

CMP 420-01 – EXPENSE REIMBURSEMENTS

REASON FOR THIS POLICY

To provide clear standards for expense reimbursements at NAU under the IRS Accountable Plan for submission requests and stipulate documentation requirements.

ENTITIES AFFECTED BY THIS POLICY

- All units and departments that may authorize University business purchases and travel
- Comptroller's Office
- Contracts, Purchasing, and Risk Management

WHO SHOULD KNOW THIS POLICY

- Individuals who make purchases for, or while completing, University business
- Supervisors of individuals who make purchases for University business
- Local Fiscal Oversight (LFO) designees

POLICY

A. Applicability

1. University employees are required to use a university sponsored form of payment, either a NAU Purchasing Card or NAU check, for the purchase of goods, services, and travel related expenses to include airfare, hotel and registration.
2. Authorized reimbursements must meet the requirements outlined in the IRS Accountable Plan rules and this policy.
3. These requirements apply to university employees and non-employees, students and community members, who make purchases on behalf of, or while on, University business.

B. General Requirements

NAU's reimbursement policy incorporates all of the required IRS Accountable Plan rules, as follows:

1. Individuals must have paid or incurred expenses while performing services as an employee of and/or while doing business for NAU.
2. Individuals are required to properly account for expenses within a reasonable period of time.
 - a. **Non-Travel Expenses:** Requests for reimbursement of non-travel expenses must be requested via Employee Service Center case within (60) days of the original purchase. Requests submitted greater than (60) days will require a Policy and Compliance Review (PCR) to be submitted by the requesting department and approved by Contracts, Purchasing, and Risk Management (CPRM) prior to the reimbursement being processed.
 - b. **Travel Expenses:** Documentation submission for reimbursement of *travel expenses* should be within (5) business days of trip return, but no later than (30) calendar days from trip return. Reimbursement requests and documentation submitted greater than (30) days will require a Policy

and Compliance Review (PCR) to be submitted by the traveler or department sponsoring the travel and approved by the Comptroller's Office (CMP) prior to the reimbursement being processed.

3. Any excess cash advances for travel and non-travel expenses must be returned to NAU within (30) days of event or trip return date, whichever occurs first. If funds are not received within (60) days of event/trip return date, the university will pursue the funds through payroll deduction or Student Accounts-LOUIE for student repayments.
4. When Accountable Plan Sections B.1, B.2 and B.3 above are met are met, reimbursements are not included as taxable compensation to the employee, student, or community member. However, if the above requirements are not met, the amount that is paid to the individual is treated as paid under a [Nonaccountable Plan](#) and is taxable as compensation, subject to income and payroll taxes, as applicable.

C. Documentation of Expenses and Original Receipts

1. Proper documentation is required for reimbursements no matter the original payment method of the purchase; reference the specific Comptroller and/or Purchasing policy for documentation requirements by commodity type.

When receipts are required by university policy, an itemized receipt must include all of the following:

- a. Date of Purchase
- b. Name of Vendor where purchase was made
- c. Itemization of What was purchased
- d. Total Amount Paid - to include tax, shipping, tip, etc.
- e. Proof of Payment - with notation of payment method

D. Post-Payment Adjustment

Subsequent to the initial expense claim reimbursement, an audit or other review may identify an error that resulted in an over- or underpayment to the individual. In these cases, a repayment to the University by the reimbursee, or an additional payment to them may be made by the University.

E. Moving Expense Reimbursement

New faculty and staff may be reimbursed for moving expenses for relocating their household goods and personal effects, and some travel-related expenses, to their new home, CMP 420-03: Moving Expenses.

F. Travel Expense Reimbursement

Employees are not eligible to use personal funds and receive reimbursement for travel related expenses specific to airfare, lodging, and event registration. Policy detailing allowable travel expenses can be found on the NAU Policy Library website.

1. Typical travel expenses incurred "on the road," such as Meals & Incidental Expenses (M&IE), and ride shares will continue to be reimbursed in accordance with NAU Travel Policy.
2. Additionally, it is understood that extenuating circumstances may occur during travel that are not compatible with use of an NAU payment method. These situations will be handled on a case-by-case basis and may require a Policy and Compliance Review before reimbursement will be made.
3. Conference and event registration fees are exempt from the (60) day rule referenced on page 1, section B. 2 of this document.

RESPONSIBILITIES

Employee: adheres to all university purchasing and travel policies, will always seek authorization and approval from department leadership to expend funds for university business needs, and will provide all policy required and requested documentation in a timely manner.

Traveler: adheres to all university travel policies, will always seek pre-trip authorization and approval from department leadership to expend funds for travel, and will provide all policy required and requested documentation to the travel specialist pre and post travel.

Departmental Supervisors/Responsible Department Representative: reviews all requests for reimbursement of direct report employees and Volunteers, or students and community members, as required by policy and verifies business need.

Local Fiscal Oversight Designee: reviews all requests for reimbursement and verifies funding source (speedchart, sub_dept, account codes) and determines and communicates any funding caps or limitations.

Departmental Leadership: ensure that only properly qualified and authorized individuals are allowed to make purchases on behalf of, or travel on official University business, for University programs and activities under their direction and control.

Contracts, Purchasing, and Risk Management: initiates and completes all non-travel reimbursements via Expense Report or single-payment voucher.

Reimbursement Processing Support Unit Staff: initiates and completes all travel expense claims and travel reimbursements via Expense Report or Check Request; and assists with booking travel upon request.

PROCEDURES

[Policy and Compliance Review \(PCR\)](#)

RELATED INFORMATION

Forms or Tools

[IRS Publication 463 Travel, Entertainment, Gift and Car Expenses](#)

GAO Technical Bulletin 11-08: Untimely Filed Employee Travel Claims

[Employee Service Center \(ESC\)](#)

[Current Arizona State Reimbursement Rates \(SAAM\) – Lodging & Meals Schedule](#)

[US Department of Defense \(DoD\) Reimbursement Rates – Lodging & Meals Schedule](#)

[Travel Case Submission How-To - *transcript*](#)

[Travel Case Submission Quick Reference](#)

Cross-References

[Comptroller's Office](#)

[Contracts, Purchasing, and Risk Management](#)

[Reimbursement Processing Support Unit](#)

Sources

[NAU Policy Library](#)