



Responsible Department: Business and Financial Affairs
Recommend By: SVC Business & Financial Affairs
Approved By: Chancellor

Policy Number
FINA 2.30.012

Effective Date
9/14/2021

I. INTRODUCTION

The purpose of this policy is to govern allowable expenses for anyone who travels or entertains on behalf of the University using University or sponsored research funds. In addition, this includes those who approve or process travel arrangements and expenses made using any University funding source. The University will not reimburse expenses that do not satisfy the criteria.

Related policies:

- FINA 20.30.011 - *Business Expense*
- FINA 20.30.017 - *Reimbursement*
- Chart of Allowable Expenses ([Shared Services Knowledge Base](#))

II. POLICY OVERVIEW

A. To be considered an allowable business expense, the expense must be:

1. Necessary to perform a valid business purpose fulfilling the mission of the University; and
2. Reasonable in that the expense is not extreme or excessive and reflects a prudent decision to incur the expense; and
3. Appropriate in that the expense is suitable and fitting in the context of the valid business purpose; and
4. Allowable according to the terms of any federal regulation, sponsored contract, or University policy.

B. Failure to mention an item of unallowable expense in this document does not imply that it is allowable; rather, determination of allowance in each case will be based on the treatment provided for similar or related expense items.

C. University employees shall conduct their duties ethically, professionally, and reasonably to avoid the appearance of impropriety (See Policy FINA 3.20.060)

Conflict of Interest). Individuals involved in any transaction that violates University policies, laws, regulations, rules, contracts, grants, and donor restrictions will be held personally liable regardless of when the approval occurred. Departments and/or grants may impose restrictions in addition to those listed in University policies and procedures.

D. Alcohol -The purchase and use of alcohol places significant legal exposure on the University. Therefore, the use of alcohol for business meals and entertainment purposes should be kept to a minimum. Alcohol may never be charged to federally sponsored projects. Any meals being charged to a federal grant must have all alcohol clearly itemized on the expense report and must be charged to a non-federal funding source.

E. General Considerations

1. Travelers should neither gain nor lose personal funds as a result of business travel on behalf of the University of Denver.
 2. Obtain necessary approvals and travel documents prior to your travel.
 3. When deciding on transportation, lodging, and airfare options, the traveler must determine the most reasonable cost for the University and exercise sound judgment using factors such as convenience, necessary accommodations, and safety issues.
 4. Travelers shall use University contracted travel suppliers, credit card, and booking and expense management tools. See the [Chart of Allowable Travel and Entertainment Expenses](#) for further guidance.
 5. Book airline tickets as far in advance as possible (ideally 14 days or more) to obtain advance purchase discounts and optimal travel times.
 6. Follow the terms of sponsored research agreements for travel under such agreements.
- F.** Individual units (e.g., schools, departments, institutes, and divisions) have budgetary oversight for travel expenditures and therefore may establish travel procedures that reduce allowable expenses to a level below that available through the University policy. A unit may also require a greater degree of documentation for expenses than the University level (e.g., the unit may require receipts for meals over \$25, instead of the \$75 limit established in the policy). If so, the unit must ensure that its travelers comply with its unit-level procedures before approving reimbursement. The University audit of expenses will not consider local procedures.

G. Exceptions

University travelers seeking an exception must request the exception prior to incurring the expense and must demonstrate a valid business need. The Chancellor, the Provost, or the Senior Vice Chancellor for Business and Financial Affairs may grant exceptions to these policies on an individual basis

if the exception is in the best interest of the University, is not in violation of any law or regulation and consistent with all other applicable University policies and procedures.

III. PROCESS OVERVIEW

A. Pre- and Post-Trip Planning

1. Funding Sources - University travelers are responsible for understanding and adhering to specific restrictions that may be required by the funder. These restrictions supersede any restrictions outlined in this policy.
2. Alternatives to Travel - Please consider videoconferencing or web conferencing as an alternative to travel. The University provides a variety of options, including desktop videoconferencing.
3. All international travel for faculty and staff must be approved using the Request feature in Pioneer Travel and Expense, prior to travel.

B. Cash Advances

Employees may request an advance 14 days before an authorized business trip or hosted event. However, since reimbursement only takes a few days once approved by the unit, cash advances should be limited to employees with a compelling financial need.

A cash advance cannot be used to pay per diem in advance, including hotel per diem. Cash advances must be properly substantiated and submitted per the University's accountable plan. For specific requirements, see Policy FINA 2.30.017 - *Reimbursement*.

The employee must submit the cash advance for approval to their immediate supervisor or higher administrative authority. When the amount is greater than or equal to \$5,000 and less than \$10,000, additional approval is required by one of the following:

- a department chair of an academic unit
- a department manager of a non-academic unit
- the senior university officer responsible for the budget charged

Cash advances equal to or greater than \$10,000 require approval from the Chancellor, Senior Vice Chancellor, Vice Chancellor, Vice Provost/Senior Associate Provost, or Dean.

C. Submission and Approval of Expenses

All travel and entertainment related expenses must be substantiated and submitted for approval within 30 days after the expense is incurred, or upon

completion of a trip. Expenses that are not submitted in a timely manner will be reported to the IRS as taxable income after 90 days. For additional detail, please see accountable plan rules in the [Shared Services Knowledge Base](#) (login required).

D. Approvers

Approvers are responsible for verifying that funds are available for the trip and that any required approvals have been obtained prior to departure (e.g. approval for foreign travel under sponsored projects or high-risk travel areas). Approval of the Expense Report in Pioneer Travel and Expense will be evidence of the reasonableness of the claim, the availability of funds, and the necessity of the trip in furtherance of University business.

E. Pre-Trip Approval

The traveler is responsible for obtaining trip pre-approval from their division.

F. Federally Funded or Non-Federally Funded Sponsored Projects or Programs

In order for sponsored project or program funds to pay for travel to scientific, technical, or scholarly meetings, the trip must be approved by the principal investigator as being of definite value to the work covered under the sponsor award. In certain cases, the principal investigator may need to seek sponsor approval for the trip. Sponsor approval requests should be coordinated well in advance of the trip through the Office of Research and Special Programs (ORSP).

Normally, travel to scientific and scholarly meetings at the sponsor's expense will be limited to project personnel. However, other factors such as the size of the project and the agenda of the meeting may justify sending additional participants. Travel costs incurred by large groups for special activities of the project must be approved in writing by the sponsoring agency and the principal investigator. When a large group attends a scientific meeting, an attempt should be made to obtain reduced rates for travel and hotel accommodations.

Refer to the sponsor guidelines for specific compliance requirements. Questions on sponsor award travel should be directed to ORSP. Questions about group travel should be directed to University's travel management company.

Airline Requirements for Federally Funded Sponsored Research Projects

Under the [Fly America Act \(FAA\)](#), government regulations require the use of

a U.S. air carrier when traveling outside the U.S. In some instances, a non-U.S. air carrier may be used if it meets one or more of the exceptions criteria listed in the Federal Travel Regulation (FTR) guidelines.

G. Emergency Contacts

Travelers must complete and maintain their profile information, including mobile phone numbers and contact details, within the Pioneer Travel and Expense system (Concur). This information will be used to contact you in the event of an emergency or safety check.

H. Emergencies When Traveling Overseas

The University has contracted with International SOS to provide worldwide access to emergency and medical assistance services 24 hours a day. International SOS services are designed to help travelers with access to medical, personal, travel, security, and legal services when away from home. Call International SOS at any time to gain assistance with simple or critical matters.

For additional information, including contact information, and to print an International SOS card, visit Enterprise Risk Management's website [here](#).

I. Accidents, Thefts, and Other Safety Issues

Accidents, thefts, and other crimes while traveling on University business must be reported immediately to the proper authorities, consistent with local/state laws. In addition, travelers must report issues to their home department and/or Campus Safety as soon as possible.

J. Booking Reservations

Travel arrangements shall be made through Pioneer Travel and Expense's online booking tool (Concur) or by calling the University's travel management company. This ensures that travelers are receiving University contracted rates and support while traveling. For exceptions and guidance see the Chart of Allowable Travel and Entertainment Expenses in [the Shared Services Knowledge Base](#).

K. Reservation Timing

Travel planning should be completed as far in advance as possible, ideally 14 days or more. Advance travel planning is key to obtaining the lowest airfares and securing first choice flight times and room accommodations.

L. Itinerary Changes

Fees associated with changes, provided there is a business reason, are allowable. To be allowable on a sponsored research project, the change fee must be justified as having a direct benefit to the research.

M. Travel Time

Individuals can fly on either University or personal time based on best flight times. See [FLSA rules](#) regarding compensation during travel time.

N. Documentation

To maintain compliance with IRS regulations and the University of Denver's Accountable Plan, a statement of business purpose must be recorded for all transactions processed using University funds along with detailed receipts as required.

The business purpose statement provides a clear concise explanation of how each transaction is necessary and beneficial to the University. To substantiate the expense, the following should be documented:

1. What was purchased or what services were provided
2. Who the expense is for or who was in attendance (University affiliation should be included)
3. When and where the expense took place
4. Why the expense is reasonable and appropriate for University business

Expense approvers are responsible and accountable for verifying the necessity and appropriateness of all University purchases.

O. Receipt Requirements

The chart below details the documentation required for business-related purchases processed using a University-issued P-Card or personal funds with a reimbursement request.

When a purchase is processed using University funds, whether via reimbursement or P-Card, the University is assuming ownership for those products or services, as well as the receipt. It is the responsibility of the individual processing the payment to obtain acceptable receipt documentation for submission when applicable.

Submission of receipt documentation must satisfy the following guidelines:

Expense Type	University Purchasing Card	Personal Funds
Lodging (Room accommodation expense)	Receipt required	Receipt required
Other Travel/Non-Travel	If less than \$75, no receipt is required. If \$75 or more, standard receipt specifications apply.	Receipt required

The standard receipt specifications required for all submitted receipts include:

1. Merchant name
2. Transaction date
3. List of items purchased or services provided (itemized receipt)
4. Total amount paid
5. Method of payment

P. Tax

The University is a non-profit 501(c)(3) institution and as such is exempt from tax. University business travelers must make every reasonable effort to ensure that tax is not paid. For more information on tax exemptions, see <https://www.du.edu/controller/forms/>.

Foreign Value Added Tax (VAT) and Goods and Services Tax (GST) is an allowable business expense.

Q. Allowable Travel and Expense Guidance

With the authority of the Senior Vice Chancellor of Business and Financial Affairs, Shared Services maintains a Chart of Allowable Travel and Entertainment Expenses in the [Shared Services Knowledge Base](#).

IV. DEFINITIONS

- A. “Affiliate”** – Any party acting on behalf of the University, such as contractors, consultants, volunteers, alum, donors, etc.
- B. “Authorized Approver”** – The individual responsible to ensure that each transaction is completed in accordance with the appropriate policies and procedures and that each transaction is appropriate in terms of scale, budget, and relation to the mission and goals of the unit and the University.
A transaction Authorized Approver cannot report to a transaction Requestor; nor

can a transaction Authorized Approver also be the transaction Requestor. In the case of a Dean or Director as the requestor, the Authorized Approver must be the Dean or Director's supervisor.

- C. **“Original Receipt”** - The original merchant receipt or invoice issued by the supplier or service provider to document and substantiate the business transaction. A digital image of the original receipt is allowable if it is legible, and the paper receipt is destroyed once it is verified that the digital image is attached to the expense report

- D. **“University Funds”** – Includes all funds controlled or administered by the University of Denver. This includes, but is not limited to, base operating budget funds, endowment funds, gift funds, grant funds, investment funds, etc.

Revision Effective Date	Purpose
<i>9/14/2021</i>	<i>Minor revisions</i>