



TRAVEL AND BUSINESS
EXPENSE POLICY

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PURPOSE

The policies set forth in this handbook are applicable to travel and business expenses incurred by faculty, staff and students and all others acting on behalf of or as a guest of Wentworth Institute of Technology (“Wentworth” or the “university”). The policies are applicable irrespective of the source of funds or means of payment.

This handbook outlines the policies in general terms to ensure only reasonable and necessary expenditures for authorized business, travel and entertainment are incurred, documented, and paid for by the university in conformity with applicable laws, acceptable practices, and good judgment. Please note that all forms and policies that are referenced in this handbook may be obtained on both the university Controller’s Office and the Purchasing Office websites.

While the information in this handbook should be sufficient to cover the majority of scenarios, it is inevitable that certain situations are not addressed. This handbook is not expected to cover every possible situation. For example, federally funded awards may have additional requirements associated with their expenditures. It is encouraged that items of an unusual nature first be discussed in advance of any procurement with the employee’s supervisor and then brought to the attention of either the Vice President of Finance or the Associate Vice President for Finance for approval.

The university’s travel, business meals, and general expense reimbursement policies exist primarily for three reasons:

1. To ensure that the university is in compliance with federal regulations instituted by the Internal Revenue Service (IRS).
The IRS requires the following:
 - a. Expenses must have a documented business connection.
 - b. There must be adequate accounting by the employee to the employer for the expenses, substantiating the amount, date, time, place, use, and business purpose of the expenses incurred.
 - c. Excess cash advances or reimbursements must be returned within a reasonable period of time (no later than thirty (30) days following the last expense incurred).
2. To ensure that expenses are reasonable and do not conflict with the university’s not-for-profit tax status and primary mission of education, research and public service. University funds shall not be used for purposes that are personal in nature or that do not have a clear business purpose.
3. To ensure that the university’s budget dollars are spent as effectively as possible.

Failure to comply with these requirements may result in a payroll deduction for expenses incurred but not properly accounted for according to IRS regulations. Employee violations of the Travel and Business Expense Policy will be treated as violations of university policy, and may result in disciplinary action.

RESPONSIBILITY OF TRAVELERS / PURCHASERS

Wentworth travelers/purchasers are expected to spend university funds prudently.

Travelers/purchasers are expected to familiarize themselves with the university's Travel and Business Expense Policy. Individuals who incur authorized expenses should neither gain nor lose personal funds as a result of travel for Wentworth. Travel and entertainment expenses will be paid or reimbursed by the university if they are reasonable, appropriately documented, properly authorized, and within the standards of this policy.

An appropriately documented business expense, whether made on the Wentworth Procurement Card ("P-Card") or being reimbursed, includes the reason for charge and not just what was purchased. The reason for the charge should be clear to someone who is unfamiliar with your role at the university in order to meet auditing standards.

RESPONSIBILITY OF APPROVERS

Essential to the reimbursement of expenses incurred by employees, travel and otherwise, is the approval process. Expense/Travel Reports should be signed by the employee and should also contain a signature of approval by the appropriate authority. Wentworth P-Card charges should be fully documented and reconciled by the cardholder and reviewed by the approver within the prescribed deadlines (within fifteen (15) days after month end for the cardholder and within thirty (30) days after month end for the approver). The traveler's required approver is the person who is the next highest level with budget authority for the "org" to which the expenditures will be charged.

Under no circumstances should an employee approve his or her own Expense / Travel Report. Furthermore, in no situation should a peer or subordinate approve another employee's Expense / Travel Report.

Travel or purchases that are supported by Sponsored funds (i.e. federal contracts) are to be approved by the Principal Investigator ("PI") and submitted to the Assistant Controller responsible for Sponsored Programs. In the case of PI travel, it will be the approved by the Assistant Controller. It is the responsibility of the PI and the Assistant Controller responsible for Sponsored Programs to ensure that the travel and business expenses meet all applicable Sponsored funds guidelines.

The approver's signature indicates that the reviewer has examined the Expense / Travel Reports in detail, verified the validity of the expenditures and related documentation in accordance with the university policy, attests to the accuracy of the form and is in full agreement with the amount expended and / or due to the employee.

RESPONSIBILITY OF THE CONTROLLER'S AND PURCHASING OFFICES

The Controller's and Purchasing Offices are responsible for the following:

- Review of forms and attachments for completeness, accuracy, reasonableness, and compliance with government regulations and university policies;
- Return of forms to employee or the approver when items appear unreasonable, incomplete, personal in nature, or violate government regulations or university policies;
- Maintenance of auditable records of expenses;
- Verification of required approved signatures;

- Ensuring the proper tax treatment of taxable income items and compliance with IRS regulations.

RECEIPTS/MISSING RECEIPTS

Original receipts as support for expenses are expected. A receipt is defined as a verifiable written acknowledgement that a specified remittance article or delivery has been made. The receipt must support the propriety of the transaction and contain the following information (at a minimum):

- Vendor name;
- Detailed listing of goods purchased, including item description, quantity and price;
- Meal receipts shown by items ordered;
- Transaction date; and
- Total dollar amount of purchase.

If an original receipt is lost please complete the “Lost Receipt Certification Form”. Missing receipts may allow Wentworth to refuse a reimbursement or to request a reimbursement from the employee on a P-card purchase. Out of pocket expenses will not be reimbursed without a receipt.

WENTWORTH PROCUREMENT CARD PROGRAM

For those employees who travel and/or make frequent business purchases on behalf of the university, the P-Card must be used. This program is primarily available for individual transactions under \$2,500; however higher limits may be granted with both supervisor and Purchasing Office approval. The P-Card allows university employees to obtain goods much faster and easier and the work associated with the payment for purchases is reduced.

The benefits of the P-Card to you and Wentworth are significant!

Benefits to the Cardholder:

- Allows you to obtain goods and pay for travel and business-related expenses services much faster and easier.
- Work related to the purchase and payment for these goods and services is greatly reduced.
- Allows you to be more efficient and focus on the value-added aspects of your job.
- Significantly reduces out-of-pocket expenses to be reimbursed by the university.

Benefits to the University:

- The P-Card will greatly reduce the internal paperwork and handling costs associated with the purchase of low dollar value goods and travel and business-related expenses.
- It will directly affect the number of requisitions, purchase orders, invoices and travel accounting forms that must be processed by the university.
- Provides the university a financial rebate on its total charge volume.

Benefits to the Supplier:

- Permits payment in as few as three business days.
- Suppliers will have no further need for repeated invoicing and collection activities and other expenses associated with processing paper check payments.

Any employees of the university (with approval from a Department Head and Division Officer) may be permitted to receive a P-Card. An application for a P-Card is available through the Purchasing Department's website. The employee's Department Head must sign the application for the P-Card. The completed application should be submitted to Purchasing, who will then forward the application to our card banking partner, US Bank, for processing. US Bank will send the approved card to the Purchasing Office. You will then be contacted by Purchasing to schedule an appointment for a brief orientation on the policies and procedures specific to the P-Card program.

Use of the P-Card for personal purchases is strictly prohibited. Cardholders who fail to meet the documentation requirements under the US Bank Cardholder guide may lose their cardholder privileges. Approvers who neglect their responsibilities as outlined in the US Bank Approver Guide will have their approval responsibilities suspended and transferred to their supervisor. These decisions will be made by the Associate Vice President for Finance and/or the Vice President for Finance with consultation with the respective Division Head.

SALES TAX EXEMPTIONS

The university is exempt from sales tax in Massachusetts and Florida. If you are traveling to or purchasing goods from these states, please download the tax-exempt certificates from either the Controller's Office or Purchasing Office university websites. These exemptions are only available for expenses incurred on behalf of the university and for which the university is responsible to pay.

TRAVEL SPECIFIC POLICIES AND PROCEDURES

The university appreciates the efforts of those employees who travel on university business. Travelers should be comfortable while traveling, understand all related policies, and obtain reimbursement quickly. At the same time, it is necessary to keep trip costs within reasonable limits and to follow consistent reimbursement procedures.

When traveling, employees of the university are required to select the most cost-effective means of transportation and lodging, weighing the factors of safety, convenience and price differences. Travel policies are designed to fit the university's mission and culture as a not-for-profit institution. In general, university personnel should travel using good judgment and make responsible choices.

Overnight travel should be limited to destinations more than fifty (50) miles from the university. Exceptions may be granted by the respective Division Officer for instances such as when an employee is a speaker at a conference and needs to arrive early or weather conditions warrant an overnight stay and must be documented.

The university has preferred travel agencies to provide travel services to those who travel on behalf of Wentworth. Faculty and staff traveling for university business purposes may make travel arrangements through the university's approved travel agencies or you may utilize a travel service website (i.e. Orbitz). All travel arrangements must be prudently purchased to obtain the lowest fares/rates available that meet your travel itinerary. Please refer to the Purchasing Office website for additional travel services and agency related information.

Travel Accident Coverage

Wentworth provides accident insurance coverage for employees who are injured while traveling on official Wentworth business. The corporate auto policy includes liability coverage for Wentworth and employees driving rental vehicles. Please contact the Purchasing Department for more information.

Travelers having an accident or emergency while traveling and requiring assistance from Wentworth should contact Public Safety (at 617-989-4444) for direction and assistance.

Travel Expense Reimbursement

Whenever possible, travel expenses must be paid using the P-Card program. However, employees of the university who spend their own funds for legitimate business-related travel expenses are entitled to a prompt reimbursement for those expenditures. Claims for reimbursement should be made on a Travel Accounting Form, approved by a supervisor and submitted to Accounts Payable within thirty (30) business days of returning to Wentworth. Original itemized receipts must be attached to the Travel Accounting Form that is submitted for reimbursement, regardless of the dollar amount. Clearly separate personal expenses and deduct them from reimbursable costs. Guidelines for receipts follow those outlined for general expense reimbursement. In addition, documentation for all business meals transactions must include names of attendees and business purpose to comply with IRS regulations. If there are a large number of attendees, listing of the type of group is acceptable.

All reimbursements are paid to employees timely (please allow up to ten (10) working days for internal processing). If Accounts Payable is required to return a report which does not have adequate support or proper approval, the reimbursement process will be delayed.

Travel Advances

The Controller's Office makes available travel advances to cover expenses which cannot be handled through the normal purchasing process. Travelers requiring advance funds should complete a Travel Advance Request form and submit it to the Accounts Payable Department.

Travel Advances will not be issued to employees with outstanding Travel Expense Reports or with prior travel advances that have not been liquidated. Advances will not exceed reimbursable estimates for out of pocket expenses.

The travel advance must be accounted for on a Travel Accounting Form and submitted to Accounts Payable **within thirty (30) days** following the completion of business travel. All travelers are responsible for completing a Travel Accounting Form in such a manner that properly substantiates each expense item in order to be in compliance with IRS mandated rules. Receipts are required to substantiate all Travel Advances, regardless of whether the actual expenses incurred were less than or more than the amount of the advance. Receipts are required for all expenses paid with these funds.

Original, itemized receipts should be attached to the Travel Accounting Form. Missing receipts or copies of receipts must comply with the policies documented in this guide.

Failure to account for a travel advance in a timely manner will result in the following:

- Suspension of travel advance privileges,
- Payroll deduction, and
- Notification of Division Officer.

Any unused funds from the Travel Advance should be delivered to the Controller's Office in Williston Hall (office hours available for deposits are located on the Controller's Office website). Do not send cash or checks through campus mail.

All checks should be payable to: "WENTWORTH INSTITUTE OF TECHNOLOGY". A receipt should be obtained from the Controller's Office and attached to the Accounting Form prior to submitting the accounting to Accounts Payable. If actual travel-related expenses exceed the travel advance, then the university will reimburse the traveler for the net amount due.

International Travel

Reimbursable international expenses include expenditures incurred for travel, personal meals, business meals and entertainment, lodging, passport fees, airport taxes, exchange rate fees, and other items necessary for the conduct of university business. The university will reimburse for the cost of coach transportation.

Expense reports must be submitted in U.S. dollars with an explanation and translation of the foreign receipts and their conversions. Employees who travel internationally are encouraged to use the P-Card whenever possible. Please contact the credit card provider to notify them in advance of your international travel to avoid card disruption due to usual activity. If the charge is on the traveler's personal credit card statement, payment will be for the amount shown for the item on the credit card statement. This will ease the conversion rate accounting. Out-of-pocket expenses must be converted to the currency rates that were in effect when travel took place.

Web currency converters can be located at <http://www.eurotrip.com/exchangerates.html> or <http://www.oanda.com/convert/classic>

Travel to countries/regions for which a travel warning has been issued by the State Department is not permitted. You may access the list of current advisories through the following web-site: http://travel.state.gov/travel_warnings.html. When proposing, or planning a trip that may involve a questionable location, please contact the Purchasing Office for a consultation.

Sharing Expenses with External Organizations/Consortia/Groups

Travelers are encouraged to combine university travel with other businesses if travel expenses can be shared with other organizations. Where travel expenses are being shared with external organizations a duplicate copy of receipts will suffice if the reimbursement form contains a detailed explanation as to which organization is paying the balance of the expenses. All reimbursement checks must be made payable to "WENTWORTH INSTITUTE OF TECHNOLOGY" and be brought to the Controller's Office for deposit (office hours available for deposits are located on the Controller's Office website).

Air Travel

Airline transportation should be used for long-distance travel, except when suitable arrangements cannot be made and/or there is a substantial cost savings for alternative transportation. When the most efficient means of transportation is air travel, all efforts should be made to obtain the lowest coach fare available. An employee may upgrade his or her travel class by personally assuming the incremental cost.

When booking travel arrangements, those employees that have a P-Card are required to use this form of payment, otherwise a personal credit card should be used. When seeking reimbursement from the university for such arrangements, note that only non-refundable tickets charged to employee's personal credit cards will be immediately reimbursable, when supported by a properly approved reimbursement request. Employees who choose to purchase refundable airline tickets for business travel will be entitled to reimbursement after the travel has taken place, when supported by a properly approved reimbursement request.

Certain airlines have special service clubs in many of the larger airports. Membership in a travel club may be purchased at the personal expense of the traveler and is not a reimbursable expenditure by the university.

An employee may retain frequent flier miles; however, an employee should always travel on the least expensive airline, not the airline with which they have a frequent flier account. If an employee uses frequent flier miles, personal credit vouchers, etc. to pay for business travel they cannot be reimbursed for it.

Long-term airport parking should be avoided. Alternative arrangements for travel to and from airports should be considered when airport-parking charges are expected to exceed the cost of a round-trip taxi. If car service to airport is used, the traveler must document that the car service is cheaper than the sum of the roundtrip mileage reimbursement to the airport and the airport parking fee.

Rail Travel

Rail travel may be used when the traveler finds it convenient and it is the least costly transportation available. Rail travel should be at the lowest available fare that offers reserved seating taking into account schedule and timing. The original passenger receipt is required for reimbursement.

Car Rental

Rental vehicles normally should not be used unless the cost is less than that of other available transportation. The use of a rental car should be justified as an economical business necessity, not as a personal convenience, and should be rented only for the specific time needed.

The following should be considered before renting a car:

- Availability of hotel shuttle service and taxi cabs;
- Airport transfers (included at some hotels);
- Proximity of hotel to destination;
- Number of travelers (cost sharing);
- Length of stay; and

- No-cost upgrades.

The use of a car rental versus a personal automobile is required for trips of longer duration if it is cheaper than the mileage reimbursement. Travelers are required to use economy (subcompact), compact or midsized cars. Travelers will not be reimbursed for specialty rental vehicles (i.e. luxury, sports utility, and convertible). Fuel costs will be reimbursed based upon actual fuel purchased, not mileage.

Rentals should be secured in the name of themselves and Wentworth. ACCEPT the Collision Damage Waiver. Deny other forms of insurance since Wentworth already provides coverage for employee's liability when driving a rented vehicle. List all drivers who will be expected to drive this vehicle.

The university has contract pricing with certain car rental agencies. Additional information can be found on the Purchasing Office's website

Personal Automobile

When traveling locally, employees may be required to use their personal auto for business trips. The use of an employee's personal automobile for business travel purposes will be reimbursed at the university's effective mileage reimbursement rate. This rate is available by opening the Travel Expense Report form. This mileage reimbursement rate is designed to cover gas, oil, and fixed costs such as insurance and general depreciation. Since the IRS does not allow reimbursement for commuting expenses, business mileage travel reimbursement requests should originate from the shorter distance of the university campus or the traveler's home, to the business destination and vice versa. Properly documented tolls and parking fees are reimbursable.

When you drive your own car on university business, your own insurance policy serves as a "primary" policy for third party liability and physical damage to your vehicle. Mileage reimbursements are designed to include an incremental cost for insurance and deductibles. Please note that no reimbursement will be made for the cost of repairs to personal vehicles, regardless of whether the costs result from business travel or whether they result from acts of the traveler or another individual. It is the obligation of the owner of a personal vehicle being used for the university business to carry adequate insurance for his or her protection and for the protection of any passengers. In the event of an accident, the employee is responsible for his/her own auto insurance deductible.

Fuel

As indicated in the previous sections, fuel is not a reimbursable expense except for refueling costs on rental cars or for vehicles owned by the university. This should be done with the P-Card when available.

Other Transportation

Travelers should use Uber/Lyft, taxi or public transportation in metropolitan areas to realize greater savings and convenience (i.e. Boston, New York, Washington, Chicago, etc.)

Reasonable expenditures for local ground transportation to and from airports, railroad stations, hotels, meeting places, and business appointments are payable or reimbursable by the university. Commuting costs are not reimbursable.

Lodging - Hotel

Lodging costs should be kept to a minimum. The university will pay actual room costs, as supported by a detailed hotel bill, for each day that lodging away from home is required for business purposes. Travelers are expected to utilize economical accommodations and inquire about educational corporate discounts. The traveler can stay at the hotel where a meeting, convention or conference is being held, even if it is not the most economical option available. Employees are expected to stay in standard rate rooms.

Reimbursement must be documented by an original itemized hotel bill and receipt, and is limited to room and tax and business phone calls and internet access. Personal expenses for items such as in-room movies, child care, in-room alcoholic beverages or recreational activities, will not be reimbursed.

Since hotel reservations are usually guaranteed to ensure lodging for late arrivals, employees are required to cancel reservations in a timely manner to prevent “no show” charges.

Lodging – Private Residence

Reimbursement will not be made for any expenditure which is in lieu of the normally reimbursable type of expense (e.g., when an employee elects to stay at a relative’s or friend’s home instead of commercial lodging).

Travel Meals

Reasonable expenses incurred for travel meals will be reimbursed. Travel meals are meals taken when traveling on university business, i.e. conference, recruiting trip, etc. Please refer to the section on Business Meals as well.

Reimbursement will be made for all actual costs (including gratuities). Receipts are required for all meals. The IRS requires specific details for meal expenses.

The following details must be provided within the Travel Accounting Form or in the P-Card package submitted:

- Amount;
- Date;
- Name and location of establishment;
- Business purpose;
- Names, titles and business relationships of all persons attending. If there are a large number of attendees, listing of the type of group is acceptable; and
- Itemized receipts are required for meal expenses.

No meal reimbursement will be granted in instances in which meals are covered by conference or registration fees, or any other instance in which the employee does not pay for the meal. In lieu of itemized meals, student travelers may choose the option of using the meal per diem reimbursement of \$25 per day/per person while traveling. No receipts are required under this option. This option is not available to faculty and staff.

IRS regulations state that in order for a meal reimbursement to be excludable from income the employee must generally be away from home overnight. For day trips requiring an employee to be

away from home for an extended period of time beyond the normal working hours, the university may reimburse the employee for meal reimbursement with prior supervisor approval. An overtime meal may be reimbursed to the employee on a non-taxable basis if day travel extends the employee's work day beyond his/her normal work schedule as long as this is not a "frequent" and "regular" occurrence. The employee may be reimbursed for only the meal that becomes necessary as part of the employee's extended workday (typically dinner). The approver is responsible for ensuring that such reimbursement is not a frequent and regular occurrence. Any meal reimbursements that do not require an overnight stay, and are not infrequent or irregular will be considered a taxable fringe benefit to the traveler and added to their gross wages on their Form W-2 and subject to applicable employment taxes.

Purchases of alcohol are not generally reimbursable by the university unless approved in advance by the Vice President of Finance. Travelers who wish to purchase alcohol with their meals or at social events are expected to purchase alcohol with personal funds.

Family/Friend Travel

Spouses, family members or friends may accompany university employees on business trips. However, any additional costs incurred because of these additional travelers are non-reimbursable.

When personal travel is combined with university business travel, the university will not assume any additional costs associated with the personal portion of the trip. Unless they are an integral part of a larger university business charge, these expenses are not to be paid by the university. The business purpose of the spouse's expenses must be stated on the appropriate expense report. Any additional expenses should be paid directly by the employee. Under no circumstances should non-business family/friend travel expenses be charged to the P-Card or a university Travel Agent Account.

Cost Savings Consideration

When planning business travel itineraries, it is asked that employees consider the following cost-saving strategies:

- Make reservations in advance.

Deeply discounted fares have strict advance purchase requirements in advance. Most advance-purchase fares also carry substantial penalties for change or cancellation.

- Consider the cost of a rental car versus use of personal automobile.

For travel over 150 miles by car, it may be more economical to rent a car than use your personal automobile. The university has contract pricing with certain rental car agencies. Please refer to the Purchasing Office website for a listing of these agencies as well as a calculator that will compare the mileage reimbursement versus a rental car.

- Be flexible in selection of airlines and times of travel.

One airline may have a promotional fare not offered by competing carriers. One airline offering single-stop or change-of-plane service may offer substantially

lower fares to compete with a carrier flying nonstop. Time of day and day of the week may also influence airfares.

- Look for special promotional fares.

When consulting a university approved travel agency, identify yourself as being flexible and willing to explore special fares and promotional opportunities on alternate dates and times if you are in fact flexible.

- Consider the early-bird conference registration rate.

If a conference offers an early-bird registration rate all efforts should be made to take advantage of this rate taking into consideration certainty of attendance and cancellation fees.

Reimbursable expenses

The university will pay for business, travel and entertainment expenses that are reasonable and actually incurred for conferences, transportation, meals, lodging, and other incidental expenses if they are properly authorized and appropriately documented (including explanation of the business purpose of the travel).

If reasonable and necessary, the following are examples of additional payable/reimbursable expenses as defined in this Policy:

- Baggage handling/storage;
- Business phone calls;
- Change or cancellation penalties imposed by the airlines if due to unavoidable circumstances (supporting documentation must be supplied with the T&E form);
- Currency conversion fees;
- Gasoline for rental vehicles;
- Ground transportation including taxi and metro fares, mileage for personal vehicles, parking fees, and tolls;
- Non-employee travel costs (faculty job applicants, guest lecturers, consultants, and others);
- Registration and fees for attendance at approved conferences and seminars (to prepay, use an Accounts Payable Request for Payment form or the P-Card as appropriate);
- Taxes associated with transportation, lodging, and meals;
- Telephone, faxes, and data transfer by modem;
- Tips associated with lodging, meals, and transportation if customary of not more than 15% to 20% of the bill; and
- Travel to and from an airport calculated and reimbursed at the university's mileage rate.

Non-reimbursable expenses

It is the university's policy to reimburse employees for all reasonable and necessary business expenses. Expenses specifically non-reimbursable are:

- Airline club membership fees;
- Alcoholic beverages;

- Annual membership for charge cards;
- Auto repairs;
- Baggage insurance;
- Car wash;
- Child care;
- Clothing or toiletry items;
- Commuting costs to/from home and normal place of business;
- Costs incurred by unreasonable failure to cancel reservations;
- Entertainment under federal grants and contracts;
- Excessive tipping;
- Family/dependent travel;
- Fees, interest, and/or late charges associated with personal credit cards;
- Fines, tickets or enforcement towing resulting from traffic, parking, or other violations;
- Golf or tennis court fees, membership in country, tennis, or golf clubs, or any sporting equipment, except when part of a preauthorized group event;
- Haircuts;
- In-flight headsets;
- Life, accident, or flight insurance premiums;
- Lost, broken, or stolen property;
- Luggage or briefcases;
- Massage or other spa or relaxation services;
- Meals when traveling locally on university business;
- Movies or games (hotel, theater, or rentals);
- Newspapers and magazines;
- Pet care;
- Shoeshine, and
- Mini-bar purchases.

BUSINESS MEALS AND GENERAL EXPENSE REIMBURSEMENT – NON-TRAVEL

Employees of the university who spend their own funds for legitimate business-related expenses are entitled to a prompt reimbursement for those expenditures. Claims for reimbursement should be made on a Request for Payment Form and submitted to Accounts Payable with proper approval. Original itemized receipts for business expenses incurred must be attached to the Request for Payment Form, regardless of the dollar amount.

Business Meals

Business meals are meals taken with visitors, colleagues, donors, etc. during which specific business discussions take place. Such meals may take place locally or while traveling on university business. At the discretion of their Division Officer and the approval of the Vice President for Finance, employees may be reimbursed for alcohol purchased during business meals. Employees should, however, use prudence in these circumstances and should not purchase an unreasonable amount of

alcohol as compared to the cost of the overall meal. Receipts submitted to substantiate such purchases should note the name of the guests and the nature of the meeting.

The federal government has mandated that no alcohol may be charged as either a direct or indirect expense of federally sponsored projects. This mandate means that under no circumstances should alcohol be charged directly to a federal grant or contract account.

Reimbursement will be made for all actual costs (including gratuities). Receipts are required for all meals. The IRS requires specific details for business meal expenses. These details must be provided within the Travel Accounting Form or document in the P-Card System to obtain reimbursement from the university:

- Amount;
- Date;
- Name and location of establishment;
- Business purpose;
- Names, titles and business relationships of all persons attending. If there are a large number of attendees, listing of the type of group is acceptable; and
- Itemized receipts are required for meal expenses.

Meals taken between two or more university employees without a clear business purpose, which ordinarily could be conducted during normal work hours, are not reimbursable from any university funding source. The cost of such meals should be borne by the employees.

Expenses incurred in relation to the following events are considered personal in nature and therefore not reimbursable. Such events include parties or meals for birthdays, weddings, births, or showers.

Gifts

University departments may incur an expense, in the form of a gift, on behalf of an employee or an employee's immediate family, for the events listed below. There should be no more than one gift per Division and it must be approved prior to purchase by the Division Officer.

- Recognition of a long-term employee leaving a department or retiring from the university. A general guideline is \$10.00 for every year of service. Such gifts should not exceed \$400.00, the maximum non-taxable limit established by the IRS, for gifts of recognition to long-term employees.
- Illness of an employee or student, requiring hospitalization.
- The death of an employee or an employee's immediate family member. Memorial gifts made on behalf of an employee may include flowers or a donation to a charitable organization. In such cases the university should be acknowledged as the sender, e.g., "from all your friends and colleagues at (Department/Division)." In the case of a donation to a charity, the notation should indicate the donation is from Wentworth Institute of Technology. A recommended limit for this gift is \$75.00.

Gifts in recognition of employee work-related achievement or years of service are only allowable as provided through official recognition programs authorized by Human Resources and can be excluded from employee wages if all the following conditions are met:

- Given for length-of-service;
- Awarded as part of a meaningful presentation; and is
- An item of tangible personal property (cannot be cash, cash equivalent, vacations, meals, lodging, theater or sports tickets).

Holiday gifts for faculty, staff, students and volunteers are not allowable.

Gifts to honor an individual for personal reasons other than those indicated above (e.g. birthday, wedding, baby shower, housewarming, promotion, etc.) may not be charged to university funds. Personal contributions among colleagues should be the method of providing such gifts.

Gift Cards/Certificates

Wentworth wishes to comply with IRS regulations addressing tax implications surrounding gift cards and gift certificates. Under Internal Revenue Code 132 a gift card, gift certificate, store-value card or a prepaid Visa/MasterCard, collectively referred to as a gift card, is considered a cash or cash equivalent that is subject to taxes regardless of the face value. In addition, gift cards can be susceptible to fraud or misappropriation because they lack the audit trail that exists with a check or ACH payments. As a result, the university wishes to limit the purchase and giving of gift cards in the course of business. The giving of gift cards to employees is always prohibited.

The university recognizes that it may sometimes be appropriate to present a gift card to a third party. The preferred form of recognition is a non-cash item (i.e. flowers or Wentworth paraphernalia), as these do not have the same tax implications. The university recognizes, however, that faculty and staff may want to use gift cards for awards, incentives or as a thank you gesture to individuals such as volunteers or research subjects.

Gift cards may be purchased using the college P-card or through reimbursement of personal funds. Gift cards purchased with university funds should not be given to active college employees, including student workers, or university consultants. Gift cards should not be purchased with federal grant funds.

A gift card may be purchased for a non-employee as a thank you for volunteering, to compensate research subjects (to maintain confidentiality), or as a prize for survey or raffle participants. Gift cards should be valued at \$50 or less unless a special exception is approved by the Division Officer and the VP for Finance or the Associate VP for Finance.

The following documentation must be included with the receipt for the gift card:

- Name of the recipient of each gift card. If the recipient is a research subject, the name should be maintained by the researcher in a secure location.
- Business reason for the gift card.

- E-mail approval of the Division Vice President and the VP for Finance or the Associate VP for Finance if the amount is over \$50

Gift cards should only be purchased as needed to avoid a surplus gift card inventory. Gift cards must be secured at all times (i.e. in a locked cabinet or drawer) until distributed.

Failure to follow this policy and maintain appropriate supporting documentation could result in the suspension of the privilege for you and possibly your department.

Donations to Other Charitable Organizations

The university is classified by the IRS as a tax-exempt charitable organization. As such, donations made by the university to other charitable organizations (with the exception of memorial gifts stated above) should be done under extraordinary circumstances only. Payments to such organizations must include documentation explaining the nature of the donation, and the relationship to the university. All such payment requests must be approved at the Division Officer level.

Hospitality

Refreshments provided at university or departmental business activities such as staff meetings, committee meetings, business presentations, or in honor of university guests are allowable. Such expenses should be kept to a reasonable level of cost and occurrence. Detailed receipts and a full accounting must be included for reimbursement / P-Card receipt submittals.

Entertainment

Business entertainment expenses include meals, related tips, transportation, lodging, and other entertainment expenditures incurred by university employees, agents, et al. for the benefit of others. Entertainment may be claimed if it is for the purpose of advancing a business relationship between the university and its donors or suppliers; it is within the bounds of good taste, moderation, and legal requirements; and the cost is within reasonable limits and does not include lavish, excessive, or inappropriate entertainment. Detailed receipts and a full accounting must be included for reimbursement / P-Card receipt submittals.

Some examples of business entertainment may include:

- Receptions for university guests and visitors,
- Alumni reunions or similar alumni events,
- Entertaining donors or prospective donors, or
- Welcoming receptions for parents and students.

Valid entertainment expenses are those incurred for business entertaining at which food and beverages, catering services, banquet facilities, decorations and musical groups may be used or present. All catering, food or refreshments required for a university event (breakfast, luncheon, dinner, or reception) must be made through Chartwells Dining Services. Please see Business Services Policies for more information at <https://wit.edu/business-services/policies>

In no event should alcoholic beverages be offered or served to minors. The use of alcoholic beverages while in the conduct of university business should be kept to a minimum. All university events held on campus, at which alcoholic beverages are served, require that Chartwells be engaged for the purpose of providing these beverages using TIPS certified servers. The Vice President of the

Division sponsoring the event is responsible for approving alcohol at the event. Please see Wentworth's Alcohol Policy located at <https://wit.edu/business-services/policies> for further information.

In planning entertainment for guests of the university, all efforts should be made to keep costs to a reasonable level in relation to the nature of the event.

Employee Events

Expenses associated with employee business events, (e.g. receptions, open houses, retreats) complementary to the department's mission and goals, or that foster a sense of community among faculty, staff and students are allowable. Expenses would normally include food and beverages, facility rental and catering services. All catering, food or refreshments required for a university event (breakfast, luncheon, dinner, or reception) must be made through Chartwells Dining Services. Please see Wentworth's Catering Policy located at <https://wit.edu/business-services/policies> for further information.

Expenses associated with personal events, (e.g. birth of a child, wedding, anniversary, birthday, etc.) are not allowable.

Stamps

Outgoing mail from campus should be for university business only and processed through the university's Copy and Mail Center. Stamps purchased at the Post Office are generally not a reimbursable expense unless there is a documented business purpose and it is approved by the Division Officer.

Software, Computers and Equipment

Purchases of software, computer and electronic equipment should be conducted through Technology Support and procured by the Purchasing Office. Under no circumstance should software or any technical or electronic device be purchased off campus and reimbursed through the general expense reimbursement process or the university P-Card Program without prior approval in writing from Technology Support. Requests for this type of purchase will first be made in writing and presented to the Division Officer for consideration. Requests will include the reason the equipment is needed, how and when it will be used, the specific type and model of equipment/software requested and its associated costs.

Purchases of capital equipment (a useful life over one year and an individual item amount over \$2,500) are to be procured through the Purchasing Office with an approved Purchase Order. Under no circumstance should capital equipment be purchased off campus and reimbursed through the general expense reimbursement process or the university P-Card Program without prior approval from the Purchasing Office. Requests for capital equipment will be made in writing and presented to the Division Officer for consideration. Requests will include the reason the capital equipment is needed, how and when it will be used, the specific type and model of equipment requested and its associated costs.

Purchases of software and equipment if approved, is the property of the university, and must be returned to the university upon request.

Personal Cellular/Smart Phone

The university recognizes that certain jobs may require an employee to carry a cellular phone. Employees utilizing electronic devices while driving a vehicle must utilize hands-free devices and follow the operating laws of the state where the travel takes place. Please refer to the university's Cell Phone Policy located on the Purchasing Office's website for further details.

Relocation Reimbursement

If a new employee is approved for a relocation reimbursement the university will reimburse these expenses (not to exceed the amount referred to in their appointment letter) based on IRS non-taxable eligible moving related reasonable expenses and distance test requirements (referenced in <http://www.irs.gov/publications/p521>). Please see the university's Relocation Reimbursement policy located on the Human Resources website for further details.