

Appendix I - FISCAL RULES GLOSSARY

DEFINITIONS:

Advance Payment – A payment made for goods or services prior to the receipt thereof.

Advice of Employment – A document that includes an offer of employment.

After-the-Fact Purchase – An *After-the-Fact Purchase* occurs when liabilities are incurred on the College's behalf before a *College Purchase Order* or contract has been issued or executed by a *Delegated Officer* when required under College policy.

Agency – An executive department of the State of Colorado, or any subdivisions thereof.

Approving Authority - An individual who has authority to approve travel for *College Business* and related matters.

Benefits - Any pecuniary or material advantage provided by the College to a College employee other than salary, leave, incentives, awards, retirement *Benefits*, insurance *Benefits*, and travel and non-travel related reimbursements. Incentive awards, salary increases, fringe *Benefits* established pursuant to CRS 24-50-104(8) and (9) are not considered *Benefits* under this Rule.

Capital Construction – A *Capital Construction Project* or *Controlled Maintenance Project* funded wholly or in part by the state *Capital Construction Fund* (CRS §24-75-302) or any cash resources of the College.

Capital Construction Fund - A fund created by statute for the purpose of purchasing and/or maintaining land, buildings and equipment and for constructing buildings for use by the state.

Capital Construction Project – A construction project funded wholly or in part by funds from the state *Capital Construction Fund*.

College Business – Official *College Business* or other duties undertaken for College purposes and for the benefit of the College.

College Contract – Any formal, legally binding document between the College and another *Party*, the form, content and process for approval of which is described in Fiscal Rule 3-1. A *College Contract* that meets the requirements of Fiscal Rule 3-1 shall constitute a *Commitment Voucher* for purposes of Fiscal Rule 2-2.

Commitment Voucher - A document, the form of which has been approved by the Chief Procurement Officer of the College, evidencing the following:

- A description of goods or services being purchased or other reasons for the disbursement of funds;
- The amount to be paid;
- That the obligation of the College is being charged to the appropriate account; and
- That procurement requirements have been satisfied.

Commitment Vouchers include any approved form of *Purchase Order*, *College Contract*, travel authorization, *Advice of Employment*, *License* agreement, parking *License* agreement, Request for Payment (FRP) and other written authorizations for disbursement which satisfy the requirements of subsection 2.4.1 (Elements) of Fiscal Rule 2-2

Procurement cards are not *Commitment Vouchers*. Procurement cards are a method of payment, not a method of procurement. Purchases made with a procurement card also require the use of an appropriate *Commitment Voucher* or *Small Purchase Documentation*.

Contingency-Based Contract – A contract for services between the College and a vendor where:

- All or part of the vendor’s compensation is computed by multiplying a stated percentage by the measurable savings in the College’s expenditures or *Costs* of operation attributable to the vendor’s services under the contract; and
- The *Contingency-Based Contract* is not specifically authorized by statute. See CRS §24-17-203.
- Contingent fees are prohibited in certain *Professional Services Contracts*. See CRS §24-30-1404(4).

Controlled Maintenance Project – A maintenance project funded wholly or in part by funds from the state *Capital Construction Fund*.

CONUS - The 48 continental United States, including the District of Columbia.

Cost Objective - A project, grant, program, or other activity to which *Costs* are being allocated.

Costs - All expenses incurred by a project or program, either directly or indirectly. *Costs* include such items as labor, material, supplies, rent or building charges, operating expenses, and administrative expenses that might properly be assigned to the project or program.

Debt Contract - A financial obligation reported in the state’s Comprehensive Annual Financial Report under standards promulgated by the Governmental Accounting Standards Board. *Debt Contracts* include without limitation contracts for revenue bonds, tax revenue anticipation notes, lease purchases, certificates of participation, and other multi-year transactions with outside third-Party facilitators, issued or otherwise incurred by the College.

Delegated Officer – A College officer delegated to execute certain contracts on behalf of the College.

Delinquent - A *Payable* is *Delinquent* if a disbursement is not made within forty-five days after a liability arises, unless the time of payment has been otherwise provided in the contract or *Purchase Order*. A *Payable* being disputed by a vendor or the College shall become *Delinquent* if a disbursement is not made within forty-five days after resolution of the dispute.

Direct Cost - A cost incurred by a state *Agency* that exclusively benefits a specific *Cost Objective* and that may be readily identified with the same specific *Cost Objective*.

Emergency – An unexpected event creating an immediate threat to the public health, welfare, or safety, the functioning of the College, or the preservation or protection of property, which requires an immediate response.

Employee Voluntary Separation Agreement – A contract between the College and a College employee setting forth the terms of the employee’s voluntary separation from College service.

Encumbrance -An amount reserved on the College financial system or accounting system to reflect a formal obligation of the College. When required by College Accounting Rules, the College shall encumber funds prior to recording expenditures and disbursing funds.

Equitable Relationship - A relationship that is based on cause and effect or logic and reason.

Expenditure Contract – A contract between the College and another *Party* resulting in an expenditure of funds by the College, directly or indirectly, or the creation of a payment obligation on the part of the College. *Expenditure Contracts* do not include transactions in which an expenditure of College funds is supported by *Small Purchase Documentation* pursuant to Fiscal Rule 4-2.

Expenses Incurred for the Benefit of the College - Expenses incurred that enable a College employee or College official to perform assigned duties or enable the College to carry out responsibilities required by law.

Federal Funds - Funds received by the state either directly or indirectly from the federal government.

Financial Reports - Financial information compiled periodically to assist in management decision-making or for reasons other than financial statement purposes.

Financial Statements – Comprehensive reports prepared in accordance with generally accepted accounting principles, as adopted by the Governmental Accounting Standards Board.

Foreign Travel - Travel to any out-of-country destination not included within the definitions of *In-State Travel* or *Out-of-State Travel*.

Franchise Agreement – An agreement where the College grants to a *Party* a concession or right to provide goods or services in a particular market controlled by the College. The College may regulate service level, quality and price, but users of the service pay the other *Party* directly and the other *Party* provides the goods or services and exercises control over other management decisions.

Full Cost - The total of all *Direct* and *Indirect Cost* associated with a specific *Cost Objective*.

Fund Management Services – Professional consulting services regarding the management of College funds.

Goods Contract – A contract between the College and another *Party* for the purchase of goods. The term “goods” includes commodities, supplies, and products as such terms are used in the Uniform Commercial Code (CRS §24-1-201 General Definitions) or applicable College policy.

Grant Contract – An agreement between the College and another *Party* where the College:

- Receives grant funds from or through the other *Party* to the *Grant Contract*. The College may receive grant funds from or through any contract type, including without limitation, *Revenue Contracts*, *Sponsored Project Agreements*, *Intergovernmental Agreements*, and *Interagency Agreements*, depending on the nature of the grant; or
- Provides funds from Fort Lewis College sources to the other *Party* to the *Grant Contract*. The College may grant funds to the other *Party* from or through any contract type, depending on the nature of the grant.

Health Benefits Agreement – Any contract for the purpose of establishing a health or welfare *Benefit* plan for the benefit of College employees, officials or students and which may include provisions for the payment of premium or deductible contributions to such plan by the employee, official or student or by the College.

In-State Travel - Travel within the State of Colorado and to the immediate area outside the state that is a necessary part of an otherwise "in-state" trip.

Incidental Expenses – Fees and tips given to porters, baggage carriers, bellhops, hotel maids, and skycaps for airport check-in, and cost of personal telephone calls. *Incidental Expenses* do not include expenses for laundry, cleaning and pressing of clothing, and *Lodging* taxes.

Indirect Cost - A cost incurred by a state *Agency* that does not exclusively benefit a specific *Cost Objective* and that cannot be readily identified with the same specific *Cost Objective*, and, therefore shall be allocated to *Cost Objectives* on some basis of assumed service/benefit or other equitable distribution basis.

Indirect Cost Allocation - A systematic and rational allocation of *Indirect Cost* to benefiting programs and activities that result in the calculation of an *Indirect Cost* recovery rate or the identification of the amount of *Indirect Cost* assigned to the benefiting program for cost recovery purposes and/or to establish appropriations and fees. Four types of documentation representing *Indirect Cost Allocations* to *Cost Objectives* are recognized in this fiscal Rule:

- a. Statewide Federal *Indirect Cost Allocation Plan* - The plan prepared by the State Controller's Office, using federally approved costing principles, to allocate the allowable central administrative *Costs* of state government to state agencies for inclusion in its State *Agency* Federal *Indirect Cost* Rate Proposal/Plan.
- b. Statewide Budget/Cash *Indirect Cost Allocation Plan* - The plan prepared by the State Controller's Office using Full Costing principles, to allocate the central administrative *Costs* of state government to state for inclusion in its State *Agency* Budget/Cash Program *Indirect Cost* Determination Worksheet.
- c. College Federal *Indirect Cost* Rate Proposal/Plan:
 - Proposal - A document prepared by the College to establish a rate used to recover *Indirect Costs* from federally funded programs or activities.
 - Plan - A document prepared by the College to document *Indirect Cost Allocation* algorithms used for federal *Indirect Cost* recovery purposes.
- d. Documentation of an *Indirect Cost Allocation* prepared separately or as a part of a fee formulation process, the allocations from which are used to establish a component of fees for state cash programs and services.

Information Technology Contract – A contract between the College and another *Party*, where the other *Party* provides information technology services or products and services.

Installation – Normal hookup of appliances to existing utilities. It does not include adding plumbing, wiring or vents.

Institution of Higher Education -A public college, community college, or College established as a part of the state.

Interagency Agreement - An agreement between the College and one or more *Agencies* or *Institutions of Higher Education*.

Interagency Purchase Order - A *Purchase Order* issued by a state *Agency* or *Institution of Higher Education* to another state *Agency* or *Institution of Higher Education*.

Intergovernmental Agreement – An agreement between the College and a political subdivision of the state, another state, a political subdivision or public *Institution of Higher Education* in another state, or an agency of the federal government.

Investment Advisory Services -Professional consulting services regarding securities and investments.

License – A grant by the owner of rights in real or personal property to another of a personal privilege to use such property, without the transfer of the underlying ownership interest therein.

Loan Contract – An agreement between the College and another *Party*, where the College agrees to loan funds to such other *Party*.

Lodging - Any commercial accommodations available or offered for use for which a rental schedule has been established and payment is required.

Official Function -A meeting, conference, meal, or other function that is hosted by the chief executive officer, or representative, of the College, attended by guests and/or College employees, and held for official *College Business* purposes.

Out-of-State Travel - Travel within *CONUS*, other than *In-State Travel*, or within Alaska or Hawaii.

Party – An individual or entity who is not an *Agency* or *Institution of Higher Education*. If appropriate in the context, the term “*Party*” may also refer to multiple individuals or entities who are not *Agencies* or *Institutions of Higher Education*.

Payable - A *Payable* is a liability incurred by the Fort Lewis College. A liability shall arise upon receipt of supplies and services and a correct notice of the amount due. A liability shall not arise if a good faith dispute exists as to the College's obligation to pay all or a portion of the liability.

Personal Property Lease Agreement – An agreement between the College, as lessee, and the owner of personal property, as lessor, where the College pays the lessor for the right to use such personal property for the term of the lease. A personal property lease may be an operating lease or a capital lease.

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

Price Agreement – A contract which allows the College to order goods or services from the vendor, pursuant to the terms of the *Price Agreement*, by issuing a *Purchase Order*, task order, or other approved order form.

Professional Services Contract – A contract between the College and another *Party* for the performance of any of the following services: architectural, engineering, land surveying, industrial hygienist, and landscape architect.

Purchase Order - A document, in a form prescribed by the Chief Procurement Officer, prepared and approved by an authorized College employee for the purpose of encumbering funds and securing goods or services from a vendor. For the purpose of this Rule, a *Purchase Order* is not a *College Contract*.

Real Property Lease Agreement – An agreement between the College and another *Party*, where the College:

- As landlord, owns the real property subject to the lease and gives the other *Party* to the Lease, as tenant, the right of possession of such property for the lease term; or
- As tenant, obtains the right of possession of the real property subject to the lease from the owner of such property, as landlord, for the lease term.

Real Property Purchase Agreement – An agreement for the purchase of an interest in land (fee title or lesser interests) and improvements to land, such as buildings and other structures.

Reimbursement Request – A request for reimbursement of travel expenses incurred by a *Traveler* under this Rule.

Revenue Contract – An agreement between the College and another *Party* where cash and/or property are paid to the College, resulting in revenue recognition. *Revenue Contracts* do not require the expenditure of College funds or create an obligation on the part of the College.

Reviewing Attorney – An attorney employed by the State Attorney General as an assistant attorney general who is authorized to review contracts on behalf of the College.

Sale of Securities – The offer, issuance or *Sale of Securities* by Fort Lewis College. Securities include certain *Debt Contracts*.

Settlement Agreement – A contract between the College and another *Party* for the purpose of ratifying agreements concerning employment or contractual disputes.

Small Purchase Documentation - *Small Purchase Documentation* is required for purchases of \$5,000 or less. Documentation shall include:

- Description of goods or services being purchased or other reasons for the disbursement of funds; and
- The amount to be paid.

Fort Lewis College shall ensure that:

- The College's obligation is being charged to the appropriate account; and
- Procurement requirements have been satisfied.

Small Purchase Documentation includes, without limitation, an invoice, billing, receipt, court order, or any other document appropriate to the transaction and approved by the College Controller. *Small Purchase Documentation* is not required for purchases that do not require a receipt under Fiscal Rule 5-1(Travel).

Sponsored Project Agreement – An agreement between the College and another *Party*, where Fort Lewis College receives or expends restricted funding for use in connection with oversight responsibilities for research and development or other specified programmatic activities sponsored by federal, state, or local governments, or private agencies or organizations.

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

Training Function -A meeting, conference, or other function which is hosted by the College, attended by customers of the College and/or College employees, and held to enhance staff knowledge or to educate customers of the College or College employees, that are affected by the College's operations or regulations. *Training Functions* should have a written agenda, study materials, and be led by an identified presenter.

Transportation - Travel by commercial airline, railroad, bus, taxicab, College owned, leased, or personally owned automobile or airplane or any other means of conveyance.

Travel Advance – The advance of funds to a *Traveler* for approved travel expenses by the College.

Traveler – A College employee, official or student who receives required approvals to travel on *College Business*.

Traveler's Regular Work Location – Generally, the primary location where the *Traveler* works.

Traveler's Residence – The location where the *Traveler* maintains his or her primary family home.

Traveling Away from Home – A *Traveler* is *Traveling Away from Home* if: a) the *Traveler's* duties require him or her to be away from the *Traveler's Regular Work Location* substantially longer than an ordinary day's work, and b) the *Traveler* needs to sleep or rest to meet the demands of his or her work while away from home.

Utility Cost-Savings Contract – An energy performance contract, shared-savings contract, or other agreement in which utility cost savings are used to pay for service or equipment. See CRS §24-30-2001(6).

Vendor Agreement – A *Vendor Agreement* is any form of agreement provided by a vendor, including an on-line agreement, containing contractual provisions relating to the goods and/or services to be provided by such vendor.