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**BRANDEIS UNIVERSITY**  
**Division of Business and Finance**

**Business Expenses and Employee Reimbursement Policy**

**Effective July 2025**

**POLICY STATEMENT**

The basic policy governing university business expenses is that Brandeis University will reimburse or directly pay properly substantiated business expenses. Expenses should not exceed budgetary limitations, individuals must demonstrate a clear business purpose, and exceptions to the policy require the written approval of the Chief Financial Officer (CFO).

**APPLICABILITY**

This policy applies to all University employees, students and where appropriate, official visitors, regardless of funding source. This document is not meant to supersede any additional policies that we have in regards to purchasing or expenses, (including but not limited to, the Procurement Policy, Travel Policy, P-Card policy, Computer Purchase policy and the Remote Work Policy. More restrictive policies and procedures mandated by federal or donor regulations, specific programs, schools, departments or offices will take precedence over University policies.

**PURPOSE OF THE POLICY**

The purpose of this policy is to promote good business practice and ensure that external compliance requirements are satisfied.

Brandeis University must comply with IRS “Accountable Plan” rules related to business expenses. An accountable plan must satisfy the following three requirements:

- Expenses must have a valid business connection or purpose.
- Expenses must be adequately substantiated.
- Expenses must be reconciled and substantiated within 30 days.

If accountable plan rules are not satisfied, the IRS could determine that expense reimbursements and advances (if applicable) are reportable and taxable income (i.e. subject to withholding taxes) to the individual.

While schools/units may maintain separate and/or additional policies regarding business expenses, those policies may only be more restrictive than this official University wide policy. Those school/unit policies cannot and should not be more lenient or financially advantageous to the school/unit and or employee than this University-wide policy.

Brandeis University is also subject to the terms and conditions set forth by donors and sponsors. Individuals making expenditures from these funds are responsible for understanding and abiding by these restrictions.

## **GUIDELINES**

### **I. Definitions:**

Business expenses are payments for activities that primarily benefit the University and are necessary and appropriate in the conduct of University business. These include direct payments to vendors for goods and services and reimbursements for travel, meals, and expenses related to University activities.

University expenditures will be considered proper if they meet all of the following five tests of propriety:

1. The expenditures are in the best interests of the University and for official University business only. Expenditures cannot appear to, nor will they actually provide any personal benefit to any employee, student or where appropriate official visitors without there being a valid business benefit to the University
2. The expenditures comply with all existing federal, state, and University regulations and policies.
3. The expenditures are within approved budgets as determined by the Budget Manager and the appropriate level of management has approved the expenditure
4. The expenditures are necessary to the accomplishment of University business, meaning that, without the expenditures, programmatic objectives would be difficult or otherwise costlier to achieve, or that the impact, level or quality of the achievement of these objectives would be reduced.
5. The expenditures are reasonable, meaning the quality and quantity of the goods or services were sufficient to meet, but not exceed, the identified need.

Personal expenses are payments for activities that primarily benefit the individual. As a tax-exempt organization, Brandeis University is exempt from Massachusetts state sales tax. Brandeis funds should not be used to make personal purchases for any individual to avoid paying sales tax even if reimbursed in full by that individual.

Unallowable expenses are payments or expenses incurred that will not be reimbursed or paid directly. Expenses which are deemed unallowable and were charged to a P-Card are required to be reimbursed to the University.

### **Reportable/taxable income**

The University is required to report various types of payments to the IRS as well as the State on the appropriate tax forms. The forms include W-2's, 1099's, 1098T's and/or 1042's.

Not all payments are considered reportable (e.g., Allowable business expense reimbursements are generally not taxable). However, most payments for services, including but not limited to, consulting, honoraria, prizes and awards etc., are considered taxable and may be reportable to the IRS based on the individual, the type of payment, the amount received throughout the calendar year and the individuals tax reporting status (e.g., whether a US citizen, a Resident Alien, Non-Resident Alien or other).

The Division of Business and Finance makes the final determination regarding reportable and taxable payments. Individuals should consult with their personal tax advisor to determine the proper handling of reportable/taxable income for their particular situation.

## Substantiation

Substantiation provides evidence that an expense was incurred and documents that it is business related. Receipts or bills typically provide a description of the business connection or purpose. Receipts or bills must always be provided to substantiate business expenses unless a written explanation as to why it is missing or unavailable is provided.

## **II. Roles and Responsibilities**

An individual may be granted spending authority on behalf of the University, and it is their responsibility to ensure that all costs incurred are appropriate and within the limits of the budget. Most costs are required to be approved through either the individual's manager/supervisor or through the appropriate budget manager for the funding source. Principal Investigator of grants or contracts are responsible for compliance with sponsor requirements as well as the allowability, allocability and reasonableness of any business expense charged to a grant or contract. The budget manager or designee is responsible for reviewing and monitoring their budgetary funds throughout the course of the fiscal year. The Division of Business and Finance is responsible for enforcing the university policy, and ensuring compliance with all federal, state and sponsor regulations.

## **III. Matrix of Common Types of Business Expenses**

The following chart lists the most common types of business expenses submitted for reimbursement or paid directly. Items not specifically listed but questionable should be directed to the Office of Procurement and Business Services. Please direct questions to: [procurement@brandeis.edu](mailto:procurement@brandeis.edu) or [accountspayable@brandeis.edu](mailto:accountspayable@brandeis.edu).

Item Description	Allowability	Conditions/Additional Guidance
<b>1. Automobile-Related Expenses</b>		
a. Private vehicle standard mileage reimbursement when used for business travel	Yes	<ul style="list-style-type: none"><li>• See University Travel Policy, IRS rates</li><li>• Please note travel to and from your primary work location is a personal expense and costs associated to that travel are unallowable.</li></ul>
b. Gasoline	Conditional	<ul style="list-style-type: none"><li>• Allowed for use in Brandeis owned vehicles</li><li>• Allowed for rentals cars when rented for Brandeis business purposes.</li><li>• Gasoline cannot be purchased for use in personal vehicles, instead driver should be reimbursed at the correct mileage Rate</li></ul>
c. Automobile violation fees including parking tickets, speeding tickets and other related surcharges and fees	No	
<b>2. Beverages: Alcohol Expense</b>		<b>Must be separately identified using "Alcohol" Spend Category</b>
a. Official Functions	Yes	
b. Employees on travel status	Conditional	<ul style="list-style-type: none"><li>• Not allowable on sponsored research grants or contracts</li><li>• See University Travel Policy</li></ul>

<b>3. Cell phone and internet access from home</b>	No	<ul style="list-style-type: none"> <li>Refer to the university cell phone policy</li> </ul>
<b>4. Conference</b>		
a. Events hosted by Brandeis University	Yes	<ul style="list-style-type: none"> <li>For food, decorations, awards, and other needs of the conference that are covered by the conference registration fee</li> </ul>
b. Off-campus conferences attended by University employees	Yes	<ul style="list-style-type: none"> <li>Employee considered to be on business travel</li> <li>If lodging, meals, or transportation expenses are included in the conference fees, no additional reimbursement shall be made for these items as separate items</li> </ul>
<b>5. Dues &amp; Memberships</b>		
a. University Wide Dues & Memberships	Yes	
b. Individuals Membership/Dues	Conditional	<ul style="list-style-type: none"> <li>Routine individual memberships in academic associations are normally not allowed.</li> <li>All memberships must conform to the University Policy on Memberships.</li> </ul>
<b>6. Employee Food and Related Consumables</b>		<ul style="list-style-type: none"> <li>Any event or purchase which includes meals of food and related costs must include the name of the attendees if under 10 people or the number of attendees who were in attendance if over 10 people.</li> </ul>
a. Food for the employee's personal consumption	No	<ul style="list-style-type: none"> <li>Except if provided by travel status or official function</li> </ul>

b. Items necessary to maintain the cleanliness of employee lunch room	Yes	
c. Beverage service (coffee, tea, water) available in the Department	Yes	<ul style="list-style-type: none"> <li>When made available to all members of a department and to visitors, these are expenses that may be incurred at the discretion of the department.</li> </ul>
d. Meals for employees while traveling on university business	Yes	<ul style="list-style-type: none"> <li>See University Travel Policy</li> </ul>
e.. Snacks for office (Candy/chips/ and or other treats etc)	No	<ul style="list-style-type: none"> <li>Allowable in areas that are hosting external visitors often or in student centered areas, when snacks are predominately meant for these individuals.</li> </ul>
f. Food for Official University Functions	see below	
i. Community relation functions - directly related to the educational, research, or public service mission of the University	Yes	
ii. Employee recognition functions	Yes	<ul style="list-style-type: none"> <li>Should be coordinated with the Office of Human Resources</li> </ul>
iii. Recruitment functions - to enlist employees.	Yes	
iv. Training functions	Yes	
v. Multi-departmental functions - infrequent events or infrequent meetings involving employees from more than one department	Yes	
vi. Student functions – directly related to student or educational development	Yes	
vii. Regular department meeting	Conditional	If meeting extends for at least 1.5 hours and crosses a meal time then the costs would be allowable. Meetings should not be scheduled during meal times for the sole purpose to justify purchasing food related costs.

<b>7. Flowers, Fruit Baskets, Decorations</b>		
a. Flowers and/or fruit baskets as centerpieces and for other decorative purposes associated with an official function	Yes	
b. Related Items (non gift card) purchased for expressing condolences, get-well, or congratulation wishes to university employees	Conditional	<ul style="list-style-type: none"> <li>Costs should be coordinated through the Office of Human Resources which will be responsible for the University</li> </ul>

		acknowledgement <ul style="list-style-type: none"> <li>Depending on the situation, the determination may be to take up a collection from fellow employees</li> </ul>
c. Office flowers, decorations or plants	Conditional	<ul style="list-style-type: none"> <li>Only in offices where external contact is necessary</li> </ul> Must be approved by Budget Manager
<b>8. Gifts or Tokens of Appreciation</b>		
a. Gifts or Tokens for Employees or Students departures (Must not be cash or cash equivalent e.g., gift cards).	Yes	<ul style="list-style-type: none"> <li>See Human Resource Policy on Employee Gifts</li> <li>Maximum amount is \$75</li> <li></li> </ul>
b. Gifts or Tokens for Non-employees as an indication of goodwill or esteem (e.g., to host for lodging in private residence)	Yes	<ul style="list-style-type: none"> <li>Should be kept to \$75 or less</li> <li>Cash or cash equivalent e.g., gift cards are not allowed</li> </ul>
c. Gifts or Tokens to individuals for expressing condolences, get-well, or congratulation wishes for life events (birthdays, weddings, babies, deaths, etc.)	No	<ul style="list-style-type: none"> <li>Department should take up a collection from fellow employees who wish to contribute.</li> </ul>
d. Employee Recruitment	No	

<b>9. Fundraising Costs and Donations</b>		
a. Costs incurred to raise donations/support for the University	Yes	<ul style="list-style-type: none"> <li>Institutional Advancement performs the majority of these services as does the President's Office</li> </ul>
b. Costs incurred to raise donations/support for other charities/non-profits	No	
c. Flowers. Gifts or Tokens of Appreciation in support of Fundraising initiatives	Yes	<ul style="list-style-type: none"> <li>Institutional Advancement performs the majority of these services as does the President's Office</li> </ul>
<b>10. Holiday Parties and other morale boosting events</b>	Yes	<ul style="list-style-type: none"> <li>Generally, one holiday (or other) party per department will be allowed in any fiscal year</li> <li>If this is holiday related it should be in observance of an approved University holiday</li> <li>Cost should be reasonable and commensurate with the number of employees in the department</li> </ul>
<b>11. Lunch Room and Staff Equipment</b>		

a. Basic equipment for taking meals or snacks within the workplace, such as simple refrigerators, microwaves, stoves, coffee pots and toasters	Yes	
b. Equipment for employee entertainment, such as televisions, stereos, VCRs or DVDs	No	This type of equipment purchased for accomplishing university business is allowable

<b>12. Moving Expense Reimbursement</b>	No	Moving Costs for employees must be handled through HR as part of the offer letter and paid through Payroll, as taxable compensation per IRS regulations.
<b>13. Parking</b>		
a. Parking fees paid by employee at a primary work location	No	
b. Parking Tickets	No	<ul style="list-style-type: none"> <li>Received either on or off-campus are considered a personal expense</li> </ul>
c. Parking fees associated with an employee traveling on university business	Yes	
d. Parking fees paid by employee in a public lot while attending a meeting while away from his/her normal place of business	Yes	
e. Parking for guests/ businesses/organizations at an official function	Yes	<ul style="list-style-type: none"> <li>Reimbursement may be to the person, business or organization.</li> </ul>
<b>14. Political Expenses – cash or in- kind contributions to campaigns involving the nomination, retention, or election of any person to any public office, or to urge voters to vote in favor of or against a ballot initiative</b>	No	
<b>15. Recruiting Costs for Prospective Employees</b>		
a. Includes such direct costs as advertising, and background/reference checks	Yes	<ul style="list-style-type: none"> <li>Costs for advertising open positions, as well as background and other reference checks should be coordinated through Human Resources.</li> </ul>
b. Recruitment functions held to introduce the candidate to University employees for purposes of assisting the candidate and the University in assessing the degree to which the employment of the candidate would be mutually beneficial	Yes	<ul style="list-style-type: none"> <li>Should only include those individuals directly related to the purpose of the function</li> </ul>



c. Travel to and from Campus by prospective candidates	Yes	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>16. Retirement Parties</b>	Yes	<ul style="list-style-type: none"> <li>• Costs should be reasonable and commensurate with the length of service of the employee.</li> </ul>
<b>17. Furniture</b>		
a. Furniture for on campus needs (e.g., offices and other common space areas)	Yes	<ul style="list-style-type: none"> <li>• Furniture should be coordinated with the Office of Procurement and Business Services.</li> </ul>
b. Furniture for remote locations e.g., home offices and other spaces not on Brandeis campus	No	<ul style="list-style-type: none"> <li>• Unless a reasonable accommodation has been obtained through the office of HR, no furniture or equipment can be purchased for use off campus.</li> </ul>
<b>18. Printers and Toner</b>	No	<ul style="list-style-type: none"> <li>• Any requested exceptions must be approved through the CFO.</li> <li>• Specialty printers for research labs may be purchased with prior approval.</li> </ul>
<b>19. Office Supplies</b>	Yes	<ul style="list-style-type: none"> <li>• Must be for use on Brandeis campus, and every effort should be made to use the contracted suppliers through Procurement and Business Services</li> <li>• All supplies should be ordered as needed.</li> </ul>
<b>20. Computers and Computer Hardware</b>	Yes	<ul style="list-style-type: none"> <li>• Computers purchased by Brandeis are considered University assets and therefore owned by the University.</li> <li>• Computers must be purchased through proper procurement channels. (See Computer Purchase Policy for more details).</li> <li>• Laptops will be provided as the main computer for employees who are authorized to work remotely at least</li> </ul>

		part-time
<b>21. Child Care</b>	No	<ul style="list-style-type: none"> <li>Cost of Child Care is generally not considered an eligible business expense. This should not be confused with the dependent care resource and referral program that is governed by HR policies as part of the employee benefit program. Should a grant allow coverage for child care costs while traveling then the costs are acceptable.</li> </ul>
<b>22. Book Publishing and Editing Services</b>		
a. Publishing and Editing services for University owned books	Yes	Should be coordinated through the Brandeis University Press
b. Costs made to support work which will not return royalties to a faculty or staff member personally	Yes	<ul style="list-style-type: none"> <li>Production costs and other fees related to production for scholarly journals</li> <li>Publication costs primarily intended for the benefit of the University purposes (e.g., publications for University initiated projects, and/or research related projects etc.)</li> </ul>
c. Costs made to support work which will return minimal royalties to a faculty or staff member personally (\$500 or less)	Yes	<ul style="list-style-type: none"> <li>In the instance where the faculty member receives a more substantial return (in excess of \$500) there is an expectation that the university will have an opportunity to recover the funds used to support the effort. The onus of reporting the royalties will be on the faculty member. Should returns not reach the \$500 level then there is no expectation of any repayment.</li> </ul>

d. Costs made to support work which will return royalties in excess of \$500 to a faculty or staff member personally (and those royalties are not assigned to the University).	No	
<b>23. Student Support Costs</b>	Conditional	<ul style="list-style-type: none"> <li>• Student Support Costs, may have an impact on financial aid and therefore must be coordinated through the appropriate teams. Most costs related to travel, fees are required to be processed through the Office of Student Financial Services.</li> <li>• Student Emergencies should be routed through the <a href="#">Emergency Fund Committee</a></li> <li>• All other questions for Student Support can be directed to: <a href="mailto:howtopaystudents@brandeis.edu">howtopaystudents@brandeis.edu</a></li> </ul>
<b>24. Dry Cleaning/Laundry Services</b>		
a. Uniforms	Conditional	<ul style="list-style-type: none"> <li>• Costs for dry cleaning of Brandeis owned uniforms are allowed. (i.e. Public Safety Uniforms, lab safety coats etc.).</li> </ul>
b. Linens/banners etc	Conditional	<ul style="list-style-type: none"> <li>• Brandeis owned linens and/or Banners which need to be cleaned can be</li> </ul>
c. Dry Cleaning while Traveling	Conditional	<ul style="list-style-type: none"> <li>• If traveling for 7 or more consecutive days.</li> <li>• See Travel Policy for more details.</li> </ul>

<b>24. Gift Cards</b>	No	<ul style="list-style-type: none"> <li>• Generally, the purchase of Gift Cards is not allowed.</li> <li>• In rare circumstances approval to purchase cards will be approved but only if prior authorization is obtained through Procurement Services.</li> <li>• On -the-spot rewards program cards must be obtained through Human Resources</li> </ul>
<b>25. Training</b>	Conditional	<ul style="list-style-type: none"> <li>• Allowed for Professional Development and to maintain certifications</li> </ul>

#### Disclaimer

This policy is for general guidance only. It does not create an employment contract or any right to continued employment at Brandeis University. Brandeis University reserves the right to modify, revoke, suspend, terminate and/or change any and all policies and procedures at any time, with or without notice.

Division of Business and Finance