

# **ADM 230 – Expenses & Expense Reimbursement**

## **GENERAL:**

It is expected that from time to time it will be necessary and appropriate for an employee, as a part of their assigned duties, to incur expenses on behalf of the College.

The College intends to pay, or reimburse employees, for all reasonable, necessary, and appropriate expenses in a timely manner. To ensure that College resources are used appropriately, this document sets forth the expectations associated with expense reimbursement.

## **POLICIES:**

### **College Credit Card Policy**

College credit cards are made available to various College employees to be used for the payment of the College expenses including lodging, car rental, meals, airline tickets, online purchases, and other miscellaneous expenses. These college credit cards are intended for business related expenses only and are not to be used for any other purpose such as personal expenses.

### **College Cash and Check Advance Policy**

The College makes available from time to time cash or check advances to academic staff, administrative staff, and to certain authorized clubs to be used for the payment of the College expenses. These advances are intended for business related expenses only and are not to be used for any personal purchases.

### **Reimbursement Policy**

Persons who incur expenses for College business are encouraged to incur the lowest practical and reasonable expenses that

effectively accomplish the intended purpose. College employees are expected to avoid impropriety, or the appearance of impropriety, in any expense. They must conduct College business with integrity, and in a manner that excludes consideration of personal advantage or creates a conflict of interest (or the appearance of such a conflict).

This policy applies to all college employees requesting reimbursement from the College, regardless of the source of funds. Departments may elect to impose additional controls over expenditures consistent with those required within this policy.

If there is any question regarding the potential appropriateness or necessity of an expenditure, please consult the Cabinet member responsible for your department or organization. You may also address such questions to the Business Manager.

Failure to abide by these policies and associated procedures, or inappropriate use of the College credit card, may result in the College refusing to pay or reimburse the expense. It may also result in the cancellation of the credit card. In any case of misuse, the College reserves the right to recover any monies from the employee and to take appropriate disciplinary action.

## **PROCEDURES:**

### **College Credit Card Procedure**

All charges listed on the credit card statement must be supported by original itemized receipts. For any online purchases, a screen print with itemized detail documents the charge. Each receipt should have hand-written comments stating the purpose of the purchase, the account code(s) to which the expense is to be charged, the signature of the individual submitting the receipt and the date it was signed.

Receipts for credit card purchases may be submitted as they

are incurred, but they must be submitted for the prior month's charges no later than the 10th of the current month. Each individual holding a College credit card will have his/her own individual folder located in the Business Office where credit card receipts will be filed. The business office will inform (via email or phone call/message) individuals of missing receipts or account codes. To facilitate timely payment of the credit card bill, the cardholder should provide the requested documentation within 3 weekdays or make other arrangements acceptable to the Business Office.

Once a reconciliation of receipts and credit card statements has been performed by the Business Office, those statements with supporting receipts will be submitted to credit card holder's supervisor for approval. Supervisors will then be required to resubmit those statements with a signature of approval (on the statement) to the Business Office in a timely manner.

### **Wal-Mart Card Procedure**

The College provides for the use of a Wal-Mart charge card for College purchases. All charges listed on the Wal-Mart charge card must be supported by original itemized receipts. Each receipt should have hand-written comments stating the purpose of the purchase, the account code(s) to which the expense is to be charged, the signature of the individual submitting the receipt and the date it was signed. Wal-Mart charge card should be returned to the Business Office as soon as possible following its use.

### **Reimbursement Procedure**

To receive reimbursement for out-of-pocket expenses, an employee must complete a reimbursement form (RF) electronically and submit it to the Business Office. (If a college credit card is used for all expenses, a RF is not required because credit card charges are not out of pocket expenses.)

Note to Faculty: This reimbursement procedure does not apply to faculty professional development expenses. Please continue to submit a Professional Development Attendance Report to the Provost's office.

### **Allowable expenses**

Any amount listed for reimbursement must be for an allowable expense (necessary, reasonable, and customary for the stated business purpose) and the amount of the reimbursement request must be accurate. It must also reflect an out-of-pocket expense to the individual (i.e., it cannot have been charged to a college credit card, or otherwise paid by the College).

Basic Instructions for completion of RF:

#### **Do**

1. Complete all applicable fields
2. Explain business purpose clearly and concisely
3. Attached conference registration forms, overall conference agendas, etc. and whatever is needed to outline basis activities and schedule.
4. Attached all required itemized receipts for expenses claimed.
5. Double-check accuracy of mileage amounts.
6. Include explanatory comments for any unusual circumstances or costs
7. Obtain all needed signatures (including yours)
8. Whenever possible, submit the completed RF as soon as reasonably possible after incurring the expense and no later than 30 days after the expenditure.

#### **Don't**

1. List college credit card charges as reimbursable items

### **College Cash and Check Advances**

Advances are funds issued to an individual to cover expected College expenditures. Cash advances will not exceed \$200.

Check advance will not exceed \$500.

To request a cash advance:

1. Complete a cash requisition form
2. Receive approval for cash advance from your supervisor
3. Submit form to the business office 5 business days prior to the need for the cash

To request a check advance:

1. Complete a check requisition form
2. Receive approval for cash advance from supervisor
3. Submit form to the business office 15 days prior to the need for the check

If an advance has been issued, a RF must be submitted within 15 days of the expense being incurred, with a check or cash attached if unused funds need to be returned.

### **Mileage Reimbursement Policy:**

It is the policy of McPherson College to reimburse employees for expenses associated with the reasonable and necessary use of their privately owned vehicles in connection with College business. Prior approval by the employee's supervisor is required.

**Occasional Rate:**

Reimbursement will be made on a per mile basis at the Occasional Rate.

Effective January 1, 2019, the Occasional Rate is \$0.58 per mile and is subject to change.

This rate may be reviewed from time to time and shall be changed upon recommendation of the Business Manager, with the concurrence of the President.

**Recurring Rate:**

Some College employees are expected to drive a substantial number of miles on College business as a part of their recurring job duties during the course of a year (e.g., fundraisers, recruiters, etc.) The College will identify the positions and persons occupying these positions for reimbursement of expenses for mileage using a personal vehicle at a higher Recurring Rate.

Effective January 1, 2019, the Recurring Rate is \$0.58 per mile and is subject to change.

The Business Manager, in consultation with the appropriate Cabinet member, shall designate those positions and persons eligible for reimbursement at the Recurring Rate each year by July 1. Changes in the list may be made throughout the year as needed at the discretion of the Business Manager.

In situations where an employee is expected to drive significant miles on College business, the employee and their supervisor are encouraged to consider the use of rental cars as well as personal vehicles.

**Miscellaneous:**

Should an unusual situation arise, exceptions to these Policies and Procedures will be handled on a case by case basis following approval by the Business Manager and the individual's direct supervisor.