



FAS Memo 2010-04

Date: February 10, 2010

To: Reynolda Campus Personnel

From: Brandon E. Gilliland
Assistant Vice President for Finance & Controller

Subject: Introduction to new Travel, Meals, and Entertainment Policy and Business Expense Policy

I am pleased to announce the establishment of the two subject policies. Our policy development is in response to requests from the campus community to provide additional guidance to University personnel, students, and others that expend funds on behalf of the University. Additionally, a core component of the Financial and Accounting Services (FAS) strategic plan is to provide the service, tools, and training to cultivate a trained campus community on doing business at Wake Forest.

I want to extend special thanks to the department business managers, department heads, the compliance office, and the legal office that provided invaluable assistance and collaborative spirit during the development of these new policies.

In summary, the major improvements and significant changes are outlined below by policy:

Travel, Meals, and Entertainment Policy

- While traveling on University business, receipts are no longer required for travel related expenses totaling \$50 or less, excluding lodging. This is not a per diem rate; actual amounts must be submitted for reimbursement. Amounts in excess of \$50.00 while traveling, require both the detailed and summary receipts. Guidelines for dollar limit reasonableness of expenses are provided. This new threshold will benefit the traveler by only having to submit receipts over \$50.00 and also create process efficiencies. Regardless of transaction amount, documentation submitted to Accounts Payable must still include:

name(s) of person(s) attending the meal (when applicable), the relationship of those individuals to the University, cost, date, place, and the business purpose.

- Detailed and summary receipts are required regardless of amount for local meals and entertainment and for any meals in excess of the \$50.00 threshold when in “travel status”.
- The University may reimburse (without tax implications) spouse or family expenses at nonlocal professional business events when the event serves a legitimate business purpose for the spouse or family. A Request for Family or Guest Travel Form should be completed and approved prior to any spousal or family travel.
- University employees traveling internationally can use the per diem method for meals only. If the traveler chooses the per diem method for meals he/she may not use their University Procurement Card, seek reimbursement, or use house funds for meals.
- The Travel and Entertainment Form is more user friendly by moving the instructions to a new tab in the workbook and expanding page 2 of the form to give the campus community additional space to provide a business purpose for meal and entertainment expenditures.
- A new form titled Request for Family or Guest Travel needs to be completed for any spouse or family expenses to be incurred by the University. The form should be submitted to Accounts Payable prior to expended funds for family expenses. This form will assist in the determination of any taxable amounts for family expenses.

Business Expense Policy

- Payments for real property rent, personal property leases, or other services should be paid directly by the University. An employee should not pay for these types of expenses and seek reimbursement.
- Gifts and awards given to employees, depending on type and value, are typically considered taxable income.

Common theme among both policies

- If appropriate documentation for allowable expenses is not submitted to clear an advance, submitted for reimbursement, or submitted through the procurement card process, and/or any excess advance monies are not returned within sixty (60) days of date the expenses were incurred or within thirty (30) days from date of return, these amounts may be included in taxable income, not reimbursed, or deducted from the paycheck of the

employee who received an advance for such expenses. This requirement is to comply with Internal Revenue Service regulations.

- A new form is introduced for any payments to foreign nationals. The form is a Foreign National Information Form and will assist in providing complete information to ensure payments to foreign nationals are processed timely and accurately.

FAS will provide training opportunities on these policies through the Campus Finance Representatives Group (CFR) and through group training opportunities. The February CFR meeting will include a presentation on the new policies. Other training events will be announced when scheduled.

The subject policies are available on the FAS website www.wfu.edu/fas (policy and procedure library). All related forms are updated and available on the FAS forms website www.wfu.edu/fas/forms/index.html.

Thank you for your attention to these new policies and if you should have any questions, please contact Allison Belton, Associate Director of Accounts Payable, at x5183 or Barbara Meredith, Accounts Payable Representative at x5833.

As stated in my introduction, FAS is committed to providing the service, tools, and training to cultivate a trained campus community on doing business at Wake Forest. As always, we welcome your feedback and suggestions as we are always looking to improve our level of service to the campus community.