

FA001 Business and Travel Expenses

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Section 1 GENERAL OVERVIEW

FA001.1001 Scope

This policy applies to faculty, staff, students, and other members of the Wesleyan community. Some departments or programs of the University may have more restrictive policies on travel and expenses.

Throughout these policies, there may be additional requirements imposed on purchases made with federal funds. Where applicable, additional requirements are denoted in ***bold, italics font***.

FA001.1002 Policy Statement

Members of the Wesleyan community are expected to spend Wesleyan funds prudently, follow Wesleyan policies and related procedures and submit for reimbursement for all expenses on a timely basis. Expenses will be reimbursed by Wesleyan if they are reasonable, necessary, and meet policy and compliance requirements.

The basic policy governing travel expenses is that an individual should neither gain nor lose funds in the course of conducting University business.

Section 2 Policy Sections

FA001.2001 General Policies

Because the revenue the University receives from students and from donors is intended to support the University's mission of educating students, we must only spend University funds on items that are related to that mission.

All funds received by the University, regardless of source, are University funds and must be managed in accordance with University policy. The uses of grant funds are further restricted by applicable laws, the rules and regulations of the granting entity, and the terms and conditions of the grant.

- Wesleyan will only reimburse expenses incurred in connection with University business that are appropriately documented by the employee and submitted in a timely manner.
- The intent of the Business and Travel Expense policy is to reimburse employees for out-of-pocket expenses incurred while on University business that would not otherwise be incurred. Expenses that are of a personal nature, or expenses that would be incurred whether or not the employee was on University business, are not eligible for reimbursement.
- Reimbursement will be on the basis of actual and reasonable expenses incurred for transportation, meals, lodging and other necessary business expenses. A per diem travel reimbursement allowance is not available.
- Employees are expected to adhere to the laws in effect for the state or country to which they are traveling. Fees or fines incurred due to legal infractions (such as parking fines, speeding tickets, etc.) are the responsibility of the employee. The University will not reimburse such fees or fines.
- The University is not responsible for the loss of personal property while on a business trip. Any personal property brought on a business trip that is lost or stolen may be covered by the employee's homeowner's or renter's insurance subject to the limitations of the policy.
- Discounts are often available through AAA, AARP, and other personal and professional organizations. The University cannot pay for personal memberships, but if these discounts are available to the employee the University encourages the employee to utilize them and appreciates the effort to minimize travel costs.
- Employees who travel frequently should request a University Travel Expense Card. Requests are available on the Finance office web page and must be approved by the employee's supervisor.

- Employees who choose to incorporate personal travel with business travel must prorate the costs and provide documentation proving the business portion.
- Exceptions to this policy can only be granted when they relate to issues that are not dictated by IRS regulations. Exceptions must be approved by the supervisor (or their appropriate designee), the applicable Cabinet member or direct report to the President, and the Finance office.

Employees must account for all advances, allowances, and other reimbursements of expenses. This accounting must include:

- Sufficient information to establish the business purpose of the travel, entertainment, or other expenditure
- An adequate record of each expenditure including the amount, date, and place
- Substantiation of expenditures with original receipts
- The return of any unused monies from cash advances

As a general guideline, it is expected that travelers and individuals approving Expense Reports will interpret these policies in a manner that keeps expenses to a minimum and fairly assigns the costs of business-related activities to the University. Accordingly, the primary responsibility for adherence to these policies rests with the departments and supervisors who are authorizing travel and approving expense reimbursements.

2001.1

Third Party Payments

Wesleyan is required to report payments for services rendered by others to the IRS on forms 1099-MISC (for services rendered by non-employees), W-2 (for services rendered by employees) or 1042-S (for services rendered by nonresident aliens). Payment for services rendered to the University and conducted by a U.S. individual or company must be paid directly to the individual or company.

Employees and students are not permitted to pay for the services of an individual or company and seek reimbursement.

Section 3 Specific Expense Policies

FA001.3001 General Travel Principles

3001.1 *Valid Business Purpose*

Travelers must provide a business purpose for each travel expense, including appropriate supporting documentation, to validate the need for the travel expense.

If a travel itinerary is structured to accommodate personal business or leisure, the travelers must pay the incremental cost of personal travel and document the costs incurred, separating personal expenses from University business expenses. Whenever possible, personal expenses should be charged separately when making travel arrangements.

3001.2 *Travel Arrangements*

Employees are free to choose the travel agent they wish to work with or deal directly with the airlines/hotels or purchase transportation/lodging online. However, the University recommends the use of Sanditz Travel (Wesleyan x2187 or see the Purchasing website for additional information) when booking travel reservations for air, hotel and car rental.

Travelers (or their designees) conducting Wesleyan business are encouraged to plan their travel as far in advance as possible, as the availability of lower fares and rates is generally greater when reservations are booked well in advance. ***Note that travel on sponsored awards may be governed by different effective practices. In such instances, travelers (or their designees) are expected to comply with the relevant guidance from the sponsored entity.***

3001.3 *Travelers Accompanied by Family Members and Other Companions*

The University does not provide reimbursement, or otherwise pay, for travel and entertainment expenses of family members and others who accompany Wesleyan employees on business trips. There are, however, a limited number of situations in which there is a business purpose for the presence of spouses, family members, or others on University trips. Such situations require prior approval by the traveler's Cabinet member and the Finance Office.

3001.4 *Travel Funded by Sponsored Awards – General Principles*

Travel charged to sponsored awards is subject to specific limitations and restrictions set by the sponsor(s). Travel restrictions may vary between federal and non-federal sponsors.

Certain expenditures (e.g. alcohol) are “unallowable” in accordance with federal cost principles and cannot be charged to a federal award. Some expenses are not allowed on a sponsored award may, however, be reimbursed by non-sponsored funds under specific circumstances if the expense is reasonable, adheres to University policy, is

broken out separately from the allowable expense(s) and is coded to the proper spend category.

Additional restrictions may apply.

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FA001.3002 Air Transportation

The University will reimburse the cost of airfare within the basic least expensive unrestricted accommodations class offered by commercial airlines, consistent with business requirements. Regardless of the specific airline's name for this class, the University intends for this to be the equivalent of "economy" or "coach" travel.

In addition to the base fare, the University will reimburse for the following incremental purchases and upgrades within the basic least expensive unrestricted accommodations class, to the extent such items are not included in the airfare price:

- Refundable tickets – travelers should weigh the cost of refundable tickets with the risk of having to make changes in travel plans before purchasing a ticket.
- Checked luggage (up to two (2) bags)
- Seat selection
- Preferred seating within the basic least expensive unrestricted accommodations class (**not allowable on federally sponsored awards**)
- Internet access to be used for business purposes (**not allowable on federally sponsored awards**)

Departments and Fiscal Managers retain the discretion to impose tighter pricing expectations for budgetary and other considerations.

3002.1 Airline Club Memberships

The University does not pay dues or fees for a traveler's membership in airline clubs.

3002.2 Changes and Cancellations

Travelers should endeavor to avoid change and cancellation fees whenever possible. In the event a traveler incurs a change or cancellation penalty:

- Penalties for changes to an airline ticket for business reasons or circumstances beyond the traveler's control will be reimbursed.
- When applicable, the remaining value of the airfare credit should be applied to the next appropriate business trip. Unused ticket credit cannot be used for personal travel. Unused ticket credits may be purchased by the employee to be used for personal travel.
- Travelers will not be reimbursed for trips cancelled, changed, or forfeited for personal convenience.

3002.3 *Travel Insurance*

Generally, the University does not pay for trip cancellation insurance. In certain circumstances, however, cancellation insurance may be reasonable based on the high cost of an airline ticket. Before purchasing such a ticket, the traveler should determine if it is more prudent to purchase a refundable ticket.

The purchase of travel insurance is considered an exception to the general policies and requires Cabinet approval.

3002.4 *Required Documentation*

Travelers are expected to provide documentation via an expense report for all air travel on University business. This documentation includes the following, at a minimum:

- Receipt showing the traveler name, flight details (including airfare class), pricing and payment;
- Valid business purpose of the expense. This should describe in sufficient detail to allow an approver to validate the need for the expense; and
- Any additional supporting documentation required by the sections below

3002.5 *Non-Economy Class Air Travel*

Travelers on University business **are not permitted** to use first class for air travel. Travelers may, however, use business class for air travel with Cabinet approval if the following conditions are met:

- Any single flight segment has a scheduled in-air flying time in excess of five (5) hours;
- The total scheduled in-air flight time, including connecting legs, is in excess of eight (8) hours;
- The flight is overnight and the traveler is conducting University business immediately upon reaching their destination; or
- A medical justification exists and is documented by the traveler's physician

In general, federally sponsored programs require only the basic least expensive unrestricted accommodations class offered by commercial airlines be charged to a federal sponsored award.

Students must travel on the basic least expensive unrestricted accommodations class regardless of duration or length of flight. Business class travel may be permitted for students with reasonable medical justification.

Departments and Fiscal Managers retain the discretion to impose tighter pricing expectations for budgetary and other considerations.

3002.6

Air Travel on Federally Sponsored Awards: Fly America Act

Travelers on University business funded by a federal award must comply with the requirements of [2 CFR Part 200](#) and are required by [49 U.S.C. 40118](#), commonly referred to as the “Fly America Act,” to use United States air carrier service for all air travel and cargo transportation services funded by the United States Government. Accordingly, it is the responsibility of the traveler and their department to:

- ***Identify the source(s) of funds supporting the travel and determine whether one or more allocated source is a federally sponsored award;***
- ***Review the terms and conditions of the applicable award notice, award document, and/or specific requirements to determine if any travel restrictions apply prior to making any travel arrangements; and***
- ***Book air travel in accordance with this policy, any applicable travel restrictions, and the Fly America Act or Open Skies Agreement.***

Relevant definitions:

- ***U.S. Flag Air Carrier: an airline registered in the U.S. and authorized to fly under U.S. regulations (e.g. United Airlines, Delta, American Airlines).***
- ***Code Share: a marketing arrangement in which one airline places its flight number on a flight operated by another carrier.***
- ***Open Skies Agreement: bilateral agreements that allow for the use of foreign air carriers under certain conditions.***

The Fly America Act requires that federally funded domestic awardees use U.S. flag air carriers when traveling between the U.S. and international destinations, between domestic destinations, or between international destinations to the maximum extent possible.

Any air transportation to, from, between, or within a country other than the United State of persons or property paid for from federal funds must be performed by or under a code sharing agreement with a U.S. flag air carrier if service provided by such carrier is available. Tickets or documentation for electronic tickets must identify the U.S. flag air carrier’s designator code and flight number.

Travel on a foreign carrier may be allowed if one of the following applies:

- ***No U.S. flag air carrier provides service to the destination***

- ***Open Skies Agreement exists (e.g. EU, Japan, Australia, Switzerland) – subject to federal award rules.***
- ***Using a U.S. flag air carrier would:***
 - ***Increase travel time by 24 hours,***
 - ***Require 2 or more connections,***
 - ***Extend travel time by 6 or more hours, or***
 - ***Extend layover time by 4 or more hours.***
- ***Medical expenses, safety risks, or involuntary re-routing***

3002.7

Frequent Flier Programs

The University allows travelers to accrue their own frequent flyer mileage for trips taken on University business. The University does not reimburse travelers for tickets or upgrades purchased with frequent flier miles or other reward points.

Employees must always travel on the most cost effective airline, not the airline with which they have a frequent flier relationship. Excess cost due to the use of an employee's preferred airline will not be reimbursed.

FA001.3003 Ground Transportation

Travelers are expected to select ground transportation that is reasonably priced, consistent with business requirements. For example, when complementary shuttle services (e.g from a hotel) are available and practical, travelers are strongly encouraged to use such services.

Whether travelers use a personal automobile or a rental car, Wesleyan does not cover the cost of any purchased roadside assistance package or personal property insurance coverage. Such expenses, if purchased, are personal to the traveler.

The University has various types of vehicles that may be used by employees for business travel. Employees should contact Transportation Services to determine how their business transportation needs can best be met. Depending on the circumstances employees may either:

- rent a University fleet vehicle
- be driven in a University vehicle by a driver
- use a local limo service
- rent a vehicle through a local commercial agency
- use their own vehicle

Please see the [Transportation Services](#) website for details.

3003.1 Use of Personal Automobiles

If an employee uses their personal vehicle for business travel, they can request mileage reimbursement for the mileage traveled **above their normal daily commute**. This rate covers the cost of vehicle usage, including gasoline (the traveler will not be reimbursed separately for gas expenses). Travelers will, however, be reimbursed for tolls and reasonable parking fees.

To obtain mileage reimbursement, a travel expense report must be completed stating the destination and actual mileage traveled. Mileage reimbursement may never exceed the cost of available alternate transportation (i.e. the reimbursement for mileage cannot exceed the lowest train or airfare available). In cases where the employee elects to drive rather than travel by plane or train, the lower of the available alternatives will be reimbursed to the employee.

The University will reimburse transportation costs to the extent such costs exceed the normal daily cost to commute to their office. The University will reimburse for business miles driven in a personal vehicle at a rate consistent with the IRS standard mileage rate as reflected in Workday and updated annually in July.

The University assumes no liability for any loss or damage to the employee's vehicle. The University's commercial automobile insurance policy does not provide coverage for collision or comprehensive coverage when an employee's vehicle is used for business travel.

If an accident occurs when a traveler is using a personal vehicle for business travel, the employee's personal automobile liability and physical damage insurance is primary. The University's commercial automobile insurance policy may provide liability coverage on a secondary basis—only when the traveler is using the personal automobile while traveling on University business. The University will not provide reimbursement for any deductibles associated with the primary insurance coverage.

University's commercial automobile insurance policy provides liability coverage on a secondary basis only when the employee uses a personal vehicle while traveling on University business. Since the vehicle owner's insurance policy always will provide the primary liability coverage, the University's policy will provide coverage only after the limits of the primary insurance policy are exhausted. The University will not provide reimbursement for the deductibles associated with the primary insurance under these circumstances.

Any employee involved in an accident while on University business should contact Transportation Services as soon as possible.

3003.2 *Rental Car*

Employees should rent a car only when it is required for daily use at the business destination or there is no other less expensive means of transportation from the airport/train station to the business destination. If an employee rents a car for one week and uses the car partially for business and partially for personal use, the weekly cost of the car must be prorated. Employees should rent the most economical vehicle consistent with business needs and travel circumstances. You are advised to investigate the fuel policy of the rental agency to avoid excessive refueling charges upon return of the automobile. Employees will be reimbursed for actual gas charges only and cannot request mileage reimbursement when traveling in a rental car.

Automobiles should be rented using a University Travel Expense Credit Card.

If you rent a car using a University corporate card you should:

- Decline the physical damage waiver (also known as collision damage waiver).
- Decline the waiver of liability for damage.
- Adhere to ALL conditions of the rental agreement for operating the vehicle.

The vehicle rented needs to be driven either by the cardholder or an "additional driver" identified/listed on the rental agreement. If this does not happen then the physical damage coverage by the credit card will be voided.

If you are not using a University credit card:

- Accept the physical damage waiver only. The University's commercial automobile policy will provide liability coverage.

The maximum length of coverage for daily and/or weekly rates and the maximum coverage per claim should be discussed with each rental agency. All claims must be reported within 30 days of the accident.

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.

The University does not reimburse for car rental insurance.

3003.3 *Private Car Service*

In some cases, it is most economical to hire a private car service to transport an employee to the airport or train station. The decision to use a private car service should be made jointly by the traveler and the department's Fiscal Manager, based on an analysis of cost and business requirements.

3003.4 *Commuting*

Business mileage does not include the normal commute to and from work. Under IRS regulations, costs of commuting to the place of business or employment are personal expenses.

3003.5

Train Travel

Travelers using train service should book train fare within the main cabin class (economy, coach) that is reasonably prices, consistent with business requirements. Travelers are permitted, with Cabinet approval, to use business class travel to facilitate the traveler working during the travel. First class train travel is not permitted.

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FA001.3004 Lodging

Travelers are expected to select a reasonably priced hotel room with a single occupancy rate. The University will reimburse the actual cost for reasonable lodging accommodations. Travelers should balance cost considerations with the proximity to the location of business activities (e.g. meetings, conferences) in order to minimize additional transportation costs and time. Travelers should also consider the perceived safety of the area when making lodging arrangements.

Travelers are reminded the IRS states that expenditures for lodging cannot be lavish or extravagant.

Travelers are permitted to use Airbnb or VRBO for lodging. When using these services, travelers are expected to select an option that is comparable in cost to a reasonably priced hotel room with a single occupancy rate in the same locale.

If renting from an individual outside one of these services, the lessor must be set up as a supplier and Wesleyan must pay the supplier directly.

3004.1 Lodging in Private Residence

When it is convenient and preferred by the employee, staying with family or friends can save the University money and is permissible. Travelers who stay in a private residence at no cost to the traveler will be reimbursed for a reasonable token of appreciation (such as a small gift or a meal) for the courtesy of staying with the host. The cost of such appreciation must be supported by a receipt and clearly explained on the traveler's expense report.

The cost of the meal or gift plus any additional transportation costs must never exceed the cost of standard accommodations at the business destination, nor can a "cash payment" be made to the host. Gift Cards are considered cash payments and are not allowed.

3004.2 Other Hotel Charges

Charges to a hotel room for meals or other allowable expenses must be itemized on the traveler's expense report.

- Movies and other entertainment charged to the room will not be reimbursed and should not be charged to the University travel expense card.
- Health Club charges, golf and other personal services will not be reimbursed.
- When traveling with a companion the employee is responsible for any additional charges above single occupancy.

The detailed itemized bill from the hotel must be submitted as supporting documentation. In addition, the detailed bill for any restaurant expenses charged to the room must be submitted.

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FA001.3005 Other Travel Expenses

3005.1 *Other Reimbursable Travel Expenses*

If related to travel on University business, the University generally recognizes the following as University business expenses that may be reimbursed. Note, however, that departments may further restrict reimbursable expenses given funding and travel on sponsored awards may be more restrictive.

- Fees for visa or other special fees
- Transaction fees for currency conversion
- Costs for vaccinations and medications required for travel to other parts of the world
- Reasonable telephone and internet charges
- Laundry and dry-cleaning expenses, when travel is five or more consecutive days and the amounts are reasonable
- Tips and gratuities, when reasonable and accepted as standard practice

3005.2 *Other Travel Expenses Considered Personal and Not Reimbursable*

The following expenses are considered personal expenses and will not be reimbursed, or otherwise paid for, by the University.

- Personal grooming services, such as barbers, hairdressers, etc.
- Car rental insurance
- Child care
- Personal card delinquency fees or finance charges
- Membership dues in private clubs, including airline, wholesale clubs, etc.
- Frequent flier and other similar reward programs
- Gym and recreational fees
- In-room movies
- Mini-bar charges, unless treated as an actual meal
- Laundry or valet service, if travel is less than 5 consecutive days
- Lost baggage
- Loss or theft of cash advance, airline tickets, personal funds, or personal property
- “No Show” charges for car services
- Parking tickets or traffic violations
- Personal automobile repairs and gas
- Pet care
- Upgrades (air, hotel, car, train, etc.) except those allowed by University policy
- Issuance of passports or their renewals

- Baggage fees, except those allowed by policy
- Spouse / guest related charges while traveling and
- Commuting between home and one or more regular places of business

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FA001.3006 Business Meals and Entertainment

3006.1 Travel Meals

Wesleyan will reimburse employees for the reasonable, actual meal expenses incurred while traveling on University business. The University does not provide for a per diem allowance for meals and other incidental expenses incurred while traveling.

The University expects that travelers will spend no more than \$100 for domestic meals and incidentals per day (\$150 for international), including tips, regardless of locations. This is the amount considered adequate to cover the daily costs of meals and incidentals; it is not a flat amount for per diem reimbursement.

Only actual costs for meals are reimbursed; therefore, if the total spent for a day is less than \$100 domestic (\$150 international), only the lower, actual costs will be reimbursed.

When a meal is included in the cost of a conference, the University will not reimburse the employee for the cost of a meal taken during that period (i.e. if employee chooses not to attend the provided lunch, the University will not pay for an alternative lunch taken).

When the traveler is claiming reimbursement for meals purchased for non-Wesleyan personnel, these meals should be considered "Business Meals" rather than "Travel Meals," and detail must be provided concerning the names of the other diners and the business purpose for hosting the meal as outlined in the guidelines on business meals.

If an employee is traveling with other University employees, they are still subject to \$100 per day domestic (\$150 international) per individual. If one employee chooses to pay for the group, the expense report documentation must clearly indicate the names of the employees at the meal.

Alcohol is an unallowable cost on federally sponsored awards. If alcohol charges conform to other University policy, it may be reimbursable from University funds but must be itemized in the traveler's expense report.

3006.2 Business Meals

Meals at which faculty, staff or students, and external parties are present for the purpose of conducting substantial and bona fide University business are allowable to the extent set forth in this policy.

For a business meal to be reimbursed, a business purpose with a list of attendees and their business relationship to the University is required.

3006.2.1 Business Meals Among University Personnel

The University allows for the reimbursement of reasonable and necessary business meals for meetings involving only University personnel under certain circumstances. The frequency of such meetings and the related expenses must be reasonable and appropriate to the purpose of the discussion and the nature of the business being conducted.

For a business meal among University personnel to be reimbursed, the primary purpose of the meeting is to conduct business, and there is a clear and compelling reason to meet over a meal.

Examples of appropriate business meals among University personnel include:

- Breakfast or dinner meetings (meals outside typical business hours) which are necessary for the conduct of University business
- Formally organized luncheon meetings which are necessary to carry out the business of official committees of the University
- Meetings of an organized work group of employees that require the work group to progress through a normal mealtime

Generally, these requirements are met when it is not possible for one or more employees to meet during other working hours, and the purpose of the meeting is to conduct business in accordance with a formal agenda. The employee's expense report must adequately document the business purpose of the business meal.

3006.2.2 Business Meals Involving External Parties

The University allows for the reimbursement of reasonable and necessary meal expenses incurred during a business meeting involving external parties if the purpose of the meeting is to discuss University business, and it is necessary or beneficial to the University to provide a meal while the meeting is being held.

3006.3 Entertainment and Other Social Functions

Certain events sponsored in connection with student, faculty, or staff-oriented social activities, fundraising, employee recognition, holiday gatherings, and other similar functions may be allowable business expenses and should be approved in advance by a Cabinet member or a Fiscal Manager.

3006.3.1 Student, Faculty or Staff Oriented Functions

Annual, semi-annual, or occasional functions with students and/or employees are considered reimbursable business expenses when the expenditure is reasonable and appropriate to the situation and the nature of the business conducted. These events can serve either as student cohort building (i.e., prospective major receptions, speakers, etc.) or as recognition of individual or group achievements.

Costs per Wesleyan attendee cannot exceed \$30, and this includes food, delivery and/or gratuity.

3006.3.2 Holiday Gatherings

A holiday gathering can be sponsored from University funds provided the event is reasonable in nature and is limited to one event per year per department or employee group. Expenses for these functions cannot exceed \$30 per Wesleyan attendee, which includes food, delivery and/or gratuity.

3006.3.3 Expenses Beyond Policy Limits

Any expenses beyond \$30 per Wesleyan attendee must be covered by the attendees (who may pay additional costs or contribute food, beverages, decorations, etc.). These funds must be deposited to the Worktags that are covering the other expenses. When submitting expenses for reimbursement, offices must provide the number of attendees (a copy of an invite list would suffice).

3006.3.4 Other Personal Gatherings

Office events that celebrate births, marriages, etc. or small in-office functions with purchased food or beverages are generally paid for by the employees involved.

3006.4 Limitations on Entertainment Expenses

Expenses for entertainment and other social functions are unallowable costs for sponsored awards, unless the event has been specifically approved in advance by the sponsor.

To the extent an entertainment expense is reimbursable by University policy, these costs must be appropriately charged to other University funding sources.

FA001.3007 Gifts

Federal law and other regulations restrict the use of Wesleyan assets to provide gifts to individuals or other organizations. There are limited instances where gifts are allowable as detailed below.

3007.1 Expressions of Sympathy

In the event of death or significant illness of a faculty or staff member's immediate family member, the University allows for a non-cash gift with a limit of \$100. Appropriate expressions of sympathy can include items like flowers or gift baskets. ***These expenses are generally deemed to be unallowable for sponsored programs.***

Cash contributions are not permitted.

3007.2 Student and Employee Recognition

Non-cash expenses incurred in connection with personal expressions of congratulations towards employees or students (such as graduating departmental majors) are allowed as occasional, modest expressions of support and recognition.

Non-cash awards with a value in excess of \$100 must be reported to payroll via PayrollHelp@wesleyan.edu so the student or employee can have the appropriate tax reporting.

Cash contributions towards students or employees are not permitted.

Gift certificates and gift cards may be used in limited circumstances as outlined in the University's Gift Card Policy in section 3308.

3007.3 Public Officials and Political Contributions

Federal and state laws severely restrict the nature and value of gifts that can be made to public officials or as political contributions.

Political contributions and payments to public officials are not allowable expenses.

FA001.3008 Use of Gift Cards

3008.1 *General Policy*

Gift certificates and gift cards (referred to collectively as “gift cards”) are considered cash equivalents by the IRS. As such, all gift cards are taxable to the recipient and must be reported on a W-2 (for employees) or on a 1099-MISC (for non-employees).

- Individual gift cards may not have a value of greater than \$50
- Departments must obtain pre-approval from the Controller’s Office before purchasing gift cards

After a department receives approval to use gift cards, the purchasing of gift cards will be coordinated by Procurement. Gift cards cannot be purchased using the University’s Commercial Card program, nor will the University reimburse employees who purchase gift cards using personal funds.

Departments must track and report a gift card log to the Controller’s Office indicating:

- Recipient name
- Recipient status (employee, student, etc.)
- Amount and date issued
- Business purpose
- Funding source

3008.2 *Allowable Uses*

Gift cards may only be purchased for the following purposes:

- Research participation incentives
- Incentives to students or employees as a method of increasing participation in a student program, survey, event, or contest

3008.3 *Unallowable Uses*

The following is a non-exhaustive list of examples of inappropriate uses of gift cards:

- Providing gift cards to employees, including student-employees, for work-related activities (e.g. bonuses, incentives, rewards, etc.) is prohibited.
- Providing gift cards to suppliers, consultants and speakers is prohibited.
- ***Purchasing gift cards for a federally sponsored award is prohibited, unless specifically allowed for by the sponsor and pre-approved by the Controller’s Office.***

FA001.3009 Cell Phones

3009.1 Frequent Use of Cell Phones for Business Purposes

Existing employees (prior to July 1, 2020) whose job duties include the frequent need for a cell phone may receive extra compensation, in the form of a cell phone allowance, to cover business-related costs. The following guidelines identify a need for a cell phone and access to the cell phone allowance:

- Safety requirements indicate having a cellular phone is an integral part of performing duties of job description.
- More than 50% of work is conducted in the field.
- Required to be contacted on a regular basis.
- Required to be on-call (24/7)
- Critical decision maker

Supervisors are responsible for an annual review of employee business-related cell phone use, to determine if existing cell phone allowances should be discontinued. Please email Christine Daniels if there are any changes to the allowance.

Eligible employees will receive a monthly cell phone allowance of up to \$20, not to exceed the actual cost of service.

3009.2 Use of Phone

When an employee uses their personal device for business purposes, all University policies regarding information security, privacy and acceptable use of electronic resources apply to the use of such a device. These policies are located on the ITS website.

In these cases, it is recommended that employees set up a “Find My Phone” application which can be used to lock and/or wipe clean a device should it be lost or stolen.

Wesleyan does not accept any liability for claims, charges or disputes between the service provider and the faculty or staff member. Recipients of a cell phone allowance must notify Wesleyan of the cell phone number and must continue to maintain the cell phone while in receipt of the allowance.

Use of the phone in any manner contrary to local, state or federal laws will constitute misuse and will result in immediate termination of the cell phone allowance.

Section 4 Payment and Reimbursement of Expenses

Expense Reports processed through Workday should be used to submit expense reports for expenses charged to an employee's Travel Expense Card or out-of-pocket expenses incurred while conducting University business.

FA001.4001 Timing of Expense Reports for Reimbursement or Travel Expense Card Reconciliation

Employees are expected to prepare and submit expense reports, with appropriate supporting documentation, within thirty (30) days from the date the expense is incurred.

Requests for reimbursements submitted sixty (60) days past the date an expense was incurred will require Cabinet Approval and will be paid as a taxable reimbursement through Payroll, per IRS Publication 463. Non-timely requests for reimbursement (beyond 60 days) should be submitted through Human Resources.

Failure to prepare and submit expense reports timely can result in the suspension or termination of an employee's use of a University Travel and Expense Card or in the denial of reimbursement of out-of-pocket charges.

FA001.4002 Substantiation of Expenses

Receipts serve as critical documentation to substantiate expenses and ensure compliance with policies and regulatory requirements.

4002.1 *Substantiating Out-of-Pocket Expenses*

When requesting a reimbursement for an out-of-pocket expense, all receipts for transactions exceeding \$25 shall be provided. In rare instances, transactions exceeding \$25 may not have a readily available receipt (e.g. a taxi fare paid with cash) and may be reimbursed without a receipt attachment.

Detailed, itemized receipts should be utilized. Credit card summary transactions are not sufficient documentation to substantiate an expense.

4002.2 *Substantiating Travel and Expense Card Expenses*

The feed from the credit card company substantiates that an expense exists and the dollar amount of the transaction. As such, some receipts are not necessary to attach to expense reports where the transaction was paid with a University Travel and Expense Card.

Receipts are required for:

- All purchases of \$50 and higher
- Lodging transactions, regardless of amount

- ***Business or Travel Meal transactions charged to a federal sponsored program, regardless of amount***

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