

Florida Atlantic University

Quick Reference Guide to Allowable Expenses

OVERVIEW

Types of Funds

- **General Revenue** – E&G (GTAIDS – State Appropriations), ETF (Educational Enhancement Trust Fund - Lottery), SFTF (Student Fee Trust Fund- Tuition)

- Expenses of Salaries, office supplies, travel, etc.—funds spent for mission specific purposes (instruction, research, service)
- The following are examples of items that are **not** allowed to be purchased or paid for from General Revenue:

Personal Items

- Portable heaters
- Fans
- Refrigerators
- Stoves/microwaves
- Coffee pots and supplies
- Employee parking passes
- Holiday greeting cards
- Personal benefit to an individual

Food/Beverage/Entertainment

- Alcoholic beverages
- Food items (except for recruitment)
- Lavish or extravagant entertainment
- Employee gatherings (parties, baby showers, birthday, celebrations etc.)

Office Décor

- Wall hangings/Picture frames
- Various decorations

Travel

- First/Business class travel

Donation

- Gifts/donations to outside individual or employee
- Political contributions/ Donations
- Charitable Contributions

Memberships

Private club memberships

Other

- Personal journal subscriptions
- Lobbying

- **Auxiliary Funds** - Sale of goods and services to customers—employees, departments, students, members of community—by our Auxiliary units (Housing or Transportation and Parking).
- **Sponsored Research Funds** - Federal and non-federal contracts and grants are awarded to FAU faculty (and others).
- **Concession Funds** - Monies from vending contracts for beverages, food, and games.
- **Construction funds** - Monies from Public Education Capital Outlay (PECO) from the State and internal funded projects.
- **Loan Funds** – Funds received from sources and distributed to students such as Stafford Loans, Pell Grants, Scholarships, etc.

- **Agency Funds** – Funds in which the institution has custody but not legally entitled to the funds, i.e., student club accounts.
- **Direct Support Organizations and Discretely Presented Component Units** – which get their funds from a variety of sources. CUs exist to benefit FAU but are separate not-for-profit corporations.
 - FAU Foundation (FAUF)
 - HBOI Foundation (HBOIF)
 - Research Corporation (RC)
 - Clinical Practice Organization (CPO)
 - FAU Finance Corporation (FAUFC)

Allowable Expenditures

- Must have a clear business purpose for a relevant and appropriate operating expense.
- Monies cannot be expended to satisfy the personal preference of employees.

Perquisite

- Items (goods or services) for personal use that are required by the employer may be approved as a perquisite, such as uniforms, special footwear, and safety equipment.

TRAVEL POLICY QUICK FACTS

- Travel authorization is required prior to travel and be entered into FAU's Banner System (TAR-Travel Authorization Request)
- University employees must have a fully approved travel request to travel away from their home base campus, even if no monies are involved.
- Meal per diem allowance for overnight travel ONLY. Tips are not allowable for reimbursement.
 - The meal per diem rate is a maximum of **\$36.00 a day**

Breakfast — \$6.00	Lunch — \$11.00	Dinner — \$19.00
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- Transportation costs:
 - Airfare is limited to **coach** class rates only.
 - Taxi fare is reimbursable as is a tip up to 15% of the fare.
 - Rental cars:
 - If State contract for rental vehicles is not used, traveler must submit written justification or they will bear any additional cost.
 - GPS systems and toll transponders are not reimbursable.
 - Only compact cars are allowable.
 - Fuel is reimbursable on rental car; mileage is not reimbursable.
 - Personal cars:
 - Mileage is reimbursed at \$0.445/mile.
 - Fuel cannot be reimbursed.
 - Lodging:
 - Hotel is limited to no more than \$200 a night within Florida.
 - Within Florida, state sales tax must be deducted from the bill.
 - Standard single room rate is allowable; upgraded room rates are not reimbursable.
 - Room service is not an allowable expense and must be deducted from the bill at reimbursement.

- Important taxation considerations:
 - **Cash advances must be settled within 30 days of travel to avoid tax.**
 - **Reimbursements must be settled within 60 days of travel to avoid tax penalties.**
 - Incidentals:
 - Business-related fax, Internet, or copy services are allowable.
 - Portage tips are limited to \$5.00 for entire trip.
 - No personal costs of any kind may be reimbursed.

UNIVERSITY PURCHASING CARD (PCARD)

- Used for payment of items less than \$5,000.
- Purchases must follow State and University purchasing regulations. Personal purchases are prohibited.
- Cards are issued through Bank of America and are part of the worldwide VISA network.
- For official University business only.
- Typical uses include the purchase of office supplies, registration fees, subscriptions, small goods, shipping, and university travel.
- Cardholder candidates must complete a certification class
- Restricted items include, but are not limited to, personal items, entertainment, meals, contractual obligations, printing & promotional items, and items tracked by Environmental Health & Safety, cash advance or purchase gift cards, gift certificates, or other types of vouchers with the card.
- State sales tax should not be charged to the purchasing card for purchases in Florida.
- Out of state tax exemption status is not honored when traveling outside the state of Florida.
- **Pcard charges MUST be approved within 3 work days for commodities and 6 work days for travel related charges.**
- It is not allowed to split an order to avoid the \$5,000 transaction limit

Purchasing:

- Responsible for contract bidding, vendor selection, acquisition of equipment, furnishings, supplies, minor construction, preventive maintenance services, contractual services, and lease of space
- Assists in the preparation of budget estimates, bid specifications, formal quotations, negotiations, public bid openings and evaluations.
- Bid limit is \$75,000

Allowable Expenditures by Fund Guidelines

Description	A&S	Auxiliary*	Concession	Grants	GTAIDS
Office / Workspace:					
Business Cards - Department Approved	Y	Y	N	Y	Y
Congratulatory	Y	N	Y	N	N
Decorative Items - Lamps, statues, pictures, clocks	N	N	Y	N	N
Flow ers (other than Commencement--see below)	Y	N	N	N	N
Footrests and other Ergonomic Items (Please contact Henry Hutchinson at EH&S for an ergonomic evaluation)					
Alcoholic Beverages (see Office of The President University Policy 1.2 http://www.fau.edu/policies/files/1.2%20Alcoholic%20Beverages.pdf)					
Fee Collected Events	N	Y	N	N	N
Other Events	N	N	Y	N	N
Meals or Refreshments: (Expenditures must be appropriate to the occasion, reasonable in amount and serve a bona fide University purpose.)					
Advisory bodies, committees, inter-institutional councils	Y	Y	Y	N	N
Expenses for Employee's Spouse if Attendance is Required.	N/A	N	Y	N	N
Expenses associated w ith events held to recognize professional achievement or significant contribution to higher education by employee or special events for staff development, training, etc.	Y	N	Y	N	N
Expenses for events that serve the higher education interests of the University. i.e., music & band events.	Y	N	Y	N	N
Meals - Employee Recruitment, Official Visitors (A&S positions, Coordinator, Assistant Director and higher only). Taxes / gratuities for meals (up to 15% only)	Y	Y	Y	N	N
Refreshments - Fee collected events	Y	Y	N	N	N
Refreshments - Staff / Departmental Meetings	Y	N	Y	N	N
Departmental Restrictions:					
Plaques & Aw ards up to \$100 - Employees	Y	N	N	Y	Y
Plaques & Aw ards up to \$100 - Others	Y	N	Y	N	N
Uniforms / Special Clothing - Perquisite List Required	Y	Y	N	Y	Y
Artw ork/Picture Frames - Common Areas	Y	N	Y	N	N
Promotional Items:					
Mugs, Pens, bags, folders (Must be cleared w ith Purchasing)	Y	Y	Y	N	N
T-shirts - Identification purposes only	Y	Y	Y	N	N
clothing - not employee perk	Y	N	Y	N	N
Rental space for events	Y	Y	N	N	N
Sponsorships of Events and Programs	Y	N	Y	N	N
Invitations to University functions	Y	Y	Y	N	N
Student Giveaw ays - (Programming and Incentives) \$100 limit per item, i.e., sporting event ticket, concerts, small electronics	Y	Y	Y	Y	N
Invitations and Publicity for Events	Y	N	N	N	N
Recruitment:					
Advertising, printing, postage	Y	Y	Y	Y	Y
Meals for committee members	Y	Y	Y	N	N
Meals for candidate for employment, spouse (Must provide itemized receipts)	4 N	N	Y	N	N

Commencement:						
	Cap and Gown Rental by Staff	N	N	N	Y	Y
	Catering	Y	Y	Y	N	N
	Flowers	Y	Y	Y	N	Y
	Rental and Space	Y	Y	Y	N	N
	Printing for commencement only	Y	Y	N	Y	Y
Staff Development:						
	Catering / Purchasing of Food	Y	Y	Y	N	N
	On campus rental space	Y	Y	Y	Y	Y
	Seminars and Conferences	Y	N	N	Y	Y
	Journal Submissions, i.e., to support mission of University or specific College	Y	Y	Y	Y	Y
	Books, references and educational materials (*Yes if written into Grant)	Y	N	N	N*	Y
	Journal Submissions, i.e., tenure based or personal	N	N	N	N	N
	Printing of Tenure Materials	N	N	N	N	N
Staff Retreats:						
	Catering	Y	N	Y	N	N
	Rental of Space	Y	N	Y	N	N
Student Programming (per program guideline):						
	Meals, snacks, beverages (Program guidelines must be followed; list of attendees required for any event which is not open to all students.)	Y				
	Motivational Posters (Limited dollar amount)	Y				
	Paper Goods	Y				
	Promotional Items and giveaway including t-shirts (program guidelines)	Y				
	Entertainment: Music, bands, DJ, speakers, movies, tickets to events, visiting dignitaries (purchase order may be required)	Y				
	Conference Events, Park Registration Fees or Tickets	Y				
	Room rentals	Y				
	Equipment Rental	Y				
	Refrigerators, microwaves, coffee maker.	Y				
	Programming Use Only					
	Transportation: Car rental, Gas, Flight, Train, Bus, Taxi, Mileage, per diem rates, tolls, parking, baggage claim fees (follow program guidelines)	Y				
*Auxiliary Funds - Supporting documentation must be presented that establishes a connection between the expenditure and the intended purpose of the Auxiliary Fund.						

FAU Foundation Guidelines

General Statements

Basic criteria that determine the legitimate use of Florida Atlantic University Foundation, Inc. funds.

- Florida Atlantic University Foundation is a not for profit organization established to solely support Florida Atlantic University. All disbursements must illustrate the benefits to Florida Atlantic University.
- The use must fall within the donor's intent for the gift.
- The use must be reasonable and customary.
- The use must not jeopardize the Foundation's tax-exempt status.
- The use must comply with all applicable statutes, regulations, IRS code and Foundation policy.
- Must not benefit the campaign of any candidate for public office
- Must not be paid for, or inure to, the personal benefit of an individual

Procurement

- Two proposals should be submitted with purchases over \$12,500
- Formal bid for purchases estimated to over \$75,000.

Contracts

- Contracts need approval by the Foundation's General Counsel.
- Signed by the Foundation Executive Director or designee.
- Contracts involving financial services or transfers of funds will require two officer signatures.

Meals

- Allows for state per diem for meals in travel status or with employees, but GSA rates allowed where receipts are submitted.
- Meals with Donor are limited to :
 - \$50 for breakfast and lunch
 - \$100 for dinner
 - Bottles of wine is limited to no more than \$50 ea.
- **Reimbursements must be settled within 60 days of travel to avoid tax penalties.**

Lodging

- Hotel is limited to no more than \$200 a night or GSA rate whichever is greater. Amounts greater need justification

Events in Honor of an Employee

- Instances allowed:
 - The employee is currently working for the University and is retiring from the workforce after two or more years of service at the University.
 - The employee is a Dean, Vice President or higher level and is beginning their employment with the University or is departing the University.
 - Excess of \$250 needs justification

Gifts in General

- Gifts to employees are limited to \$100, except for a retirement gifts. Gifts in excess are taxed to employee.
- Commemorative of a personal events, such as a birthday, wedding, anniversary and Christmas, will not be reimbursed.
- If recipient of the gift is the Project Director or Approving Authority must be approved by University President, or his/her designee.
- No reimbursement where the purchaser and receiver of the gift is the same person.

Gifts to Donors

- The Foundation follows Internal Revenue Code in regard to *quid pro quo* items for donors to Florida Atlantic University.

Expenditures NOT Normally Approved for Reimbursement

This list is not intended to be all-inclusive, only to provide examples of the most frequently rejected expense reimbursements/payments.

- First class travel (unless circumstances mandate).
- Salary payments (salary payments are transferred to and paid through the University).
- Scholarships to a named individual (funds are transferred to the University and payments are made through Student Financial Aid).
- University parking decals for employees or faculty and staff.
- Fines, traffic tickets, parking tickets, impound and/or towing fees.
- Cash gifts or gift certificates.
- Salary advances.
- Travel advances.
- Entertainment not related to University or Foundation business.
- Credit card application fees.
- Furniture, subscriptions, and other related items for home office.
- Non-work related magazines or books.
- Dry cleaning, hotel laundry, or tuxedo rentals.
- Cell phones or pagers (the University provides cell phones for business purposes).
- Internet connections at home.
- Family, spouse or other individuals' expenses not employed by the university and not official business of the university
- Campaign contributions or memberships to organizations with political affiliations
- Expenses not supported with receipts/invoices and that do not clearly state purpose/benefit for incurring the expense.
- Membership to social or athletic clubs
- Tickets for any entertainment event.
- Reimbursements for gifts and/or donations made to other charities or not-for-profit organizations.
- Expenses incurred during personal emergencies, medications, personal care items.
- Other expenses that appear to be "personal perks" with no benefit to the University or the Foundation.
- No tips over 20% of the original amount.