

Accounts Payable & Expense Reimbursement Guidelines

The following guidelines have been established to ensure efficient paperwork flow and expedite payments to vendors and reimbursement to University of Toledo employees.

Reimbursable vs. Nonreimbursable Expenses

Under Federal, State and/or University Policies certain expenses are not generally reimbursable from University funds. Any exceptions will require prior approval from the divisional vice president, provost, or Presidents office to be allowed. Examples of Nonreimbursable expenses include:

- Alcohol and alcoholic beverages are not reimbursable.
- Political influencing messages of any type.
- Tickets for any on or off-campus events.
- The following departmental expenses are not reimbursable:
 - Departmental Staff Meals, Parties, or office entertainment supplies for staff (coffee, sugar, cream, pop, cups, etc.)
 - Staff Gifts (examples include retirement, farewell, Christmas, birthday and baby). This includes gifts for student workers.
 - Staff Awards other than University wide sponsored awards
 - Congratulatory Messages of Any Type
 - Flowers for employee illness or bereavement (including Family).
 - Holiday or special event decorations for office.
 - Entertainment Software
- Club memberships
- Expenses of a personal nature (charity or pledge, laundry/dry cleaning, toiletries, golf fees, country club dues, hotel in-room movies, mini bar service, newspaper, baby-sitting, theater tickets, health and fitness fees etc.)
- Articles and/or cash stolen or lost
- Traffic or parking violations, fines and/or court fees
- Late fees or fees for personal credit card
- Unauthorized trips or entertainment
- Incomplete Bookstore requisitions (see section on bookstore purchases)
- Expenses that are in conflict with the University's nepotism policy.
- Ohio sales tax reimbursements

Examples of Reimbursable expenses include:

- Expenses relating to University business travel as outlined by the Travel Policy
- Conference registration fees
- ATM service fee for cash advance when in conjunction with travel

Guidelines for Invoice Payment or Reimbursement

The following provides assistance in expediting payment of an invoice or reimbursement:

Process paperwork immediately; do not hold until the last minute for payment, as this will create inefficiencies, a greater chance for error, accounts being improperly charged, late fees or fines or further delays in getting the payment to the payee.

Attach the original itemized invoice or receipt (showing proof of payment).

Any invoice or receipt listing food/beverages, entertainment, or party items must have the business purpose stated.

Any invoice or receipt with purchases of a gift or award item purchased must have the name(s) of the recipient and the reason for the purchase.

The University of Toledo does not pay Ohio Sales or Federal Tax except on airline tickets. Sales tax is only exempt if the payment is made by a University check, P-Card, or EFT from a University account. Ohio sales tax will not be reimbursed to those using other methods of payment.

Only current amounts are paid on invoices, if a previous balance is being requested for payment, the original invoice agreeing to the amount should also be included in the packet.

Individuals cannot authorize their own reimbursement. If a reimbursement is to the authorized signature on the voucher, then a signature from the next higher level is required.

Do not process credit card slips, statements, or packing slips for payment; payment will be made for original invoice or receipts only.

Personal meals for employees will be reimbursed up to the per diem rates and you must be on overnight travel status to qualify. Reimbursement for meals for individual employee travelers greater than the daily per-diem outlined in the travel policy will not be paid.

Most meal receipts are not required for reimbursement of the per diem rates, **exceptions** are when charging on the University Purchasing Card, where all itemized receipts are required, or in the case of a requirement of a Grant.

Each employee must fill out their own IRR form and request their per diem, even if another employee paid for their meal. The employee who pays for other employees must collect their money from them.

Itemized receipts are required for business meals that must include an outside guest; per diem will not be allowed or paid. The names of the attendees and business purpose must be stated.

Itemized receipts are required for Group travel (includes students or outside guests). The names of attendees and business purpose must be stated.

Meal expenses for non-employees will require the itemized receipt to be reimbursed.

Mileage is reimbursed at a rate per mile outlined in the travel policy. Actual out of pocket expense on use of personal vehicle will not be reimbursed.

All private airplane travel for official University of Toledo business must be approved by the Department of Safety and Risk Management.

Reimbursement for private airplane travel will only occur if there is approval by the Department of Safety and Risk Management and the travel is in compliance with the official University of Toledo Travel Policy.

Reimbursement shall be paid at the lower of the mileage allowance for private automobile use or airfare by coach for commercial airline flights.

All travel related expenses requires an approved Individual Reimbursement Request Form, including any travel related expenses charged on the University Purchasing Card.

The Individual Reimbursement Request Form is to be used for all travel and reimbursement requests for **employees (including student employees)**.

The Requisition is to be used for all vendors, non-employees, and outside guests.

Grants: Some grants are more restrictive than the University of Toledo policy. Grant Accounts cannot be charged outside the specific guidelines set forth in the grant. Items, which may be different, but not limited to, on grants, are: per-diem rate or mileage rate, out of state and foreign travel restrictions etc. The Grant Recipient's Primary Investigator (PI) is responsible for knowing the limitations and restrictions outlined in his/her grant.

Consultants, honorariums, independent contractors and non-incorporated service providers:

Must follow University's procurement policies and procedures.

All independent and sub contractors must follow the university's independent contractor policy.

Additional information is required in many instances when dealing with consultants and service providers:

- W-9 must be completed for US citizens and resident aliens. UT requires the new substitute W-9.
- Form 8233 must be completed for individuals with Foreign status.
- Letter of exemption is needed if a Treaty Country.
- A **Non-Resident Alien Information Form** – Must be completed by individual performing services **before** payment will be processed. This information will be entered into the Windstar program, which will transfer the information to all the required forms and only a signature will be needed.
- Non Exempt Countries are required to have a 30% withholding set up on the requisition.

Individuals performing services who are already included in the payroll system, at any time in the current calendar year, as an employee, must be paid through the payroll system.

Consultants & sub-contractors require a written agreement between the University of Toledo and the consultant spelling out the services to be performed and the payment to be made for such services. This document must be signed by appropriate representatives approved by the Board of Trustees and require Form SS8 to be completed.

A service contract or invoice should be attached to the requisition. Consulting and other service contracts can only be signed on behalf of the University of Toledo by those approved by the Board of Trustees.

Service Accounts

To properly process 1099's for services entities or individuals providing service to the University of Toledo it is necessary to assign an account number from the following list:

1800 Contracted Services (18xx series)

- 1810 Architect Fees - Payment to associate architects, the State Architect and the Division of Public Works.
- 1820 Audit Fees - Payments to external auditors.
- 1830 Consultant Fees - Payments to external parties called upon to advise the University on their areas of expertise.
- 1840 Employment Contractors - Payments to individuals or companies for temporary fill-in work; e.g., off duty city police, Kelly Services.
- 1850 Legal Fees - Payments to external legal counsel.
- 1860 Affiliated Institutions - Payments to another institution for services provided to the University for instructional activities, e.g., Art museum, grant agency.
- 1870 Medical Services - Payments for medical treatment for University athletic team members.
- 1880 Collection Costs - Payment to an outside agency for expenses related to the collection of outstanding accounts receivable.
- 1890 Bank Service Fee - Service fees paid on University held bank accounts.
- 1910 Honorarium - Payment to speakers, symposium participants, student participants, workshop presenters, lecturers, etc. who provide educational or cultural service and/or programming.

- 1920 Critic Teachers - Payment to cooperating and teaching participants in the College of Education and Allied Professions, e.g., student teachers.
- 1930 Faculty Fellowships - One-time monetary awards granted faculty for success in some competition or for excellence in some academic area.
- 3120 Repairs - Repair costs for equipment, furniture and fixtures including service contracts.
- 6110 Building and Grounds-Maintenance and Repairs-Contractual - The cost of service such as air conditioning, carpentry, electrical, heating, locks, painting, plumbing, refrigeration, extermination service, etc. provided for by outside contractors.
- 6120 Elevator and Conveyor Service - The costs of maintaining and repairing elevators and conveyors and their related equipment such as motors, pulleys, cables, etc.
- 6200 Equipment-Maintenance and Repairs-Non-contractual - The cost of maintaining and repairing equipment used in the maintenance and repair of building and grounds, furnishing and equipment, amusement and dining facilities, etc., provided for by the Physical Plant Department.
- 6210 Equipment-Maintenance and Repairs-Contractual - The cost of maintaining and repairing equipment used in the maintenance and repair of building and grounds, furnishing and equipment, amusement and dining facilities, etc., provided for by outside contractors.

Miscellaneous

All invoices and credits must be put through the system, do not advise a vendor to apply credits to open invoices.

Do not send duplicate copies of attachments or requisitions except for; subscriptions, order forms, registrations, memberships fees, license fees or requisitions requesting a check for pick up (for example prepay or cash advance).

Do not forward the vendor envelopes with paperwork.

Requisitions must include all account numbers that are covered in the invoice(s) even if different departments are involved. Do not forward separate requisitions requesting partial payment with copies of invoices.

If your requisition has several items ordered and an invoice for part of the order is received, pay on the original requisition. Other invoices from the order should be put on a different requisition, not a copy of the original requisition.

To prevent loss of paperwork, do not paperclip the papers together, but staple all the attachments.

The University's contract with the current office supply vendor provides for extensive discounts. All departments are encouraged to use the current office supply vendor when purchasing office supplies, as the cost to the University/department when purchasing outside of this contract may be significantly higher.

All forms of request for payment must include the reason for the purchase and requires signatures of two University employees – the individual requesting the purchase and the authorized official (on file with the accounts payable department) approving the purchase for the department.

University Bookstore

Each department must have a designated person to review and keep bookstore requisitions. General accounting is to be notified of any exceptions found in the review so the remittance to the bookstore can be adjusted.

Each department is responsible for reconciling with the bookstore the requisition, to the invoice and payment each month.

Any purchase that is of a gift or entertainment type category (clothing, food, cards, etc) must have the business purpose and name of the recipient.

Bookstore requisitions, invoices and payments are subject to audit or review by the Internal Audit department or the Controller's office.