

From: Doug Harrell, V.P. for Finance and University Controller

To: Deans, Directors and Department Heads



Date: July 26, 2011

Subject: Timeliness of expense reporting/reimbursement requests

The university conducts an **“accountable plan”** for purposes of reimbursing its employees. The IRS accepts the university’s plan as long as certain conditions are met. One critical condition is timeliness of accounting. The accounting is complete when the report is submitted and the approval process is complete. Policy indicates that reports will be timely if turned in within 45 days of the expenditure date or last expenditure date for a trip of multiple day duration*. Over 60 days, the accounting will be considered late and then requires a written reason for being late.

The Accounts Payable staff reports that requests for documentation are being ignored. To this point reimbursement requests have been honored nonetheless. Reports that are late or not made and that are 60 days old or older will be refused in the future. That is, you will not be reimbursed. If Administration (Dean, Chairman, V.P. etc.) instructs us to reimburse you, the University is then required to characterize the reimbursements as taxable payroll. Please submit your reimbursements timely.

Please know that this same requirement applies to corporate card charges that are sitting in your Concur inbox waiting to be accounted for*. **You must account for these charges on a timely basis; otherwise these charges will be subject to payroll withholding. The escalation procedures relative to corporate card charges are attached.**

Notes:

*For Airline tickets or other items purchased in advance, the date runs from the last day of the trip or when the prepayment becomes an expense. Charges for future events must be saved to a Concur report with a naming reference to a future period. So, a March 2011 airline ticket purchase could be assigned to a report styled June 2011

For a 2 week trip, some expenditures may be two weeks old at the conclusion of the trip. You would have 30 days from the conclusion of your trip to submit your report. Since some trips are longer than 30 days, we will not consider the report delinquent until the 60 day mark has passed.

Expense events during a month can be accounted for on the same report. Each event needs to be fully accounted for (the report has been submitted) within 45 days of the event with the earliest charge in order for the accounting to be timely.

Corporate Card Escalation Processes

Corporate Card Transactions

Charges post to Concur nightly so transactions are generally available for processing 2-3 days after the transaction date. All transactions must be assigned monthly to an expense report using a month and year in the report name.

A previous month's expense report must be submitted by the 15th of the following month. For example, if you have June credit card charges applicable to expenses in June, then the expectation is that you will complete the report and submit it by July 15th.

Charges for future events are saved to Concur reports named with the period the expense applies to and submitted when that time has come. Subsequent transactions should be added to the previously saved period report and not a new report for the same time period.

Reminder Notice

If all of the previous calendar month's transactions are not assigned by the 15th of the following month, a Reminder is sent to Cardholder with a copy to the cardholder's supervisor.

If previous month's expense report is not submitted by the 15th of the following month, a Reminder is sent to Cardholder with a copy to the cardholder's supervisor.

Suspension of Card Notice

If, after two weeks of Reminder, transactions are still unassigned or reports not submitted, card is suspended and Notice of Suspension is sent to cardholder with a copy to cardholder's supervisor. At this point, charges are between 30 and 60 days old.

Cancellation of Card Notice

If after two weeks of Notice of Suspension non-compliance remains, outstanding amounts will be sent to Payroll for collection processing against the cardholder. Charges at this point are between 45 and 75 days old. Charges that are 60 days old or older will be referred with notice to the cardholder to the payroll office for collection.

Corporate Card Suspension/Cancellation

In addition to the above Escalation Process and any authority within relevant Policies, Corporate Cards may be Suspended and/or permanently Cancelled for, and not limited to, the following reasons: Misuse or abuse of Corporate Card, Non-Compliant use of Corporate Card, Prior Suspension of Corporate Card, Extended leave or absence by the Cardholder

Reinstatement of Suspended Corporate Cards

Where a Corporate Card has been suspended, it may be reinstated following full and complete compliance with the University policy and the IRS Accountable Plan. This will be at the discretion of Program Administration. A second suspension will result in card cancellation.

Re-issuance of Cancelled Corporate Cards

Where a Corporate Card has been cancelled, re-issuance requires the authorization of the Cardholder's respective Dean or SVP. A second cancellation for non-compliance permanently revokes any card privileges.