

## Summary of Reimbursement Policy Revisions

### Expense Reimbursement - Employees

*Employees are defined as faculty (Senior, Junior, and other including Visiting), exempt and non-exempt staff, Internal Post-Docs/Research Fellows ( 6150), and Teaching Assistants (6152).*

1. Departments **will have 60 days** from the **end date** of a trip or the date when an entertainment expense or non-travel purchase was incurred to submit reimbursement requests to the Travel Office.

*Individual departments are strongly encouraged to set their own internal deadlines in order to ensure timely submission of requests to the Travel Office.*

2. Departments are to consider claims submitted for reimbursement **more than sixty days** after the completion of the trip or the date on which an entertainment or non-travel expense was incurred as **income to the employee** unless extenuating circumstances exist (See Below #3).

The claim should be processed as Additional Pay – Gifts/3<sup>rd</sup> Party (NQR — non-qualified reimbursement) through ASPERIN. **Grossing up of these payments is strictly prohibited.** For charges on sponsored funds, fringe associated with these transactions must be journaled to non-sponsored sources of funding.

3. Departments may request an Exception Approval from the FAS Financial Office to process receipts as a reimbursement **between 61 – 90 days** after the completion of the trip or the date on which an entertainment or non-travel expense was incurred if compelling, extenuating circumstances exist.
4. Under the new policy, the FAS Financial Office cannot grant exception approvals under any circumstances for **receipts older than 90 days.**
4. Any claim left unreported for **more than six months (182 days)** after the completion of a trip or the date on which an entertainment or non-travel expense was incurred will not be reimbursed, granted an exception, or paid as additional pay by the University.
5. Business expenses incurred by an employee **while on leave** of any kind (e.g. sabbatical or personal leaves) must be submitted for reimbursement within the timeframe outlined above.
6. Prepayment of expenses charged to **Harvard GE Corporate Cards may be made in advance** of a trip or an entertainment event to insure timely payment and to avoid late fees.
7. **Prepayment of travel expenses charged to personal credit cards or paid out of pocket will not be allowed.**

### **Extended Business Trips – Full-time Employees**

*An extended business trip is defined as one that is in excess of 30 consecutive days but less than one year. Leaves do not qualify for this exemption.*

1. An initial expense report must be submitted to the Travel Office preferably within 90 days, but no later than 120 days, from the beginning of the trip - or the date of the first expense incurred related to the trip (such as airfare).
2. Subsequent expense reports are required preferably every 90 days, but no later than 120 days, thereafter.

### **Non-Travel Reimbursement Allowance – Employees**

This remains the same as the current policy. Certain non-travel reimbursements may be processed outside the 60-day deadline without exception approval if they are being paid from an annual research or professional expense allocation. Sponsored grants do not qualify. Employees should make every effort to submit reimbursement requests in the same fiscal year in which the expenses were incurred and in which the allocations were budgeted. Please see the Requesting Exception Approval section of the FAS Financial Office website ([www.fas.harvard.edu/~finance](http://www.fas.harvard.edu/~finance)) for more information.

### **Expense Reimbursement – Students and Non-Employees**

*Students on the University payroll (temporary student employees, Teaching Fellows, Graduate Research Assistants) are **not** treated as employees. Non-employees also include stipendiary post-doctoral fellows (6450 and 6452), guest lecturers, invited guests with no Harvard appointment, and other visitors (including job applicants and prospective graduate students).*

1. To ensure timely and accurate reporting of expenses, students and non-employees should make every effort to follow the 60 day timeframe when submitting requests for travel and non-travel expense reimbursements.
2. **Exception approvals are no longer required for reimbursement requests from students and non-employees that are not within the 60-day timeframe.** Such reimbursements are not reportable as income to the student or non-employee provided documentation is submitted indicating that the expense was related to University business (see policy for details).
3. **Rules associated with prepayments for employees also apply to students and non-employees**

### **Expense Reimbursement -- Foreign Nationals**

1. University Tax Services automatically reviews **every travel and non-travel** reimbursement request from Foreign Nationals prior to payment to ensure the expenses are reimbursable under IRS/INS regulations.
2. **Employees should not use their GE corporate cards or PCards cards to pay travel or non-travel/entertainment expenses on behalf of Foreign Nationals without prior Tax Services approval** because there may be taxable consequences associated with these types of payments.