5.4.3 REIMBURSABLE EXPENSES

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This Guide Memo outlines policy on reimbursing individuals for expenses incurred on the University’s behalf. It should be used in conjunction with travel procedural information, resources, and forms, which outline the application of this policy and may be found on the Reimbursement [1] section of the Gateway to Financial Activities [2] website (Fingate).

Authority:
Approved by the Senior Associate Vice President for Finance.

Applicability:
The policy applies to all individuals who incur expenses in the conduct of official University activities.

1. Stewardship of University Resources

As a steward of University resources, anyone making purchases on behalf of the University should do so prudently. Purchases are considered economical and prudent when the price paid by the individual is comparable to the price that would have been paid by the University in a similar situation. When the price paid by the individual exceeds that which would have been paid by the University, the lesser amount will be reimbursed.

2. Reimbursement Policies

a. Reimbursable Expenses

The University reimburses individuals for reasonable and necessary expenses incurred by individuals in the conduct of official University activities. Both the person who incurs the expenses and the person who approves reimbursement or University payment of expenses are responsible for ensuring that all requests submitted relate to University business.

Items should be purchased using a Stanford Purchasing Card or via a purchase requisition whenever possible.

The following are reimbursable expenses:
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<tr>
<th>TYPE OF EXPENSE*</th>
<th>EXAMPLES (NOT LIMITED TO)</th>
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| Purchases of low-cost items to be owned by Stanford (including purchases by students) | Supplies and books  
Materials purchased for the department by a student (where the materials will belong to Stanford, and not to the student) may be reimbursed to the student. |
| Travel expenses and expenses associated with professional meetings | Airfare, lodging, travel meals, other transportation, conference registration |
| See Guide Memo 5.4.2: Travel Expenses [3] and the Travel section of Fingate | |
| Business meals | Meals to discuss Stanford business, or meals where participants are engaged in Stanford business |
| See Expense Guidance for Business Meals [5]. | |
| Expenses incurred by University employees on behalf of others | Visitor parking, local transportation |
| Expenses for official University purposes billed to club members | Business events or meals at the Stanford Faculty Club |
| Employee morale | In-house publications (e.g. department intranets), retirement parties, and other employee morale activities. Expenditures for employee morale activities such as holiday parties and team building events should be modest and reasonable. |

*Please refer to the Buying and Paying [6] section of Fingate to determine the best method of payment.

NOTE:

Guide Memo 5.4.2: Travel Expenses [3], along with the Reimbursement [1] section of Fingate, contains the basic policy for reporting expenses. Although the Guide Memo is stated in terms of travel and travelers, the policies (e.g., proof of payment, backup documentation, business purpose, approvals, etc.) apply equally to other expenses and those incurring the expenses.

In compliance with IRS Accountable Plan rules, expenses incurred by an individual must be reported in a timely manner. Absent exceptional circumstances, expenses submitted more than 60 days after they are incurred will be reported as additional income to the individual.
3. Non-reimbursable Expenses

The University does not allow reimbursement for costs incurred for:

- Amusement, social activities, or entertainment;
- Stanford Faculty Club dues for individual members;
- Social or travel club dues;
- University parking permits for employees or students;
- Traffic citations for either personal or University vehicles;
- Personal services or personal purchases;
- Interest charges for late payment of bills;
- Purchases of carbon offsets or carbon credits; or
- Any costs specifically disallowed by school, department policy, external agreement, or gift restriction

No employee or non-employee will be reimbursed for the purchase of a capital item. The purchase of capital equipment must be made using a Purchase Requisition (see Guide Memo 5.3.1 [7]: Requisition Processing). Any exceptions to this policy must be granted in advance by a Director in the Procurement organization.


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