

University Community

SUBJECT (R*) FIU Foundation, Inc. Disbursement Procedure	EFFECTIVE DATE (R) 07/01/2015
RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT (R) FIU Foundation Inc. 11200 SW 8 th Street MARC – 5 th Floor Miami, FL 33199	RESPONSIBLE UNIVERSITY OFFICER (R) Assistant Vice President - FIU Foundation Inc.

PROCEDURE STATEMENT (R)

The FIU Foundation, Inc. Disbursement Procedure describes the process regarding the reimbursement of expenses from Foundation funds related to business meals, travel, gifts, events, honoraria, athletic event tickets.

Travel

Procedures

1. Travel Authorizations (TA)

ALL travel must have a valid travel authorization (TA) per university policies. Travel authorizations are only valid if they are approved PRIOR to the travel occurring. Travel Authorizations are required for guests and spouses. Travel in excess of 50 miles requires a TA.

2. Invoices and Reimbursements

Both invoices to vendors and travel expense reimbursements must be submitted within 60 days of the completion of travel unless there are extenuating circumstances, which must be documented.

Invoices are submitted with a Foundation Unencumbered Payment Request Form while reimbursements must be processed via the Travel and Expense Module of Panthersoft. Invoices must have a copy of the TA attached. In the Travel and Expense module, a link to the TA must be established.

If the traveler is seeking expense reimbursement from both the University and the Foundation, the University expenses must be processed first. All supplemental expense reports submitted to the Foundation must cite the original travel authorization and other expenses reports submitted to the University or Foundation.

All travel requests must include the business purpose and justification for the travel. The purpose and justification should be sufficiently detailed to allow the Foundation's review in determining the benefit to the University and whether the purpose/justification complies with the purpose of the account being charged. Any reimbursement request that does not clearly state the purpose/justification for the travel will not be paid.

Documentation

When travel is to a foreign country, the conversion rate used to calculate the reimbursement must be included with

the reimbursement must be included with the request. Any request submitted without proof of conversion will be returned to the department. To properly reflect the daily fluctuation, use the exchange rate for the date of the transaction. An acceptable source can be found at <http://www.oanda.com/converter/classic>.

In general receipts or invoices must show the following data:

- Vendor Name and Address
- Transaction Date
- Description of transaction (hotel folio, flight information, list of items being purchased, etc.)
- Unit costs for items purchased
- Itemized Amounts
- Total amount paid
- Proof of payment

Airplane, car rental, and hotel related expense documentation must clearly show the name of the authorized traveler. Any payments made by the traveler for which reimbursement is sought must include documentation showing payments already made, which authorized traveler's name clearly visible on the proof of payment.

All documentation must be attached to the Foundation unencumbered payment form for payments to vendors or must be digitally attached to the request generated by the traveler in the Panthersoft Travel and Expense module.

The following items are required documentation:

- Receipts for airfare, car rental
- Boarding Pass
- Itemized Hotel folio
- Itemized receipts for business meals during travel (unless requesting meal per diem)
- Credit card payment proof (confirmation, receipt, internet confirmation)

Incidentals

Incidental expenditures under \$25 (per item) do not require a receipt.

Meals/Per Diem

Charges related to meals consumed while traveling should be noted in the Travel and Expense module. Meals during travel are reimbursed at the flat per diem rate unless the meal was a business meal with other attendees. These are reimbursable pursuant to the limit in the business meal policy and documentation must include:

- an itemized expense receipt, and payment receipt
- a credit card receipt (if applicable) to indicate proof of payment as well as who paid
- List of attendees
- Business purpose of meal

Personal Vehicle

Mileage reimbursement requires completion of the Foundation form, Official Business Miles/Travel Log. The completed log must be signed by the traveler's supervisor and then digitally linked to the employee's expense reimbursement request in Panthersoft's travel and expense module. Also required to be digitally linked to the reimbursement request, is a Mapquest or Google Maps print out showing total mileage from start point to endpoint. Reimbursement for use of personal vehicle will only be made at the per mile rate authorized by the University.

Guest/Spouse Travel

All guest/spouse travel reimbursed by the Foundation must include an approved Travel Authorization Request, original receipts, and a Foundation unencumbered payment form. All guest/spouse travel must be documented to the exact same standard as employee travel and will be reimbursed to the same amounts. Additionally the form must state the business purpose served by guest or spouse's travel. If this business justification is excluded, no reimbursement will be paid. The Foundation's

unencumbered payment form must be signed by the same level of approver as the travel authorization (Dean/AVP for guest; VP for spousal).

All Foundation invoices received that do not include all required supporting documentation will be returned unpaid.

If no itemized bills are submitted for lodging or business meals during travel, travelers will be reimbursed at the state's per diem of \$80 per day (\$20 per quarter day if travel status is not an entire day [24 hours]). This amount is inclusive of the flat meal rate.

Travel reimbursements for guests will be made to the guest. Under no circumstances should university employees advance cash or pay for items for guests and then seek reimbursement for themselves. It is highly encouraged that travel arrangements for guests be made through University authorized travel vendors.

Approvals

All authorized signers approving travel authorizations, travel invoices, or travel expense reimbursements must be more senior in the University than the employee traveling, except for the University President whose travel related approvals are approved by the University's Chief Financial Officer.

Any travel involving spouses requires approval by a Vice President.

Any travel involving guests (non-university employees) requires approval by a Dean or AVP.

Business Meals

This procedure describes the process required to obtain reimbursement or payment by Foundation funds for business meal expenses between employees. All reimbursement requests made to the FIU Foundation must be made via the Travel and Expenses module of Panthersoft. Supporting documentation for a Panthersoft expense reimbursement request may be faxed to 305-348-1355 for digital linking to Panthersoft within 60 days from the date incurred.

The most senior individual attending the meal must submit the expense for reimbursement to his/her supervisor for approval. All authorized signers approving invoices must be more senior in the university than the most senior person at the business meal. The University Chief Financial Officer is the approver for business meal expenses incurred by the University President. The Provost or designee must approve invoices for Deans. If spouses participate in the business meal, the department's corresponding Vice President, or designee, shall approve the expense along with an explanation of benefit to the university.

Documentation

- an itemized expense receipt, and payment receipt
- a credit card receipt (if applicable) to indicate proof of payment as well as who paid,
- a list of meeting attendees and their professional affiliation
- a detailed statement regarding the benefit of the meeting

The original documentation must be maintained in the originating department for 7 years per auditing purposes.

The allowable expense and reimbursement limits are as follows:

Business Meals involving only employees:

- \$20 Breakfast per attendee
- \$30 Lunch per attendee
- \$60 Dinner per attendee
- \$20 Snacks provided during a meeting per attendee

Business Meals involving business guests (non-employees):

\$30 Breakfast per attendee
 \$45 Lunch per attendee
 \$75 Dinner per attendee
 \$30 Snacks provided during a meeting per attendee

These rates are inclusive of food, beverages, taxes, and delivery charge.

Tips are exclusive of the per diem cap but shall not exceed 20% of the bill.

Business meals with candidates for employment by FIU shall be considered business meals involving only employees.

Business Meals involving donors, perspective donors, Broad of Trustees or Board of Directors members, and Presidential guests (non-employees)

Reimbursed at full substantiated expense provided the cost is reasonable.

Special accommodations for dietary restrictions may incur costs above the caps as long as the extra cost is not more than 40% of the average cost of other meals being served at the same business meal.

For business meals involving employees or perspective employees, the FIU Foundation will not provide reimbursement for alcoholic beverages consumed before 5pm.

Every meal supplied via catering or arranged via contract with a restaurant will not have sales taxes reimbursed. Every effort will be made to ensure that sales taxes are not charged.

Generally speaking, other than business meals conducted in a restaurant setting, business meal expenses should be paid directly to vendors and should not be reimbursements to employees.

Rates for business meals involving donors and potential donors shall be situation dependent depending on capacity to give.

If a meal reimbursement is requested for an event that does not abide by the procedure or does not have a business justification, the employee will not be reimbursed. If the requested reimbursement exceeds the stipulated amount, the employee will only be paid the limit documented in this procedure. A repeat violation of this procedure will result in notification to the employee's supervisor.

A meal expense limit may be increased in the infrequent occasion whereby the overhead or service charges associated with the event increase the per person expense above the limits outlined above. This exception requires prior approval by a Vice President.

For employee business meals served in privately owned homes the reimbursement rates remain consistent with those outlined.

These limits may be exceeded for University President sponsored meals with a valid business justification.

Gifts

Gifts to Employees:

Gifts, including gift certificates, to an employee commemorative of a personal event, such as a birthday, wedding anniversary, or in celebration of a holiday (i.e. Christmas) will not be reimbursed.

Only one gift of flowers or a gift basket per department and coordinated through the department, costing

less than \$100, sent in recognition of a University employee related to a hospitalization, birth, or to express sympathy during times of a University employee bereavement will be reimbursed with Foundation funds. Gifts (non-monetary) to recognize or commend an employee's work effort will be permitted at a cost of less than \$100.

Employees Awards:

Monetary awards may be funded through the Foundation if the award does not conflict with donor restrictions of the account to be charged and furthers the mission of the University. Because monetary awards constitute taxable income and must be consistent with Human Resources policy, they will not be paid directly through the Foundation. Awards should be made via the University's payroll system and the expense should appear in a University Activity, which will be reimbursed by the Foundation. Processing awards through University's payroll system ensures the capture of taxable income for the employee's W-2.

Gift certificates/cards are *monetary* awards and should be obtained via the procedures outlined by the University Controller.

Non-monetary awards, such as plaques, will be permitted as long as the award does not conflict with donor restrictions or the purpose of the account to be charged.

Non-monetary awards to employees shall not exceed \$400. Any non-monetary award through October each year will be reported to Human Resources no later than December 15th in order to report the W-2 taxable income for the year. Human Resources reports November and December non-monetary awards on the next calendar year W-2.

Length of Service and/or Retirement Award:

Length of Service awards, including retirement gifts, valued up to \$400, may be funded from Foundation funds, if the award does not conflict with donor restrictions or the purpose of the account to be charged. Based on IRS regulations, tangible personal property valued up to \$400 (other than cash, a gift certificate, or the equivalent) awarded for length-of-service may be excluded from income as long as the award is made as part of a meaningful presentation and is awarded under conditions and circumstances that do not create a significant likelihood of disguised pay. According to IRS regulation, an award will qualify as a length-of-service award if either of the following applies:

1. The employee has not received an award during his or her first 5 years of employment.
2. The employee has not received another length-of-service award during the same year or in any of the prior 4 years.

Any Length of Service Award capped at the value of \$400 and does not qualify for the IRS length of service tax exclusion as outlined above will be reported by the Foundation to Human Resources to be reported as an employee's taxable income on the employee's W-2. Any length of service award through October each year must be reported to Human Resources no later than December 15th in order to report the W-2 taxable income for the year. Human Resources reports November and December length of service awards on the next calendar year W-2.

Gifts to Non-Employees and Donors:

Gifts made to members of the University's various constituencies are only appropriate and reimbursable if there is a valid business purpose and a statement of benefit to the University or Foundation and it does not conflict with donor restrictions or the purpose of the account to be charged. Gifts, including flowers sent in recognition of a birth, a get well hospital stay, or to express sympathy during times of bereavement, are limited to non-monetary items valued at \$150 or less. Donations to charitable organizations in lieu of flowers, when related to the death of a University constituent, will be allowed if it does not conflict with the purpose or donor restrictions of the account to be charged. The donation will

be capped at \$150.

Gifts, goods or services provided to donors in conjunction with a gift solicitation are not covered under this policy. Gifts provided to donors in conjunction with a gift are considered a quid pro quo and, unless the amount is deemed de minimus, will reduce the tax deductible amount of the donation. If a department tries to expense gifts, goods or services against contribution revenue, then the gift will be considered part of the donative transaction and IRS guidance publications 562 and 1771 will apply.

If a gift to a donor or potential donor is made as part of the cycle of cultivation, recognition and stewardship and the gift is expensed in a project not sourced by the donor's contribution, then the gift will fall under this policy.

Approvals

All authorized signers approving invoices must be more senior in the University than the employee being reimbursed or the employee responsible for payment to a vendor, except for invoices for the University President. The Chief Financial Officer will approve the University President's invoices that pertain to gifts. All reimbursement payments for gifts must be reasonable, of prudent use, and within the mission of the Foundation.

Any gifts to a donor greater than \$150 must be approved by the President, Provost or area Vice-President.

Gifts/Awards/Program Perquisites to Students

Non-monetary gifts/awards/program perquisites to students must be approved by the Office of Financial Aid if more than \$250, which is in addition to approval by a vice president for amounts over \$100.

All monetary gifts/awards/program perquisites will be processed from the Office of Financial Aid. The Foundation will not directly purchase gift cards for students.

Examples of program perquisites include, but are not limited to: issuing laptops (non-monetary) and funds for textbooks (monetary).

Gifts to students must be approved by Student Affairs. Any monetary gift to a student must be processed through student financial aid.

All monetary awards must be approved by the appropriate Vice President.

If any employee non-monetary award is greater than \$100, such award must be approved by a Vice President and the total value of the gift will be reported by Human Resources as an employee's taxable income on the employee's W-2.

Scholarships will be addressed under a separate, forthcoming procedure.

Procedures

Follow University Human Resources procedures to make monetary payments to employees and incur the expense on a University Activity.

Follow University Office of Financial Aid procedures to make monetary payments to students and incur the expense on a University Activity.

Follow University Controller procedures to buy gift cards and incur the expense on a University Activity.

Reimburse University expenses using a Foundation Unencumbered Payment Form.

For non-monetary awards, the Foundation will pay vendors directly, with the department submitting a Foundation Unencumbered Payment Form, with appropriate approval signature, along with itemized vendor invoice.

Documentation

For reimbursement to the University, submit the documentation used to issue the University based payment and Transaction Data query print out showing the expense in a University Activity.

For reimbursement to vendor, itemized invoice from the vendor is required.

Events

Submit Foundation Unencumbered Payment Form to reimburse fund 604 or, in narrow instances, to pay vendor directly.

Attach same documentation required by University purchasing and payables procedures as well as Transaction data query output showing the expense in a University activity in fund 604.

Additionally, if not provided for the University, include the event invitation, flyer, agenda, program or other materials contemporaneously produced with the event, showing the programmatic features of the event.

If fewer than 25 people attended the event, provide a roster of attendees and their affiliations. If more than 25 people attended, please provide a statement indicating the total number of attendees and their general classifications (e.g. students, donors, researchers, faculty, staff, etc.).

Honoraria

All Honoraria are to be processed through the University following the University procedure (http://finance.fiu.edu/controller/QL_Honor.htm).

Reimburse University expenses using a Foundation Unencumbered Payment Form. Attach same documentation required by University purchasing and payables procedures as well as Transaction data query output showing the expense in a University activity in fund 604.

Same approver as required on University policy.

Gift Cards

All gift cards are to be processed through the University following the University procedure (<http://finance.fiu.edu/controller/Forms.html#GiftCard>).

Reimburse University expenses using a Foundation Unencumbered Payment Form. Attach same documentation required by University purchasing and payables procedures as well as Transaction data query output showing the expense in a University activity in fund 604.

Same approver as required on University policy.

Athletics Event Tickets

Use the Foundation's unencumbered payment form.

Standard organization approvers should sign the unencumbered payment form.

For category one ticket expenses (quid pro quo as part of donation), a copy of the University Advancement issued gift receipt showing the fair market value of the tickets and the gift agreement that explicitly shows the quid pro quo.

For category two ticket expenses (gift to donor a description of the donor cultivation or stewardship purpose (i.e. the business justification for the fundraising expense) must be typed onto the unencumbered payment form.

RELATED INFORMATION (O*)

CONTACTS (R)

Administrative Office's Address	Telephone Number	Fax Number
Assistant Vice President - FIU Foundation Inc. 11200 SW 8 th Street MARC - 5 TH Floor Miami, FL 33199	305-348-4762	305-348-3824

DEFINITION (R)

RESPONSIBILITIES (O)

FIU Foundation – Monitor & review and facilitate reimbursement of approved gifts.

University Department – Request reimbursement of approved gifts.

***R = Required *O = Optional**