



BUSINESS EXPENSE POLICY

Review and updates of this document occur quarterly to ensure best business practices are current and consistent with those of other organizations. Updated Policy documents are made available on or about the 1st Monday after quarter close: July, October, January, and April.

BUSINESS EXPENSE POLICY

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Introduction

This policy defines an allowable business expense as a necessary, reasonable, appropriate, and allowable non-compensation expense incurred for a valid business purpose to fulfill the mission of the University. The policy applies to anyone incurring expenses on behalf of Simmons University – whether by personal funds or use of a Simmons University approved JPMorgan Chase Visa card.

Considerable effort has been made to develop a policy that is complete, clear, reasonable for all concerned, and consistent with industry best practices, IRS Accountable Plan Rules, and Generally Accepted Accounting Principles (GAAP). Please be aware that it is impossible to include all rules and regulations: if an expense is in question, please seek assistance before incurring the expense. Please note that **Department Heads and Supervisors with budgetary signing authority are responsible for informing employees of the Policy's terms and the applicable procedures.** All who incur expenses shall adhere to this Policy. Departments within the University may institute more restrictive policy requirements in addition to those outlined herein, but none may contradict or conflict with the standards set forth by this policy at the University level.

There will be times when circumstances will require exceptions to this Policy. When such circumstances arise, employees should discuss them fully with their Department Head prior to incurring the expense and then obtain documented approval for the expense(s) from the appropriate UST member and Chief Financial Officer. Documentation should be submitted with the expense.

What is an IRS Accountable Plan?

An accountable plan is a plan that follows IRS regulations for reimbursing employees (and others) for business expenses in which reimbursement is not counted as income. This means that reimbursements are not subject to withholding taxes or W-2 reporting (conditions apply).

According to IRS rules, under an accountable plan, expenses are reimbursed if they are business-related and can be substantiated no later than 60 days after being incurred. After 60 days, reimbursements may be subject to withholding taxes. Business-related expenses incurred by employees can include such things as travel, meals, lodging, entertainment, transportation, or many other costs. Employees are required to account adequately for expenses with records and to return any excess reimbursement within a reasonable period of time.

Employers are not required to submit the details of their plan to the IRS, but they must be able to demonstrate that it meets the requirements of an accountable plan.

Itemized receipts are required for support of all expenses. All expenses paid with personal funds require itemized receipts for reimbursement. Expense reporting is completed in Workday. Digital capturing of receipts is acceptable for Workday processing.

Responsibilities

Responsibilities of Traveler/Purchaser

University travelers/purchasers are expected to spend funds prudently, to familiarize themselves with policies, and document all expenditures incurred expediently and appropriately. Individuals should neither gain nor lose personal funds as a result of spending on behalf of Simmons University. The business reasons for charges should be clear to someone who is unfamiliar with your role at the University in order to meet auditing standards and not just simply state what was purchased.

Responsibilities of Approvers

The approval process is paramount to the success of the expenditure process, whether by invoice or expense report. Workday's intelligent design automatically routes items through a built-in process. Employees cannot approve their own expenses, neither should a peer or subordinate with the exception of UST members as the CFO will approve their expense reports over \$1000. Workday approvals indicate that the reviewer examined the submitted item in detail, verified its validity, attests to its accuracy, and is in full agreement with it. The Approver is responsible for ensuring that the expense is necessary, that an employee is not seeking reimbursement for an expense on the corporate credit card, and that it complies with all relevant policies and procedures. The Approver must follow up with the employee on any questions and if necessary the Controller or Internal Audit are available to assist with any questionable spending.

Responsibilities of Accounts Payable and Finance

Accounts Payable and Finance review all items submitted in Workday. All items are reviewed for accuracy with regard to supporting documentation, completeness, reasonableness, and to ensure compliance with University policies and governmental regulations. Items may be returned to employees or approvers seeking more information or explanation. Additional approvers may be added when an item requires review by others.

Responsibilities of All

Each of us is responsible for educating ourselves about policies, using Workday, and reviewing our Workday inbox. It is vital that items are processed in a timely manner. Please ensure that you access WD often to ensure that items are not waiting for your review or approval.

Glossary for this Policy:

- **Allowed expense:** An expense that is suitable or fitting for a particular business purpose.
- **Department Head:** The President, the University Strategic Team Member (UST), and for:
 - ~ **Faculty:** Dean of each School
 - ~ **Administrative Areas:** A Senior Vice President, Vice President, or the most senior person responsible for a division.
- **Itemized receipt:** the detailed receipt including dates of purchase, business name, items purchased and corresponding prices, method of payment; required also for restaurant and room services charges; hotel receipts are called folios.
- **University Strategic Team Member (UST):** At the time this policy was enacted, the University Strategic Team Member reports directly to the President.
- **Reasonable:** Ordinary, reflecting a prudent decision to incur the expense; not extreme or excessive.
- **Reimbursement:** Refers to the process of supporting and reporting an expensed item, whether incurred by personal funding or Simmons corporate credit card
- **Supervisor:** A Manager who has budget approval authority for an area. Generally, a Supervisor reports to a Department Head.
- **You, Employee, or Traveler:** Faculty, staff, students, and any persons who are potentially entitled to reimbursement in accordance with this policy.
- **Written approval:** Generally, refers to email correspondence/documentation.

Key Points for Incurring Expenses

- To be reimbursed or account for travel and other expenses, complete an expense report in Workday and submit it to obtain all approvals required to satisfy the automated business process for expense reporting
- Expense reports are due **within 20 business days** of return from travel, event, or purchase to ensure IRS substantiation requirements are met. Simmons corporate credit card transaction reconciliations are due no later than the 10th of the following month in which they were incurred.
- Attach appropriate documentation to the expense report and/or supplier invoice; documents include but not limited to: itemized receipt, order form or contract.
- Itemized receipts for expenses incurred are required (original receipts are preferred for non-employee submissions) regardless of amount.
- Simmons University does not have an automated process to determine if expenses submitted are duplicates. Approvers are responsible for ensuring an expense has not been submitted multiple times for reimbursement
- In cases where a personal credit card or personal funds are used for business expenses there will be no reimbursement unless an itemized receipt is attached.

Conflicts of interest

Employees must be vigilant when engaging suppliers for services or goods to avoid relationships that might be construed as a conflict of interest. A conflict of interest occurs when an individual's personal interests – family, friendships, financial, social, etc. – could compromise his/her/their judgment, decisions, or actions in the workplace. Types of conflict of interest include relational, financial, competitive, and confidential. All involve individuals engaging in activities that lead to personal or familial gain at the expense of the organization. Federal and state tax laws are prohibitive, complex, and often negate such relationships from occurring. Often people are not aware that their activities, though purely innocent, are in conflict with the best interest of the University. It has been determined by the University that paying students for services not related to or paid by Payroll is not allowed. Moreover, labeling payments as stipends, awards, or honoraria is not allowed.

The best ways to avoid and prevent a conflict of interest are to follow ethical standards and some common-sense business practices. These include accountability, objectivity, and transparency, among others. Even the appearance of a conflict can influence the process..

Traveling on Behalf of the University

Simmons recognizes employee travel is often necessary to conduct University business. Simmons encourages employees to use good judgment to ensure travel and related expenses are reasonable and necessary. The University's guiding principles for travel expenditures are two-fold: (1) the employee should not have to use personal funds, to the extent possible, as a result of business travel. Consequently, **anyone traveling on University business should not use personal funds or personal credit cards to book travel related expenses such as hotels, rental cars, or flights**, and (2) travel and related expenses should be planned prudently, minimizing costs in a manner consistent with the purpose and nature of the travel or event. Therefore, Simmons requires that anyone traveling on University business either utilize a Simmons credit card or Simmons Travel Services when booking travel such as hotels, rental cars, or airfare. If an exception is made and expenditures for conferences and related fees and travel are paid with personal funds, they are not reimbursable until completion of conference and travel. Employees cannot pay for student travel using personal funds.

Some units in the University, particularly individual Schools, may elect to impose more restrictive requirements in addition to those contained in this document. No unit may employ more lenient requirements. Employees are responsible for knowing reimbursement limitations which may be in place in each school and obtaining all necessary approvals when seeking to have their expenditures reimbursed in whole or in part.

A. Getting to Your Destination

Simmons strongly recommends commercial transportation for University business travel, particularly between major cities and their environs. Air and rail travel are considered the standard modes of travel in the Northeast Corridor. Travelers should use good judgment to select the type of transportation and class of service to reach the destination safely and for a reasonable price.

1) Travel by Air

Key Points

- Book the lowest coach fare possible. Any exceptions to this will be granted on a case by case basis with written approval of the President or member of UST.
- Use a Simmons Corporate Credit Card or Simmons Egencia account
- Any upgrades to seating, including extra leg room, flight changes, etc., require written approval
- Conference travel should be completed at conference end

Simmons travelers are expected to select the lowest available coach fare that meets their business needs. A reasonable exception would be if a non-stop flight from Boston was slightly more expensive than a flight with one or more stops or that had significant lay-overs.

Simmons participates in The Boston Consortium Travel Program with member institutions, accessing multiple negotiated airline contracts. Egencia, the corporate version of Expedia, can identify and compare airline rates and offer significant savings to Simmons employees.. Travelers are encouraged to contact the Purchasing Department (purchasing@simmons.edu) for more information regarding Egencia , which should be used whenever possible. For those who do not have a Simmons corporate credit card, Egencia allows flight expenses to be charged directly to the department's budget. However, if travelers secure a lower price through other agencies, online or agent serviced, the lower cost flight may be reserved through use of their Simmons corporate credit card.

Airline incentives which provide benefits directly to the traveler, such as mileage programs, should not be considered in selecting a particular flight or airline for Simmons travel. The cost to join airline clubs or TSA pre-check is not a reimbursable expense and must be paid for by the employee.

Travel by means other than coach is strongly discouraged. Any exceptions are to be granted on a case by case basis, generally long duration flights, at the discretion of and with prior written approval from the appropriate UST member or the President. Documentation of this approval is to be included with the expense report. In the event a traveler needs to upgrade seating to

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accommodate a physical disability, prior approval is required. First Class travel may only be approved by the Office of the President or by the Chair of the Board of Trustees or their designee.

Personal and business travel should be kept separate. The purchase of flight insurance is not reimbursable when purchased with personal funds. Flight changes that incur a fee are reasonable when bad weather is forecasted or with written approval.

Note: If your travel is funded by a federal grant or contract, you must select a U.S. carrier in accordance with the federal law known as “The Fly America Act”. If only a foreign airline is available to your destination, the non-U.S. carrier must have a code sharing agreement with a U.S. air carrier and your airline ticket must contain the U.S. airline’s designator code.

2) Travel by Train/Rail

Rail travel may be used, particularly in the Northeast Corridor (e.g.: NY, DC), when travel by rail may be more convenient than air or automobile travel. Discount rates are available through Egencia for business travel.

3) Travel by Rental Car

KEY POINTS

- Use preferred vendors and pay with your Simmons corporate credit card
- In the U.S., employees should **decline** all additional insurance offered by the rental company – it is not reimbursable if you opt into it
- Students renting a car for University business should purchase additional insurance
- Employees are strongly discouraged from renting vehicles in foreign countries on Simmons business, however, **do** purchase the additional insurance if you must rent in a foreign country
- Simmons prohibits the rental of 15 passenger vans
- Please consider renting at non-airport locations when appropriate
- Renting a car for local/regional travel might be less expensive than using your own vehicle (see using your auto section below)

In the United States

Renting a car may be appropriate when commercial transportation is not available or when it makes good business sense. Simmons has contracted with rental car companies to obtain discounts; travelers should select from these vendors when renting a car.

Preferred vendor information is available from the Purchasing Office or via this link:

<https://internal.simmons.edu/faculty-staff/working/finance/purchasing/travel>

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In the event a traveler is liable for injury or damage to third parties from use of a rental vehicle from either U.S. or international travel on behalf of the University, the University's insurance policies will cover the employee, as long as the rental period is less than 60 days.

Use of your Simmons credit card when renting cars is required as this provides additional insurance coverage through the University's VISA program in addition to coverage by the University's insurance policies. This VISA insurance coverage expires after 30 days of continuous rental. For long term rentals, call the rental company to renew your agreement on the 31st day. You may obtain a copy of Simmons Certificate of Automobile Liability from the Purchasing Office (insurance@simmons.edu) as proof of insurance to present to the rental company.

Employ good judgment in selecting the size and class of rental car. For one or two travelers, a compact or midsize car is the reasonable choice. Larger vehicles are appropriate when carrying more than two passengers, and luxury vehicles should only be rented with written approval from the President or UST member. Proof of such approval must be included with your Expense Report.

You should **decline any additional insurance** offered by rental car companies in the United States. Loss damage waiver (LDW), collision damage waiver (CDW), and personal accident insurance (PAI) are not needed when using a Simmons corporate credit card. Simmons will not reimburse travelers for these costs if they are wrongly elected or paid for with personal funds.

Do not elect the gas refill option. It is important to refill the rental car tank with gas before returning it to the rental company because rental companies charge a premium to replenish gas.

Outside of the United States

Renting automobiles in a foreign country is strongly discouraged. Only in rare circumstances, and with written approval from a UST Member or the President, should an employee rent a vehicle in a foreign country while on Simmons business. If you rent a car in a foreign country, **do** purchase the additional insurance and send confirmation to insurance@simmons.edu

What to do in the event of an accident in a rental car – in the U.S. or abroad

Immediately notify insurance@simmons.edu and the Simmons corporate credit card company (domestic: 1-800-316-6056; Int'l: 847-488-3748) to report a car accident or stolen vehicle, domestically or internationally. Promptly submit a copy of the accident or stolen vehicle report to insurance@simmons.edu and to the credit card company.

Tolls, Garage, and Parking Expenses – with a rental car in the U.S. or abroad

Tolls, fees, and expenses incurred when driving on bridges, tunnels, and toll roads are reimbursable expenses. Parking/garage fees are also reimbursable. Obtain receipts whenever possible. Simmons

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will not reimburse employees for traffic tickets or citations due to parking or motor vehicle violations.

4) Travel by Personal Vehicle

KEY POINTS

- Simmons discourages employees from using their own cars for Simmons business travel even for local/regional travel
- Simmons's insurance policies (other than Worker's Compensation for personal injury) will not cover you in case of an accident
- Simmons will reimburse employees for mileage at the prevailing IRS rate
- Employees should not seek additional reimbursement for fuel or wear and tear on their vehicle; it is already included in the IRS mileage reimbursement rate

The University generally discourages use of a personal vehicle for University travel because Simmons's vehicle and general liability insurance policies do not extend to personal autos driven by employees on Simmons business. If you drive your own car and are involved in an accident, any claim you or others make as a result of the accident (other than Worker's Compensation) must be made to your insurance company, not the University's. Simmons cannot indemnify you or cover the costs of damage to the vehicle, personal property of others, and/or injury to others.

In some instances, use of your personal auto may be desirable because of the proximity of the destination, time savings, or reduced costs (such as when several people are traveling together to the same destination). Document the reason for using a personal automobile on the expense report. If you are planning a trip in your personal auto that is longer than 400 miles round trip, your choice not to use commercial transportation should be discussed with your UST Member prior to the trip. You should document why the costs, time, and convenience of the trip via personal auto are preferable to commercial modes of travel for your Simmons business.

If you are injured while using your personal automobile on University business, notify Human Resources. Your injury may be covered by the University's Worker's Compensation insurance.

Mileage, Tolls, and other fees

Mileage is based on the prevailing IRS mileage rate. The current IRS rate is automatically calculated in Workday.

The IRS mileage allowance rate for business trips was developed to cover vehicle operating costs. Therefore, Simmons reimburses travelers for mileage only. Miles logged onto your personal auto to commute to the Simmons campus are not reimbursable. Business travel should originate from the shorter distance of the University campus or the traveler's home, to the business destination and vice versa. If the location is closer to the employee's home than 300 Fenway, mileage is not

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applicable (or based on the lesser amount). If you leave from and return to the University, the number of miles reimbursed will be the total miles driven.

Tolls, fees, and expenses incurred when driving on bridges, tunnels, and toll roads are reimbursable expenses. Parking/garage fees are also reimbursable when incurred. Obtain receipts whenever possible. Simmons will not reimburse expenses related to traffic tickets, citations, or unpaid tolls due to parking or motor vehicle violations.

Parking in the Simmons University garage is never reimbursable or permitted to be charged to a University issued credit card under any circumstances in accordance with IRS rules. Arrangements for parking in the garage must be made in advance by your department with VPNE parking.

5) Travel by Taxi/Ride Share Service

Simmons employees are expected to use their Simmons credit card to pay for taxi/ride share fares whenever possible. Fares, including tips (not more than 20% of the fare), are permitted where public transportation or airport shuttle service is not safe, practical, or readily available. The use of taxis between hotels and airports, between hotels and conference centers, and between business appointments are considered reasonable and necessary expenses while traveling on business for Simmons. In all instances, obtain fare receipts from drivers and submit them with your expense report. The use of executive car or limo or private shuttle services is not permitted. Upgrades and wait-time fees when using rideshare services (Uber, Lyft) are not permitted to be charged to the University.

Employees are expected to maintain separate personal and business profiles in rideshare apps to avoid personal transportation being charged to their Simmons corporate credit card.

Expenses for mileage or gas from rides provided by friends and family are not reimbursable. It is the responsibility of the person incurring the expense to verify data on the receipt to ensure tips are not excessive. Mileage to/from home to/from Logan Airport (including tolls) is not a reimbursed expense: this is considered regular commuting mileage.

B. Selecting Accommodations

Travelers should select standard, reasonably priced accommodations when on Simmons business. Upgrades such as a king room or suite are not allowed. When attending a conference, travelers are expected to stay at the hotel where conference events occur to take advantage of any favorable group rate that may be available to attendees. If the conference is being held in Boston or a city that is within commuting distance of your home (generally about 50 miles), it is expected that you will not stay over and rather commute to the conference on a daily basis. Exceptions to this may be granted by the President or member of UST and be included with expense documentation.

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Detailed hotel bills (folios) must be attached to the expense report as supporting documentation. Reservation confirmations are not sufficient supporting documentation. If rooms are shared, the names of both occupants and room cost allocation should be explained on the expense report. Any additional charges must also be detailed on the expense report and include itemized receipts (room service).

Travelers may use services such as Airbnb and VRBO if it is less expensive than using a hotel but a detailed receipt is required. Travelers are encouraged to check that receipts are available for booking through these services. The email received at the time of booking which confirms nightly booking rate, any cleaning fees, and the service charge, can be used as the receipt documentation. **It is important to note that the University must not be the contracting party for any agreements (electronic or otherwise) with services such as Airbnb, VRBO. Instead, the agreement must be between the service provider and the individual, since it is the individual choosing this method of service. The individual is responsible for any and all liability associated with the use of such services.**

If you are responsible for arranging paid hotel accommodations for persons visiting Simmons on business with Simmons, you are encouraged to select a hotel where Simmons has a special rate. Click here to find local hotels: <http://internal.simmons.edu/faculty-staff/general/purchasing/travel>

When staying with family or friends, while traveling for business on behalf of the University, you may be reimbursed for a gift to the host(s) up to a maximum of \$50 per trip. A host gift is intended to express the University's gratitude to the hosting party. Cash payments, gift cards, or gift certificates are not permitted. Appropriate gifts include a meal or a tangible household item and must be purchased and presented to the host during the trip. Food items (groceries) purchased at markets (loaves of bread, peanut butter, etc.) are not allowed or reimbursed.

C. Other Common Travel Expenses/International Expenses

All travel and business expenses should be charged to your Simmons Credit Card whenever possible. For airfare, hotels, and rental cars you should either use a Simmons Credit Card or book travel through Simmons Travel Services. If you have not been issued a Simmons Credit Card, please apply for one (restrictions/standards apply). On the rare occasions when you have mistakenly used your personal credit card for business expenses, you must submit an original itemized receipt. Foreign currency reimbursements when personal credit cards have been used will be submitted in Workday in USD and require both an itemized receipt and the line item from your credit card showing the charge in USD. Cash payments will be submitted in Workday in USD only. Supporting documentation should include the exchange rate used. Transaction details must be provided in English for all receipts printed in a foreign language.

D. Meals

The cost of meals and reasonable tips (15%-20% in the U.S.) is reimbursable. Travelers are expected to exercise good judgment in selecting restaurants, dining venues or meal delivery service appropriate to the trip's business purpose. The university's suggested spending guideline for travel meals is \$60 per day, \$90 per day for major U.S. cities and \$125 for major international cities, including tax and tip assuming none of your meals are covered. It is not appropriate to skip meals in order to enjoy a more expensive single meal as a substitute.

Detailed, itemized food and beverage expense receipts are required for reimbursement. For room service meals, a copy of the itemized receipt is required. Food items (groceries) purchased at markets (loaves of bread, peanut butter, etc.) are only allowed when traveling for business over three consecutive days. Discretion should be used when purchasing groceries and limited to items needed during business travel. The exception is when traveling with a Simmons student group where groceries are used in lieu of meals (i.e: Athletics).

Day of travel: if your travel begins prior to 7am, breakfast is permitted as an expense. If the last day of travel ends after 7pm, dinner is permitted. Generally, breakfast, lunch, and dinner expenses are reasonable *while* at the destination. Dinner, lunch or coffee at the airport before or after travel is not an allowed expense except within the time frame stated.

Note: Any travel charged to an externally funded sponsored program or a grant, will be in accordance with the sponsor's requirements (i.e. Fly America Act for air travel) and the awarded travel budget. Meals and Incidental expenses will be reimbursed upon submission of itemized receipts and capped at the per diem rate for the location and month of travel. Per Diem rates are available here: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

Simmons does not reimburse solely on a per diem basis (i.e. without receipts), except for some internal study abroad programs where it will be too difficult to follow Simmons policy on obtaining receipts. Per diem reimbursement requires approval from the President or UST Member as well as the Chief Financial Officer in advance of travel.

Alcohol

Consuming alcohol while on University business is highly discouraged. Please refer to the Simmons employee handbook. If an employee chooses to purchase alcohol it is expected that a separate bill be requested and paid for with personal funds. Alcohol is not a permitted reimbursable expense without written preapproval by the President, Provost, or CFO. The only exception is when hosting a lunch, dinner or other social event on behalf of Simmons where a third party is present, i.e. donor or distinguished visiting scholar, with a UST member's approval. When alcohol is purchased, it is expected to be kept to a minimum in quantity and price. Names and business relationships of those present must be noted clearly in the expense report.

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All events held on campus where alcohol is being served must be catered through Aramark because of the University's liability, insurance and legal requirements. There can be no exception. Off campus events serving alcohol must have written preapproval by the President, Provost, or CFO.

Note: If your travel will be funded by federal money (awards, grants, stipends), alcohol charges are not permitted under any circumstances. Federal monies cannot be used to pay for alcohol.

E. Other Travel-related

1) City of Boston travel, meals, and lodging

Expenses related to travel **to and from the University** for work-related meetings (<6 hours) within city limits are allowed (taxi, Uber, Lyft, MBTA). Parking at off campus locations in the city is discouraged unless it is an after hours event, the employee needs to bring materials to another location in the city, or the employee is attending an all day off campus event (i.e. conference). Transportation costs can be minimized by using public transportation. The expectation is to keep transportation and parking fees reasonable. Using a ride-share service (taxi, Uber, etc) to/from your home to/from a conference within Boston city limits is considered commuting miles and therefore not allowed to be charged to a Simmons credit card and is not reimbursable. Using a ride-share service to/from your home to/from Simmons is considered commuting miles and not allowed to be charged to a Simmons credit card and is not reimbursable. Mileage reimbursement is not applicable. Overnight hotel stays are not permitted except for employees who are considered fully remote and live over 150 miles from the University.

2) Traveler's Insurance (Medical)

Simmons will not reimburse employees who purchase travel medical insurance for travel on behalf of Simmons. Simmons provides accidental death and dismemberment coverage for all full-time employees. Contact the Human Resources/Benefits Office for more information on this.

3) Personal Property Insurance

The University maintains no insurance for loss or damage to personal property during Simmons business travel. In case of loss, travelers should seek reimbursement through their own insurance company or directly from the responsible party.

4) Travel Companion

Expenses incurred by a companion, spouse, or other family member accompanying the traveler, are not reimbursable.

5) Extending travel for personal reasons

Employees are responsible for any price difference for flights/car rental/train/hotel etc by arriving early or departing late for personal reasons. The employee must provide support at the time of booking of what a similar cost would be if they traveled on only the required days. If the cost is more, the employee must reimburse the University.

Business Meals/Hosting Events

Employees incurring expenses during business meals or while hosting social events locally or while traveling, on behalf of or for the benefit of Simmons, are entitled to reimbursement following the policies laid out above. Alcohol is only allowed when entertaining outside guests, i.e donors, and is not reimbursable when it is just members of the Simmons community. For reimbursement of official Simmons hospitality events and business meals, whether held on campus, in a public venue (restaurant or hotel), or private location (home or club) the hosting employee or department must provide the following:

- The purpose of the meeting or topic of discussion (e.g. fundraising, alumnae engagement)
- A list of attendees (names and group association) present and business relationship
- Itemized receipts for food and beverage or other appropriate and sufficient documentation

Expenses other than food or beverage costs may be incurred as part of hosting an event to benefit Simmons. These expenses are also reimbursable with documentation. Examples of such expenses may include, but are not limited to: florist expenses, gifts (excluding gift cards and gift certificates) or other mementos for attendees, and valet services.

Note: Meals expense reimbursement for employees are not allowed during the normal course of Simmons-related working hours unless traveling for Simmons business. An exception might be when employees are required by supervisors to work well beyond their normal work schedules. Additionally, it may be appropriate to entertain a candidate for a higher level position. These expenses are at the discretion of the appropriate UST member and require prior approval.

ARAMARK / CATERING

ARAMARK is the exclusive catering service for all food and beverage services on campus and must be used for events/meetings. Any purchase of off-site food items requires explanation. Their office should be contacted for all food and beverage items for on-campus meetings, including snacks, coffee, etc. Purchasing food items from other suppliers for on-campus meetings and events requires pre-approval from the Department Head along with an explanation of why Aramark was

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not used for the event. Alcohol is to only be provided through Aramark catering given the restrictions with the University's liquor license.

Website: <https://simmons.catertrax.com/>

Phone: 617-521-2904

Gifts/Donations/Sponsorships/Hospitality/Gift Cards and Certificates

The use of gift cards, gift certificates or gift-cash (generally referred to throughout this policy as "gift cards") involve tax implications. The purchase and giving of gift cards by Simmons employees in the course of their job responsibilities to individuals inside and outside of the Simmons community is not allowed. In addition, the purchasing and giving of gift cards to *organizations or businesses* is always prohibited.

Simmons does recognize that it may sometimes be appropriate to present gift cards for incentives to individuals participating in a Simmons sponsored research study (usually associated with a grant). The research study worktag must be noted on the expense report in Workday. The suggested gift card amount for research volunteers is \$20.00

Any exceptions require CFO approval prior to the purchase. If approval is given, the person purchasing the card(s) is the responsible party for control and distribution of the card(s). Controls should be clearly documented and submitted for auditing purposes with the reconciling expense along with all other documentation.

Gift Cards in lieu of payment for services rendered are not permitted (ex: speakers, honoraria, volunteers).

Gift card policy: <https://internal.simmons.edu/faculty-staff/working/finance/purchasing/purchasing-policies>

Other restrictions related to gifts and hospitality are:

- Celebratory employee departmental lunches/events are not allowed to be charged to University funds.
- Celebratory student-employee departmental lunches/events are not allowed to be charged to University funds - new hires, end of year, etc.
- Individual departmental events welcoming students to campus, in recognition of student achievements, and end-of-academic year student celebrations must have preapproval from a UST member as these types of events are already celebrated at University sponsored events such as Senior Week, Convocation, Parent Weekend, Commencement, Departmental Awards Banquet, among others.
- Departmental end-of-year or holiday celebrations are not sanctioned as reimbursable expenditures by the University since the University provides a celebration for all employees at year end.
- Gifts for new employees are not allowed to be charged to University funds.

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- Gifts for students are not allowed to be charged to University funds, excluding student activity programming events.
- Gifts for those leaving the University's employ are not permitted except in the case of retirement/departure for a long-standing employee (5 or more years). Pre-approval is required by the appropriate UST member. A general guideline for spending is \$10 per year of service not to exceed \$400.
- Gifts to honor an individual for personal reasons (birthday, wedding, baby, graduation, etc) are not allowed to be charged to University funds. Personal contributions among colleagues should be the method of providing such gifts.
- Gift cards in lieu of payment for services rendered are not permitted (ex: speaker, honoraria, volunteers, etc.)
- Employee illness requiring hospitalization may warrant flowers or similar non-gift card token - ≤ \$75 (total cost including any fees and taxes). Please ensure that only one arrangement is sent from the University and the card reflects the sentiment of the entire department or area.
- Death of immediate family members may warrant flowers or similar non-gift card token - ≤ \$75 (total cost including any fees and taxes). Please ensure that only one arrangement is sent from the University and the card reflects the sentiment of the entire department or area.
- Greeting cards (welcome, farewell, birthday, congratulatory, etc.) for employees and students are not allowed to be charged to University funds. Personal contributions among colleagues should be the method of providing such items.
- Thank you gifts to employees, including student workers, for their service are not allowed to be charged to University funds - including regalia for graduating students
- Gifts provided as a thank you for services are not allowed - these include but are not limited to Simmons logo items and other tangibles (flowers, candy, etc.)

The President's Office and Advancement should try to align their gifts and hospitality for donors, trustees and alumni as closely as possible with the above guidelines.

Donations/Sponsorships for any reason are strictly forbidden. In extremely rare circumstances, the President or CFO, on behalf of the University, must authorize any type of donation/sponsor. If allowed, the donation/sponsor should include language that it is made on behalf of Simmons University, not the department or group. You as an individual may donate or may collect personal funds to donate as a group: neither would be reimbursed or officially recognized by the University.

OFFICE SUPPLIES

Simmons University has a Master Agreement with W.B. Mason as its sole vendor for all consumable office supply products such as pens, paper, pencils, folders, and toner cartridges. The prices the University pays are lower than on the W.B. Mason retail website.

BUSINESS EXPENSE POLICY

To maximize our cost savings, employees are required to anticipate their ordering needs and request supplies from W.B. Mason prior to incurring expenses while traveling on University business. It is important to note that items purchased with personal funds and not through W.B. Mason will not be reimbursed unless it is an absolute necessity or emergency. Such purchases will require the approval of your Department Head.

For more detailed information, please visit the Purchasing webpage:

<http://internal.simmons.edu/faculty-staff/general/purchasing>

BUSINESS CARDS/STATIONERY/ PRINTING JOBS

Without exception, every application of the Simmons University brand to apparel or merchandise, including event swag, regardless of the degree of its formality or breadth of its distribution, requires review by and approval from the University Communications department. Please email ucomms@simmons.edu with any apparel or merchandise related inquiries.

The Simmons Copy and Mail Center (powered by Collegiate Press) is printing Simmons University branded stationery. The products hosted on the site include letterhead, envelopes, mail labels, postcards, greeting cards, and business cards. All print jobs should be vetted through Collegiate Press prior to contracting with an outside printer.

Please note that Collegiate Press provides nicely printed Simmons-logo cards which can be used for thanking donors and others since gifts are not permitted to be expensed to University funds.

Please contact purchasing@simmons.edu with any questions.

PERFORMER'S WITHHOLDING TAX

Paying entertainer's or speaker's fees with a credit card is not permitted because of tax and 1099 reporting implications The University is required to withhold Massachusetts income tax (PWH) if gross payments to all performers and performing entities **exceed \$10,000 for a particular performance, event program, or series** and if a payment to a single performer or performing entity **exceeds \$5,000** for the calendar year. Both of these thresholds include expense reimbursements.

Performance is defined as an "event in which a performer or performing entity receives compensation for personal services performed in, derived from, or connected with sources within Massachusetts by competing, demonstrating, exhibiting, entertaining or educating an audience, making a public appearance, or endorsing merchandise."

The standard deposit amount for goods and services is typically 30% of the cost, whether estimated or final. Deposits, when required, of more than 50% are not permitted for any service or goods.

Please reach out to Accounts Payable for current tax rates, calculations and specific regulations regarding performers tax.

It is not possible to identify all the expenses that are permitted (or not) in this Policy.

EXAMPLES OF REIMBURSABLE AND NON-REIMBURSABLE EXPENSES

Generally permitted

- Internet costs when traveling
- Baggage fees
- Customary tips (not more than 20%)
- Necessary laundry expenses (minimum 7 consecutive days of travel)
- Currency conversion fees
- Foreign transaction fees
- Vaccinations if required for foreign travel
- Meals while traveling
- Snacks (within reason) while traveling
- Transportation costs for conferences or meetings
- Professional development. Refer to LinkedIn Learning.
- Memberships and subscriptions for business purposes
- Supplies (restrictions and pre-approvals may apply)

Generally not permitted

- Discretionary/personal spending
- Companion-incurred expenses
- Meals (groceries) and lodging, when an employee elects to stay with a friend or relative instead of commercial lodging
- Costs incurred by unjustifiable failures to cancel or change hotel or airfare reservations
- Hotel movie rentals/airline headsets, blankets, pillows, etc.
- Toiletry items – unless luggage is lost or stolen
- Postage/stamps - except by offices that require the use of stamps for specialty mailings. The purchase of stamps is strictly regulated – written approval by Accounts Payable is required.
- Dependent care
- Medical expenses
- Prescription drugs/controlled substances/pain relief medication
- Passport fees / TSA Precheck fees
- Airline club/Private club membership fees
- Snacks for the office (coffee/candy/soda/etc) unless hosting external visitors or student centered areas
- Hotel mini-bar purchases
- Donations
- Books and magazines while traveling
- Automobile violation fees

BUSINESS EXPENSE POLICY

- Personal auto repairs, insurance deductibles, and surcharges
- Travel accident/medical insurance
- Car rental insurance for domestic travel
- Gas for your personal auto usage
- Bottle deposits
- Shopping bags
- Office décor/furniture
- Computer/software/electronics (restrictions and **technology pre-approvals** apply); please refer to the *Technology Procurement Policy* <https://internal.simmons.edu/wp-content/uploads/2019/09/Simmons-Technology-Purchasing-Policy.pdf>
- Cell phones and cell phone accessories
- Greeting cards or gifts for employees
- Flight change fees – unless previously authorized and reason documented
- Printer/ink cartridges
- Warehouse club memberships (Costco, BJ's, Sam's Club, etc) are not permitted to be purchased by individual schools or departments. These types of memberships require negotiated contractual obligations that have to be reviewed and approved by various people within the institution. Simmons has negotiated business relationships with WB Mason and Amazon - which, at this time, should be sufficient for the needs of all who enjoy the privileges of purchasing on behalf of the University.
- Utensils, paper products, dish soap, dishes, dish strainers, towels, cleaning supplies, etc. You can contact facilities to have a paper towel dispenser installed in your area. Contact purchasing@simmons.edu for sanitizer wipes.
- Electrical appliances with heating elements, including, but not limited to, hot plates, immersion heaters, popcorn poppers, crock pots, electrical heaters, electric frying pans, electric woks, stoves, toaster ovens, coffee makers, and tea kettles (with the exception of electric coffee makers and tea kettles that have automatic shut offs).
- Payments by individuals for speaking engagement fees or entertainers (honoraria) - personally paid fees are not reimbursed by the University due to taxing implications
- Using a ride-share service (taxi, Uber, etc) to/from your home to/from a conference within Boston city limits is considered commuting miles and therefore not allowed to be charged to a Simmons credit card and is not reimbursable. Using a ride-share service to/from your home to/from Simmons is considered commuting miles and not allowed to be charged to a Simmons credit card and is not reimbursable. Mileage reimbursement is not applicable.
- Deposits, when required, of more than 50% are not permitted for any service or goods
- Cords, stoles, and other regalia - please refer to the University Policy on Commencement Regalia and Adornments (Cords and Stoles)

Sales Tax

Simmons University is a tax-exempt business entity: 501(c)(3). The University is exempt from state sales taxes in many states on a variety of purchases. It is the purchaser's responsibility to ensure that purchases are not charged sales tax, including items shipped to Massachusetts. Submissions with sales tax, regardless of the amount of the tax, will be returned to the purchaser unless it is indicated clearly that the purchaser is in contact with the supplier. Supporting documentation should include the email to the supplier requesting the credit of the tax. Repayment of the sales tax to the University (regardless of the amount) may be required. The University will not reimburse for sales tax paid with personal funds.

It is important that you, purchasing on behalf of the University, present to the supplier, prior to or at the time of purchase, the University tax ID and/or make it clear that the purchase is on behalf of the University. Tax exemption forms can be found here: <https://internal.simmons.edu/faculty-staff/working/finance/purchasing/tax-exemption-forms>

Regardless of where the purchase is made, online or on-ground, it is always best practice taxes be excluded from the purchase PRIOR to conclusion of the transaction.

Is Simmons exempt from meals tax?

Yes, Massachusetts meals tax and sales tax are the same. Expenditures on behalf of the University are exempt from taxes on prepared meals in Massachusetts. University expectation is that you, purchasing on behalf of the University, make every possible effort to ensure that taxes are not charged. The University understands that it is not reasonable to expect that, while traveling, you are able to seek exemption from taxes charged on daily meals. The University does expect that taxes will be exempted from function/event, outside catering charges. Tax will not be reimbursed for catering when paid with personal funds. Invoices and Simmons credit card charges will be returned to the submitter so that you obtain an invoice without tax or seek a refund to your credit card.

Please note: tax should be excluded PRIOR to concluding your transaction. There should never be a need to seek tax refund after payment.

Mobile Device Policy

Today, most individuals carry a mobile phone for personal use with plans that provide for unlimited minutes and therefore reimbursement of mobile phone charges are generally not a reimbursable expense. Please refer to the mobile device policy: <https://internal.simmons.edu/faculty-staff/forms-policies>

Documenting Expenses

All expenses on the expense report (hotels, meals, car rentals, air travel, etc.) **must be supported by attaching itemized receipts** to the expense report. Detailed, itemized receipts are required, regardless of amount or whether the expenses were paid with a Simmons credit card, a personal credit card, or cash. It is the purchaser's responsibility to ensure that receipts are accurate and correctly reflect the charge(s) incurred. For corporate credit card purchases, missing receipt support requires the completion of the Missing Receipt Affidavit for $\geq \$25$ (*this does not relinquish or negate your responsibility to get the proper receipt. Contact with the supplier/vendor may be necessary. Over use of the Missing Receipt Affidavit will result in termination of your ability to spend on behalf of the University*).

Simmons corporate credit card transaction reconciliations are due no later than the 10th of the following month in which they are incurred. Failure to do so will result in suspension of the corporate credit card. Upon suspension, the immediate manager, associated UST member as well as the Chief Financial Officer will be notified.

Finance/Controller's Office staff may, at any time, return an expense report seeking more information or support for any incurred expense. Expenses incurred on a Simmons Visa that are not allowed, must be paid back to the University before the expense submission business process is completed in Workday. Include a copy of the receipt with your expense report submission. To reimburse the University, visit: <https://tinyurl.com/bp8zntd2>

Exceptions to this policy should be discussed prior to incurring expenses and must be documented with submission of your expense report in Workday. Unless otherwise noted, only the University President or CFO can approve exceptions to the policy. Approvals must be in writing (email) and attached to the expense line item in WD.

Approved expenses paid with personal funds are reimbursed by direct deposit after Workday approvals and business processes are satisfied. There will be no personal reimbursement unless an itemized receipt is attached to the expense report.

Guides for processing expenses in Workday are located on the Accounts Payable webpage:

<http://internal.simmons.edu/faculty-staff/general/accounts-payable>

University Policy Index

The University Policy Index is a compilation of regulations and policies approved by the institution's Board of Trustees and/or Senior Management. Since some of these policies are sensitive, this site is for internal use only. However, it does contain all Simmons policies, even those intended for external parties.

<https://internal.simmons.edu/faculty-staff/forms-policies>

Policies that might be relevant to business expenses include:

- Contract Signing Authority Policy
 - The Contract Signing Authority Policy defines the authority to represent Simmons University in legally binding agreements and to approve and sign contracts, memoranda of understanding, or other documents on behalf of Simmons.
- Gift Card Policy
- Purchasing Policy
- Mobile Device Policy

Delegating tasks in Workday

Delegation of tasks is an important tool in Workday. Delegating tasks allows the business process to run without disruption. Delegations for approvals should not be given to a subordinate since approvals follow a hierarchical process.

Paramount to delegating tasks is your understanding that the delegate is acting on your behalf. Ultimately, you, as the person who delegated the task, remain the responsible party for the task being delegated. The delegated person must be knowledgeable about University business policies and understand the importance of the delegated role.