

# BINGHAMTON UNIVERSITY

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## F O U N D A T I O N

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Enclosed are the revised expense policies for *Binghamton University Foundation – Restricted and Endowment Accounts*. Please review these policies carefully.

- If any item is unclear, please send your questions to:
  - Sally Fults, Senior Director of Administrative Services at [sfults@binghamton.edu](mailto:sfults@binghamton.edu) or
  - James Zaharis, Director of Accounting Services at [jzaharis@binghamton.edu](mailto:jzaharis@binghamton.edu)
  
- Please note the requirements for supporting documentation for each submission
  
- Please note that an approved Request and Authorization for Travel form must accompany any request for travel expense reimbursements, including:
  - credit card expense report
  - travel expense report
  - payment to vendors utilizing a voucher
  
- Please note that a sample voucher and voucher preparation instruction sheet have been enclosed for your review.
  
- Please forward a copy of the policies to any alternative authorized signatory on the account.

Effective date: July 1, 2009

## BINGHAMTON UNIVERSITY FOUNDATION EXPENSE POLICIES

The Binghamton University Foundation is a not-for-profit corporation established to raise funds that further the purpose and mission of Binghamton University. The Foundation has a fiduciary responsibility to donors to utilize each gift as intended by the donor in a prudent and responsible manner. Each expense must be "ordinary, necessary and reasonable" in relation to the mission and programs of the Foundation. Under no circumstances may funds be utilized for personal benefit. In addition each expense must adhere to the policies, rules, and regulations imposed by the Foundation Board of Directors, the Internal Revenue Service and the New York State Department of Charities Bureau, as applicable.

### *Restricted and Endowment Accounts*

Foundation restricted accounts are utilized for donations restricted to a department and / or a particular purpose by the donor. There is a 10% overhead fee assessed based on cash deposits for all accounts, except for accounts whose main purpose is student aid related.

Foundation endowment accounts are utilized for donations that are for a particular purpose and will be held in perpetuity. It is the policy of the Foundation to distribute annually 4 - 5.5% of a trailing five-year average of the endowment's total asset value. This spending plan rate is annually determined by the Foundation Board of Directors. An annual overhead fee is charged based on 2% of market value of the most recent 12 months beginning April and ending March, unless the gift agreement specifies otherwise. Accounts with agreements prior to June 1996 have a 5% of income fee charged.

The following policies apply to the restricted and endowed accounts of the Foundation:

#### A. General information

- a. A request for disbursement will be processed in one of three forms:
  - i. Voucher or
  - ii. Voucher with the Travel expense report (expenses not charged to corporate credit card) attached or
  - iii. Monthly corporate credit card expense report
- b. Each request for disbursement must be accompanied by **original** documentation and include the purpose, justification and appropriate account number to be charged. (If original documentation is unavailable, then a written explanation as to why the original is not attached, along with copies of any other supporting documentation must be attached.)
  - i. Example - events: attached items such as the "flier", email, pamphlet, list of attendees, etc.

- ii. Example – meals: detailed/itemized restaurant receipt, along with attendees and purpose.
  - c. Each expense should be “ordinary, necessary and reasonable” and stand up to a “reasonableness test as compared to local and current standards.”
  - d. Each expense must be an allowable expense per the account purpose, which is determined by the donor/account purpose.
  - e. If the request appears vague, ambiguous or not clearly related to the purpose of the account charged, additional justification will be required.
  - f. Each form must be signed by an authorized signatory of the account being charged.
  - g. If the request is a reimbursement of expenses incurred
    - i. The person requesting reimbursement must sign the voucher
    - ii. Their supervisor must also sign the voucher.
    - iii. In addition, an authorized signature for the account charged must approve and sign the voucher. This person cannot be the requestor.
- B. Social Security numbers: For vouchers that require the recipient’s name, permanent address and social security number, please submit either by hand delivery or if by mail, then in a sealed envelope. Once received by Accounting Services, such vouchers will be kept in a secure location.
- C. When an individual is being reimbursed for travel/hosting, etc. expenses primarily from State or Research Foundation (RF) funds, the amount that exceeds the permitted amount from either funding source may be eligible to be paid by the Foundation. Submit copies of the receipts submitted to the State/RF and a copy of the State/RF travel reimbursement request form showing the amount paid by the State/RF.
- D. Purchases made from Foundation accounts are exempt from NYS and local sales tax. A copy of the Foundation’s sales tax exempt form can be obtained from the Accounting Services Office. The form will be completed by the Accounting Services Office prior to distribution to the custodian for the specific purchase. The form is never to be utilized for personal purposes, if this was done, the Foundation could lose its tax exemption status. The exemption should be used for all purchases. If this is not possible, the Foundation may reimburse the sales tax portion of the expense on a limited basis.
- E. Specific guidelines:
- a. Flowers and gifts – generally flowers and gifts can not be purchased with Foundation funds for employees of the University or Research Foundation. Donors (current and prospective) and employees who are retiring are eligible recipients of these items at the discretion of the account custodian.
  - b. Travel
    - i. Obtain appropriate departmental approval for the trip utilizing the Request and Authorization For Travel form. Attach approval to any expenses submitted.
    - ii. Use of personal vehicle – reimbursement will be based on the Internal Revenue Code’s allowable reimbursement mileage rate effective at the

- time. You will also be reimbursed for any tolls and reasonable parking rates supported by receipts.
- iii. Tips and gratuities – reasonable tipping is allowed, along with gratuities of 15-20% for meals.
  - iv. Cash advances for travel:
    - 1. Submit an approved cash advance voucher to the Foundation's Accounting services office at least 5 business days prior to the date the advance is required.
    - 2. By signing the cash advance voucher or responding in agreement via email, you agree to submit the Travel/expense report and if applicable, a reimbursement voucher within 10 business days after the completion of your trip.
    - 3. Failure to properly account for advances in a timely manner may result in suspension or the cancellation of the advance privilege.
    - 4. Advances unaccounted for in a timely manner may be taxable income to the recipient and as applicable, will be reported to the IRS.
- c. Meals/Hosting
- i. Meals and Hosting costs are expected to be "ordinary, necessary, and reasonable" and comparable to current and local standards. Note – if an expense is deemed unreasonable and/or extravagant then additional justification will be requested and partial reimbursement may result.
  - ii. The per diem reimbursement rate as allowed by the State can be utilized.
  - iii. Documentation required:
    - 1. If the per diem rate is not utilized, then the detailed/itemized restaurant receipt is required unless the restaurant does not supply this item (you must note as such on the voucher). In addition, if a personal credit card is utilized, submit the charge slip and a copy of the credit card statement showing the charge to the account.
    - 2. If a hosting event:
      - a. Names of individuals present
      - b. Purpose
      - c. Brochure/pamphlet/email notification/announcement/agenda, etc. as appropriate
- d. Relocation (moving) expenses – Restricted/endowed accounts that allow this type of expense may be used to pay qualified moving expenses over the current State or Research Foundation maximum. Supporting documentation for payment must include the invoice, copy of the State/RF amount paid and the letter of appointment indicating the total allowed for relocation expenses.

- e. Supplies/Equipment/Furniture
  - i. Purchase orders are available for use and are to be only used when a vendor requests a purchase order number and form. All applicable authorized signatures must be obtained to issue the purchase order form. See Accounting Services for a purchase order form.
  - ii. Supplies should be ordered from vendors that provide quality products at the lowest cost. Whenever possible, comparisons between vendors, including those with State contracts should be conducted prior to ordering.
  - iii. Equipment/furniture purchases - As appropriate, each item will be forwarded to Physical Facilities for inventory purposes. Whenever possible, comparisons between vendors, including those with State contracts should be conducted prior to ordering.
- f. Scholarships, fellowships and stipends
  - i. In general scholarships and fellowships are nontaxable. Awards and stipends are generally taxable income for the recipient and as such, any request for disbursement for an award or stipend must contain the recipient's name, social security number, and permanent address. For any subsequent submission for the same individual, only the last 4 digits of the social security number are necessary.
- g. Independent contractors/Honorariums
  - i. Independent contractor or honorarium payments can not be made to current University or Research Foundation employees. Such payments must be paid through their appropriate employer's payroll process.
  - ii. For non-University or non-Research Foundation employees, the Foundation follows the guidance per the IRS. A request for payment must include the recipient's name, social security number and permanent address. For any subsequent submission for the same individual, only the last 4 digits of the social security number are necessary.
- h. Unallowable expenses (this is not an all-inclusive list)
  - i. Contributions to other non-profit organizations
  - ii. Holiday or celebratory events where there is no programmatic purpose for the event.
  - iii. When traveling -
    - 1. Personal expenses
    - 2. Traffic violations



**REQUEST AND AUTHORIZATION FOR TRAVEL**

*SAMPLE (Front page only)*

**Distribution:** State: Business Office, Travel Section, AD-512, 7-4660  
 Research Foundation: Sponsored Funds Administration, 7-6752  
 Binghamton Foundation Funds: Foundation, Accounting Services, AD-225

Today's date \_\_\_\_\_

Name of traveler \_\_\_\_\_ Employee completing form \_\_\_\_\_

Departure point (city, state) \_\_\_\_\_ Department \_\_\_\_\_

Destination (city, state) \_\_\_\_\_ Departure date \_\_\_\_\_

Employer:  State  Research Foundation Return date \_\_\_\_\_

Please check:  meeting conference  recruiting  field trip  other (specify) \_\_\_\_\_

Purpose and details of trip: (If candidate, indicate position for which candidate is being interviewed.) \_\_\_\_\_

*MUST BE Attached to any expenses submitted in connection with the travel*

Travel will be by:  plane  train  bus  personal car  rental car

Air/train authorization number needed?  yes  no Air/train control number \_\_\_\_\_

Lodging authorization number needed?  yes  no Lodging control number \_\_\_\_\_

Contact person \_\_\_\_\_ Telephone number \_\_\_\_\_

Terms of reimbursement: (Please indicate those that apply.)  transportation  lodging  meals  miscellaneous

Support recommended: full allowable reimbursement \_\_\_\_\_ OR limited to \$ \_\_\_\_\_

Is a travel advance being requested (not applicable for non-state employees)?  yes  no  
 If yes, complete Application for Travel Advance form. Please allow two weeks for processing.

	<input type="checkbox"/> NYS	<input type="checkbox"/> NYS	<input type="checkbox"/> Research Foundation <small>(only "P" for project required)</small>	<input checked="" type="checkbox"/> Binghamton Foundation <small>(account only)</small>	<input type="checkbox"/> Other
P	_____	_____	_____	_____	_____
O	_____	_____	_____	_____	_____
E	_____	_____	_____	_____	_____
T	_____	_____	_____	_____	_____
S	_____	_____	_____	_____	_____

<b>A P P R O V A L S</b>	_____ <small>(original, signature of traveler)</small>	Date _____
	_____ <small>(supervisor/chair of originating dept./office) (not required for principal investigators)</small>	Date _____
	_____ <small>(dean, when applicable)</small>	Date _____
	_____ <small>(vice president, when applicable)</small>	Date _____
	_____ <small>(president, for vice president's travel)</small>	Date _____

## **VOUCHER PREPARATION INSTRUCTIONS**

General Navigation Information: You can “tab” from field to field. You can also use the mouse to jump to desired fields. The order listed below is the order that the cursor will follow when using the “tab” key. You may desire to use you mouse to enter the information in a different order than listed.

1. Check (one) **Vendor, Reimbursement, or Personal Service** box in upper left hand corner if applicable, by using the mouse. For Personal Services, make sure to enter payee’s SSN number. If SSN is included, be sure to send in a secure/confidential envelop or hand deliver.
2. Enter the **Payee** (who you want the check made out to), this must be exact.
3. **Voucher Number** is optional and only for your use.
4. Enter the **Payee Address**, this information is mandatory if you checked the Personal Service Box above. It is also mandatory if the check is mailed off campus.
5. Enter the **Voucher Date** (current date).
6. Enter the **Account Name** that the funds are being paid from.
7. Enter the **Account Number** that the funds are being paid from. You must use the mouse to click on the first box in this field. You must then tab to each of the next 10 boxes. After entering information into the last box, use the mouse to click on the next desired field.
8. Complete the “**Check one below**” section to determine if you want the check mailed or picked up. Be sure to complete the information to the right if applicable.
9. Enter a **Description** of what you are paying for. The more information given in this section, the less questions that will be asked during the approval process. The payment must be within the scope of the account purpose.
10. Enter the **amount** of the payment in the Detail column.
11. Repeat steps 9 & 10 for as many items as you need to list on this voucher.
12. Enter the **Invoice Number** for the bill you are paying, if applicable
13. The voucher will automatically **Total** itself.
14. Type the **Custodian’s or Authorized Signer’s Name**.
15. Check the voucher for accuracy.
16. Print the voucher.
17. Have the **Custodian or Authorized Signatory** sign the voucher.
18. If this is a reimbursement or personal Service payment, have the **Payee** sign at the lower left of the voucher.
19. If this is a reimbursement or personal service payment, have the **Payee’s Immediate Supervisor** sign at the lower left of the voucher below the Payee.
20. **Original documents** must be attached to support each expense (Please refer to the Policies and Procedures for more information).
21. Do not sign in the **Administrative** signature field on the right hand side. This area will be completed by the Foundation.

If you have any questions or problems with the form, please contact Theresa Molnar @ X74021 or [tmolnar@binghamton.edu](mailto:tmolnar@binghamton.edu).

- For vendor payment (invoice required)
- 1**  For reimbursement of expenses (receipts required and signatures of person and supervisor below\*)
- For personal service performed:  
SS# \_\_\_\_\_  
(signature of person being paid below\* or invoice required)

**BINGHAMTON UNIVERSITY**  
**FOUNDATION**  
[www.binghamton.edu](http://www.binghamton.edu)  
**VOUCHER**

**DO NOT WRITE IN THIS SPACE**

Date entered \_\_\_\_\_

Check no. \_\_\_\_\_

PAYEE \_\_\_\_\_ **2**

PAYEE \_\_\_\_\_

ADDRESS \_\_\_\_\_ **4**

\_\_\_\_\_

Voucher number \_\_\_\_\_ **3**

Voucher date \_\_\_\_\_ **5**

Account name \_\_\_\_\_ **6**

**7**

Account number

**Check one below**

- Mail check directly to payee (please enclose envelope for off-campus mailing)
- 8**  Mail check back to: Name \_\_\_\_\_ Department \_\_\_\_\_ Ext. \_\_\_\_\_
- Check will be picked up. Please call when ready: Name \_\_\_\_\_

DESCRIPTION	DETAIL	TOTAL
_____ <b>9</b>	_____ <b>10</b>	
_____		
_____		
Invoice number (for vendor payments): _____ <b>12</b>		<b>\$</b> _____ <b>13</b>

I hereby certify that the above expenses were incurred by me for the purposes stated; that the information given is correct; and that no part thereof has been paid except as stated.

\*Signature \_\_\_\_\_ **18**      Custodian/Authorized name \_\_\_\_\_ **14**

\*Supervisor's signature \_\_\_\_\_ **19**      Custodian/Authorized signature \_\_\_\_\_ **17**

\_\_\_\_\_ **21** (BUF) Administrative signature

For Restricted and Endowed Accounts (Accounts beginning with 10 or 20): ENTER AS LAST 4 DIGITS OF ACCOUNT #:	For Agency Accounts (Accounts beginning with 50) ENTER AS LAST 4 DIGITS OF ACCOUNT #:
2000 Student Aid-Scholarships-Need Based	3000 Hosting/Meals Expense
2100 Student Aid-Scholarships-Merit Based	4000 Employee Salaries
2200 Student Aid-Fellowships	4100 Employee Benefits
2300 Student Aid-Internships	4200 Employee Sal/Benefits Overhead Charges
2400 Student Aid-Awards	5000 Office Supplies
2500 Student Aid-Undergraduate Research	5100 Copying/Xerox
3000 Hosting/Meals Expense	5200 Equipment Maintenance Contracts
4000 Employee Salaries	5210 Equipment Lease Expense
4100 Employee Benefits	5220 Maintenance/Operations/Recharge
4200 Employee Sal/Benefits Overhead Charges	5230 Equipment Purchases
5000 Office Supplies	5400 Moving Expenses
5100 Copying/Xerox	5500 Travel Expense
5200 Equipment Maintenance Contracts	5550 Awards-Faculty/Staff
5210 Equipment Lease Expense	5560 Honorariums/Stipends
5220 Maintenance/Operations/Recharge	5570 Telephone Expense
5230 Equipment Purchases	5580 Postage
5400 Moving Expense	5600 Printing
5500 Travel Expense	5610 Dues/Subscriptions/Books/Publications
5550 Awards-Faculty/Staff	6200 Conference/Registration Fees/Staff Development
5560 Honorariums/Stipends	8810 Administrative Fees
5570 Telephone Expense	9800 Consulting Services
5580 Postage	9900 Department Expenditures-Other
5600 Printing	9910 Intrafund Transfers Expense
5610 Dues/Subscriptions/Books/Publications	
6200 Conference/Registration Fees/Staff Development	
8810 Administrative Fees	
9800 Consulting Services	
9900 Department Expenditures-Other	
9910 Intrafund Transfers Expense	