

Clone of Finance Procedural Statement: Business Expense Reimbursement ^[1]

Effective Date: September 1, 2014

In Brief

This Procedural Statement sets forth university requirements for the reimbursement of employee business expense without it being included as part of the employee's reportable income.

This Procedural Statement is divided into the following sections:

- A. Substantiation Requirements
- B. Timeframe Requirements

Quick Look

Space for Video

""

Procedural Statement

Employees who do not meet the conditions of this Procedural Statement will have taxable income reported to the Internal Revenue Service (IRS). Any items that are reported for failure to comply with the following substantiation or timeframe requirements will appear on the employee's pay advice, and on IRS Form W-2, as BEX (Business Expense). Once reported, these cannot be reversed.

A. Substantiation Requirements

It is good business practice that employees seeking reimbursement of business-related expenses abide by the following requirements. Furthermore, IRS regulations require that all conditions must be met in order to avoid having the reimbursement included in the employee's reportable income. The reimbursement being requested must be in accordance with all applicable university policies, procedures, rules, and regulations and, in addition, must be:

- Documented as official university business.
- Substantiated. Receipts or other supporting documentation as required by university or other policy must be included with the reimbursement request.
- Subject to a requirement that any excess amount of advances be returned to the

University. If the employee has received a cash advance from the University, the advance amount must be reconciled according to university policies and procedures.

B. Timeframe Requirements

Employees who have incurred business expenses on behalf of the University request reimbursement by submitting expense reports in the Concur Travel and Expense System.

To avoid tax implications, the employee must submit the expense report:

- Within 90 days of end of trip, for expenses related to a University trip; or,
- Within 90 days of the date that the expense was incurred, for expenses that are not related to a University trip.

Exceptions

Unless approved by the Director of Tax (in the Office of University Controller), there are no exceptions to this Procedural Statement. Employees requesting exceptions must contact their campus controller's office, who will determine whether to refer requests to the Director of Tax for final approval.

Related Administrative Policy Statements (APS), PSC Procedural Statements, and Other Policies and Procedures

- [APS Propriety of Expenses](#) ^[2]
- [PPS Travel](#) ^[3]

Related Forms and Systems

- Concur Travel and Expense System

Revision Log

Updates to these procedures will be summarized in this section

Have a question or feedback?

Questions & Feedback ^[4]

Feedback or Question *

Your Name

Your Email Address

CAPTCHA

This question is for testing whether or not you are a human visitor and to prevent automated spam submissions.

Submit

Controller

Groups audience:

Controller

Right Sidebar:

OUC - FPS Related Links

Source URL:<https://www.cu.edu/controller/clone-finance-procedural-statement-business-expense-reimbursement>

Links

[1] <https://www.cu.edu/controller/clone-finance-procedural-statement-business-expense-reimbursement>
[2] <https://www.cu.edu/ope/aps/4015> [3] <https://www.cu.edu/psc/psc-procedural-statement-travel>
[4] <https://www.cu.edu/controller/forms/questions-feedback-0>