



Policy Name:	University Expense
Effective Date:	June 26, 2018
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Approving Authority:	Northwest Leadership Team
Responsible Office:	Controller
Category:	Finance

Purpose

The University Expense procedure outlines guidelines and rules to expend University funds and ensures compliance with state, federal and university regulations. The primary responsibility for managing University funds and ensuring expenses are accurately documented belongs to the employee and the approving supervisor. This Procedure applies to all university employees and university funds.

Checklist for Approved Expenditures

- Official business of Northwest Missouri State University
- Approval from supervisor and department operating budget financial manager
- Use Tax Exempt status to avoid unnecessary expenses
- Review applicable sections of University Expense Procedure prior to purchase
- Itemized paid receipt and required documentation
- Compliant with [Procurement Procedure Manual](#)

Procedure

Expenses are limited to those authorized and essential for transacting official business of the University. All reimbursable expenses claimed must contain approval signature of supervisor and be accompanied by **itemized paid receipts** within 30 days unless sooner at end of fiscal year in accordance with fiscal year end deadlines. Receipts at the end of the fiscal year are due per the annual deadlines published. Paid summary receipts will not be accepted without the support of the itemized paid receipts. The University is tax exempt and all employees should use the exemption status for all expenses in the state of Missouri. Northwest also secures exemptions from various other states. Employees should obtain [tax exemption certificate](#) from the Vice President of Finance office prior to the travel or business engagement.

The University will deny reimbursement of expenses that lack complete documentation or do not have a clear business purpose. University card (Purchasing/P card) transactions without itemized paid receipt(s) are required to be reimbursed at time of Expense Report. Accounts Payable team will facilitate the reimbursement from the employee. The Controller’s office must approve any exceptions to this procedure.

Unallowable University Related Expenses

- Alcoholic beverages
- Cards/Decorations

Contributions to charitable organizations
Entertainment/Recreation (Allowable for student engagement and student programming events)
Flowers
Food at Department/Staff meetings (Allowable for external guests and external award)
Gift cards for employees
Gifts for employees
Memberships (i.e. Amazon/Sam's)
Movies (Allowable for student engagement and student programming events)
Office parties (Allowable per Retirement Policy)
Personal credit card fees or dues
Personal expense including expenses of family/spouse/dependents
Recognition/Rewards (Allowable for University event and external award)
Service Awards (Allowable for University event)
Snacks/Gum/Drinks
Student Awards/Gifts/Recognition (Allowable for University event)

Agency Funds/T Funds

This procedure provides best practice and is highly recommended for University Agency Funds/T Funds. However, University Agency funds are exempt from this procedure and may make their own decisions regarding expenditures. The Accounting office acts as the banking institution for Agency funds and they are primarily for campus groups and clubs. The fund in the FOAP begins with the letter "T".

Personal Reimbursements

Personal reimbursements will be required for non-official business related expenditures, expenditures not supported with itemized paid receipts and paid sales tax that should be exempt. IRS considers any reimbursement as taxable compensation if not supported with itemized paid receipts documenting business purpose. Exceptions will be managed by the Controller and Accounts Payable team.

Commodities and Services

Refer to [Procurement Procedure Manual](#) and review Purchasing's [University Contract List](#). Employees should purchase on contract to obtain optimal pricing and initiate a purchase requisition with the respective approval for payment to an individual, vendor, or payee for the purchase via a State, Cooperative or University contract. If purchase amount exceeds \$5000, employees must contact Purchasing to ensure the University meets procurement guidelines. Employees should use the approved University card or complete the Direct Pay Voucher to initiate payment directly to an individual, vendor, or payee for items or services not required to be purchased via purchase order.

Gift Cards

Refer to Unallowable University Related Expenses
Not allowed for University employees and will not be reimbursed

Travel

The State of Missouri Travel Regulations declare that, "reimbursable travel expenses are limited to those expenses authorized and essential for transacting official business" of the University.

Non-exempt staff should work with supervisor and HR to plan the timesheet hours for the travel period.

Employees with University card and on university business should use the approved University card for all authorized and fully funded university business related travel expenses when available. If partial funded by department operating,

employees should use personal means to cover the expense and seek reimbursement of the approved portion via Employee Travel Expense Voucher, ETEV. University card can only be used for the employee and university related expenses. University forbids use of University card for personal, spouse, and dependent transactions.

Employees and Approvers are expected to use sound, fiscal judgement to determine most cost effective means of travel. Northwest is exempt from paying State of Missouri sales tax. Northwest secures sales tax exemptions from various states. Employees should obtain tax exemption certificate prior to all travel and university business engagements. Employees without University card should complete the ETEV. University prefers to pay vendors directly for advanced conference registrations. University prefers to reimburse employee after travel is complete. Employee and supervisor are responsible to address previous reimbursements if the travel and/or reservation is cancelled.

Airfare

Employee and supervisor responsibility to evaluate multiple flight options

Lodging

Employees should obtain tax exemption certificate for reservation
University does not discourage staying with friends or relatives
Friends and relatives cannot be reimbursed nor paid directly by the University

Fleet Transportation

Reserve university vehicle with Facilities Transportation per Miscellaneous Fee Schedule
Refer to Mileage to understand options

Mileage

Refer to Fleet Transportation within Facility Services to understand options
Employee that chooses to drive personal vehicle instead of university vehicle is not covered for insurance purposes by the state when traveling on University business. Coverage for damage, loss, passengers, and liability to others must be provided by employee's private auto policy.
Reimbursable mileage rate can be found on Employee Travel Expense Voucher (ETEV)
Personal vehicle usage will be reimbursed by mileage rate ONLY

Rental Vehicle

University preferred rental vehicle agencies are Enterprise or Hertz
The Enterprise Business Rental number is XZ51M57
The Hertz Business Rental number is 1897251
Employees should request the State of Missouri rate
The State of Missouri rate for both agencies include insurance coverage
If car rental services are not available with Enterprise or Hertz, employee may use alternative vendor
If employee uses alternative vendor, the purchase must include insurance coverage from the vendor

Toll/Parking/Taxi

In addition to itemized paid receipt, provide explanation on Employee Travel Expense Voucher, ETEV Transactions up to \$10 maximum allowed without itemized paid receipt

Registration Fees

University prefers to pay vendors directly for advanced conference registrations
University prefers to reimburse employee after travel is complete
Employee and supervisor are responsible to address if the travel and/or reservation is cancelled

Employee Travel Related Meals (excludes student group and team travel)

Employee must stay overnight to request reimbursement for meals
Must document on ETEV or in description for University Card transactions
Employee should obtain tax exemption certificates and apply at time of purchase
Alcohol is non-reimbursable and should be on separate, personal receipt
Employee is responsible to provide and document
Itemized receipt (including date/time/place of meal)
Business purpose
List of attendees
Confirmation of overnight stay
Reasonable tip/gratuity is reimbursable up to a maximum of 20% of total bill

Business Meals

University related purpose or agenda
Generally includes at least one individual not employed at University
Exempt from overnight requirement for meals
Because of tax exemption status, University will not reimburse tax
Alcohol is non-reimbursable and should be on separate, personal receipt
Employee is responsible to provide and document
Itemized receipt (including date/time/place of meal)
Business purpose
List of attendees
Reasonable tip/gratuity is reimbursable up to a maximum of 20% of total bill

Department Meetings

Meals and/or snacks allowed if purpose is student engagement or student programming events
Meals and/or snacks allowed if includes external guest(s)
Meals and/or snacks allowed for external award/recognition
Working lunch is unallowable and will not be reimbursed

Student Group and Team Travel

Exempt from overnight requirement for meals
Employee is responsible to provide and document
Itemized receipt (including date/time/place of meal) Business purpose
List of attendees or # of team athletes/coaches
Signatures are mandatory when cash is provided to students for meals
Reasonable tip/gratuity is reimbursable up to a maximum of 20% of total bill

Services and Non Travel Reimbursements (Direct Pay Voucher, DPV)

Invoice or Itemized Receipt required
If new vendor, W9 is required
Northwest is exempt from paying State of Missouri sales tax
Employees should obtain tax exemption certificate prior to the business purchase

Employee engagements and services should be paid through payroll, so please contact Human Resources

Cash Advances (DPV)

Employee is responsible to account for all funds in the form of detailed receipts, signature forms, and/or cash within 30 days of the effective date

Finance charges will be applied to the employee's account every 30 days post the effective date of the cash advance

Signatures are required on a roster list including the exact dollar amount received by each individual

The detailed receipts and signature forms should be submitted with the Employee Travel Voucher Expense, ETEV, form and cash should be deposited in the Bursar's office to satisfy the Cash Advance

Same day cash advances are limited to \$1,000

If amount requested is over \$1,000 the advance will be in the next Accounts Payable check run

Farewell/Service/Recognition/Reward

Refer to Unallowable University Related Expenses

Human Resources coordinates University events

Student Awards/Gifts/Meals/Recognition

Refer to Unallowable University Related Expenses

Human Resources coordinates University events

Retirement Meals

Refer to University Marketing and Communication

Amazon Purchases

Contact Controller's office to request ID activation within our Northwest Amazon Business Account

Candidate Travel

Human Resources/Provost coordinates and manages

Itemized receipts required

Moving Expenses

Human Resources/Provost coordinates and manages

Itemized receipts required