

Travel and Business Expense Reimbursement Policy Changes – effective April 1, 2011

Overview

Several changes to Business Expense Reimbursement policy and processes will help achieve the overall goals of savings, greater efficiency and better services. These policies affect all areas of the College and impact the activities of many faculty, staff and students. The recommended modifications will allow us to improve service to the divisions while also increasing efficiencies at the department level and within the central finance units.

The Business Expense Reimbursement policy provides specific requirements for Dartmouth College travel and other business expense reimbursements and identifies the documentation required for reimbursement.

In addition to the key policy changes summarized below, a new business expense reimbursement form has been developed by a group of administrators from across the College. The new form and electronic workflow procedural changes will be available to departments and divisions as their Finance Centers are implemented. **The Business Expense Reimbursement forms can be used for travel and other employee business expense reimbursements such as moving, books, etc.**

To see the complete Business Expense Reimbursement Policy see:

<http://www.dartmouth.edu/~control/docs/travel/business-expense-policy-04-01-2011.pdf>

Summary of Business Expense Reimbursement Policy Changes effective April 1, 2011

Documentation of Business Expense

Summary of Current Policy: Each division has their own policy for when receipts are required. Most require receipts at \$25.00 or less.

Summary of Policy effective April 1, 2011:

The policy does not require but encourages receipts for items under \$50.00. If receipts are not submitted individuals must still record the actual amounts of the charges and clearly itemize the expenses on the Business Expense Reimbursement form. The basic policy governing travel and business expense reimbursement is that an individual should neither gain nor lose funds in the course of conducting College business.

Receipts for lodging or entertainment expenses are required at any dollar amount, based on IRS policy.

Meals and Incidental Expenses

Summary of Current Policy: Meals and incidental expenses are reimbursed based on actual expense. There is review for appropriateness of expenses. Each division has different receipt policy – most require receipts for anything over \$25.00. Per diems are allowed for international travel if the travel is expected to last longer than 14 days.

Summary of Policy effective April 1, 2011:

For U.S. travel meals and incidental expense, the policy will allow for either a per diem or actual expense reimbursement. The per diem is based on the IRS high-low per diem rates. The high per diem rate is currently \$65.00 and applies to certain [U.S. locations defined by the IRS](#) (e.g. Boston, New York,

Chicago, etc.). The low per diem rate is currently \$52.00 for all other U.S. locations. Meals and incidental expense per diems for international travel are based on the [U.S. State Department per diems by location](#).

For a list of locations that qualify for the high level per diem see page 4 below.

If a meal is not paid for by the individual because it was provided by a third party or during a partial day of travel, the daily per diem should be reduced based on the allocation below:

	<u>High Per Diem Location</u>	<u>All other locations</u>
Breakfast	\$ 10.00	\$ 8.00
Lunch	16.00	13.00
Dinner	<u>39.00</u>	<u>31.00</u>
Daily Total	\$ 65.00	\$ 52.00

The policy does not require but encourages receipts for any individual expenses under \$50.00 when per diems are not used. For a given trip, a traveler needs to choose either per diem reimbursement or actual cost reimbursement. However, travelers who choose the per diem option but while travelling incur the cost of an entertainment meal may request reimbursement for the actual cost of the entertainment meal as long as they provide a receipt and information regarding the business purpose and participants for the entertainment meal, and adjust the per diem as described above.

Cash Advances

Summary of Current Policy: There is no requirement to specify how a cash advance will be spent on the request. The Cash Advance must be approved by an Exempt employee and exempt employees may approve their own cash advances up to \$500.00. Supervisors are only notified of outstanding cash advances sixty days after being outstanding.

Summary of Policy effective April 1, 2011:

- Dartmouth encourages all regular travelers to obtain a Corporate Card for business travel expenses, and book airfare through Travel Leaders for direct payment by the College. A travel advance may be requested and should be the minimum necessary to cover anticipated out-of-pocket expenses with a maximum daily limit of \$50.00 for domestic travel and \$75.00 for international travel. This limitation does not apply to student cash advances for non-travel expenditures or group travel.
- If requesting a cash advance for more than the standard amount per day listed above, a detailed calculation indicating how the amount of the cash advance was determined needs to be included with the request.
- Cash advances will only be granted if they bear the signature of an authorized approver or delegate that has been given the authority to approve such expenditures for designated Chart and PTAEO Strings on behalf of the College, regardless of the request amount.
- Travelers will be given the option to receive cash up to \$500 or a Dartmouth check.
- Cash advances will not be issued more than 10 business days before the trip or expected expense. Requests for advances in the form of a check should be requested at least 10 business days in advance of need.
- Employees and students who have not settled their cash advances within 30 days will have a second notice copied to their supervisor.

Employee Gifts

Summary of Current Policy: Gifts over \$50.00 are reported as taxable income to the employee.

Summary of Policy effective April 1, 2011:

Gifts received by employees are taxable and must be reported in income if their value exceeds the following dollar thresholds:

- gift certificates and/or gift cards of any amount (the IRS considers gift certificates to be equivalent to cash);
- gifts of tangible personal property greater than or equal to \$50.00;
- Gifts of tangible personal property greater than \$400.00 given to a long-service or retiring employee.

The source of funds for purchase of the above described prizes and awards should be general unrestricted departmental funds, used only at the discretion of the department head. Restricted funds (grants, contracts, and gifts) must not be used for such purpose.

Locations eligible for high daily meal and incidental Per Diem of \$65 (effective 2011)

State	Key City Area / Location
California – CA	Monterey San Diego San Francisco Santa Barbara Santa Monica South Lake Tahoe Yosemite National Park
Colorado – CO	Denver, Aurora
Washington, DC – DC	City of Washington and surrounding cities in VA and MD (see listings below)
Florida – FL	Key West
Illinois – IL	Chicago
Massachusetts – MA	Boston / Cambridge
Maryland – MD	Counties of Montgomery and Prince George’s
New York – NY	New York City – Manhattan, Bronx, Brooklyn, Queens, and Staten Island Westchester County – White Plains, Tarrytown, New Rochelle
Pennsylvania – PA	Philadelphia
Virginia – VA	Alexandria Falls Church Fairfax Counties of Arlington and Fairfax
Washington – WA	Seattle

For all locations not listed above, the daily per diem rate is \$52 (effective 2011)

If a meal is not paid for by the individual because it was provided by a third party or during a partial day of travel, the daily per diem should be reduced based on the allocation below:

	High Per Diem Location	All other locations
Breakfast	\$ 10.00	\$ 8.00
Lunch	16.00	13.00
Dinner	<u>39.00</u>	<u>31.00</u>
Daily Total	\$ 65.00	\$ 52.00