

Business and Travel Policy

Policy Owner Office of Finance and Business

Policy Statement

Converse University is committed to establishing and maintaining an environment that embraces the highest standards of ethical conduct and behavior. As stewards of its resources and reputation, faculty and staff share an important responsibility for upholding the standards of excellence that define the University and strengthen the community's trust and confidence in its integrity.

This policy has been established to ensure the best possible use of the University's resources, manage expenditures, cost-effective travel, and prompt reimbursement of those expenses incurred by University employees for University business.

Questions pertaining to the policy should be directed to your supervisor, a division Vice President, or to the Controller of Converse University. It is the responsibility of the Controller and the Vice President for Finance and Business, in conjunction with the President as needed, to update this policy.

Scope

This policy applies to all employees of Converse University for expenses to be reimbursed by the University. It is the responsibility of each employee to comply with the Converse University Business Expense and Travel Policy. Supervisors are responsible for authorizing expenses, reviewing and approving reimbursements in compliance with the University Business Expense and Travel Policy, and verifying that the expenses are within budgetary constraints.

Policy

A. Cash/Expense Advances

The following criteria must be met in order to receive a cash advance:

- Must include supporting documentation with the employee name, business purpose, and proper approval
- If the request is for a Travel/Cash Advance, documentation must include conference registration if applicable and a list of travelers in addition to the employee name, business purpose, and proper approval

Note that cash advances are not allowed for hotel reservations. These should be made using a University Corporate credit card or a personal credit card.

Advances drawn for the subsequent distribution to members of a University group (student/athletic group) should be acknowledged by each individual (i.e., the Office of Accounting and Administration should receive a form listing individual, the amount received with their signatures acknowledging receipt). In the event the vendor is paid directly for the entire group, the vendor receipt with the number of people in the group is sufficient.

In order to prevent the loss of receipts, we request that all documentation be taped onto 8 ½ x 11 paper.

For Settlement/Reimbursement, the Office of Finance and Business needs a valid check request, expense reimbursement form, or a petty cash reimbursement request (up to \$75) as soon as possible and no later than 30 days after the expense has been made. The form must include:

- Employee name, business purpose, proper approval, and if for travel or mileage, reason, and details for the trip. If a group travels, a list of names must also be included. **Expense reports lacking any of this information will be returned for correction.**

- Must include supporting evidence of expenditures (original receipts) with details. *All receipts etc., should be in English. If not in English, a translation must be provided for each item, line by line.* Note that summary credit card receipts do not constitute an original receipt (must include detailed credit card receipt).
- Any amounts left over must be returned to the University at the time of settlement. Reimbursement will be made to the employee if the business expense is more than the cash advanced, depending upon the amount.

Exceptions to the guidelines stated above require special approval. A memo detailing the exception must be approved and signed by a senior University official and submitted with the expense reimbursement request. This will provide the Office of Accounting and Administration with an audit trail for future internal and/or external audits.

In the event that an unsettled advance goes beyond 30 days and practical attempts have failed, the University may pursue other collections options. This may include reporting the amount to the IRS via W-2, along with the withholding of proper taxes.

B. Corporate/University Credit Cards

The University issues corporate credit cards to individuals based on a business need. These credit cards may only be used for business expenses. The corporate/University card is the responsibility of the individual cardholder, and it is the individual cardholder's responsibility to ensure that receipts are returned in a timely manner.

The same rules/restrictions for expense reimbursements for travel, meals, and business expenses outlined in this policy apply to corporate/University credit card usage. Please refer to the Business, Expenditure, and Travel Policy A-1 for more information.

It is at the discretion of the University to revoke or cancel a University card at any time under any circumstances.

C. Entertainment

Entertainment expenses include events such as theater or sporting events, whereby a business discussion takes place during, immediately before, or immediately after the event.

Entertainment records must include the date, location, type of entertainment, a description of the business reason and nature of the discussion, and the business relationship, names, and titles of those in attendance.

An original receipt must be submitted with the cash/check request for any meal or entertainment expense for cash payments. In addition to the original receipt, the following documentation is required by the IRS and must be recorded on the cash/check request:

- Names of individuals present, their titles, and company name if applicable
- Name and location of where the meal or event took place
- Exact amount and date of the expense
- Specific business reason or business topic discussed

All meal and entertainment expenses are subject to disallowance if certain criteria are not met. Therefore, it is critical that all business meals and entertainment expenses be properly documented.

E. Memberships

The University may pay for individual professional memberships to organizations that do not offer institutional or corporate memberships if the employee's supervisor or the authorized signer for the

employee's department approves membership.

A request for payment of a membership that does not clearly indicate an institutional membership must meet the following guidelines:

- The membership is clearly in the best interest of the University and directly relates to the job responsibility of the employee
- Institutional or corporate membership is not offered by the organization
- Publications (journals, newsletters, etc.) that are a benefit of membership should be available, whenever possible, for use by other employees in the unit.

F. Telephones

University Telephones

Personal long-distance calls from a Converse University telephone should be made using a personal calling card. In the event that an employee must use a University telephone without a personal calling card, his/her department must be reimbursed for the cost of that long distance call(s).

Cellular Phones

University provided cellular phones are intended for business use only, and the detailed bills that support that use must be available for review. Employees will be responsible for reimbursing the University for any additional charges the University must incur for personal usage related to text messaging, data usage and roaming, and long-distance charges.

G. Meals

Since every scenario and situation cannot be anticipated in advance, it is expected that this policy will be interpreted on a conservative basis and that each employee will exercise the same prudence as would be exercised if the employee were bearing the expense personally. All expenditures are subject to budget constraints.

Allowance for Meals

For domestic travel, the meal expense allowance is not to exceed \$35.00 per day per individual for three meals, including tips. For international travel, the meal expense allowance is not to exceed \$50.00 per day. Prescribed maximums are not to be treated collectively as per diem allowances, nor are they to be used individually without regard to the actual and necessary expenses. If actual expenses are less than the prescribed maximum, reimbursement is allowed only for actual expenses; in the event of team or group travel, including travelers' names on appropriate receipts.

Certain cities and travel areas will be allowed reimbursements up to \$50.00 per day provided proper documentation and receipts are provided. These areas include but are not limited to:

- Atlanta
- Baltimore/DC Area
- New Orleans
- New York City
- Orlando
- Chicago

Other cities not included above require prior approval from the Office of Accounting and Business.

Alcoholic beverages and tobacco products are typically not reimbursable in ordinary business travel; however, under certain circumstances where the area's Vice President's approval is obtained prior to travel, limited reimbursements are permitted.

Within the office of Institutional Advancement and the President's Office, when the meal is with a current or prospective donor, the meal expenditure can be reimbursed in excess of the current standard rate with supervisor approval. In these circumstances, it is recommended that the daily per diem allowance should not exceed \$70 per person, including tips and alcohol.

Meals included in conference registrations, covered by other University payments, or paid by others, are not eligible for reimbursement to the traveler.

Meals that are reimbursed for an individual employee without an accompanying overnight stay are considered taxable income (IRS Publication 17, Chapter 26). As a result, employees cannot be reimbursed for meals without an overnight stay unless one of the following conditions is met:

- They are entertaining non-University employees (who must be identified on the receipt) for business purposes
- They are attending a conference in which the meal is not included in the cost of the conference
- The employee is in continuous travel status for 12 hours or more
- Athletic team travel will be also be included as an exception.

Tipping for Meals

Tips included on meal receipts will be reimbursed as part of the meal expense allowance. Excessive tips (greater than 20%) will not be reimbursed.

Settlement/Reimbursement

Reimbursements are to be submitted on a petty cash reimbursement request (up to \$75), an expense reimbursement form, or a check request form. Expenses must be accurately reconciled as soon as possible and no later than 30 days after the expense has been incurred. **Original** itemized receipts are required for all meals. Note that summary credit card receipts do not constitute an original itemized receipt. In order to prevent the loss of receipts, we request that all documentation be taped onto 8 ½ x 11 paper. *Reimbursement forms must list the names of the attendees, including students.* Undocumented or unexplained expenses will not be paid.

The requestor must obtain the budget officer's approval for all reimbursement requests and requests for vendor payments. Budget officer approvals require the budget officer's signature on properly prepared expense vouchers with clear signatures to comply with the necessary requirements. Improperly prepared or incomplete forms will be returned to the requestor. Budget Officers approving expense reimbursement requests are responsible for assuring compliance with the policy as well as determining what is appropriate and reasonable.

All reimbursement requests will also be reviewed by the Office of Finance and Business for compliance with the policy regardless of signatures. Requests which are not clearly within the policy or that are illegible will be returned to the requestor for discussion and follow-up. It is the burden of the employee submitting the request to ensure that the request can be read and its business purpose and attendees are clear.

Travelers must ensure that all reimbursement requests submitted for payment are approved and authorized. Approval of reimbursements submitted for payment requires that the approver:

- Be actively involved in the business purpose of the trip
- Has reviewed the reimbursement voucher and is satisfied that obligations were met
- Verifies that prices and terms are correct
- Accepts responsibility for the charge and any variances to budget

Expenses submitted for reimbursement should be turned in as soon as possible. No reimbursements will be considered if turned in more than 60 days after being paid or incurred (30 days at year-end).

Special Circumstances

There are certain circumstances where additional guidance applies. For these unusual items, seek prior approval.

H. Travel

The University will reimburse employees for reasonable and necessary expenses while away from home in the conduct of business based on IRS guidelines for an accountable plan. Away from home required that the employee is away for a period substantially longer than an ordinary workday and/or it is reasonable for the employee to spend the night.

Employees will not be reimbursed for entertainment expenses while traveling unless the expense is for a valid business purpose. Personal entertainment expenses not related to the entertainment of customers or donors are not reimbursable. Examples include sporting events, theater, in-room movies, snacks, etc.

Where feasible and appropriate, you should have the University pay pre-trip travel expenses before the trip. Eligible expenses you pay are reimbursable after the trip.

All receipts should be in English. If not in English, a translation must be provided for each line item.

Where feasible, when the University pays the cost of travel by third parties such as candidates and consultants, the department should work with the individuals in order to take advantage of University discounts and processes.

Spouse/Companion Travel

A spouse or other individual may accompany an employee on a business trip at the employee's expense; Converse University will only cover the employee's expense and not the spouse/companion's expense.

Travel Arrangements

Employees should make reservations (for flight and hotel accommodations) as early as possible to take advantage of advance purchase discounts. Travelers should select modestly priced accommodations and avoid expensive, "downtown" hotels.

Lodging

All hotel reservations should be secured in advance when possible, using direct billing. The Office of Finance and Business will gladly assist in setting up an account for direct billing at hotels/motels that you frequent. If direct billing is not possible, the University's corporate credit card or personal credit card should be used **prior to travel**. Cash advance funds are NOT allowed for hotels. The employee can report the expense on a travel reimbursement form for reimbursement.

Trips of less than 50 miles one way from the University, or the traveler's residence, whichever is shorter, are considered local travel and do not qualify for an overnight stay unless Converse business requires attendance at an event away from Spartanburg, where attendance and travel for the event would prohibit the employee from having adequate time at his/her home to rest.

For seminars, meetings, or other group activities, reimbursement will be for no more than the published conference group rate at the host hotel.

It is the responsibility of the traveler to cancel any room reservation he/she will not be using. A record of the cancellation number should be kept in case of billing disputes.

If an employee fails to cancel a reservation in a timely fashion, he/she may be held responsible for any cancellation fees. A written explanation for any failure to cancel must be filed.

Room service, alcohol, in-room movies, snacks, and valet parking are NOT reimbursable. Reasonable cab fares will be reimbursed when no other forms of transportation are available.

Combining University Business Travel with Other Travel

The University will only reimburse the business portion of a trip when that trip is combined with personal vacation travel. Only receipts from the business portion of the trip must be submitted.

If the delineation between business ending and vacation beginning is unclear, expense reimbursement will be subject to the Office of Finance and Business for review and approval. They will use IRS regulations and guidelines as a basis for determining reimbursement.

Standard Mileage

Mileage is reimbursable for business-related travel of 10 miles or greater one way. For mileage reimbursement, you must include the specific origination and destination and the purpose of the trip or trips. Note city names alone are not acceptable.

The University will reimburse employees and students for the approved use of their personal vehicles at a mileage rate predetermined by the University. This reimbursement rate is intended to cover the costs of gasoline, oil, repairs, insurance, and other expenses. Please use the Expense Reimbursement form for reimbursement.

Rental Cars

The University encourages efficient faculty/staff travel. Rental cars have proven to be an efficient method for faculty/staff travel and should be used as the guidelines below apply.

If the round-trip University-related travel is greater than 200 miles, arrangements to rent a vehicle are encouraged. Not only is it more cost-effective for the University, but it will save the employee from accumulating miles on his/her personal vehicle.

Personal Vehicles

When travel by private automobile is chosen over commercial transportation to save time, transport equipment, or reduce costs when a number of people are traveling together to the same destination, reimbursement to the driver is made on the basis of miles traveled. The mileage submitted for reimbursement must be documented. This per-mile reimbursement predetermined by the University is intended to cover the costs of gasoline, oil, repairs, insurance, and other expenses.

When travel by private automobile is for the convenience of the traveler, reimbursement is not to exceed the cost (or the sum of the costs for more than one traveler) of round-trip coach airfare, plus the reasonable costs of ground transportation, including a rental vehicle.

The mileage allowance covers all operating costs of the vehicle (including gas and insurance); therefore, no other vehicle expense reimbursements will be made.

Tolls and fees, such as parking charges, will be reimbursed if duly noted on the submitted form. Traffic and parking violations are not reimbursable.

Travel between a person's home and the University is considered a personal commuting expense and is not reimbursed.

Per IRS guidelines, an adjunct faculty member is considered to be an employee with no regular or main place of business. Transportation between residence and classroom (campus) is considered normal commuting and is non-reimbursable. If reimbursed, the reimbursed amount must be included in the employee's W-2 earnings and taxed. Therefore, the reimbursement will come through as part of the adjunct faculty member's payroll.

Telephone Usage

While traveling on University business, reasonable business phone calls will be reimbursed. In addition, reasonable calls made to one's primary residence will also be reimbursed. To minimize the additional charges added by hotels for room-telephone usage, a calling card or cell phone should be used whenever possible.

Settlement/Reimbursement

Reimbursements are to be submitted on a petty cash reimbursement request (up to \$75), an expense reimbursement form, or a check request form. **Original** itemized receipts are required for all travel expenses. *Reimbursement forms must list the names of the attendees, including students.*

In order to prevent the loss of receipts, we request that all documentation be taped onto 8 ½ x 11 paper.

The requestor must obtain the budget officer's approval for all reimbursement requests and requests for vendor payments. Budget officer approvals require the budget officer's signature on properly prepared expense vouchers with clear signatures to comply with the necessary requirements. Improperly prepared or incomplete forms will be returned to the requestor. Budget Officers approving expense reimbursement requests are responsible for assuring compliance with the Meals policy as well as determining what is appropriate and reasonable.

Expenses submitted for reimbursement should be turned in as soon as possible. No reimbursements will be considered if turned in more than 60 days after being paid or incurred (30 days at year-end). Please refer to the Business, Expenditure, and Travel Policy A-1 – Expenditures for more information.

1. **Unallowable Expenses**

Unless specifically addressed in this policy, no other expenses are reimbursable. Unallowable expenses include but are not limited to the following:

- Expenses that do not support the University's missions of education, research, and public service
- Expenses that are extreme, excessive, and/or illegal
- Expenses that represent personal recognition of Converse University employees (Faculty and Staff), i.e., costs to recognize birthdays, childbirth or adoption, weddings, anniversaries, holidays, retirement, etc. are unallowable
- Gifts to students – workers, paid for with University funds
- Personal expenses that are neither business-related nor required in carrying out an individual's job responsibility.
- Home office costs that are not part of the official arrangement
- Food for a regular faculty/staff meeting
- Expenditures that are (or will be) reimbursed from another source
- Amusement, entertainment, or social activities that are not directly connected to Converse University functions and purposes (see policy on Entertainment)
- Attendance by certain categories of faculty and/or staff at a University-sponsored fundraising event helps to serve an "advancement" function at the event. The actual cost of the meal should be the only amount billed and reimbursed. That amount may be charged as a Converse University Expense. Any contribution made on top of that amount would be a personal choice contribution paid for by the individual faculty/staff member.
- Barbers/hairdressers
- Car washes
- Child/ElderCare
- Clothing
- Coffee purchases that are not a part of a business meeting or meal
- Credit Card Delinquency fees
- Health clubs/Fitness centers
- Individual association membership fees, dues or licenses that are not directly related to the individual's position or academic discipline
- In-flight telephone charges
- In-flight or in-house movies
- In-flight cash bar
- Medications
- Parking tickets
- Personal incidentals including snacks, magazines, newspapers
- Pet care
- Room Service and in-room snacks, including mini-bar
- Shoe shines/repairs
- Souvenirs/personal gifts
- Tobacco products
- Traffic violations
- Towing charges for unauthorized parking

- Valet parking/service (unless that is the only option, as is the case for some downtown hotels)

Version History

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