

NEWSLETTER

TO: WM Colleagues
FROM: Ruth Erb, Managing Director of Accounting Operations, Tax and Compliance
SUBJECT: @IMPORTANT - *Travel Program Updates*
DATE: March 10th, 2023

TEAM SPOTLIGHT

Given all the new colleagues throughout campus, I think it would be a great idea to start by introducing YOUR TRAVEL Team. These ladies make it look easy, but travel compliance is one of the most cumbersome policies. Working together to ensure policy compliance is a priority, and we thank you for all you do to ensure it.

Travel Account Specialist

Alexis Brown joined the Travel Team in March 2022. A native of Williamsburg, Alexis worked in the banking industry for over 5 years as a Universal Banker. Alexis specialized in maintaining customer relations and providing options customized to their needs. She is excited to be a part of the Travel Team and to dip into the world of auditing and maintaining customer service. Outside work, she does arts and crafts with her young daughter. She enjoys meeting new people and making connections.

Travel Program Manager

LaDonna Brown joined William & Mary in June 2014. She has managed the Travel Office for the past 7 years. She aims for excellent customer service and support and enjoys working in Accounting Operations and building relationships with the campus community. During her spare time, LaDonna enjoys spending time with her husband and 3-year-old son, family, and hanging out with her friends. She enjoys cooking, traveling, reading, and watching TV shows and movies.



Timeliness of Reimbursements- READ VERY IMPORTANT

It is a federal mandate to ensure expense reports are submitted timely. Please review and let us know if you have any questions. Effective January 1st, 2023, W&M is standardizing the expense reimbursement process to address the timeliness of reimbursements and match the requirements to IRS Publication 463 for all employee reimbursements. The Internal Revenue Service and University policy require that employees submit their reimbursement request within 60 days of the expense. Under the IRS guidelines, a reimbursement processed outside the 60 days limit **must be reported as income to the employee.**

With proper documentation and *very few exceptions*, the university may allow the processing of reimbursements that exceeds these 60 days' timeline up to a 180-day limit for a reimbursement request to be submitted for processing. If expense reimbursements are not submitted and approved within the established 60-day limit, the amount ultimately paid to the employee could be included in the employee's annual W-2 as taxable income. These requirements must be met for employee reimbursements to be considered non-

taxable. All expense reports for travel or other employee reimbursements must now be submitted and approved in the Chrome River and BuyW&M following the following rules:

- Employees must submit their expenses no later than 60 days after the expenses were paid or after the date of return from travel.
- All expenses must have a business connection and have been incurred on behalf of the university or direct support organizations.
- In very few exceptions, employees with reasonable explanations will be allowed to submit their expense reimbursement request beyond the 60 days but up to 180 days from the expense incurred or the last day of travel. Failure to submit reimbursement timely will result in the amount paid being reported on the employees' W-2.
- Employees' reimbursement request greater than 180 days from the date of expense or return of travel are not reimbursable.

No changes to the Travel advance settlements

According to W&M Travel Policy, any traveler who has received a travel advance must complete a travel reimbursement form and submit it within 60 work days of the traveler's return. Failure to comply with the advance policy may result in the recovery of travel advance through the employee's payroll. Employees must return any excess reimbursement or allowance within this established timeline.

Reimbursements that cross-fiscal years

Reimbursements submitted for payment from one fiscal year to another are subject to the 180-Day rule. Reimbursements for previous fiscal years submitted after the 180-day limit will **NOT be paid to employees.**

We will closely monitor compliance and reach out to travelers and their supervisors, providing guidance and warnings about policy compliance. Non-compliance will result in the taxability of a reimbursement.

We have seen processing issues recently, so here are reminders of the actual policy.

Lodging that exceeds 200%

As a reminder, lodging exceeding the standard per diem limits of over 200% requires **PRIOR** approval from the CFO, Melanie O'Dell, and a cost-benefit analysis must be included. For Chrome River reimbursements, the Pre-Approval will route appropriately to the CFO when the lodging is flagged as exceeding. The cost-benefit analysis must be attached or submitted to the comment section of the Pre-Approval. For expense reimbursement requests for lodging over 200% without PRIOR approval will result in the reduction of lodging up to the allowable 200%.

For Direct Payments in BuyW&M, if lodging exceeds 200%, an email must be submitted to the CFO before booking. If approved, the email must be submitted and attached to the hotel invoice/receipt.

The cost-benefit analysis must include the event or travel information, including the standard per diem rate, the actual per rate, and any additional explanation or justification for exceeding the per diem limits. For all approved exceptions exceeding 200%, the overages must be allocated to a local index.

Failure to comply with the policy will delay the payment processing and could result in travelers being unable to receive reimbursement.

Lodging and Catering Contract Approval Process through Procurement Services	Hospitality Charge on Restaurant Receipts:
<p>Lodging and Catering contracts initiated in buyW&M that are signed and approved by Procurement Services must be approved by the Travel Office. This action ensures that the contracted amounts are within policy daily limits and have the proper approvals before the final approval of the contract.</p> <p>A Lodging and Contract Cover Sheet must be used when submitting the approval for review. The forms can be found on the Travel Program Website.</p>	<p>Some restaurants are starting to include a hospitality fee of 20%. This fee is a change in "traditional tipping and is a charge to help support a living wage for all team members, as it is split between all service team members.</p> <p>This 20% hospitality charge is the tip for the business meal.</p>

<p>This approval process excludes contracts conducted through Conference Services.</p>	<p>Any additional tipping cannot be reimbursed, per the policy. An example of restaurants that now include this hospitality fee are “Amber Ox” and “Aticha Thai Cuisine” in Williamsburg.</p>
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<p>BuyW&M business meal requirements</p>	<p>Cash Advances</p>
<p>Direct Payments for catering/business meals must have the SPCC business meal form attached. Attaching this form will ensure that the Travel Office has all the business meal requirements to complete the entire audit and compliance with the business meal.</p> <p>Catering/Business meals should not exceed 200%. If they are estimated to exceed 200% of the standard per diem, PRIOR approval must be granted by the CFO.</p>	<p>When a traveler has a Travel Advance bank, ANY expense report requests submitted in Chrome River will be deducted from the travel advance amount.</p> <p>Cash Advance requests are not based on a specific travel trip.</p> <p>Cash Advances must be paid back to the university within 60 days of the last travel date per the signed promissory note.</p> <p>Please submit your expense reports after travel and reconcile your cash advance balances accordingly and within policy.</p> <p>Payroll Deductions will be issued for employees past their 60 days deadline.</p>

Chrome River

<p>Approval (Vacation) Delegate Feature in Chrome River</p>	<p>New CR Training Guides and Manual – Coming Soon!</p>
<p>The Approval Delegate feature in Chrome River should only occur on a “Temporary” basis (while an approver is on vacation or short-term leave). Any approved long-term delegation (For example, Approval Delegate for a Dean/VP) is only allowable for a fiscal year.</p> <p>For example: If you are an approved Approval Delegate for the Dean/VP of your unit, you can only request approval delegation for a fiscal year at a time. Each year it must be renewed on July 1st.</p> <p>Any other delegations should not be long-term; the maximum timeframe is one year. If you have had an approval delegation for over a year, please update appropriately.</p> <p>The Travel Office is cleaning up Chrome River and will send emails if any approval delegations are not updated accordingly.</p>	<p>New documentation and Chrome River training guides and manuals are coming soon. The Travel Office will announce when they are ready and available on the website. We hope the new training materials will be efficient and help you through the Chrome River processes.</p>