



## **SEATTLE UNIVERSITY**

### **Policy and Procedures for Business Expenses**

The University recognizes the necessity and proper role of reasonable and appropriate expenses incurred for business meals, business meetings, and business entertainment in the conduct of University operations. The Internal Revenue Service (IRS) has established strict rules governing business and entertainment expenses. The University's policy is to reimburse employees for legitimate, reasonable, and appropriate business and entertainment expenses in accordance with the requirements and procedures set forth in this policy. This policy will be known as the "Policy for Business Expenses."

The University believes and expects that faculty and staff will exercise prudence and good judgment when incurring expenses on the University's behalf for business activities.

#### **A. WHAT IS A BUSINESS MEETING EXPENSE?**

Business meetings are held to conduct University business. The University pays or reimburses an employee for most expenses incurred in conducting business meetings. Expenses frequently associated with business meetings include office supplies, catering, printing, space rental, speaker fees, and parking. When holding meetings on campus, employees must comply with applicable University policies.

#### **B. HOW TO SUBMIT A BUSINESS MEETING EXPENSE FOR PAYMENT**

Invoices or payment vouchers from non-University vendors should be submitted to Accounts Payable along with an approved and completed Check Requisition Form. Requests for reimbursement should also be made through an approved and completed Check Requisition Form. Attach original documentation to the form.

#### **C. WHAT IS A BUSINESS MEAL EXPENSE?**

Business meal expenses are authorized expenses incurred for breakfast, lunch, or dinner served during a meeting or gathering held for the primary purpose of conducting university business. Business meals may include faculty, staff, students and outside guests. Business meetings scheduled during customary meal times should (1) involve the conduct of business that cannot (for scheduling or other reasons) be accomplished during other regular work hours, or (2) serve the clear purpose of enhancing community by combining business and dining.

All business meals held on campus must be catered by Bon Appetit, which has the exclusive right to provide food service on campus. When business meals are held off-campus, the University will reimburse the actual cost of the meals plus reasonable service tips (not to exceed 20%).

Examples of business meals include a business lunch involving a task force or search committee when mealtime is the best/only available meeting time; an interview with a prospective new-hire employee; and a staff /department meeting held to accommodate schedules. In contrast to these examples, business meals do not include staff or faculty members eating together at Casey Commons or an off-campus restaurant with no primary and necessary business purpose.

The University will reimburse the reasonable costs of alcoholic beverages consumed during a business dinner. (Please consult the University's Alcohol and Substance Abuse Policy for other standards applicable to employees' consumption of alcohol when conducting University business.)

#### **D. HOW TO SUBMIT A BUSINESS MEAL EXPENSE FOR PAYMENT**

1. When the meal is purchased or catered off-campus:

Submit invoices or payment vouchers from non-University vendors to Accounts Payable along with an approved and completed Check Requisition Form. Requests for reimbursement should also be submitted on an approved and completed Check Requisition Form, with original documentation attached to the form. To conform to IRS regulations, reimbursement requests for business meal expenses must include the following documentation:

- a. A complete 11-digit department budget number;
- b. The name and signature of the person submitting the charge request;
- c. The business purpose involved with the meal;
- d. The time, place and itemized expenses related to the business meal (a credit card receipt or monthly statement alone is not adequate); and
- e. The full names and status (i.e., staff, student, faculty, or guest) of all attendees.

2. When the meal is purchased on-campus:

When a meal is catered by Bon Appétit, an invoice with a pre-authorized budget number is sent directly to the Accounts Payable office. When the meal is purchased at Casey Commons, the purchaser is required to provide the billing information on a Bon Appétit charge request. The charge request is forwarded to the Accounts Payable office. To conform to IRS regulations, the charge request requires the following information:

- a. A complete 11-digit departmental budget number;
- b. The name and signature of the person submitting the charge request;
- c. The business purpose of the meal; and
- d. The full names and status (i.e., staff, student, faculty, or guest) of all meal attendees.

If an employee does not provide the information specified in sections D.1 or D.2., the University, at its discretion, will either deny the reimbursement or approve the reimbursement and report the amount as income on the requesting employee's W- 2.

**E. HOW TO REQUEST AN EXCEPTION TO THIS POLICY**

1. Whenever expense reimbursement policies are mandated by the IRS, no exceptions can be granted. If you have questions, please contact the Office of Finance & Investments.
2. Whenever expense reimbursement policies are mandated by University policy, Accounts Payable will process an exception request on receipt of written approval from the President, Executive Vice President, Provost, Dean, or any Vice President (or designee) of the University.