

## **Travel Expense Policy**

Effective Date: October 1, 2006

Latest Revision: April 1<sup>st</sup> 2017

### **POLICY STATEMENT**

Columbia University faculty, staff, and students routinely travel out of town on behalf of the University or in support of sponsored research activities. The University reimburses these travelers for necessary and reasonable business expenses incurred while traveling. Reimbursable expenses must conform to federal and state law and the restrictions placed upon sponsored projects. In order to provide this reimbursement, the University requires travelers to complete and submit an approved Travel and Business Expense report which documents the business purpose of the trip and the types of expenses incurred.

### **REASON FOR POLICY:**

The travel expense policy:

- Assures that the University and the traveler are in compliance with Internal Revenue Service regulations that define the types of expenses that can be reimbursed without being counted as taxable income.
- Assures that travel charged to sponsored projects conforms to the regulations and restrictions placed on the use of the funds by the sponsor.
- Enables the University to protect its reputation and not-for-profit status by avoiding excessive or inappropriate spending.
- Provides departments with the ability to control how their budgets are expended.

### **PRIMARY POLICY TO WHICH THIS POLICY RESPONDS:**

This policy primarily responds to the regulations of the US Internal Revenue Service, the rules established by the agencies and entities that sponsor research at Columbia and the federal and state laws that govern not-for-profit organizations. For more detail, please see the appendix A.

### **RESPONSIBLE UNIVERSITY OFFICE & OFFICER**

Richard Mead, Executive Director, Accounts Payable

### **REVISION HISTORY**

Revised- 01/01//2017

Latest Revision- 04/01/2017

### **WHO IS GOVERNED BY THIS POLICY**

Any University traveler who seeks reimbursement for expenses incurred during approved University travel. Individuals other than employees or students (e.g., consultants, job candidates) who seek reimbursement from the University for Travel Expenses must also comply with this policy. **Due to budgetary constraints, some University departments have instituted more restrictive reimbursement guidelines. In cases where there is a discrepancy between this policy and a department, granting agency or donor policy, the more restrictive policy will apply.**

### **WHO SHOULD KNOW THIS POLICY:**

The employee or student requesting reimbursement for business travel should know this policy along with:

- Senior Executive Officers, Provost
- Deans
- Senior Financial or Business Officers
- Chairs of Departments, Directors of Institutes and Centers
- Department Administrators
- Divisional Administrators with financial responsibility and oversight
- Program Directors
- Principal Investigators
- Faculty
- Students
- Post-doctoral fellows
- Graduate research assistants
- Junior Officers and Non-Officers with financial responsibility and oversight
- Administrative staff with significant travel responsibility

### **EXCLUSIONS & SPECIAL SITUATIONS**

This policy covers University out of town business travel. It does not cover local transportation (taxi to meetings or other University campuses and offices in the NYC area) and miscellaneous business expenses. These types of expenses are addressed in the policy on Business Expenses.

This policy is designed to address the majority of expenses that a traveler may incur. On rare occasions, a traveler may incur an extraordinary expense for which they believe they are entitled to reimbursement. In cases where a traveler believes that they are entitled for reimbursement for an expense that is not addressed by the current policy or not allowed under current policy they may request an exception. Exception requests should be infrequent and require the approval of a Dean, Vice President, Associate Dean, or Senior Financial Officer. See the procedures for detailed instructions for requesting an exception.

### **POLICY TEXT**

Many members of the University's faculty, staff and students must travel out of town on University business. This includes travel to conferences, travel to meet with firms or individuals doing business with the University and travel to perform research. In such cases, the University will reimburse the traveler for necessary and reasonable expenses incurred while traveling.

Travel should be booked at the lowest possible cost and with as much advance notice as possible. The remainder of this section guides the traveler as to the kinds of expenses that may be reimbursed.

Due to budgetary constraints, some University departments have instituted more

restrictive reimbursement guidelines. In cases where there is a discrepancy between this policy and a department, granting agency or donor policy, the more restrictive policy will apply.

To read more about the process of filing an expense reimbursement, please go [here](#).

The roles for expense reimbursement include:

### **The Traveler**

The individual incurring the travel expense must be familiar with Departmental policies and this University policy in order to ensure compliance and prudent spending of University funds. Travelers whose expenses will be charged to a sponsored project must also be familiar with the particular expense restrictions of that project. The traveler is also responsible for obtaining all proper documentation for each expense. Typically, this documentation will be a receipt that identifies the expense and reflects proof of payment of the expense. Specific information regarding acceptable form of expense documentation is noted throughout this policy. The traveler is also responsible for documenting the business purpose or justification for each expense. This helps to document why the expense is eligible for reimbursement and should not be considered as taxable income.

The traveler should request reimbursement within 10 business days of the trip and must request reimbursement no later than 120 days after date of the expenditure. Late submissions may only be reimbursed with the approval of the department. Supporting documentation must be provided in order to describe the circumstances leading to the late submission in order to evaluate whether it is a taxable event. If the circumstances described would not have prevented the traveler from submitting within the proper timeframe (120 days), they are considered taxable income. Expense reimbursements requested more than one year from the date of expenditure are always considered taxable income to the traveler.

The traveler is responsible for completing the Travel and Business Expense report in accordance with University policy and procedure. If an individual other than the traveler prepares the Travel and Business Expense report, the traveler is responsible for providing the preparer with the appropriate information to complete the form and reviewing the completed form for the accuracy

of all information. The traveler must sign the Travel and Business Expense form and retain a copy for their records.

**To receive direct deposit of reimbursement payments, the employee should submit the online form available at**

**[https://www.ais.columbia.edu/apr/dirdep\\_applic/dirdep\\_start.php](https://www.ais.columbia.edu/apr/dirdep_applic/dirdep_start.php)**

### **Administrative Processor**

In some departments, an individual may prepare expense reports on behalf of other employees in their area and/or enter these into ARC, the system used to process

Accounts Payable transactions. In these instances, the processor is responsible for confirming:

- Understanding of the nature of each expenditure and the business purpose for University reimbursement
- Completeness of documentation and accuracy of accounting
- Completeness and accuracy of the required information on the expense report form
- Allocation and segregation of expenses to the appropriate University account(s) and/or project.

**Travel**  
**Approver**

The Travel Approver should be an Officer who is sufficiently senior within the organization to have the authority to approve travel advances and expense reimbursements for faculty and staff in the School/Admin Unit.

- Responsible and accountable for the Travel Business and Expense Report (TBER) and Travel Advance vouchers that he/she approves, certifying through approval that the travel is:
  - appropriate
  - valid
  - policy compliant
  - within budget
- A Travel Approver must, under his/her own authority, be able to independently determine policy compliance; however, a Travel Approver may, as part of his/her own approval process, require the signature of a traveler's supervisor or other officer on the TBER or Advance Request form to certify the appropriateness, validity and funding of the travel

All requests for reimbursement must be approved by an individual with "Travel Approver Authority" for his or her department(s). The approver's electronic signature in ARC certifies that the expenditures are approved expenses that comply with University policy and that they represent appropriate use of departmental or grant funds.

**Regardless of the travel approver's authority, under no circumstances may an individual approve his or her own report or that of a person to whom he or she reports.** Deans and

V.P.s must have their reports signed by the appropriate approver (president, provost, senior executive V.P., executive V.P. for finance).

If it is not feasible or practical for the most senior employee to pay for the shared expenses, then two steps must be taken to ensure compliance with University policy:

1. Shared expenses should be submitted on a separate Travel and Business Expense Report (TBER).
2. Manual expense validation is required. The most senior employee who attended the event is required to review the expenses to ensure they are valid and sign the TBER in the space provided for the Expense Report Validator.

As long as manual expense validation has been acquired, the employee may have their direct supervisor approve the TBER in ARC.

As an example: a dean participates in a development dinner, but is unable to stay for the duration of the meal. Therefore, the development staff member that paid the bill would need to submit the dinner expenses on his/her own TBER and would be required to have the dean validate the expense by signing the TBER.

### **Expense Report Validator**

The Expense Report Validator must also sign the Travel and Business Expense Report to certify that the travel is valid, appropriate, and policy compliant. The Expense Report Validator should be the traveler's supervisor, or other appropriately senior person in the department. The Expense Report Validator can also be the ARC Travel Approver and in these cases, it is not necessary for the TBER form to be signed by the Expense Report Validator; only the approval in ARC by the Travel Approver is required. In cases where the Expense Report Validator is not the Travel Approver, the Expense Report Validator should be familiar enough with the expense activity to validate it, as the ARC Travel Approver will be relying on the validation of the Expense Report Validator as part of the voucher approval process in ARC.

### **Supplemental Approver (Dean, VP, Associate Dean, Senior Financial Officer)**

Certain circumstances require the approval of a Dean, VP, Associate Dean or Senior Financial

Officer. Those situations under this Travel Expense policy include expenses for:

- First or business class travel by air (flights in excess of 5 hours or medical need).
- First or business class travel by rail/bus (not including Amtrak's Acela train).
- Lodging greater than \$350 per night domestic and \$400 (US dollars) per night international by no more than 50%.
- Appreciation given for lodging in a private residence.
- Short-term rental accommodations.

- Reimbursed travel extended beyond the minimum days required for business purposes.
- Required travel by an employee's spouse, significant other and/or dependent. (Note: may be taxable)
- Meals exceeding the per meal thresholds (\$25 breakfast, \$35 lunch, \$50 dinner) by no more than 50%.
- Meals (fundraising, recruitment, speaking engagements) involving certain external parties exceeding the per person threshold of \$100 (excluding tips and taxes) by no more than 50%.
- Use of per diems on non-grant accounts. . (Only in instances of international travel to destinations where local custom or culture makes it difficult to obtain receipts).
- Meals that require attendance by an employee's spouse, significant other, and/or dependent.
- Purchase of emergency supplies/equipment in excess of \$500.
- Issuance of a second travel advance before the first one has been reconciled
- Reimbursements submitted more than 120 days after the date of the expense.
- Missing receipt for expenses of \$75 or more (\$25 for meals), all lodging.

### **Accounts Payable**

Accounts Payable will process all approved expense reports and prepare and issue the payment to the employee. Accounts Payable also images, files and archives all original documentation related to the reimbursement request. Accounts Payable will perform audits of these expense reports.

Accounts Payable will assist employees, processors, and approvers with policy and procedure questions.

Requests for exception or adjustment to policy will be reviewed by Accounts Payable and approval or denial will be communicated to the department.

### **Key Compliance Matters**

The IRS and Federal regulations require certain standards to be met when documenting, recording and submitting reimbursable expenses. These include:

- Submitting expenses for reimbursement within a reasonable time limit
- Documenting the specific business purpose of an expense
- Providing receipts and proof of payment
- Segregating unallowable or excessive expenses

## **Reimbursement Submission Time Limit**

The IRS requires travel expense reimbursements to be reported within a reasonable period of time. The determination of a reasonable period of time will depend upon the facts and circumstances, but is generally held to be no later than 120 days after the date of the expense. In addition, in order to adhere to generally accepted accounting principles, the traveler should be mindful of the University's June 30<sup>th</sup> fiscal year end, and all expenses for that year should be reported prior to year end to ensure that the expense is appropriately captured in the financial statements and in the department's budget for the appropriate fiscal period. *Expense reimbursements should be submitted to the department within 10 business days after return from the trip or bi-monthly for any business expenses that are incurred. Reimbursement requests must be submitted to department NO LATER than 120 days after the date of the expense. Reimbursements submitted more than 120 days after the date of the expense require Supplemental Approval.*

Please note that supporting documentation must be provided in order to describe the circumstances leading to the late submission in order to evaluate whether this is a taxable event. If the circumstances described would not have prevented the traveler from submitting within the proper timeframe, they are considered taxable income to the traveler.

Expense reimbursements submitted after one year require an exception request and are always considered taxable income to the traveler and will be reported on their annual Form W-2 form. Note: Departments, please fill out box "Date Received by Department" at the top of each TBER Form.

## **Business Purpose**

All expenses must be for a valid business purpose that is necessary and reasonable in order to conduct

University business. A business purpose must be documented for all expenditures for which a traveler is requesting reimbursement.

Business purpose must be specific. "Travel to Boston, MA to speak at Accounts Payable Network conference" is an appropriately documented business purpose. "Travel to Boston for conference" is not. **The business purpose of an expense may be obvious to the traveler, but not to a third-party reviewer.**

## **Receipts**

The traveler is expected to obtain original receipts for all expenses for which they plan to have reimbursed. An original receipt may take many forms (i.e. cash register receipt, copy of an order form, web receipt or confirmation). **A receipt must identify:**

- the date of purchase
- the vendor name

- itemized list and unit price of the purchased items
- the total amount

If the traveler is unable to obtain an original receipt that contains all the required information, documentation should be submitted to demonstrate as many of the required items as possible. A copy of the traveler's credit or debit card statement identifying the date, location and amount of the expense, or a rental agreement, may be submitted along with a description of the purchase, identifying the amount of any expenses to be segregated (i.e. alcohol).

Complete documentation must be received for all expenses of \$75 or more (\$25 for meals) and all lodging. If documentation of an expense of \$75 or more (\$25 for meals) and all lodging is not available, the traveler may submit a written description of the item purchased, noting the date, the location, and the amount. Any request for reimbursement documented in this way requires Supplemental Approval and the missing receipt worksheet must also be completed and submitted to Accounts Payable.

A receipt in a foreign language is considered acceptable documentation, with the US Dollar conversion amount noted on the receipt (if currency conversion worksheet is not used). Responsibility lies with the department to certify that it is appropriate business expenditure and that the conversion rate is appropriate and to document the business purpose.

### **Proof of Payment**

The traveler is expected to obtain proof of payment for all expenses for which they plan to have reimbursed. Proof of payment may take many forms but must demonstrate that payment was tendered and must identify the means by which payment was tendered by the traveler. This is often part of the original receipt. Examples of this may include notation of:

- "Cash Tendered"
- "Paid"
- A zero balance due
- Debit/Credit card payment (card type, last four digits of card and/or signature)

If no proof of payment is available in this form, a debit or credit card statement may also be provided. Please black out any private or unrelated information.

### **Segregated Costs**

The Federal Government will not reimburse certain expenses, termed "unallowables" and has set forth guidelines prohibiting these costs from being charged to Federal grants and contracts, either directly or indirectly. These include expenditures for alcohol, entertainment, flowers or gifts or excessive costs, such as first or business class travel and lodging or meals over the designated University thresholds. To make sure that the University does not inadvertently charge any of these expenses to grants and contracts, "unallowable" expenses have been assigned to the appropriate account.



**The terms “unallowable” or “segregated” do not mean that the expenses are not reimbursable, rather that they must be charged to a segregated account.**

### **Arranging for Travel**

It is suggested that a traveler make arrangements for travel through either a University- designated travel agency or a University preferred vendor. There are numerous advantages to using a University preferred agency. These agencies are aware of University travel policies and reimbursement guidelines and will help select air carriers and hotels that conform to the policy, which speeds up reimbursement. Furthermore, these agencies often have access to discounts and

preferential rates negotiated by the University. Finally, the agencies can help access and maintain the appropriate documentation of expenses. All travel agencies charge a per transaction service fee for ticket issuance.

If traveling to a group meeting or conference, inform the University-designated travel agency about any available discount air and hotel rates offered by the conference or association meeting. If the travel agency is restricted from booking at the special discount rate, the agent will inform the traveler how to make the booking.

Travelers may elect to use a travel agency outside of the preferred list of University agencies. The University will reimburse the traveler for any agency fees provided those fees are substantiated on an original receipt from the agency. When booking a trip through a non- University preferred agency, the traveler must take responsibility for selecting arrangements that comply with University policy and spending guidelines.

Travelers are also encouraged to make travel arrangements directly with the supplier via the Internet to obtain low rates.

### **Tax-Exempt Status**

The University is a tax-exempt organization and individuals should request that tax not be collected. Unfortunately, the travel industry (e.g., airlines, rail, hotel, car rental, etc.) frequently will not recognize this status and insist that taxes be paid. In these instances, the employee will be reimbursed for the taxes paid. If the supplier requests a tax-exemption certificate, it can be obtained from Accounts Payable.

### **Air Travel**

Economy/coach class airline tickets should be purchased aboard a regularly scheduled commercial carrier. While some restrictions or penalties may apply, reservations made 14 days or more in advance of the trip secure the lowest fares. For all travel (except for travel on a government grant):

- Carrier selection should be influenced by price (and not by the traveler’s frequent flyer

00138962.affiliation or other personal considerations)

- Travel on a US air carrier is preferred, but not required

Please visit the Purchase Office web site at:

<http://finance.columbia.edu/procurement/purchasing> for further information on available University-wide Purchasing Agreements (UwPA) for air travel.

Government sponsored grants require the traveler to fly on a US owned airline (Fly America Act). The US Flag Carrier Policy is available on the Research Administration website at <http://www.columbia.edu/cu/opg/policies/usflag.pdf>. Exceptions to this requirement are listed in the policy.

### **First or Business Class Travel**

The University expects that the majority of air travel will be at the lowest available fare. In addition, the majority of University research grants only allow for travel in coach or economy class. Travelers may travel in business class as an exception (or first class if business class service is not offered on the flight) only if:

- the flight has a scheduled in air flying time in excess of five hours.
- a documented medical condition requires it.

The traveler must obtain Supplemental Approval for the use of first or business class to obtain approval of the exception request. First or business class airfare can only be charged to a government grant in cases where the grant explicitly allows such expenses. In all cases, the amount above economy fare must be segregated to an appropriate ARC account. The cost of the lowest available airfare should be obtained by the traveler at time of purchase.

If a traveler elects to fly in business or first class on a flight of less than five hours duration or if they fail to obtain Supplemental Approval, they will be reimbursed only for an amount equivalent to a coach airfare. The cost of the lowest available airfare should be obtained by the traveler at time of purchase.

### **Other Air Travel**

Travel by non-commercial means (i.e. corporate jets, helicopter) is not allowed.

### **Receipts Required for Air Travel**

The original passenger ticket/receipt, boarding pass, e-ticket or website statement or confirmation, or itinerary issued by a travel agent, must include:

- the dates and points of departure and arrival
- the travel “class” (unless there is only one class on the airline, like Jet Blue)
- the total amount of the flight
- proof of payment

A traveler can be reimbursed in advance of a flight for an airline ticket. To seek reimbursement prior to travel, the traveler must purchase the ticket at least 14 days prior to an approved trip and submit proof of payment, a copy of the ticket or itinerary, along with the valid business reason. The “travel end” date on the Travel and Business Expense report should reflect the return date of the trip.

### **Rail/Bus Travel**

Rail or Bus tickets should be purchased at the lowest available commercial/economy rate. For travel by rail, the University maintains a contract with Amtrak with rates available to travelers through the University’s preferred travel agencies. Details of this program can be accessed at <http://www.campustravel.com/university/columbia/>. Travelers should use Amtrak’s unreserved or reserved coach class of service. If traveling by Amtrak’s “Acela Express” train, a traveler should obtain business class tickets, as this is the lowest class of travel.

The University expects that tickets are purchased at the lowest available fare. If under rare circumstances, a higher class of service is used, the traveler must obtain Supplemental Approval. First or business class fare can only be charged to a government grant in cases where the grant explicitly allows such expenses. In all cases, the amount above economy fare must be segregated to the appropriate ARC account.

Be aware that the University will reimburse the cost of fare not to exceed the cost of the lowest available commercial airfare.

### **Documentation required**

The original ticket, ticket stub or receipt for fares must include:

- the dates and points of departure and arrival
- the class
- total amount of the fare
- proof of payment

### **Ground Transportation**

While traveling, it may be necessary to use multiple modes of ground travel. These include rental cars, taxis, private car services or personal vehicles. In all cases, the traveler should exercise reasonable judgment and either use a University preferred supplier or choose the most economical ground travel option available. Travelers may use other services such as Lyft and Uber so long as the total cost of such services is comparable to other ground transportation options. Travelers need to be aware that there is no guarantee of safety when using such services.

## **Rental Cars**

Rent vehicles only when less expensive comparable transportation is unavailable.

When available, use the University preferred car rental agency, Hertz,

(<http://www.campustravel.com/university/columbia/>).

Reimbursement for car rentals may be for compact or intermediate/mid-size classifications for individual travelers. All authorized drivers must be listed on the car rental contract at the time of rental. Reimbursement will be made for larger vehicles in exceptional cases (i.e., several travelers in one car, equipment being transported, etc.), which must be documented. Travelers may be reimbursed for gas purchases for rental cars.

When using the University preferred car rental agency in the Continental US, do not purchase Loss Damage Waiver (LDW) and/or Liability insurance from the car rental agency, as the University has negotiated a separate agreement with the agency. Travelers will not be reimbursed for this expense if renting from the designated University rental agency. If renting from the designated University rental agency in an international location only, the Loss Damage Waiver and Liability insurance can be purchased.

If the University preferred car rental agency is not available, other car rental agencies may be used. Loss Damage Waiver and Liability insurance **MUST** be purchased when renting from these agencies both internationally and domestically. In such cases, the University's auto policy **WILL NOT** cover damages **ASSOCIATED WITH RENTED VEHICLES**.

Expenses for GPS (Global Positioning Mapping) devices when renting a vehicle are reimbursable with prior approval from your DAF.

## **Documentation Required**

The traveler must obtain and submit an original receipt from the car rental agency that includes:

- the dates and points of rental
- the class
- total amount of the rental
- proof of payment

If a car is rented above the compact or intermediate/mid-size car rate, document the business purpose that required the additional car space.

## **Travel by Private Vehicle**

When traveling for business purposes, a personal vehicle may be used in order to save time, transport equipment, reduce costs when several people are traveling together, or travel to locations within reasonable driving distance. If a personal vehicle is used primarily for the convenience of the traveler and the approved travel is to a location more than 500

miles beyond the point of origin, reimbursement will not exceed the lesser of the following: 1) the cost of per-mile reimbursement plus tolls; or, 2) the round-trip airfare between the nearest commercial airport serving the origin and destination cities, plus transfer costs to and from the airport.

For the business-related use of a personal vehicle, the traveler will be reimbursed at a rate based on the Federal IRS approved highway mileage guides. **Mileage reimbursement covers fuel, maintenance/repairs, insurance, transportation and operating costs, so these will not be reimbursed separately.** The traveler will not be reimbursed for the cost of vehicle purchase or lease.

In addition to the mileage allowance, tolls and necessary parking charges may be reimbursed.

The University does not assume liability for damage to personal automobiles used on University business and does not assume liability for deductibles or any other uninsured loss to the vehicle. Expenses for vehicle repairs are not reimbursable. Under no circumstances will the University reimburse parking fines and moving violations on personal vehicle

Personal Vehicle Mileage Rate for Travel:

- \$.575/miles for travel on or after January 1, 2015
- \$.540/ miles for travel on or after January 1, 2016
- \$.535/ miles for travel on or after January 1, 2017

### **Documentation Required**

Travelers should keep a record (e.g., spreadsheet, notebook or ledger; AAA triptic or mapquest printout) of their use of their private vehicle for business travel. The written record should include:

- the dates and points (City, State) of departure and arrival
- business purpose of the trip
- total mileage
- calculation of reimbursement (total mileage \* mileage rate)

### **Other Forms of Ground Transportation**

Travelers will be reimbursed for bus, subway, or other mass transportation, shuttle, taxi fares, or private car service plus reasonable tips when necessary for business purposes. Reimbursement will be provided for transportation between hotels, railroad stations, airports, restaurants, workplaces or meetings.

## **Documentation required**

Travelers should attempt to obtain a receipt from the driver or transportation company. The original receipts for fares must include:

- the dates and points of origin and destination
- passengers names
- the total amount of the fare
- proof of payment

If it is not possible to obtain a receipt for ground transportation, the traveler should list the trip in a spreadsheet, notebook or ledger. The traveler should record the date of the trip, the points of origin and destination, the business purpose of the trip and the fare paid.

## **Lodging**

The University will reimburse travelers for the cost of their rooms and any applicable taxes and fees when traveling on approved University business. When possible, the University's preferred hotel properties should be utilized and can be viewed at <http://www.campustravel.com/university/columbia/>.

The cost of a hotel stay in the US should not exceed \$350 per night (excluding taxes). International travelers should obtain room rates that do not exceed \$400 per night (US dollars, excluding taxes). Lodging costs in excess of \$350 per night in the US and \$400 per night in an International location (by no more than 50%) requires Supplemental Approval. All policy exceptions not listed as eligible for Supplemental Approval, or any requests for exception of amounts that exceed the thresholds allowable for Supplemental Approval, still require a formal written exception request approved by a Senior Departmental Officer for documentation and evaluation by Accounts Payable.

If a conference is held in a hotel where the rate exceeds these amounts, please attach the conference flyer identifying the location of the conference and the offered hotel accommodations.

In rare cases (i.e., a peak travel season, special event at a location), a traveler may be required to obtain a room whose costs exceed the guidelines. In these instances, the traveler must first obtain the approval of their Dean, VP, Associate Dean or Senior Financial Officer and obtain approval of the reimbursement request. Lodging costs in excess of \$350 per night in the US and \$400 per night in an International location (by no more than 50%) requires Supplemental Approval. All policy exceptions not listed as eligible for Supplemental Approval, or any requests for exception of amounts that exceed the thresholds allowable for Supplemental Approval, still require a formal written exception request approved by a Senior Departmental Officer for documentation and evaluation by Accounts Payable. The traveler should document the business reason for exceeding the guideline. The cost of a hotel above this amount can only be charged to a government grant in cases where the grant explicitly allows such expenses. In all cases, the amount above the threshold must

be segregated to the appropriate ARC account.

### **Documentation Required**

The traveler must submit an original itemized hotel bill that must include:

- the dates of departure and arrival
- the detailed charges
- the total amount of the lodging
- proof of payment

### **Lodging in a Private Residence**

Travelers who stay in a private residence with relatives or friends while traveling on business may be reimbursed for reasonable expenses incurred extending appreciation to hosts for their hospitality. This may include a small gift to the host or payment for meals, and should not

exceed \$100. However, the traveler must first obtain the approval of their Dean, VP, Associate Dean or Senior Financial Officer and obtain their approval of the exception request. This circumstance requires Supplemental Approval from the department.

### **Documentation Required**

The original itemized receipts and proof of payment for any expenses incurred extending appreciation.

### **Rental Accommodations**

Depending on the length of stay, it may be economical for the traveler to stay in a rental accommodation. However, the traveler must first obtain the approval from their department's respective Travel Approver and from their department's Supplemental Approver for the reimbursement request.

### **Documentation Required**

The traveler must submit an original itemized rental bill or agreement that must include:

- the dates of stay
- the detailed charges
- the total amount of the lodging

- proof of payment (zero balance folio)

## **Meeting and Conference Fees**

Meeting or Conference fees will be reimbursed by the University. It is preferable that either a P- card is used or the University is billed directly for these expenses. However, if the traveler pays the registration fee, they will be reimbursed.

### **Documentation Required**

In order to receive reimbursement for a conference fee, the traveler must submit a flyer or other literature describing the conference, a registration form, agenda or original receipt for the conference fees. The documentation must include:

- the dates and location of the conference
- the total amount of the conference fees
- proof of payment

A traveler can be reimbursed in advance for conference fees paid. To seek reimbursement prior to travel, the traveler must submit proof of payment and a copy of the conference flyer or registration, along with the valid business reason. The “travel end” date on the Travel and Business Expense report should reflect the return date of the trip.

### **Airline Baggage Charges (Baggage Fee)**

When traveling by air, airlines may charge for a first or second checked bag. The University will reimburse that charge if the bag is needed on a business trip, or when traveling with heavy or bulky materials or equipment that is required for business.

If the trip includes business and pleasure and the bag is used for pleasure (golf clubs, skis, etc), the extra charge is not reimbursable.

## **Miscellaneous Travel Expenses**

In the course of travel, a traveler may incur additional expenses eligible for reimbursement. These include:

- Baggage handling and storage expenses
- Business office expenses (copy services, postage, etc.)
- Business-related phone calls (including cell phone), faxes, internet connectivity, including those necessary to obtain transportation and hotel reservations



- Up to 3 personal calls per day of reasonable duration
- Currency conversion, ATM and traveler's check fees
- Excess baggage fee due to the size or weight of an item being transported at the request of the University
- Reasonable and usual gratuities to porters, bellhops and other service personnel
- Internet access

Vaccinations when traveling abroad on University business

- Laundry or cleaning expenses on trips lasting over five (5) days, unless emergency circumstances are documented

A list of non-reimbursable expenses can be found in the Appendix B.

### **Documentation Required**

Where appropriate, travelers should obtain and submit the original or cash register receipts for miscellaneous expenses. The receipt must include:

- the date
- the items purchased or services provided
- the total amount
- proof of payment

### **Combination packages**

In order to save money, some travelers may consider booking a package (airfare, hotel, car rental) on a discount website such as Expedia, Orbitz or Priceline. Policies relating to airfare, hotel, and car rental continue to apply. University designated travel agencies may also provide package deals and additional traveler support for changes and cancellations.

### **Extending Travel beyond the Minimum Days Required for Business Reasons**

The University will typically not reimburse the cost of lodging, local transportation, meals or other costs in excess of the minimum days necessary for travel or conference attendance.

The traveler must first obtain Supplemental Approval and obtain approval of the exception request.

A detailed business purpose must also be provided in conjunction with supplemental approval for extended travel beyond the minimum days required.

If the traveler and/or employee does not have a legitimate business purpose for general expenses (not including air or rail fare) incurred for their extended stay, reimbursement will

not be granted for travel exceeding the minimum days required for business purposes.

#### Documentation Required

If general expenses related to an earlier departure and/or later return are being reimbursed, please provide the specific business purpose for the extended stay. All documentation requirements for the specific expenditure type apply.

#### **Extending Travel beyond the Minimum Days Required for Personal Reasons (air or rail fare)**

The costs related to an earlier departure and/or later return for airfare or rail fare may be reimbursed when the total cost of the airfare or rail fare is clearly documented and demonstrated to be equal to or lower than it would have been for the dates required for business travel.

#### Documentation Required

If air or rail expenses related to an earlier departure and/or later return are being reimbursed, the total cost of airfare or rail fare should be compared to the costs for traveling on the dates required for business travel. Documentation should include a price quote from either the air carrier and/ or rail carrier for the dates that would have been used if the travel was not extended. All documentation requirements for the specific expenditure type apply.

#### **Use of Frequent Traveler Awards for Travel**

Travelers will not be reimbursed for airline tickets purchased, partially purchased or accommodations and upgrades obtained using frequent flyer miles.

#### **Expenses to Change or Cancel Travel Plans**

The University will reimburse the costs of travel purchased (i.e. airfare, deposits) or surcharges imposed due to cancellations or changes in travel arrangements only when required for business needs.

#### **Meals**

The University reimburses employees for meals during travel on University business.

#### **Business Meals**

Business Meals are reimbursed on an actual basis and include:

- The cost of breakfast, lunch or dinner eaten by an individual traveler while away from the University on approved business travel.
- Reasonable and necessary meal expenses for business meetings involving only University personnel and students during which focused business discussions take

place. 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 conducted. Such meetings include:

- Breakfast, lunch and dinner meetings which are necessary to conduct of University business.
- Formally organized meetings which are necessary to carry out the business of official committees appointed by the University, School or Department.
- Meetings on an organized work group of employees or students that require the work of the group to progress through normal meal time.
- Reasonable and necessary meal expenses for peer groups for research collaboration or administrative meetings during which focused business discussions take place.

Except under rare circumstances, these meals to be reimbursed or meals to be paid via invoice directly to the vendor should not exceed the following thresholds, excluding tips and tax:

- Up to \$25 for breakfast,
- Up to \$35 for lunch,
- Up to \$50 for dinner

Any meal costs in excess of the per meal threshold (by no more than 50%) require Supplemental Approval. All policy exceptions not listed as eligible for Supplemental Approval, or any requests for exception of amounts that exceed the thresholds allowable for Supplemental Approval, still require a formal written exception request approved by a Senior Departmental Officer for documentation and evaluation by Accounts Payable. In all cases, the amount above the threshold must be segregated to the appropriate ARC account.

**These thresholds are not per diems, and should not be charged as such. Travelers must submit individual receipts showing the actual cost of each meal.**

### **Business meals hosted by CU involving certain external parties**

The University will pay for approved, necessary and reasonable business meal expenditures that are hosted by and paid for by a CU employee and include guests, business colleagues, donors, and prospective employees which results in a business benefit to the University. Examples

are limited to fundraising, recruitment, and recognition of a speaker. These may occur either locally or during out of town travel.

Any meal costs to be reimbursed or meals to be paid via invoice directly to the vendor in excess of the per meal threshold (by no more than 50%) require Supplemental Approval. All policy exceptions not listed as eligible for Supplemental Approval, or any requests for

exception of amounts that exceed the thresholds allowable for Supplemental Approval, still require a formal written exception request approved by a Senior Departmental Officer for documentation and evaluation by Accounts Payable. In all cases, the amount above the threshold must be segregated to the appropriate ARC account.

The cost of alcoholic beverages consumed during a meal may be reimbursed. However, the cost may not be charged to a sponsored project and must be charged to a segregated ARC account. In addition, reimbursements for business meals that meet the following criteria require segregation to the appropriate ARC account:

- Reimbursements for business meals that require attendance by an employee's spouse, significant other, and/or dependent require Supplemental Approval.
- Expenses for business meals conducted in private homes will only be paid when Supplemental Approval is provided.

### **Documentation Required**

The original restaurant or cash register receipts for business meals must be obtained and submitted with the employee's expense report. The receipt must include:

- the date and location
- the type of meal (breakfast, lunch, dinner)
- the meal items purchased (identify alcohol)
- the total amount of the meal
- proof of payment

The cost of alcoholic beverages may not be charged to a sponsored research account and must be segregated to the appropriate ARC account.

A list of attendees (or a number, if there are more than 10 names), the relationship to the University, and the business purpose of the meal must also be clearly documented.

### **Use of Per Diems for Meals**

The use of a per diem should be rare. Per diems may only be used for instances of international travel to destinations where local custom or culture makes it difficult to obtain receipts. Travelers must receive prior approval to use per diems from their Dean, VP, Associate Dean or Senior Financial Officer.

If a per diem is to be claimed, the traveler must select per diems for the duration of the trip (i.e. can not alternate between per diem and actual receipts). The per diem must be claimed in accordance with the government's published per diem rate for M&IE found at: <http://www.state.gov/m/a/als/prdm/71822.htm>. If per diems are claimed, the traveler must

print out the location and per diem rate from the governments published per diem rates as documentation. If a per diem reimbursement rate exceeds the federal rate, the excess amount over the federal rate is taxable to the traveler.

In cases where per diems are allowable for travel under the terms of a grant, the department or traveler may provide any of the following forms of documentation:

- a copy of the section of the grant award/budget demonstrating that it allows per diems, or written approval from the granting agency
- written approval from the departments' Research Administration project officer authorizing the expenditure

### **Reimbursement for Travel Expenses of Spouses, Significant Others and Dependents**

The University will not reimburse transportation, lodging and meal expenses for a traveler's spouse, significant other, or dependent. Reimbursement may only be allowed in limited circumstances when the travel by the spouse, significant other or dependent is:

- Required by the University for a specific business event or meeting and is pre-approved by a Dean, VP, Associate Dean or Senior Financial Officer
- Related to "R&R (Rest & Recuperation)" travel allowable under the terms of a sponsored project
- In both circumstances, Supplemental Approval must be provided by the department

Departments that choose to reimburse spousal, significant other, and/or dependent travel without a legitimate business purpose should inform the traveler that the reimbursement for the non employee travel will be taxable income to the employee and will be reported to the IRS.

### **Documentation Required**

In addition to the necessary receipts, the following business purpose must be explicitly documented:

- If required by the University for a specific business event or meeting, the detailed explanation of this requirement should be provided and signed by a Dean, VP, Associate Dean or Senior Financial Officer. This should be segregated to the appropriate ARC account.
- If "R&R" travel is allowable under the terms of a sponsored project, provide a copy of the section of the grant award/budget demonstrating that allows R&R or a written approval from the departments Research Administration project officer authorizing the expenditure
- In both circumstances, Supplemental Approval must be provided by the department.

### **Employee Recruitment Travel**

Travel for prospective employees and their families must be authorized by the school or department in order to be reimbursed. Reimbursements for authorized travel expenses such as airfare, hotel, and meals incurred during the recruitment process are not taxable to the prospective employee.

Once an offer of employment has been accepted, departments and schools should refer to the Relocation and Moving Expenses section of the Business Expense policy.

### **Emergency Purchases of Supplies/Equipment during Travel**

The University requires that travelers use the proper designated purchasing path to purchase supplies and equipment. A traveler may occasionally have to incur expenses for an emergency purchase of supplies or equipment. The traveler will be reimbursed for these emergency expenditures under \$500. Expenditures in excess of \$500 will not be reimbursed unless the traveler obtains Supplemental Approval. Expenditures in excess of \$2500 that ordinarily require a Purchase Order will not be reimbursed without approval from Purchasing.

Although the University is exempt from sales tax, if taxes are paid on an emergency purchase during travel, the traveler will be reimbursed. Where possible, the traveler should request tax exemption.

### **Travel Accident Insurance**

The University's Business Travel Accident Insurance policy provides coverage for all active, full time employees and graduate and teaching assistants. Employees covered by a collective bargaining agreement are excluded from coverage, unless the agreement specifically provides for coverage under this policy. Supplemental insurance is not necessary and will not be reimbursed. Coverage is provided on a 24 hour basis while traveling on a business trip, away from the employee's place of regular assignment. Commuting to and from work is excluded from coverage.

Full time employees are provided coverage while on paid leave only while doing research under a project financed by another institution. Faculty members of the University are provided coverage while on sabbatical provided such arrangements have been made by the Provost's Office. Coverage during the summer vacation is excluded unless the individual is receiving additional compensation from the University during that time or the travel is paid by the University. Coverage is also excluded if the individual is employed by another institution while on sabbatical.

Coverage is further subject to the terms and conditions of the University's insurance contract. Specific details on insurance coverage are available through the Risk Management Department.

### **Reimbursement of Individuals Other than Employees and Students for Travel**

A department may choose to reimburse an individual other than employees and students for travel, including:

- Prospective employment interviewees
- Lecturers, Guest Speakers and other official visitors
- Consultants

These individuals **must be informed of the University's travel policies in advance** of their travel. Expenditures that do not comply will not be reimbursed and are not advanced prior to the trip. These expenses must be supported by documentation, as they are subject to 1099 reporting if not supported, and are reimbursed through a check request.

For non-US citizens, a copy of Form I-94 or the passport page with the visa entry stamp must be provided prior to reimbursement. The University must ensure the individual is eligible to be reimbursed based on the visa type, in accordance with the chart at: <http://www.columbia.edu/cu/isso/faculty/paymentchart.html>.

If the department is reserving hotel accommodations for the visitor using a local hotel property, the individual should identify themselves as being with the University or by providing the identification number. A list of local hotel properties is available on the Purchasing Office web site at <http://finance.columbia.edu/procurement/purchasing>.

### **Documentation Required**

The department should document the business purpose for which the individual's travel is being reimbursed. Reimbursement requests must be accompanied by a copy of the I-94 or passport page with the visa entry stamp, a listing of each expenditure by expense type (e.g., travel, lodging, meals, other) and the appropriate receipts and proof of payment. Detail must be provided to ensure that expenses are appropriately segregated.

### **Travel Advances**

Subject to departmental approval, a traveler (only an employee or student of Columbia University) may request an advance of up to a maximum of \$500 to cover out-of-pocket, incidental expenses while traveling domestically. Any advance should be requested within a reasonable period of time (10 to 20 days) before the official business trip. A travel advance is meant to cover expenses that cannot reasonably be charged to a charge card.

The following circumstances may require a travel advance exceeding \$500:

- International travel
- Travel by teams or large groups
- Travel by graduate research assistants, resident fellows, and part-time attending physicians
- Travel for recruiting purposes
- Funds for program or research start-up or short-term operations

001389622 Payments to conference/research participants

- Travel by employees who have applied and were denied a corporate charge card (an exception memorandum, signed by a DAF, must accompany a request due to this circumstance)

Requests for travel advances exceeding \$500 should include a description of the circumstance that would require the advance and a brief budget of expenses.

### **Reconciling a Travel Advance**

A travel advance should be reconciled within 20 working days after the completion of a trip. Each outstanding travel advance must be reconciled before a new advance will be issued.

There are two exceptions:

- When the second trip is within five working days of the first.
- When the advance is serving to fund programs or research start-up operations, and is approved by the dean, vp, associate dean or senior financial officer.
- Please note: A traveler must reconcile an outstanding travel advance before he or she will be issued any reimbursement, whether it be for travel or for another business-related expense.

Upon termination of employment, all employees must promptly reconcile all outstanding advances.

### **Reconciliation of Travel Advance**

If the travel advance is not reconciled within 90 days of the trip end date, both the traveler and the department will receive written notification from Accounts Payable.

If the travel advance is not reconciled within 120 days of the trip, the traveler should be advised the following will occur without additional notification:

- Suspension of travel advance privileges
- The reporting of the advance as income to the IRS on the traveler's annual Form W-2
- Withholding of taxes on the advance from the traveler's paycheck
- Employee continuing to be responsible for clearing the advance in order to have this properly charged to the departmental

### **CROSS-REFERENCES TO RELATED POLICIES**

Business Expense Policy: <http://policylibrary.columbia.edu/business-expense-policy>

If any URL in this PDF document does not open into a webpage, please copy and paste the URL into another web browser window. You may also choose to save the PDF to your computer and open it with the most recent version of Adobe Acrobat:

<http://get.adobe.com/reader/>. For further assistance, please call the CUIT Service Desk at 212-854-1919.



## APPENDICES

### A. Regulations to which this policy responds

#### 1. IRS

##### Guidelines

In order for travel advances and reimbursements of travel and business expenses to be excluded from an individual's taxable income, the University's policies must meet the IRS definition of an "accountable plan" with the following three requirements:

- Advances and reimbursements must be made for business expenses only and must be reasonable and necessary. A *necessary and reasonable* expense is one for which a clear business reason exists and for which the cost is not excessive.
- Travelers must provide a Travel and Business Expense Report substantiating the amount, time, and business purpose of expenses within ten working days after the expenses are incurred. Original receipts must be submitted with the Expense Report.
- Employees must return any advance amount in excess of substantiated expenses within ten working days after the completion of the trip.

**To meet these requirements, individuals must properly complete a Travel and Business Expense Report and provide documentation to substantiate the expenditures. The documentation must provide:**

- Detailed documentation of the purchase
- Documentation of the business purpose of the purchase
- Proof of payment

#### 2. Federal Guidelines

The Federal Government will not reimburse certain expenses and has set forth guidelines prohibiting these costs from being charged to Federal grants and contracts, either directly or indirectly. In order to meet these requirements, University travelers must be aware of the following:

- Federal regulations regarding air travel: Travelers on federal grants must

comply with the US Flag Carrier Rule. With very limited exceptions, travel must occur on US air carriers

- Segregation of costs: Certain costs must be segregated to the appropriate ARC account to ensure proper exclusion from Indirect Cost Rate calculations. These accounts cannot be charged to government grant accounts. This applies to costs the government deems unrelated to University business (flowers, alcohol, entertainment) or excessive costs (business/first class travel, luxury hotels)

Questions as to which travel or related business expenditures are reimbursable under a particular grant or contract should be directed to the appropriate Research Administration project officer.

### **Expectations 501(c)3 organization**

The IRS grants the University exemption as a 501(c) 3 organization in order to accomplish our mission, which exempts the University from paying its share of taxes. Since the University is directly supported by students and donors, and indirectly by the taxpaying public, we must be a careful steward of these funds. It may help to remember the “front page test” – will the expense seem appropriate to others if reported on the front pages of a local newspaper?

### **B. Non-Reimbursable Expenses**

The following miscellaneous expenses are **non-reimbursable**. University policy considers these expenses to be either personal, unnecessary, or avoidable expenses incurred during travel. As a result, there may be tax consequences to the travelers if reimbursed.

#### **These non-reimbursable expenses include (but are not limited to):**

- Airline or VIP club membership dues or one-day admission fees
- Airphone usage
- Baby-sitting

- Barbers and hairdressers
- Clothing or toiletry items
- More than 3 personal calls each day, unless emergency circumstances are documented
  - Internet charges at home
- Excess baggage costs related to personal property
- Expenses related to vacation or personal days taken before, during, or after a business trip
- Frequent Flyer Miles (Travelers will not be reimbursed for airline tickets purchased, partially purchased or accommodations and upgrades obtained using frequent flyer miles).
- Helicopter services for local travel/entertainment
- Laundry or cleaning expenses on trips lasting five (5) days or less, unless emergency circumstances are documented
- Loss or theft of cash advance money or airline tickets
- Loss or theft of personal funds or property
- Lost baggage
- Luggage and briefcases
- Magazines, newspapers, personal reading materials

- Medical expenses while traveling
- Mini-bar alcoholic refreshments
  
- Movies
  
- “No show” charges for hotel or car service
  - Online auction sites
  
- Personal entertainment
  
- Pet care
  
- Recreational expenses
  
- Saunas, massages, spa visits
  
- Shoe shines
  
- Souvenirs or personal gifts
  
- Snack
  - Tips in excess of 20 percent

If a business reason exists for any of these purchases, a policy exception must be requested.

## **PROCEDURES**

Please see the Purchasing web site for reimbursement procedures:  
<http://finance.columbia.edu/procurement/purchasing>.

### **C. Adjustments to Policy**

In certain limited circumstances, there may be a recurring business situation that may result in the adjustment of current policy for a specific department or individual. To request an adjustment to the current policy, complete the following steps:

1. *Complete the Request for Exception or Adjustment*
  - a. Include a description of the amount, date and nature of the reimbursement request
  - b. Provide the reason why an adjustment is being sought. Include detailed information describing the circumstances that warrant an adjustment
2. Forward the request to your Dean, Associate Dean, Vice President or Senior Financial Officer for approval
3. The Director of Accounts Payable will review the request and in consultation with the Dean, Associate Dean, Vice President or Senior Financial Officer determine if the adjustment to policy will be granted.

