Business & Entertainment Expense Reimbursement Policy

Scope of Policy & Rationale

Temple University is a state-related institution whose primary mission is to serve its students. As such, the University strives to ensure that funds are properly used in the furtherance of University business. This policy sets forth guidelines for the reimbursement of business and entertainment expenses incurred by the Temple University community. In certain cases, grants and/or contracts may state additional restrictions beyond those described below. In these cases, the more restrictive policy will prevail.

Policy Statement

It is the responsibility of each individual approving business and entertainment expenses (“expenses”) to assure their accuracy and appropriateness and that they are in compliance with all aspects of University policy.

Expenses must be approved by the employee’s supervisor. An individual may not approve her or his own expenses nor can expenses be approved by a subordinate.

Expenses must be approved in accordance with the policy on Authorization and Procedures on Personnel Actions and Internal Financial Transactions, Policy Number 05.20.14.

Business and entertainment expenses include those that are directly paid by the University (e.g. purchasing card, request for payment) as well as expenses reimbursed to individuals who incur them on behalf of the University. All reimbursements are subject to review and approval by the Accounts Payable Department.

This policy is intended to comply with external requirements including those of the Internal Revenue Service (“IRS”) and of federal, state and nongovernmental sponsors. Business and entertainment expenses that are reimbursed following IRS “accountable plan” rules are not included in the gross income of the employee and are therefore not subject to income or employment taxes. Generally, an IRS accountable plan requires that the expenses are: 1) reasonable and necessary, 2) accounted for with appropriate documentation, and 3) reported timely.

The University is not obligated to reimburse for expenses that do not comply with this policy. Such expenses will be the obligation of the individual. Misuse or attempts to circumvent the policy may result in restricted privileges, additional requirements for documentation and/or disciplinary action.

Allowable Business Expenses:

The University reimburses employees for business expenses incurred in the performance of responsibilities and deemed to be in the best interest of the university. Such allowable expenses include, but are not limited to:
**Business meals:** Business meals are allowable if the employee establishes that the meal is directly related to University business. The meal must be an integral part of the meeting, not just a matter of personal convenience. The employee must substantiate the expense by identifying where the activity took place, the names of University employees and non-employees that attended, and the business discussed. Expenses for business meals will not be allowed for food or beverages to the extent that such expense is lavish or extravagant under the circumstances.

**Entertainment expenses:** Entertainment expenses are those expenses incurred during a meal or an event that is business related but social or celebratory in nature. Entertainment expenses include food and beverages, alcohol, catering services, banquet facilities, decorations and musical groups. Payments to a non-University caterer, facility or transportation provider must be processed against a purchase order issued through the Purchasing Department.

**Special Occasions:** The cost of holiday, retirement and office gatherings when determined to have a business purpose and be in the best interest of the University may be reimbursed when approved by the cognizant vice president or dean.

**Catering:** Temple University has a contractual obligation to use Sodexo Catering Services for campus events paid for with University funds or funds from grants that are monitored by the University. When catering is to be included with the use of off-campus meeting or conference facilities, the DoubleTree Hotel (Broad Street at Locust, Philadelphia, PA 19107) should be used.

Exceptions to use an outside catering vendor requires prior written approval from the Office of Business Services. Documentation must be provided that shows appropriate insurance coverage and allows for a comparison between what Sodexo Catering Services can offer, and what the outside vendor will supply when a department is using on campus facilities.

Donations, Contributions and Sponsorships: Donations, contributions or sponsorships may only be approved by the cognizant vice president or dean.

**Gifts/Flowers:** Items purchased for events or occasions (e.g., condolences or congratulations) and which are determined to be in the best interest of the university may be reimbursed when approved by the cognizant vice president or dean.

**Professional organization fees in the name of Temple University:** Professional fees in the name of Temple University are reimbursable. Professional fees in the name of the individual may be reimbursable if corporate membership is unavailable, if there is a direct business relationship that is in the best interest of the university, and is approved by the cognizant vice president or dean.

**Miscellaneous:** Other expenses including postage, books and supplies up to $300 may be reimbursed if not specifically prohibited in this policy. These transactions must be for the benefit of the University and be in accordance with the Temple Purchasing Card (TPC) and University procurement guidelines.

**Exclusions:**
Temple University will not reimburse or pay for expenses that are personal in nature. Such exclusions include, but are not limited to:

Membership dues in private or social clubs and organizations.

Meal and beverage expenses for university employees at a restaurant or eating establishment where only university employees are present unless approved by the cognizant vice president or dean.

Entertainment expenses that include parties or meals for birthdays, weddings, births, administrative professional’s day, bosses day, etc.

**Moving Expenses:**

The University is required to report all reimbursements for moving expenses to the IRS. The amount must be treated as compensation, subject to required payroll tax withholding, and reported on the employee's W-2 Form. Any legitimate deductions for moving expenses must be taken on the individual’s tax return. All moving expenses must be in accordance with the employee’s employment agreement, if any, and approved by either Human Resources or the Provost Office.