

Travel Reimbursement Deadline Policy

FIN-TRV-3.0



About This Policy

Effective Date:

09-01-2010

Last Updated:

04-20-2011

Responsible University Office:

Travel Management Services

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

Melonee Bristoe

Director of Travel, Travel Management Services

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Related Information

* [V-010, Reimbursement of Travel Expenditures](#)

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Scope

All travelers seeking reimbursement for travel expenses from the university.

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Policy Statement

Travelers (employee and non-employee) will have 60 days from the return date of their trip in which to submit travel reimbursement claims. Reimbursements submitted after this 60 day period will require written justification with travel receipts. After 120 days from the return date of the trip, there will be no reimbursement. As with all travel reimbursements, Indiana University Foundation funds may not be used to directly pay for travel reimbursements.

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Reason For Policy

The policy is to prompt travelers to complete their reimbursement documents within a reasonable time frame. This allows expenses to be recorded in a timely manner pursuant to generally accepted accounting principles and to support accurate and timely contract and grant reporting.

In addition, the IRS safe harbor guidelines for deeming expenses as substantiated under an accountable plan within a reasonable period of time is 60 days.

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Procedure

In order to receive reimbursement, an accurate and complete trip document must exist in the on-line travel system and the appropriate receipts must be submitted to Travel Management Services.

Reimbursements must be submitted within 60 days of the return of the trip.

If the trip document is completed after the 60 day limit, or the associated receipts are submitted after this limit, a written justification must be provided with receipts to justify the late submission. If the facts and circumstances do not justify the late reimbursement request then the payment will be considered income subject to withholding for employees. Taxable payments will be reimbursed through the travel system. The taxable amount will be added to the employee's next available paycheck for tax withholding.

Reimbursement policies and procedures apply to all employees and non-employees who provide services to the University and who will be reimbursed for University approved travel and related costs. In order to ensure compliance, it is the department's responsibility to inform non-employees who provide services of the University's travel policies and procedures prior to the non-employee's visit. Volunteers and prospective faculty and staff are not subject to this policy.

Request for reimbursement after 120 days will not be allowed.

Travel Management Services will consider extenuating circumstances such as natural disaster, civil unrest, etc.

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Definitions

Accountable Plan: An IRS plan that allows employee reimbursement of business expenses to be excluded from an employee's gross income. To be covered under an accountable plan the reimbursement must be for a business purpose, must be substantiated in a reasonable period of time and any advances in excess of expenses be returned to IU in a reasonable time.

Tax Withholding: Travel payments that are considered taxable because they were not properly substantiated will be subject to tax withholding. Travel will reimburse the approved amount and the payroll taxes will be withheld from your next available paycheck. This will reduce the employee take home pay.

Volunteer: A volunteer is an individual who performs services for the University without receiving compensation for those services. A volunteer may be subject to other Travel policies if being reimbursed by the University, but they are not governed by this travel reimbursement deadline policy.

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Sanctions

University faculty, staff, agents and students that must be reimbursed for University travel must do so prior to sixty (60) days after the return of their trip. After sixty (60) days, they must provide a written justification with their receipts. A lack of a justification will lead to the reimbursement being treated as taxable wages.

No reimbursement will be provided after 120 days of the return date of the travel.

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Additional Contacts

Subject	Contact	Phone	Email
Travel Management	Melonee Bristoe	812.855.2873	mbristoe@iu.edu
IRS Safe Harbor Guidelines	Vickie Fry	812.855.0142	vafry@iu.edu

Taxable Wages

Vickie Fry

812.855.0142

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History

This is a revision of this policy which removes the sanction of reimbursing as taxable supplemental pay through the payroll system. This revision assures compliance with travel reimbursement requirements on federal grant funds.