materials;

   f. Maintenance services required to maintain warranty coverage;

   g. Purchases those are standardized or limited to a particular brand over a limited period of time to minimize costs of operations or investment in parts or specialized maintenance and repair training.

h. Sole Source purchases must include:
    - Written justification
    - Market research summary
    - Price reasonableness determination
    - CPO approval

2. Emergency Purchases defined to mean purchases that respond to a situation in which lives, property or the continuation of a vital program is endangered, and which can be rectified only by immediate on-the-spot purchases or rental of goods, printing or services. A pressing need is one arising from unforeseen causes, including but not limited to, delay by contractors, delay in transportation, breakdown in machinery, or unanticipated volume of work.
    a. Emergency purchases must include:
        - Written emergency justification
        - Explanation of risk if delayed
        - Documentation of price reasonableness
        - Post-purchase review

3. Small Purchases defined to mean those purchases of goods, services or printing, not covered by a term contract, involving an expenditure of funds of less than $10,000. Splitting orders remains prohibited — clarified to include amendments and renewals.

4. Purchases from governmental sources or purchases made under a Cooperative Purchasing Agreement.

5. Other exemptions of goods and services include the following:

    a. Speakers and performing artists;

    b. Memberships and association dues;

    c. Sponsored research grant sub-awards and contract sub-awards;

    d. Purchases of materials, supplies, equipment, or services for research purposes when the Principal Investigator or designee, certifies that in a particular instance, it is necessary and required for the efficient or expeditious execution of a research project.

    e. Conference facilities and services;

    f. Participation in intercollegiate athletic tournaments and events including team travel and lodging, registration and tournament fees;

g. Specialized Professional Services
    - The procurement of specialized professional services requiring advanced education, professional licensure, certification, or technical expertise, including but not limited to attorneys, paralegals, certified public accountants, actuaries, financial and bond advisors, investment advisors, insurance brokers, risk management consultants, third-party claims administrators, expert witnesses, appraisers, architects, engineers, surveyors, construction managers, commissioning agents, arbitrators, mediators, healthcare professionals, environmental consultants, cybersecurity consultants, accreditation consultants, and other similarly qualified professionals.

h. Such services may be procured through qualifications-based selection, competitive negotiation, or other methods consistent with applicable law and University policy.

i. Implementation, programming, or training services available from the owner of copyrighted software or its agent;

j. Technology & IT
    - Cloud-based software services and SaaS subscriptions (e.g., Microsoft 365, Zoom, Adobe, Banner modules)
    - Cybersecurity tools and services (e.g., endpoint protection, threat monitoring)
    - AI platforms and advanced analytics software (e.g., ChatGPT Enterprise, Power BI premium)
    - Learning Management System (LMS) plug-ins and integrations — add-ins only; not entirely new LMS platforms
    - Smart campus integrations and IoT system services — limited to add-ins for existing infrastructure (access control, building automation, utility monitoring)

k. Academic & Research
    - Online journals, paywalled digital content, and research databases
    - Medical or research-grade equipment calibration, testing, and maintenance (when limited to manufacturer-certified vendors)
    - IRB and accreditation compliance software (e.g., Cayuse, Watermark)
    - Guest lecturers, research collaborators, and honoraria (academic visitors outside standard consulting agreements)
    - Scientific and laboratory supplies, reagents, or specialized services required for funded research projects (with a dollar cap per transaction to be set by UVI policy)

l. Administrative & Operational
   - Insurance policy providers (e.g., liability, ocean marine, health, specialty policies where only one licensed/authorized provider exists in the territory)
   - Royalties, license fees, and other intellectual property costs (patents, copyrighted works, trademarks, domain names, reprints)
   - OEM/authorized dealer parts, equipment repairs, or relocations (documentation from the manufacturer or sole distributor required)
   - Specialized licensing, accreditation, or regulatory fees (governmental permits, professional board dues, compliance filings)
   - Conference exhibitor fees, booth rentals, and related charges
   - International shipping, customs clearance, and brokerage services
   - Hotels and lodging for off-island travel and conference participation

m. Special Categories
   - Intergovernmental purchases (from other universities, government agencies, or public entities)
   - Purchases where the grant or funding source specifies a vendor (grant-specified suppliers)
   - Direct client/student services (e.g., medical, dental, residential, training, or social services provided directly to UVI students or clients)
   - Art exhibitions and associated curatorial, transport, or installation costs

B. Approval of Exemptions

Only the President or the Vice President for Administration and Finance is authorized to make further exemptions to the competitive bidding policy based on a compelling need, extraordinary nature of the circumstances under consideration or the specialized circumstances which dictate the need for the goods or services.

C. Determination of Price Reasonableness

When competition is restricted, lacking, or the prices offered appear excessive, the University must conduct a written price analysis to determine if the prices are fair and reasonable in the marketplace, or are ordinary and customary. The written analysis must be supported by factual evidence in sufficient detail to demonstrate why the proposed price is deemed to be reasonable. If the University determines that the prices offered are not fair and reasonable, then the University will either re-solicit to seek broader competition or use a revised specification or both. If it is a negotiated purchase, then the price should be negotiated to one that is fair and reasonable.

D. Splitting Orders

The deliberate attempt to split orders, where the purpose is keeping the total cost of each order below the threshold levels specified in paragraph 1.8 above, and failure to combine orders when practical for the interest of economy, is a violation of this policy. Any related needs that are known or should have been reasonably known at the time of the requirement should be combined into one coherent request for procurement.

1.15 INFORMAL QUOTATIONS OR BIDS

Informal competitive bidding requires the award of a contract to the lowest responsible bidder submitting a responsive quotation unless it is in the best interest of the University to reject all quotations. Unless otherwise exempted, general purchases between $10,000 and $25,000 and purchases for repairs, renovations and construction services between $10,000 and $50,000, shall be obtained using competitive quotations. The following guidelines apply to the solicitation of formal bids:

- Quotations shall be solicited from pre-qualified suppliers in response to prepared Request for Quotation detailing the University requirements and specifications together with other general conditions applicable to the submission of bids and the award decision.

- Awards shall be made to the lowest responsible and responsive vendor responding to the Request for Quotations.

- Procurement file must include written vendor responses, evaluation notes, and award rationale.

1.16 FORMAL COMPETITIVE BIDDING POLICY

Formal competitive bidding requires the award of a publicly advertised contract to the lowest responsible and responsive bidder submitting a responsive sealed bid unless it is in the best interest of the University to reject all bids. Unless otherwise exempted, general purchases in excess of $25,000, and purchases of repair, renovation and construction services in excess of $50,000, shall be obtained using a competitive bid process. The following guidelines apply to the solicitation of formal bids:

1. Sealed bids shall be solicited from qualified vendors in response to a publicly advertised “Invitation to Bid” detailing the University’s requirements and specifications together with other general conditions applicable to the submission of bids and the award decision.

2. Unless otherwise specified in the solicitation documents, bids shall remain irrevocable for a period of 90 days after being opened.

3. Evaluation of bids shall be conducted by an Evaluation Committee.

4. Unless canceled or rejected, a responsive bid from the lowest responsible bidder shall be accepted as submitted, except that if the bid from the lowest responsible bidder exceeds available funds, the University may negotiate with the apparent low bidder to obtain a contract price.

5. A contract shall be awarded to the lowest evaluated responsive bid from a responsible bidder based on the specifications set forth in the solicitation.

6. Written documentation supporting the award decision shall be maintained.

7. Bid opening minutes must be documented.

8. Evaluation Committee members must be formally appointed in writing.

9. Award memo required summarizing evaluation and selection basis.

10. Notice of Intent to Award may be issued when required by law or funding source.

1.17 COMPETITIVE NEGOTIATION

Unless otherwise exempted, competitive negotiation is to be used in the acquisition of professional services for purchases costing more than $25,000. The following guidelines apply to the acquisition of professional services using competitive negotiations.

1. A Request for Proposals (RFP) is to be used to describe the scope of work, and to specify the criteria, that include, but are not limited to, price, which will be used to evaluate proposals.

2. Proposals shall be sought from reputable firms by direct request or by giving public notice of the Request for Proposal.

3. At least two proposals should be sought as the basis for making a selection.

4. Unless otherwise specified in the solicitation documents, proposals shall remain irrevocable for a period of 90 days after being opened.

5. Evaluation of proposals shall be conducted by an Evaluation committee.

6. Technical and price proposals shall be evaluated independently of each other. Price shall not be taken into account until such time as the technical evaluation is completed.

7. Discussions and negotiations may be conducted with the two or more proposers whose professional qualifications and proposed services seem most in keeping with the requirements of the University. Negotiation memorandum must be included in

procurement file.

8. When determined by the Evaluation Committee that it is in the best interest of the University, proposers may be permitted to revise their proposals by submitting a best and final offer or series of best and final offers.

9. A final selection of the Evaluation Committee will be made based on the Best and Final Offers. Best and Final Offers (BAFO) must be documented.

10. Written documentation supporting the award decision shall be maintained.

1.18 SPECIAL GUIDELINES RELATING TO SOLICITATIONS

A. Vendor Business Qualification and License Requirements

Vendors must be duly qualified to do business in the US Virgin Islands and be registered with the Division of Corporations and Trademarks and have a current license to do business in the Virgin Islands in the proper classification and specialty to perform the work required by the solicitation and must be in good standing for the entire procurement, approval and contract period. It is the vendor's responsibility to comply with the rules and regulations issued by applicable regulatory agencies. A copy of the Bidder’s Business License should be included in their Bid Package.

B. Bonding

A bid bond, performance bond, or a payment bond may be required in a solicitation. When the University requires a bid bond, it shall not exceed five percent of the amount bid. A bid bond, when specified, must accompany the bid. Performance bonds and payment bonds, if requested, must be in an amount at least equal to 100% of the accepted bid or proposal and should be filed prior to issuance of the purchase order or notice to proceed unless a written determination is made that it is in the best interest of the University to grant an extension. Performance and payment bonds shall be required for all projects above $150,000.

All bonding requirements, including bid bonds, performance bonds, and payment bonds, must be clearly stated in the solicitation documents.

Failure to include a bonding requirement in the solicitation shall preclude the imposition of such requirement after bid opening or proposal submission unless:

1. The solicitation expressly reserved the right to require bonding prior to award;
2. Bonding is required by applicable law or funding source; or,
3. The procurement is canceled and re-solicited with proper notice to all potential bidders.

Bonding requirements imposed after bid opening shall not constitute a material change to the solicitation terms unless expressly reserved in the solicitation.

The cost of required bonds shall be borne by the contractor and included in the bid or proposal pricing unless otherwise required by law or funding source.

For federally funded or FEMA-funded projects, bonding requirements shall comply with 2 CFR §200.326 and applicable federal contract clause requirements.

Any written determination granting extension for submission of bonds must be documented in the procurement file and approved by the Chief Procurement Officer.

C. Insurance

Whenever work is to be performed on University-owned or leased facilities, the contractor is required to have insurance required by law and liability insurance prescribed by the University based on the type of work to be performed. The University may require that the contractor provide the certificate of insurance prior to the provision of any goods and services or the commencement of any work naming the University as an additional insured.

D. Drug-Free Workplace

Any contracted firm, its agents and employees are prohibited from manufacturing, distributing, dispensing, possessing, or using any unlawful or unauthorized drugs or alcohol while on University property.

E. Preferred Bidders

In determining the award of any contract to provide goods and/or services to the University using an appropriation from the Government of the Virgin Islands as a source of funding, the University may procure the goods and services from the lowest responsive and responsible preferred bidder doing business in the territory in accordance with applicable provisions of the Virgin Islands Code conferring preferred bidders’ status on certain local vendors.

F. Minority-Owned Businesses

The University is committed to developing mutually beneficial relationships with small, minority-owned, women-owned, disadvantaged, veteran-owned, and local business enterprises. In the solicitation and awarding of purchase orders and contracts, the University will take steps to ensure that appropriate business opportunities are made available to such firms.

G. Cooperative Procurement with the Local Government

The University may participate in, sponsor, conduct, or administer a cooperative procurement agreement with one or more other public bodies or agencies of the Government of the Virgin

Islands for the purpose of combining requirements to increase the efficiency or reduce administrative expenses in the acquisition of goods and services, other than professional services.

H. SAM.gov verification required for federally funded procurements.

I. Debarment check documentation must be retained.

J. FEMA procurements must include required contract clauses.

1.19 UNIVERSITY LOGO AND LICENSED VENDORS

The University's trademark is registered in the United States Patent and Trademark Office. The Certificate of Registration controls the use of the name, mascot, logos and other identifying marks of the University. This policy ensures that goods bearing University insignia, and certain other goods purchased by the University itself, are not produced under sweatshop conditions.

The University's Licensing Program is represented by the Collegiate Licensing Company ("CLC"), and only vendors who are licensed through CLC are authorized to produce logos with University of the Virgin Islands trademarks. Under this policy, the purchase of any emblematic textiles, apparel or sports equipment must be from companies licensed by the Collegiate Licensing Company. No vendor may copyright or trademark any work produced for the University without prior written consent.

1.20 TERM OR ANNUAL CONTRACTS

The Purchasing Department shall secure term contracts whenever possible. The essential feature of a term contract is the establishment of a source, or sources of supply, for a specified commodity or group of related commodities or services for a stipulated price and period of time. Contracts offer the economy of large-scale purchasing, although requirements are spread over an extended period of time. Term contracts shall include annual review requirements.

1.21 CONTRACT ADMINISTRATION AND VENDOR PERFORMANCE

It is the policy of the University that all contracts comply with local and federal laws and applicable policies of the University. All contracts entered into, including original contracts, amendments, and extensions, may only be signed by the designated signature authority. Contracts shall be subject to appropriate internal administrative and legal review, and be executed by all parties prior to commencement of the delivery of any goods or services as set forth in the agreement. Contracts shall be legally binding on the University only upon the execution of the contract by the University official(s) with delegated contractual signature authority. The Vice President for Administration and Finance is vested with the responsibility of establishing proper procedures for contract administration.

A. Contract Signing Authority

1. Generally, only the President and the Vice President for Finance and Administration, or other University administrators designated by the President, shall have the authority to sign a contract on behalf of the University.

2. Component Heads have the authority to sign Professional Service Agreements and routine service type contracts up to levels specified by the President in writing.

3. The Chief Procurement Officer, or anyone delegated to act in place of the Chief Procurement Officer, has the authority to sign purchase orders on behalf of the University and routine service type contracts.

4. No other individual has authority to enter into a contract for the purchase of goods or services or otherwise obligate the University to pay any sum or money, without one of the following:

   a. A written declaration of signature authority from the President or the Vice President for Finance and Administration filed with the contract;

   b. A purchase order (“PO”) issued by or under the direction of the Chief Procurement Officer;

   c. A governing Contract document or standard Professional Service Agreement approved by the appropriate authority in keeping with the provisions of these policies.

   d. Failure to ensure that the appropriate signature authority is obtained may result in personal liability for the employee(s) involved in the transaction.

B. Contracts Requiring Approval of the Board of Trustees

The following contracts must be approved by the Board of Trustees.

1. Contracts for the purchase, gift or acquisition of real property;

2. Contracts for the sale of real property or conveyance of any rights in real property;

3. Real estate leases, lease renewals and extensions, whether as lessor or lessee, if the obligation of the lease is equal to or greater than $1,000,000 per year;

4. Banking and investment agreements;

5. Any single procurement contract for any equipment, goods and services, not specified above, that is expected to exceed $1,000,000 in a fiscal year;

6. Any extension, modification, or renewal of an existing contract that is expected to exceed $1,000,000 in a fiscal year; and

7. Any other contract the Board might designate as having significant importance to require Board approval.

C. Delivery and Performance

The time of delivery or performance shall be clearly stated in each contract. Delivery or performance must be met by the date or period specified or the contractor may be considered to be in default.

D. Payment

The contract documents are to include the process by which payments are to be made.

E. Closeout of Contracts

The University shall adopt internal guidelines and procedures to ensure contract closeout is conducted properly.

1. Change orders must follow original approval thresholds.

2. Contract manager must be designated in writing.

3. Closeout documentation required.

1.22 DEBARRED SUPPLIER POLICY

A supplier may be debarred from doing business with the University as the result of conviction for criminal offenses, such as embezzlement, theft, forgery, bribery and other offenses, indicating a lack of business integrity. Depending on the specific cause, the length of the debarment can be anywhere from three years to indefinitely. Vendors debarred or suspended under federal regulations are not in good standing and are debarred from doing business with the University.

1.23 DOCUMENTATION OF FILES AND PUBLIC ACCESS TO PROCUREMENT RECORDS

A complete file must be maintained in one place for each purchase transaction, containing all the information necessary to understand the procurement process and the basis for the procurement decisions made.

Except as provided in this section, all proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or an interested person, firm or corporation, in accordance with the University's Policy on Public Access to Documents and Information, as provided below.

A. Bid and Proposal Inspection

The University must give bidders an opportunity to inspect bid records within a reasonable time after opening and evaluation of bids, but prior to award, except in the event the University decides to reject all bids and rebid.

The University must provide the opportunity for the inspection of proposal records within a reasonable time after the evaluation and negotiations of proposals are completed but prior to award, except in the event that the University decides not to accept any of the proposals and to re-solicit.

B. Access to Procurement Records

1. Except as provided in this section, all proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation.

2. Cost estimates relating to a proposed procurement transaction prepared by or for the University shall not be open to public inspection.

3. Any bidder submitting a competitively sealed bid shall, upon request, be afforded the opportunity to inspect bid records within five (5) business days of bid opening and prior to award, except in the event that the University decides not to accept any of the bids and to reopen the contract. Otherwise, bid records shall be open to public inspection only after award of the contract.

4. Any inspection of procurement transaction records under this section shall be subject to reasonable restrictions to ensure the security and integrity of the records, including but not limited to supervised inspection by appointment, prohibition on removal or alteration of original documents, redaction of proprietary or confidential information as permitted by law, and reasonable limitations on copying or reproduction, and shall not interfere with the procurement process, compromise evaluation confidentiality prior to award, or violate applicable public records exemptions.

5. Trade secrets or proprietary information submitted by a bidder, offeror, or contractor in connection with a procurement transaction or prequalification application submitted pursuant to public review and inspection shall not be subject to public

review and inspection, in those where the bidder, offeror or contractor satisfies the following three requirements:

a. Invokes the protections of this section prior to or upon submission of the data or other materials,

b. Identifies the data or other materials to be protected, and

c. Provides written justification as to why protection is necessary.

6. Procurement File Must Include:
   a. Requisition
   b. Funding verification
   c. Quotes or proposals
   d. Evaluation documentation
   e. Award memo
   f. Signed contract
   g. Insurance and bonds (if applicable)
   h. Sole source justification (if applicable)
   i. Debarment check (if applicable)
   j. Change orders
   k. Final payment confirmation

Records retained minimum 7 years or longer if sponsor required.

1.24 INTERNAL CONTROLS AND SEGREGATION OF DUTIES

A. The following controls shall be maintained:
   1. No individual may initiate, approve, and receive the same transaction.
   2. Approval authority must be documented.
   3. Annual review of delegated authority required.
   4. Procurement files subject to periodic internal audit.
   5. Electronic systems shall maintain audit trails.

2.0 CORPORATE CREDIT CARD AND PROCUREMENT CREDIT CARD PROGRAMS

2.1 PURPOSE

This policy establishes comprehensive internal controls, eligibility criteria, approval requirements, documentation standards, monitoring procedures, and accountability measures governing the University Corporate Credit Card and Procurement Credit Card (P-Card) Programs.

2.2 POLICY STATEMENT

It is the policy of the University to permit use of corporate credit cards as well as procurement credit cards by University officials designated by the President for the purpose of charging legitimate University business expenses. The University Corporate Credit Card and Procurement Credit Card programs have been established to facilitate the payment of travel expenses by authorized users of Corporate Credit Cards, and allow rapid purchase of low dollar goods while simultaneously reducing paperwork and handling costs associated with the small purchase process. These cards also provide a convenient method of payment for employees who frequently travel on University business. The University shall maintain strong internal controls over credit card usage to prevent fraud, abuse, misuse, or non-compliance with applicable policies, funding restrictions, or federal regulations. All credit card transactions are subject to audit review and must be fully supported by appropriate documentation and business justification.

2.3 SCOPE AND APPLICABILITY

This policy applies to all credit card holders, administrators who approve credit cards, and accounting personnel who manage credit cards at the University. This policy applies to all University-issued Corporate Credit Cards and Procurement Credit Cards (P-Cards), regardless of funding source charged, including general funds, grants, federal awards, auxiliary accounts, and restricted funds.

2.4 RESPONSIBILITY

A. Vice President for Administration and Finance.

The Vice President for Administration and Finance has been designated as the Credit Card Program Administrator with responsibility for establishing and reviewing credit card arrangements, administering the University's Corporate Credit Card and Procurement Credit Card Programs and for developing guidelines and procedures for implementing these programs. The Vice President for Administration and Finance may designate a Credit Card Program Admin/Manager to oversee day-to-day administration, monitoring, and compliance activities.

2.5 ESTABLISHMENT AND REVIEW OF CREDIT CARD ARRANGEMENTS

A. Guidelines

The following guidelines shall apply to the establishment of credit card arrangements:

1. The University may establish corporate credit card and/or procurement credit card arrangements with one or more major credit card providers;

2. The corporate credit card and procurement credit arrangements must be subject to the approval of the President and the Vice President for Administration and Finance and to periodic review.

3. The credit cards will be the property of the University.

4. The credit cards may be used to allow the rapid purchase of low dollar goods and services necessary for the conduct of official University business in order to reduce paperwork and handling costs associated with the small purchase process.

5. The credit cards may also be used as a convenient method for the payment of official travel-related expenses for employees whose job responsibilities require frequent travel for university business.

6. The University will accept responsibility for the payment of legitimate charges made to the cards.

7. The corporate credit card and procurement credit arrangements entered into should:

    a. Allow individual per transaction credit limits to be applied;

    b. Allow individual monthly credit limits to be applied;

    c. Allow separate limits for goods and services versus travel-related expenses;

    d. Allow industry/merchant category codes to be blocked, as necessary;

    e. Provide for security against unauthorized use;

    f. Not involve the University in any liability for unauthorized use of individual cards;

    g. Be in the name of the University and the credit card holder; and

    h. Be enabled with security protection.

i. Merchant Category Codes (MCCs) shall be restricted to allowable categories consistent with University policy.

j. Transaction limits and monthly limits shall be established based on business need and risk assessment.

k. Cards shall not be used to circumvent competitive procurement requirements.

l. The program may include automated monitoring tools and exception reporting.

2.6 APPROVAL TO HOLD A CORPORATE OR PROCUREMENT CREDIT CARD

A. Guidelines

The following guidelines shall apply to the approval of credit card holders:

1. The use of the University's corporate credit card shall be limited to senior officers of the University and to other management and administrative employees who, in the judgment of the President and Vice President for Administration and Finance, meet the following criteria:

   a. Is the head of a major organizational unit of the University and has been authorized by the President, Provost, and the Vice President for Administration and Finance to have a corporate credit card.

   b. Is a regular, full time employee occupying a position that has a demonstrated need to purchase goods/services on behalf of a department; and/or occupies a position of responsibility requiring University business travel on a regular basis.

2. Procurement credit cards may be issued to regular full-time employees occupying a position of responsibility that has a demonstrated need to purchase goods or services on a regular basis for the benefit of a department of the University.

3. Credit card limits must be determined based on the anticipated expenditure required by the position held by the applicant within the Organizational Unit.

4. Both the need for a card holder to retain a credit card and the credit card limit applying to the card are to be reviewed annually.

5. All cardholders must complete mandatory training prior to issuance and annually thereafter.

6. A signed Cardholder Agreement must be on file prior to issuance.

7. Cards shall not be issued to temporary employees, consultants, students, or individuals without budget authority.

8. Cards may be suspended or revoked at any time based on risk, misuse, or business need changes.

2.7 CORPORATE AND PROCUREMENT CREDIT CARD HOLDER RESPONSIBILITIES

Cardholders must agree to the following conditions:

1. Accept and abide by the conditions of use.

2. Agree to be accountable for all transactions charged to the card. Upload receipts and supporting documentation within required timelines (e.g., 10 business days of transaction).

3. Agree that all expenditures must be for official University business purposes in accordance with University policies. Provide detailed business purpose for each transaction.

4. Agree that the card will not be used for any purpose that is of a personal or private nature. Reimburse the University immediately for personal or unallowable charges.

5. Agree to accept personally liability for unauthorized, unapproved, or inappropriate use of the corporate credit card.

6. Agree that the card is only to be used by the person whose name appears on the card. Not share card numbers or physical cards.

7. Accept responsibility to ensure the safe custody of the assigned credit card.

8. Agree to the prohibition on cash advances using the card.

9. Agree that if the card is lost or stolen, or any suspected fraudulent activity is noticed, it is the cardholder’s responsibility to immediately report this to the bank issuing the credit card and the appropriate program administrator.

10. Agree to return the corporate or procurement credit card if requested to do so by the approving officer or the Credit Card Program Administrator.

11. Agree to ensure charges comply with funding source restrictions.

12. Agree not to split transactions to avoid approval thresholds.

2.8 CORPORATE AND PROCUREMENT CREDIT CARD USE AND ADMINISTRATION

A. Guidelines

The following guidelines shall apply to the use and administration of credit cards.

1. Appropriate records are to be maintained of persons who have been issued University credit cards together with per transaction and monthly spending authorization limits and other restrictions.

2. Guidelines on the establishment of credit card use and spending limitations are to be approved by the President.

3. Procedures are to be put in place to monitor the ongoing use of University credit cards held by cardholders, to reconcile all credit card charges against proper documentation and receipts, to verify, audit and approve credit card charges prior to payment and to otherwise put in place internal controls for the effective administration of the credit card program.

4. Cardholders must reconcile statements monthly.

5. Random transaction audits may be performed.

6. Unreconciled transactions beyond 30 days may result in disciplinary action, suspension or deduction of unreconciled expenses from cardholder pay.

B. PROHIBITED USES

In addition to existing prohibitions:
1. Alcoholic beverages (unless specifically allowable under Hosting Policy).
2. Cash advances.
3. Gift cards unless pre-approved and documented.
4. Personal services contracts.
5. Travel booked outside approved channels without authorization.
6. Capital equipment purchases without Procurement review.
7. Purchases requiring formal bidding.

2.9 SUSPENSION OF CORPORATE OR PROCUREMENT CREDIT CARDS PRIVILEGES

A. Guidelines

The following guidelines shall apply to the withdrawal of credit cards or the suspension of credit card privileges:

1. The use of a University credit card may be suspended or cancelled by the University official recommending the issuance of a credit card or the credit card Program Administrator for any of the following reasons:

    a. The cardholder's employment with the University ceased;

    b. The position currently held by the cardholder no longer justifies the use of a credit card;

    c. Minimal utilization of the credit card is identified;

    d. Misuse of the credit card by the cardholder including unacceptable, inappropriate or fraudulent expenditures;

    e. Non-compliance with conditions governing the issuing of credit cards;

    f. Failure to submit receipts timely;

    g. Repeated policy violations;

    h. Split transactions;

    i. Inadequate documentation;

    j. Misclassification of expenses; and

    k. Audit findings of non-compliance.

Serious violations may result in disciplinary action up to and including termination and restitution of funds.

In all cases, credit cards that have been cancelled or suspended must be returned to the Credit Card Program Administrator.

2.10 INTERNAL CONTROLS AND PROGRAM OVERSIGHT

A. The Credit Card Program shall include the following controls:

    1. Segregation of duties between cardholder, approver, and accounting;

    2. Annual review of cardholder list;

    3. Periodic review of MCC blocks;

4. Quarterly compliance reporting to VP for Administration & Finance;
5. Annual program risk assessment;
6. Retention of documentation for minimum 7 years or longer if sponsor required; and
7. Internal Audit review as deemed necessary.

2.11 RECORD RETENTION AND AUDIT

All credit card documentation, reconciliations, approvals, and supporting receipts must be retained in accordance with University record retention policies and applicable grant requirements.
All transactions are subject to review by Internal Audit, external auditors, federal agencies, and grantor representatives.

3.0 DISPOSITION OF UNIVERSITY SURPLUS PROPERTY

3.1 PURPOSE

The purpose of this policy is to establish formal procedures, approval requirements, internal controls, and documentation standards governing the identification, declaration, transfer, sale, donation, recycling, or destruction of University-owned surplus property in a manner that ensures compliance with applicable federal regulations (including 2 CFR §200), Virgin Islands law, sponsor requirements, environmental regulations, and University financial reporting standards.

3.2 POLICY STATEMENT

It is the policy of the University that University-owned property and property that was purchased by the use of federal funds be disposed of (or transferred) in accordance with applicable government standards and regulations. These standards are designed to ensure the efficient utilization of property, maximize the property's residual value, maintain financial accountability and reporting accuracy; ensure compliance with safety/environmental laws and regulations, and minimize risk exposure to the University. No property, whether purchased with University funds or otherwise acquired, may be defined as surplus without the prior written approval of the Chief Procurement Officer or his/her designee.

All surplus property dispositions shall be conducted in a transparent, controlled, and documented manner to maximize value where appropriate, safeguard University assets, ensure proper accounting treatment, and protect the University from financial, legal, and environmental risk.

No University property may be transferred, cannibalized, traded-in, donated, sold, recycled, scrapped, or destroyed without prior written authorization in accordance with this policy.

3.3 SCOPE AND APPLICABILITY

This policy applies to the transfer or disposal of University-owned property/equipment and property that was purchased by the use of federal funds including, but are not limited to, computer and related equipment, furniture and related items, general and scientific equipment, and items determined to fall under the definition of a capital asset. University property is defined as any item which was donated or transferred to the University or was purchased by the University with gift, grant, contract, restricted, or general funds.

Policies and procedures pertaining to disposition of surplus property apply to all University departments. Unauthorized removal, disposal, or expropriation of University or government-owned, loaned or donated property regardless of value constitutes a breach of University policy.

Covered property includes but is not limited to:

- Capitalized equipment recorded in the fixed asset system:
  - Vehicles and fleet assets
  - IT and electronic equipment
  - Laboratory and scientific equipment
  - Appliances and facilities equipment
  - Federally funded property and grant-funded equipment
  - Donated property

- Policy exceptions:
  - Government owned property. These items are not owned by UVI and therefore no surplus action can be taken in relation to any government owned property unless expressly directed by the owner (Federal, state, or local agency).

3.4 DEFINITIONS

A. Disposition of surplus property is defined as the trade-in, cannibalization for spare parts, external transfer, donation to a non-profit charitable/community organization, sale for salvage value, or destruction/disposal (waste removal).

B. Surplus Property: Property no longer required for the operational needs of the originating department and for which no foreseeable internal use exists.

C. Capital Asset: Property recorded in the University's fixed asset inventory system in accordance with capitalization thresholds.

D. Federally Funded Property: Equipment or property acquired in whole or in part with federal funds.

E. Cannibalization: Removal of usable components from surplus equipment for maintenance of other University equipment.

F. Scrap: Property determined to have no resale value other than salvage or recycling value.

G. Government Owned Equipment: Capital assets owned by a government entity (Federal, State, or Local) where UVI is the steward and caretaker of these assets.

3.5 RESPONSIBILITIES

A. University Departments

University departments shall be responsible for taking all actions necessary to prepare surplus property for final disposal (i.e.: delete all data from computers, label monitors as "Electronic

Waste", etc.), and for coordination with Purchasing Department to ensure proper updating of inventory records to reflect property being transferred, or otherwise disposed of, when property is to be declared surplus in accordance with policies of the University. University departments shall:

1. Complete a Surplus Property Declaration Form prior to disposal;
2. Identify asset tag numbers and serial numbers;
3. Certify removal of all electronic data from IT equipment;
4. Provide funding source information; If federally funded equipment, ensure that program income requirements are met based on award requirements.
5. Obtain Department Head approval prior to submission to Purchasing; and
6. Safeguard property until final disposition is completed.

B. Purchasing Department

The Purchasing Department shall oversee the process for the disposal of surplus property ensuring full compliance with the policies of the University and ensure that appropriate records of all surplus property are maintained for audit purposes. The Chief Procurement Officer (CPO) shall review and approve surplus declarations and determine the appropriate method of disposition.

The Purchasing Department shall maintain a centralized surplus log and retain documentation sufficient to support audit review.

C. Office of Sponsored Programs

The Office of Sponsored Programs shall monitor the disposal of property purchased with grant or federal funds, secure needed guidance and recommendations from external granting agencies as required, and ensure that the University remains in full compliance with all applicable federal regulations.

For federally funded property with a fair market value exceeding applicable federal thresholds (currently $10,000), OSP shall ensure compliance with 2 CFR §200.313 and calculate the federal share of proceeds when required.

Additionally, OSP will ensure that UVI follows 200.307 Program income requirements.

D. Vice President for Administration and Finance

The Vice President for Administration and Finance shall be responsible for developing appropriate guidelines and procedures for the implementation of this policy. The Vice President for Administration and Finance shall provide oversight of the surplus program and approve high-value (>$25,000 original value), sensitive (example: items containing protected data, environmentally hazardous), or exceptional asset (firearms, unusual, not part of regular business operations) dispositions.

3.6 POLICY GUIDELINES FOR THE DISPOSITION OF SURPLUS PROPERTY

A. Surplus Property Declaration

When the head of a user department determines that an item has served its original purpose and no longer provides value to the original department, a declaration to this effect is to be made to the Purchasing Department. The final determination of the item's eligibility for the Surplus disbursement/disposal program shall be made by the Purchasing Department.

Such declaration shall be submitted using a standardized Surplus Property Declaration Form including:

1. Asset tag number (if applicable)
2. Serial number
3. Condition assessment
4. Funding source
5. Estimated fair market value (if known)
6. Certification of data removal (if IT equipment)

B. Surplus Disbursement/Disposal Program

The University shall develop procedures for the advertisement and redistribution of usable items declared to be surplus. All surplus property shall first be made available for internal redistribution for a minimum period established by administrative guideline (recommended: 10 business days) prior to external surplus sale or disposal.

C. Disposal Methods

Property declared to be surplus to the needs of the University may be cannibalized when deemed to be in the best interest of the University, disposed of by trade-in when applicable, recycled, or disposed of as scrap, or sold by public auction in accordance with applicable guidelines. Employees involved in the process of declaring property to be surplus to the needs of a department or the institution are prohibited from participating in such auctions or using a straw man to participate in such auctions.

Surplus property including computer and other electronic equipment that have no further value to the University, from which all data have been deleted and are deemed to adhere to software restrictions can be disposed of by one of the following methods:

1. By transfer to a government department or agency or a public school with the approval of the President.

2. By donation to a public school, local private school or not-for-profit organization that has provided a written request for computer equipment to the President. The local

private school or requesting not-for-profit agency will be responsible for removing donated computer equipment from surplus storage.

3. By an appropriate method of recycling or disposal that will not expose the University to environmental risk or violate applicable federal or local regulations.

4. Approved surplus methods include:
    a. Internal transfer to another department
    b. Public auction (publicly advertised)
    c. Sealed bid sale
    d. Trade-in documented within new procurement file
    e. Donation (with written approval and liability waiver)
    f. Recycling or certified scrap disposal

D. Prohibition on Gifting of Surplus Property or Sales to Employees

Departments are strictly prohibited from gifting or selling surplus materials directly to University faculty, staff, students, and other University-affiliated individuals. This provision is mandated in order to adhere to standards applicable to the use of public funds, to minimize the University's risk exposure to product liability, and potential violations of special pricing structures if deemed a reseller. This prohibition includes indirect participation through agents or "straw buyers."

E. Sale of Surplus Property

Sales of surplus property are to be undertaken by public auction or sealed bid. Employees involved in the process of declaring property to be surplus to the needs of a department or the institution are prohibited from participating in such auctions or bids.

Proceeds from the sale of University owned property are to be credited to the general fund. When applicable, proceeds from scrap sales of federally-funded property shall be credited to the Federal Government or funding agency when applicable. Proceeds from the sales of surplus property from active federal grants should should follow appropriate program income requirements as determined by OSP..

All sale documentation, bid tabulations, auction records, and bills of sale must be retained in the procurement file.

F. Disposition of Items Declared to be Scrap

Items determined to be scrap/salvage shall have all identification markings removed or obliterated and recycled through a salvage business, if economically feasible, or disposed through the trash removal system. Property and products containing hazardous chemical compounds shall be disposed of in accordance with applicable standards and guidelines for disposing of hazardous waste.

Electronic waste must be disposed of through certified recyclers, and documentation of disposal must be retained. All data storage devices must be wiped in accordance with University IT security standards prior to disposal. Certification of data destruction is required before final disposition.

G. Compliance with Environmental Health and Safety Standards

The University shall comply with all environmental health and safety standards applicable to the disposal of University property, including surplus property known to contain hazardous waste materials.

3.7 INTERNAL CONTROLS AND RECORD RETENTION

A. Each surplus disposition file shall include:
   1. Surplus Property Declaration Form
   2. Asset verification documentation
   3. OSP clearance (if applicable)
   4. Approval signatures
   5. Sale or donation documentation
   6. Federal share calculation (if applicable)
   7. Accounting confirmation of removal from fixed asset records

B. Segregation of duties shall be maintained. No individual may declare, approve, and dispose of the same asset.

C. Records shall be retained for a minimum of seven (7) years or longer if required by sponsor regulations.

D. University property deemed as surplus that is transferred internally shall remain University titled property.

1.0 TRANSPORTATION[1], TRAVEL AND BUSINESS-RELATED EXPENSE POLICY

1.1 PURPOSE

This policy provides the guidelines to be followed by travelers, approvers, and accounting personnel to ensure the prudent use of University resources for the payment of business- related travel expenses.

1.2 POLICY STATEMENT

The University will pay necessary and reasonable travel expenses incurred for authorized University business travel consistent with the educational, research, and administrative needs of the University. It is the intent of the University that payment be fair, equitable, and efficient for both the traveler and the University.

All official University travel shall be prudently planned, properly authorized, reported, and reimbursed with the objective of ensuring that the best interests of the University are served at the most reasonable cost. Anyone traveling on University business is expected to exercise good judgment and economy in the use of University funds. Excessive or unjustifiable costs are not acceptable and will not be reimbursed. It is expected that employees will conduct University business with integrity, in compliance with applicable laws, policies, and procedures, and in a manner that excludes considerations of personal advantage.

1.3 SCOPE AND APPLICABILITY

This policy applies to all employees traveling at the University's expense in the performance of their official duties. It covers travel-related expenditures using all University funds including unrestricted, restricted and designated funds. Provisions of this policy may also apply to individuals other than employees such as visiting scholars, University guests, students, trustees and non-University personnel who are authorized to travel at University expense. In certain cases, contracts and/or grants may have more restrictive policies for travel and business-related expenditures. In these cases, the more restrictive policies will prevail. Exceptions to any of the provisions set forth in this policy require the approval, in writing, of the President or Vice President for Administration and Finance. If the expenditure is to be charged to a grant or contract, then the exception also requires the approval of the Principal Investigator.

[1] Transportation is distinguished from travel in the US Internal Revenue Code. Transportation includes costs incurred on a day trip (usually mileage rate plus tolls, parking, etc.). Travel is used for overnight trips (which can include airfare, lodging and meals). Note this definition is not applicable in the US Virgin Islands as day trips could include airfare for inter-island travel.

1.4 RESPONSIBILITIES

A. President and Administrative Officers

The President and administrators of the University have the responsibility for administering the travel policies of the University, to approve the business purpose of official travel, to certify that the travel is necessary and serves the best interests of the University, to ensure that the travel-related costs are reasonable and to review and monitor all travel expenses and claims for reimbursement that they approve.

B. Vice President for Administration and Finance

The Vice President for Administration and Finance is responsible for overseeing the administration of the University's travel and business related expense policy and for issuing appropriate guidelines and procedures for its implementation.[2]

1.5 POLICY GUIDELINES

A. Official Travel and Travel Status

Official Travel is limited to travel which is necessary for the proper execution of official University business, or is undertaken in justifiable pursuit of the University's educational and research objectives. It is defined to mean travel on official business from one's home or normal place of employment to an approved destination, and return from the specified destination either to one's normal place of employment or to one's home. Commuting between one's home and regular place of employment is not official travel. The employee is considered on official travel status at the time of departure from and until the time of return to the employee's official work station or residence, whichever is applicable, for the purpose of traveling on University business.

B. Categories of Business Travel

1. Inter-Island (Local) Travel includes business travel within and between the United States Virgin Islands.

2. Off-Island (Domestic) travel includes travel within and among any of the fifty states of the United States, the District of Columbia, the commonwealth of Puerto Rico, the commonwealth of the Northern Mariana Islands, Guam, and American Samoa. In the case of sponsored projects, domestic travel may be defined in the award documents.

3. International travel is defined as any travel outside of the fifty United States and its insular areas.

[2] Eliminated subsections C-G because it was procedural.

C. Travel Restrictions for Federally Funded Programs

International travel supported by sponsored program contracts and grants may require prior written agency and/or internal approval. Travelers should refer to applicable grant or contract regulations to determine whether prior agency approval is required and if other restrictions apply. Individuals whose travel is supported by federal funds should follow the guidance provided in the Fly America Act, relative to the use of American flag carrier airlines. Foreign flag carrier airlines may only be used when no U.S. flag carrier airline is available.

Furthermore, compliance with IRS Accountable Plan[3] requirements is essential. Late reimbursement requests may be considered taxable income, and improper claims may lead to denial, disciplinary actions, or even fraud prosecution.

D. Combined Business and Personal Travel

University funds may not be used for any non-University travel, including personal travel. The University discourages combining business and personal travel, but in those cases where a business trip is combined with a personal trip, the traveler is only entitled to receive reimbursement for the actual documented expense attributable to the business-related portion of the trip. Reimbursement must be for at economical/direct route fare and must include flight comparisons if mixing personal travel. The reimbursement of airfare for international travel will be prorated based on the ratio of business-related and personal purpose of the trip.[4]

E. Spouse, Domestic Partner, or Other Dependent Expense

Since the IRS does not consider expenditures of this type a qualified business expense, no travel expenses, transportation, lodging, meals, or registration fees, etc., for spouses or other persons accompanying employees on University travel will be paid or reimbursed.

F. Group Travel

The University discourages travel by groups of senior administrators or groups of employees from the same department or office on the same plane or on extended automobile trips as accidents may result in injuries to members of the group and may seriously impair essential operations of the University. This restriction should be evaluated by the heads of the departments, deans and other approving officials based on the circumstances of the travel and the level of responsibility of the travelers.

[3] An accountable plan is a reimbursement arrangement that meets IRS requirements, allowing employers to reimburse employees for business-related expenses like travel and entertainment without those reimbursements being treated as taxable income. To qualify, the plan must ensure that expenses are business-related, properly documented, and any excess reimbursements are returned within a reasonable time.

[4] Section V (2.5) D Added the sentence for proration based on IRS guidelines.

G. Student Travel

Students traveling as groups or teams under the auspices of the University are to be sponsored by a faculty or staff person(s) who will serve as Travel Coordinator or Chaperone and be responsible for managing the travel expenses of the group, submitting requests for reimbursement accompanied by receipts for all expenses incurred and otherwise complying with the policies stated in this manual. The travel coordinator or Chaperone must be a full-time or part-time employee serving as the advisor, coach or instructor for the traveling group or activity.

H. Employment Interviewees, Official Visitors and Guests

The policies governing reimbursement of travel expenses for persons other than University employees, such as guest speakers, official visitors and prospective employees, are the same as those applicable to University employees.

I. Travel Authorization and Approval

This includes approval of a reasonable estimate of all business related travel expenses to be paid from University funds. Any reimbursement for amounts above the reasonable estimate submitted require Vice President for Administration & Finance approval. Travel which is not authorized in advance shall be considered unofficial travel at the expense of the traveler.

J. Travel Expenses of the President

Request for Travel Authorization must be submitted before travel. Notwithstanding any other travel policy provisions that apply to other employees of the University, the official travel and travel-related expenses of the President that are incurred at his/her discretion and are substantiated by proper documentation are fully reimbursable. Travel-related expenses for the President's spouse will be reimbursed in accordance with the terms of the President's employment contract.

1.6 TRAVEL PAYMENT METHODS

The following forms of payment may be used for the payment of travel expenses:

1. Personal credit cards or cash may be used for the payment of transportation, lodging, meals and incidental expenses while traveling on authorized business on behalf of the University and used as the basis for making reimbursement claims to the University.

2. The use of University Corporate Credit Cards and Procurement Cards (P-Cards) is limited to the payment of official travel-related expenses (airfare, transportation, conference/registration fees) for employees whose job responsibilities demand regular university business travel. Allowable business travel expenses paid by corporate credit cards or P-card must be supported by the submission of credit card statements, credit card slips, and copies of receipts.

3. Prepayment of certain categories of Travel Expenses to obtain discounted pricing, secure a reservation or pre-pay conference registration fees.

4. Travel Advances up to 75% of subsistence expenses and allowable incidental charges may be made with the proper approvals subject to being accounted for upon the conclusion of an approved trip.

1.7 TRAVEL REIMBURSEMENT GUIDELINES

In general, travelers will be reimbursed for travel expenses that are ordinary, necessary, reasonable, and actual. All travelers are required to file a Travel Voucher no later than 60 days after a trip is completed, to provide sufficient documentary evidence to support the business purpose of their trip and to substantiate all expenses and claims for reimbursement. Documentation should be in the form of original bills or itemized receipts that provide a description of goods or services received. The report must be signed by the employee and approved by the supervisor or department head prior to submission for processing.

A. Commercial Air Travel

1. It is the policy of the University that the lowest coach or economy fare on scheduled commercial flights is to be used whenever possible, unless otherwise specified in this policy. The use of business or first-class or other higher cost services may be authorized only under the circumstances listed in this policy. All exceptions must receive prior approval of the President or his designee. Must include flight comparisons if mixing personal travel. Flights must be purchased at least 7-10 days prior to travel.

2. Business or First Class Fares: Business and/or first class fares are approved for the travel of the President.

3. First or Business class reimbursable only as ADA accommodation.

4. In addition to the cost of the plane ticket, additional reimbursements shall be made for reasonable and prudent incidental fees, including baggage handling fees and modest tips for services (tips up to 20%), and ticket change fees when incurred for the benefit of the University and not for the personal convenience of the employee.

5. The University's travel accident policy shall provide coverage for accidental loss of life and accidental dismemberment for employees traveling on official University business. The purchase of additional coverage at the University's expense is not allowable.

B. Non-Commercial Aircraft (Fixed Wing and Rotary including Helicopters)

1. Non-commercial Aircraft: University employees are prohibited from utilizing non-commercial aircraft or helicopters for University business travel.

2. Chartered flights: Group transportation by chartered aircraft may be authorized by the President in emergency situations or under circumstances where an overall pressing need presents itself.

C. Other Modes of Transportation

1. Local Ground Transportation

   Costs of public transportation, airport shuttles, rideshare, taxis, and subway/metro are allowable for travel to and from airports and railroad stations, between appointments, and between hotels and meeting locations. Travelers should select the most cost effective mode of transportation. The use of limos or car service must be approved in advance of travel subject to the submission of compelling justification. Original receipts for any local transportation expenses must accompany the Travel Voucher.

2. Automobile Rental

   Rental of an automobile is permitted when necessary for an employee traveling on behalf of the University when such use is considered the most reasonable and economical mode of travel under the circumstances. Such rental of an automobile will be allowed and reimbursed on the following basis:

   a. Unless three or more employees are traveling together, the University will only reimburse the cost of a midsize or smaller car.

   b. The cost of upgrades, other accessories or the purchase of supplemental car insurance premiums, is not reimbursable.

   c. To ensure proper coverage of the rental car, University employees are required to:

      - Purchase the physical damage waiver and liability waiver.
      - Adhere to ALL conditions of the rental agreement for operating the vehicle.
      - The employee needs to be the primary driver and is not authorized to rent a car for another individual.
      - The rented vehicle needs to be driven either by the requisitioning employee or an “additional driver” identified/listed on the rental

agreement (also a UVI employee). If this does not happen, then the damage coverage will be voided.

- Employees should be aware that only listed drivers are covered by insurance and there are additional charges for additional drivers to be eligible to drive rental cars. Employees must make sure that all potential drivers are listed and be aware that if those additional drivers are not employees the additional cost is not reimbursable.
- Any employee involved in an automobile accident while on University business must contact the local police and obtain a police report. The Chief of Campus Police and Security at the University should be contacted immediately, and an incident report should be obtained.

d. The University will not reimburse the cost of damages to a rental car or the cost of personal items stolen from a rental car.

e. The cost of reasonable parking fees, bridge and turnpike tolls and gasoline charges will be reimbursed with submission of original cash or credit card receipt and the rental agreement.

3. Personal Automobile Travel

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or where it is otherwise deemed to be in the best interest of the University. The use of a personal automobile will be allowed and reimbursed on the following basis:

a. Use of the traveler's personal automobile will be reimbursed at the current Internal Revenue Service mileage rate. This mileage rate covers depreciation, maintenance, towing charges, tires, repairs, gasoline, oil, insurance and vehicle registration fees. Under IRS regulations, travelers who claim this rate are not required to substantiate the actual costs of operating the vehicle.

b. Reimbursement for two or more persons traveling in the same automobile shall be limited to the mileage reimbursement paid to the driver.

c. Parking costs will be reimbursed if properly substantiated by receipts.

d. Bridge and turnpike tolls will be reimbursed if properly substantiated by receipts.

e. Car rentals are limited to compact class. Exceptions to compact class must be obtained from VP A&F for larger groups and for those who require larger vehicle due to transport of scientific equipment.

D. Hotel Arrangements

The University will reimburse lodging expenses at reasonable single occupancy or standard business room rates. If conference rates apply, the most reasonable available rates will be reimbursed. The cost of lodging and related expenses will be allowed and reimbursed on the following basis:

1. Only single room rates are authorized for payment or reimbursement unless the second party is representing the University in an authorized capacity. If the lodging receipt shows more than a single occupancy, the single room rate must be noted. Conference, government or educational rates should be requested when traveling on business. Actual expenses require receipts.

2. The cost of a standard room for overnight lodging expenses for inter-island travel is allowable when an overnight stay is approved to serve a clear University business purpose and when the traveler utilizes local hotels with which the University has special pricing arrangements. Lodging and meals are not reimbursed without overnight stays.

E. Per Diem Allowance for Meals and Incidental Expenses (M&IE)

1. Travelers will be granted a per diem allowance of **$68** for meals and incidental expenses to cover expenses for meals, taxes, gratuity and tips when overnight travel is required. Submission of receipts will not be required for the payment of the per diem allowance. This rate aligns with the 2025 GSA CONUS per diem for the continental United States. For current rates, please refer to the Defense Travel Management Website, -> search the per diem rate lookup |CONUS-> Select the necessary fiscal year and search

Exhibit A- *Snapshot of STANDARD CONUS PER DIEM RATE (Rates should be reviewed every 3 years).*

Keyword Search | Search | Reset | * All rates are in US Dollars

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Location (1)	County and/or Other Defined Location (2)	Seasons (Beg-End)	Maximum Lodging	Local Meals	Proportional Meals	Incidentals	Maximum Per Diem	Effective Date
STANDARD CONUS RATE	STANDARD CONUS RATE	01/01 - 12/31	110	63	41	5	178	10/01/2024

Showing 1 to 1 of 1 entries | Previous | Page 1 | Next

2. When some or all meals are provided to the traveler by as part of a conference or seminar, the University will not be paying or reimbursing those meals.

3. The proration of per diem for breakfast, lunch, dinner and incidental expenses will be made based on the breakdown provided in the following table:

Total Per Diem for Meals and Incidental Expenses	**$68**
Continental Breakfast/Breakfast	$16
Lunch	$19
Dinner	$28
Incidentals	$5
First & Last Day of Travel (based on 75% of Per Diem Allowance)	$51.00

Submission of receipts will not be required for the payment of the per diem allowance.[5]

F. Other Incidental Expenses

Other incidental travel related expenses may be reimbursable when deemed to be legitimate travel costs, and where applicable, in accordance with federal regulations. These include the following:

1. Cost of visas, vaccinations and document fees: Employees who are required to obtain a visa for approved international business travel will be reimbursed for these expenses with the submission of proper receipts.

2. Miscellaneous expenses of less than $200.00 per trip for books, supplies, and other miscellaneous items which would be the property of the University are reimbursable.

G. Allowable and Reimbursable Travel Expenses

In addition to airfare, the University will reimburse employees for reasonable and necessary expenses incurred while traveling on official University business. These include:

• Lodging at the approved <u>estimated authorized lodging</u> or conference rate <u>including related taxes/fees</u>
• Meals at the standard per diem rate
• Ground transportation, including taxis, shuttles, rideshares, or rental cars when appropriate
• Baggage fees for the first checked bag
• Room service within reasonable limits and when not exceeding the daily per diem
• Mandatory resort fees when not avoidable
• Tips and gratuities, not to exceed 20% of the service cost

[5] Section V (2.7) E (3) Based on D Barry recommendation changed items in red text and added

All expenses must be documented with itemized receipts unless otherwise specified in this policy. Expenses that appear excessive or primarily personal in nature may be denied reimbursement. Special circumstances may allow for policy exceptions. Exceptions must be documented, justified and approved by the Vice President of Administration and Finance.

H. Non-reimbursable Travel-Related Expenses

Without intending to be fully inclusive, the following expenses are not allowable:

1. Per diem allowance for meals that are provided to the traveler as part of a conference or seminar paid for by the University.[6]

2. Entertainment expenses incurred primarily for the benefit of University employees are considered personal expense and are not reimbursable.

3. Expenses of a personal entertainment nature including but not limited to movies, recreational fees, health club or exercise room fees, airline clubs, hotel clubs, country clubs, massages and toiletries will not be reimbursed/paid.

4. Expenses for personal hygiene, including but not limited to supplies as toothbrushes, combs, toothpaste, deodorants, and soap.

5. Personal groom expenses, such as hair salons, barbershops, masseurs, manicures, and restroom attendants, associated with the University travel.

6. Tobacco or alcoholic beverages in any form.

7. Cost incurred for failure to cancel hotel reservations unless authorization or approval has been received beforehand.

8. Fines for parking or traffic violations and/or any other fines assessed during the course of said travel.

9. Laundry and dry cleaning, except as it applies to uniforms of University athletic teams.

10. Theft, loss or damage of personal luggage and effects.

11. Membership dues in private or social clubs and organizations.

12. Contributions.

[6] Section V (2.7) G (1) Added language to reflect current treatment of reimbursement of meals included in the conference registration fee paid by UVI.

13. Personal expenses.

14. Passenger flight insurance, Seat upgrades, Passport fees and Travel clubs or TSA Pr-Check, Global Entry.

15. Child care, babysitting, pet sitting, and kennel charges.

16. Room service meals that exceed meal allowances.

17. Gifts or Flowers, including flowers, fruit baskets or other items of condolences or congratulations.

18. Family member travel is not reimbursable.

I. Accountability Requirements

All persons traveling on behalf of the University and those who approve expense reimbursement are accountable for their actions relative to the approval of travel, travel expenses incurred, and claims for reimbursements made, approved and received. Travelers and approvers of travel are deemed to be knowledgeable of the University travel policies and procedures and the compliance requirements applicable to sponsoring agency regulations governing travel expenditures. All travel expenses are subject to audit by the University's Internal Auditor and external auditors, as well as by agencies such as the Internal Revenue Service, the Office of Inspector General, auditors assigned by granting agencies including both government and non-government sponsors. The purpose of these audits is to ascertain that the expenses are proper and fully documented. Accordingly, the University is obliged to properly account for travel expenses and for travel reimbursements made by the University to faculty, staff members and students. Additionally, the University may receive requests from sponsoring agencies or other groups who have reimbursed University faculty or staff members to verify that expenses submitted directly to them were not also reimbursed by the University. The University may also request from sponsoring agencies or other groups, verification that expenses submitted to the University were not also reimbursed by external parties.

2.0 MOVING AND RELOCATION EXPENSES

2.1 PURPOSE

This policy establishes the guidelines under which a new, eligible employee may be provided with a relocation allowance.

2.2 POLICY STATEMENT

It is the policy of the University to provide a reasonable relocation allowance inclusive of airfare, to eligible employees, based on their employment contract, to help defray the costs associated with relocation from outside the Virgin Islands to take up employment with the University. This allowance is made in lieu of any and all claims for reimbursement of relocation and moving expenses.

2.3 SCOPE AND APPLICABILITY

This policy applies to newly recruited members of the faculty, professional staff and senior administrative officials recruited from off-island and who are endorsed by the Vice President of Administration & Finance and approved by the President to receive the benefit of a relocation allowance for moving and relocation expenses.

2.4 APPROVAL OF RELOCATION ALLOWANCE

1. The approval of a reasonable moving and relocation allowance shall be made in accordance with the University's uniform policy for such payment as they apply to all eligible positions and all schools, colleges, and administrative divisions.

2. The relocation and moving allowance for Faculty must be recommended for approval by the Provost or appropriate Dean or designee.

3. The relocation and moving allowance for Non-Faculty must be recommended for approval by the appropriate Vice President, Component Head or designee.

4. The relocation allowance will not require receipts. However, it is considered taxable income subject to income taxes. The employee receiving a relocation allowance will assume the burden of declaring moving expenses as deductions on his/her income tax return.

5. The offer letter to a new appointee should specify the amount of the moving and relocation allowance that will be paid by the University.

6. Funds for the payment of relocation allowances shall be subject to the availability of funds and made only in accordance with the policies governing the use of University funds including the applicable terms and conditions of contracts and grants funds.

2.5 PAYMENTS AND TAX OBLIGATIONS

In accordance with IRS regulations, the payment of a relocation allowance to the employee is taxable income. The University will comply with all applicable income tax reporting requirements for payment of relocation allowances for moving and relocation expenses. Employees separating from the University within one year are required to pay back the entire relocation allowance provided unless stated otherwise in employee offer letter or contract.

SECTION IV: HOSTING, HOSPITALITY AND ENTERTAINMENT

1.1 PURPOSE

This document outlines the policies and guidelines governing the expenditure of University funds for hosting, hospitality and entertainment. These expenditures must benefit the University and support the mission and must have clear documented business purpose.

1.2 POLICY STATEMENT

It is understood that the conduct of University business might sometimes require some expenditures of a hosting, hospitality or entertainment nature in the furtherance of the mission and goals of the institution. In all cases, however, there must be a clear, documented business purpose for such expenditures that indicates the event's benefit to the University. As with other University expenditures, the approving authority must exercise prudent business judgment in reviewing proposed hosting, hospitality and entertainment expenditures for their reasonableness, allowability, and the availability of funds. In addition, such expenditures should be in full compliance with all applicable policies and guidelines for the use of University funds, including grant funds, and must be seen to be in accordance with the best use of public funds.

1.3 SCOPE AND APPLICABILITY

This policy applies to the use of University funds for business meetings, entertainment functions, hosting events and other occasions when meals and/or light refreshments are served. This policy applies to all funds administered by the University, including operating funds, grants, research grants, contracts and other restricted funds.

1.4 RESPONSIBILITY AND AUTHORITY

A. President and Members of the President's Cabinet

The primary responsibility for approving hosting, hospitality and entertainment activities and determining the extent to which University resources are applied for these purposes resides with the President and members of the President's Cabinet. This responsibility includes approving the business purpose of these activities, certifying that the entertainment serves the best interests of the University, ensuring that hosting and entertainment costs are reasonable, and reviewing and monitoring all entertainment expenses and claims for reimbursement that they approve.

B. Vice President for Administration and Finance

The Vice President for Administration and Finance is responsible for issuing appropriate guidelines and procedures for carrying out this policy and for overseeing its implementation.

1.5 APPROVAL OF HOSTING, HOSPITALITY AND ENTERTAINMENT

The University permits expenditures for meals and light refreshments provided to academic or staff employees, students, donors, guests, visitors, volunteers, and other individuals for the purpose of conducting substantial and bona fide University business. The following guidelines apply to the approval of hosting, hospitality and entertainment expenses:

1. The University is authorized to pay for or reimburse all business-related hosting, hospitality and entertainment expenses incurred by the President in his capacity as Chief Executive Officer of the University in furtherance of the goals and objectives of the institution.

2. All hospitality events and expenses, whether funded from a departmental accounts or other account, must be preapproved by an authorized official at the level of a Dean or Provost in academic areas or a Vice President (or designee) in non-academic areas. All hospitality events and expenses, whether funded from departmental accounts or other sources, must be preapproved by an authorized official. Approval must come from a Dean or Provost in academic areas, or a Vice President (or designee) in non-academic areas. Supervisor-level approval is required in all cases, and expenditures exceeding established limits must be approved by the Vice President for Administration & Finance.

3. Entertainment expenditures are to be approved by an approving officer at the next higher level of authority. I.e., the approving authority should be the supervisor of (or at a higher classification than) the person claiming the expenditure. In addition, individuals with delegated approval authority shall not approve their own entertainment expenses or the entertainment expenses of a near relative (e.g., spouse, domestic partner, child, parent, etc.).

4. To ensure proper internal controls, an individual with delegated approval authority may not authorize payment of the entertainment expenses of anyone to whom he or she reports either directly or indirectly.

5. The entertainment expenses for the President (including those of a spouse, or a domestic partner) must be submitted to the Vice President for Administration and Finance for approval.

6. The President will establish similar controls for appropriate review and approval of entertainment expenses incurred by the Provost, the Vice Presidents, and other administrative officers.

7. The following expenses are not reimbursable:

    a. The purchase of alcohol or tobacco is not reimbursable. Any purchase (not reimbursement) of alcohol must be in compliance with UVI Territory Law and must be submitted to the Vice President of Administration & Finance for further guidance and approval prior to purchase.

    b. Expenditures related to occasions such as employee birthdays, weddings, anniversaries, staff parties or social events, farewells to staff leaving the employment of the University, unofficial functions to recognize staff contributions, or other occasions of a social or personal nature.

    c. The purchase of goods or services for personal use or for a non-business reason.

1.6 ALLOWABLE HOSPITALITY EVENTS AND EXPENSES

Hospitality expenses are allowable for the following categories of expenses:

A. Business Meetings

The University may pay or reimburse expenses for meals or refreshments served during business meetings when the purpose of the meeting is to conduct University business. This includes meals or refreshments served at University-sponsored seminars, retreats, workshops, orientations, conferences, official functions or similar University events that involve primarily University personnel, when conducted for employee development and training or for promoting better employee relations.

B. Hosting Of Prospective Employees, Visitors, Guests, or Donors

The University may pay or reimburse meal expenses when entertaining prospective employees, lecturers, visitors, guests, or donors. This includes recruiting activities as well as meal expenses for donors and University staff and volunteers involved in University telethons and fund-raising drives are considered an allowable University expense.

C. University Receptions

The University may pay or reimburse expenses related to University sponsored receptions to recognize employees, students and other stakeholders, or to honor visitors, guests or dignitaries or for groundbreaking activities and similar events. This incudes annual employee appreciation events and retirement functions.

D. Programmatic Activities

The University may provide students or conference participants with meals or light refreshments furnished in support of the University's educational programs, such as:

1. Athletic teams, including training-table meals, game-related meals, and occasional meals provided in accordance with the rules of the National Collegiate Athletic Association (NCAA);

2. Student recruitment drives, student orientation programs, commencement exercises, and similar activities;

3. Continuing educational programs, Summer Institute for Future Global Leaders, and similar self-supporting programs; and

4. Campus volunteers and research subjects.

5. Co-hosting of events sponsored in conjunction with other entities.

E. Entertainment

Entertainment expenses are allowable when directly related to University business purposes, or when required to foster donor relations, recruitments, or community engagement. Examples include cultural or social activities that support the University's mission.

Co-Hosting of Events
The University may share in the cost of events sponsored in conjunction with other entities when there is a clear business purpose and demonstrated benefit to the University.

1.7 TAX TREATMENT OF BUSINESS MEAL AND ENTERTAINMENT EXPENDITURES

To conform to IRS regulations governing business expenses, the University will not reimburse costs to a University employee for hosting, hospitality and entertainment when the reimbursement results in taxable income to the individual. Under IRS regulations, an employer's reimbursement of an employee business meal or entertainment expense will be considered taxable income to the employee if:

1. The activity is not directly related to the employee's job,

2. The expense is lavish or extravagant under the circumstances,

3. The official host (or other designated employee) is not present when the activity takes place, or the expense is not substantiated with supporting documentation.

1.8 REIMBURSEMENT DOCUMENTATION

A request for reimbursement, recharge, or payment of expenses for meals or light refreshments and related services associated with hosting, hospitality and entertainment events must be properly approved and supported by appropriate documents and a statement of justification.

MAXIMUM PERMITTED AMOUNTS

The maximum per-person rates for meals and light refreshments, including gratuities if applicable, are specified in the following table:[1]

Maximum per Person Rates Meals and Light Refreshments	**Amount**
Continental Breakfast/Breakfast	$24
Lunch	$36
Dinner	$50
Incidentals	$10

These rates make allowances for any and all provisions of labor, sales tax, delivery charges, and other service fees. Gratuities should not exceed 20% of total bill. These rates do not include any costs associated with rental of meeting or conference facilities, equipment rentals, decorations, and other items, which may be charged as an additional expense.

Expenses for flowers/plants for non-University sponsored events/activities may not exceed $85.

Any tangible award for outstanding service presented to an employee(faculty, staff or student-employee) may not exceed $85. Examples of such gifts include trophies, plaques, certificates ($85 maximum includes the potential cost of engraving).

Awards to non-employees (cash, gift cards, gift certificate or non-cash) cannot exceed $50 per individual. The $50 per individual limitation also applies to a human subject research participant who is typically a non-employee participating in a research project. Departments are required to maintain a log of cash awards and gift card/certificate awards that includes the awardee’s name, reason for award and tracking number.

Payments in excess of the approved maximum rates require the approval of the appropriate Dean or Component head together with a written justification which must be filed with the related documentation submitted with the request for reimbursement.

1.9 FUNDING SOURCE RESTRICTIONS

A. Government appropriations

There are strict limitations on the use of Government appropriations for certain expenses that may be incurred for hosting, hospitality and entertainment purposes. These limitations, which include expenses for alcoholic beverages or tobacco, must be observed and complied with. Legislatively appropriated funds may not be used for hospitality or entertainment purposes.

B. Contract and Grant Funds

Federal or local government contract and grant funds may not be used for hosting, hospitality and entertainment expenses unless specifically authorized by the grant or contract. All sponsored projects must comply with the applicable funding restrictions.

C. Other Funds

Various University-controlled fund sources other than Government appropriations and contract and grant funds may be used to fund the expenses authorized under this policy, but only to the extent that costs conform to the restrictions imposed by the fund source and to the guidelines set forth in this policy. When there is a conflict between the terms of the funding source and University policy, the more restrictive of the two shall apply. Various University-controlled fund sources, including institutional, gift, or discretionary funds, may be used to cover hospitality and entertainment expenses if reasonable and in accordance with this policy. When there is a conflict between the funding source terms and University policy, the more restrictive requirement shall apply. Gift and discretionary funds provide flexibility for events such as receptions or approved employee functions, but approval may still be required from appropriate University officials.

1.10 NON-ALLOWABLE HOSPITALITY EVENTS AND EXPENSES

The following expenses are not allowed and may not be paid for or reimbursed with University funds. This includes birthdays, weddings, showers, gift certificates and employee gift cards. Gift certificates and gift cards to employees (faculty, staff and student employees) are not allowable as they are considered taxable to the recipient. Expenses for alcohol and tobacco are strictly prohibited. Personal or social events are not permitted, except for approved retirement or separation functions. Additionally, single-individual meals that are not related to University business are not allowable.

1.11 ALCOHOL AND RESTRICTED ITEMS

The use of General Operating Funds for alcohol is generally not allowed. However, alcohol may be allowed at receptions or events using fit or discretionary funds, subject to final approval from the President.

UNIVERSITY OF THE VIRGIN ISLANDS
ADMINISTRATION AND FINANCE
FINANCIAL POLICIES
ACKNOWLEDGEMENTS AND CREDITS

This proposed financial policy document draws on financial policies and guidelines developed by various colleges and universities to the extent that research identified those policies as “best practice policy models” from which other colleges and universities in the higher education community have benefited. In a few cases, some elements of a proposed policy might mirror the financial policy guidance offered by a particular institution because that policy has been adopted by other institutions as a model policy.

The institutions from which policy guidance was been drawn include the following:

- University of Missouri
- The University of Chicago
- Pennsylvania State University
- Delaware University
- Colorado State University
- The University of Memphis
- Cornell University
- West Virginia University
- Dartmouth College
- Tufts University
- Auburn University
- Rogers and William University
- Clark Atlanta University
- Pepperdine University
- Northwestern University