

From: Silverman, Celestine
To: SRBA-SCHOOLCENTER-L@LISTS.UPENN.EDU; SRBA-CENTRALADMIN-L@LISTS.UPENN.EDU
Subject: Limited Engagement Threshold
Date: Tuesday, April 1, 2025 3:51:00 PM

The following correspondence is being sent on behalf of Mark Dingfield:

Increase in Limited Engagement Transaction Threshold

As part of Finance Forward, the Division of Finance (DoF) is increasing the Limited Engagement (LE) threshold to \$5,000 **per transaction**, effective **immediately**. The annual limit will remain the same at \$5,000. Based on feedback from Schools and Centers and data analysis, we expect this change will reduce administrative burden by expanding the volume of individual service providers that are eligible for the streamlined LE process.

With this policy change, compliance remains a top priority. It is critical for Schools and Centers to follow the current LE process in full **before** work is performed. To support compliance, DoF will implement additional controls to monitor policy adherence.

Increase in Limited Engagement Threshold Per Individual Transaction

What's Changing?

- The University is raising the Limited Engagement dollar threshold for individual transactions from \$1,000 to \$5,000 effective immediately.
- The Division of Finance will be monitoring and providing new reporting to senior leadership on adherence to the LE policy.

What's NOT Changing?

- The annual Limited Engagement threshold will remain at \$5,000.
- Per policy [2319.3](#), the definition of Limited Engagement remains the same:
 - The individual is a guest speaker, guest lecturer, artist, performer, writer/editor, board member, critic, preceptor, or mentor of an academic nature. The individual is not University faculty, staff, or student. For additional clarity on **who** qualifies in each of the above categories, please see below.
 - The engagement is limited to a short-term duration, typically less than 30 days.
 - The service payment to the individual has a maximum dollar amount of \$5,000 per transaction; \$5,000 per calendar year. This is not to pay individuals on an hourly basis.
- The overall process and documentation for onboarding and processing non-po payment requests for Limited Engagements will remain the same **at this time**.

Clarity on Limited Engagement Service Types

Below is expanded guidance on typical LE service types with definitions and examples. As a reminder, if the service payment is over \$5,000, individuals within these service types should be treated as an Independent Contractor with a Purchase Order and standalone agreement.

Penn LE Service Types	Definition/Examples
Guest Speaker	Expert, professional, or influential individual who charges a fee to deliver a talk or presentation at an event
Guest Lecturer	An academic or professional expert who charges a fee to deliver a lecture, a limited series of lectures, visiting professors guest lecturing at a course on a limited basis
Artist	Artist doing an art exhibit, stage set and light designer, costume designer, choreographer
Performer	DJ, singer, comedian, dancer, musician / instrumentalist, actor, magician/clowns, juggler/circus performer, performance painter (i.e. sand painter)
Writer/Editor	Writer/editor for grants, articles, manuscript reviewer / editor
Board Member	Payment to advisory/directory board members for duties
Critic	Someone paid to critique/write a review of a piece of work (literary, artistic, etc.) or paid to judge a competition
Preceptor	An experienced professional who mentors, supervises, and trains students or trainees in a practical, hands-on learning environment
Mentor of an Academic Nature	An experienced faculty member, researcher, or professional who provides guidance, support, and advice to students, scholars, or junior faculty in their academic and professional development

Future Vision for ISPs

We recognize the need to reengineer our broader Independent Service Provider (ISP) process, including Limited Engagement, to make it more efficient, user-friendly, and compliant. Over the coming months, a team of Central and School and Center representatives will work to streamline this process, providing clearer guidance and enhanced controls to ensure policy compliance. Please stay tuned for future communications on this work.

Have Questions?

Policies related to Limited Engagement can be found [here](#). For any further questions, please contact [BEN Helps](#).

MARK DINGFIELD
Vice President, Finance and Treasurer
University of Pennsylvania

Executive Assistant: Carolyn Rasp
Phone: 215.898.9845

3401 Walnut Street
Philadelphia, PA 19104