



UNIVERSITY OF ST THOMAS PURCHASING AND PAYABLES POLICY

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Contact purchasing@stthomas.edu or accountspay@stthomas.edu with questions.



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PURPOSE:

The purpose of the purchasing and payments policy is to:

- Obtain the best possible value for UST in all purchasing decisions
- Ensure compliance with applicable laws, regulations, financial controls and other applicable standards such as generally accepted accounting principles (GAAP)
- Build ethical vendor partnerships in alignment with the UST mission and convictions
- Effectively mitigate risk to the University

APPLICABILITY:

This policy applies to all UST employees (faculty, staff and student workers), student clubs and organizations (including individuals acting on their behalf), students, and any entities for which the University acts as fiscal agent. This policy covers the spectrum of purchasing and payables activities including but not limited to:

- Purchase of any goods or services on behalf of UST
- Entering into contracts to obtain goods or services (including but not limited to the engagement of independent contractors, speakers and performers)
- Negotiations, bidding, vendor selection and management
- Requests for payment or reimbursement
- Travel arrangements in connection with UST activities
- Use of UST-sponsored credit cards, such as the UST Wells Fargo Visa
- Donations, sponsorships and/or gifts made on behalf of UST

VENDOR SELECTION

I. OVERVIEW

UST has a range of vendor options depending on the category of purchase. UST generally contracts with three categories of vendors: internal vendors, preferred vendors and other vendors. Where UST has identified internal or preferred vendors for a particular category of goods and services, those vendors must be used unless an exception is approved by Purchasing Services. There are established policies for vendor selection as detailed below.

Any company or person selling goods or providing services to the University is considered a “vendor.” This includes individuals operating as Independent Contractors, such as consultants, guest speakers, referees and/or entertainers, as well as companies and professional services firms.



II. INTERNAL VENDORS

UST has determined to provide internally certain goods and services, such as catering and printing, where UST has resources and expertise and can provide the goods and services cost-effectively. The purchase of these goods and services from an external vendor will not be approved and may not be expensed or reimbursed.

To view the goods and services that UST provides internally, please visit the [Internal UST Services](#) page within the Purchasing and Payables website.

III. PREFERRED VENDORS

To ensure that excellent price, quality and service options are readily available to meet UST needs that cannot be addressed internally, UST or an approved purchasing consortium including UST has reviewed a group of competitive external vendors for categories of goods and services that are widely utilized across UST and selected “Preferred Vendors” following a competitive bidding process. This vendor consolidation and selection of Preferred Vendors benefits UST by:

1. Leveraging UST volume to ensure best pricing options
2. Minimizing administrative costs related to vendor management including: vendor set-up and maintenance, check processing, tax documentation and mailing expenses
3. Allowing UST to maintain greater control over brand usage and identity
4. Reducing time spent by departments to conduct market research in these categories, allowing them to focus on their main business objectives

To view the goods and services for which a Preferred Vendor must be used, please visit the Preferred Vendors section of the UST Purchasing and Payables website and in eBuy&Pay. All purchases in these categories must be made using the preferred vendors.

IV. OTHER VENDORS

If purchasing needs are outside the scope of goods and services offered by UST internal and preferred vendors, Purchasing Services will work with schools and departments to identify and evaluate potential vendors and, if appropriate, approve the purchase of goods and services from other vendors, pursuant to an appropriate contract approved by Purchasing Services. If you cannot obtain the goods and services you need from an internal or preferred vendor and require assistance to identify potential new vendors, please contact Purchasing Services.

Departments must submit new vendor requests to Purchasing Services in eBuy&Pay for review and approval prior to entering into any purchasing commitments or contracts. See Contract Review, Approval and Execution section for more details regarding contracts.



SOURCING (BIDDING) AND NEGOTIATION

To ensure UST is receiving the best possible value for goods and services, formal bidding within the UST bidding system is required for purchases of goods or services as detailed below.

I. SOURCING (BIDDING) REQUIREMENTS

1. Bids are required for all purchases over \$5,000. There are some category exemptions including but not limited to; utilities, legal services, public relations and software renewal.
 - a. This amount applies to the aggregate purchase amount covered by the contract, regardless if the orders/payments are expected to occur over time.
 - b. Payment type has no bearing on bid requirements.
 - c. Exceptions may be approved in limited circumstances based on the specific facts and circumstances (e.g., in the purchase of entertainment or speaking services that are uniquely provided by a particular individual).
2. **Minimum of three vendors must be included in the bid process.**
 - a. To ensure fair and competitive bidding and to maximize the savings/value to the University, a minimum of three (3) vendors must be invited to provide bids.
 - b. A greater number may be used if desired.
3. Preferred vendors must be used for preferred vendor categories.
 - a. If a purchase is within a [preferred vendor category](#), bid invitations should include only preferred vendors.
 - b. If the category does not have preferred vendors, qualified external vendors may be selected. Any exceptions from preferred vendor use in a preferred vendor category must be approved by Purchasing Services.
4. UST bidding system must be used.
 - a. Use of the UST bidding system is required to ensure bid compliance, maintenance of appropriate records and the efficient compilation and analysis of costs.
 - b. Use of the UST bidding system also reduces processing time and increases ease of requesting and receiving bids.



II. SOURCING (BIDDING) AWARDS

1. Bids should be awarded to the lowest bidder unless there are compelling reasons to accept a higher bid, such as quality, service, compatibility with existing equipment and similar reasons.
2. For complex projects, a detailed cost-benefit analysis should be undertaken before awarding a bid, taking these and other appropriate considerations into account.
3. Awarding a bid to a higher priced vendor must be approved by Purchasing Services.

Assistance in the bidding and negotiations process is available from the Purchasing Services team. Please email purchasing@stthomas.edu for assistance.

CONTRACT REVIEW, APPROVAL AND EXECUTION

I. CONTRACTING RESPONSIBILITY AND AUTHORITY:

Unless authority is specifically delegated to you in accordance with the UST contracts policy, the UST Purchasing Services Department (“Purchasing Services”) is responsible for the preparation, review, approval, acceptance and execution (signature) of all contracts to purchase goods and services, in accordance with established university policies and procedures. This ensures:

1. Compliance with applicable state and federal laws and regulations
2. Compliance with UST policies and procedures
3. Appropriate documentation and recordkeeping of contract terms and conditions

Contracts come in many forms and may be called by various names including, but not limited to, agreement, quote, estimate, terms and conditions, purchase terms, statement of work, memorandum of agreement, letter of agreement, or letter of intent. Contracts may be oral or written, and written contracts may or may not require a signature to bind the parties to the contract.

UST requires a written contract for most purchases of goods and services that are not de minimis in value, including (but not limited to) the engagement of entertainers, speakers and other independent contractors.

II. RECORDKEEPING:

All written contracts for the purchase of goods and services, regardless of dollar value or origination (vendor or UST), must be sent to Purchasing Services to ensure centralized document retention at UST. Purchasing Services will store all contracts in accordance with the UST record retention policy and schedules.

Contact Purchasing Services at the earliest stage in any purchasing and contract process to aid in a smooth contract development, review and approval process. Please e-mail purchasing.contracts@stthomas.edu for all your contract needs.



III. USE OF UST DEVELOPED MASTER AND TEMPLATE AGREEMENTS:
To help make the contracting process efficient, Purchasing Services has established contract templates for common contracting situations, as well as master agreements with most preferred vendors of UST. Any proposed revisions, amendments or new terms and conditions to the templates and master agreements require review and approval by Purchasing Services, whether offered or requested by you or the other party.

SALES TAX EXEMPTION

UST has tax-exempt status in Minnesota and is eligible for a sales tax exemption in connection with the purchase of many goods and services. The UST sales tax exemption must be utilized when it is available in connection with the purchase of goods and services. In order to utilize the sales tax exemption, you must use a UST WellsOne credit card or university check (subsequent to a requisition/purchase order process). The UST sales tax-exempt number may only be used for UST purchases. The UST sales tax exemption may not be applied to personal methods of payment (personal checks, credit cards or cash) even if the purchase is being made on behalf of UST.



INDEPENDENT CONTRACTORS

I. DEFINITION OF AN INDEPENDENT CONTRACTOR

Independent contractors are those entities or persons who provide a product or service to UST but are not employees or units of UST.

Services typically provided by an independent contractor include, but are not limited to:

- Consulting
- Entertainment
- Guest Speakers
- Game Officials
- Technical Services
- Other Professional Services

II. INDEPENDENT CONTRACTOR / EMPLOYEE CLASSIFICATION

Individuals providing services to the University may be designated as either an employee or an independent contractor. The classification depends on a number of factors determined by applicable law and regulations.

Prior to entering into any goods or services contract with an individual or sole proprietor, UST must determine whether the individual is appropriately classified as an employee or independent contractor. Please submit an independent contractor checklist, IRS Form W9 and a proposed

The preparation, approval and execution of contracts must comply with the contract section of the UST Purchasing and Payables Policy.

agreement to purchasing.contracts@stthomas.edu to assist in this determination. The agreement should not be signed by the vendor until independent contractor vs employment status is determined. This determination will be made by Purchasing Services in consultation with Human Resources and the Office of General Counsel.

Written contracts are required to document the terms and conditions for the hiring of any person or entity (typically for \$1,000 or greater) to provide goods and/or services to UST. This also applies to independent contractors, such as guest speakers and consultants. Contracts are required for any dollar amount for co-curricular speakers, performers and entertainers.

III. PAYMENTS AND REIMBURSEMENTS TO INDEPENDENT CONTRACTORS:

Any fees for services or reimbursements paid to an independent contractor must be paid directly to the independent contractor based on the information provided on the independent contractor's Form W-9.

1. A UST employee will not be reimbursed if the employee personally makes payments to an independent contractor.
2. Independent contractors' fees cannot be paid to another person or entity.



To request payment for services provided by an independent contractor, please submit the payment request along with a signed contract to Accounts Payable. Payments made to international visitors require additional documentation and may be subject to federal tax withholding. See the Controller's Office Policies and Procedures Pertaining to International Visitors for more information. Please follow [Payment Request Process](#) outlined on the Purchasing and Payables website.

PAYMENT OF EXPENSES INCURRED FOR UST BUSINESS

UST will pay for reasonable, necessary, and actually incurred expenses for authorized UST business. All payments will be made in compliance with the Internal Revenue Service's (IRS) Code and Regulations and UST policies.

I. DIRECT PAYMENT METHODS

While several methods exist for the payment of UST business expenses, each has specific procedures, restrictions and conditions which must be followed. Direct methods of payment are preferred and should be used in majority of purchasing activities for compliance and taxation purposes.

1. eBuy&Pay Requisition/Purchase Order (Check or Electronic Payment)

- a. UST provides and maintains the eBuy&Pay system to facilitate the easy requisitioning and purchasing of university materials.
- b. Purchases of goods over \$3,000 must be made through eBuy&Pay.
- c. This is a *preferred method* for purchasing goods and services and should be used for the majority of UST purchases.

2. UST Wells Fargo Program (Credit Card Payment)

- a. Preferred method for purchases under \$3,000.
- b. All employees who engage in business travel on behalf of UST are encouraged to apply for a UST-sponsored credit card. Employees may use this card for all UST-sponsored business travel expenses.
- c. Please see [Wells Fargo Program](#) information for application, program details and terms.

3. Invoice Submission-Form/Stamp (Check or AP Credit Card)

- a. Vendor invoices for services that have not been ordered through the requisition/purchase order process should be submitted through eBuy&Pay or may be stamped and mailed to Accounts Payable.

4. Check Request (Check or AP Credit Card)

- a. A Check Request should be used for the following types of payments:
- b. Employment candidate expense reimbursements – original receipts must be attached



- c. Non-employee expense reimbursements – taxable income to the recipient with original receipts retained by the individual
- d. Subscriptions/Membership payments – when not able to use a credit card
- e. Registration for conferences/events – when not able to use a credit card
- f. Other miscellaneous payments for which an invoice will not be provided
- g. For more information please see the [Check Request Process](#)

5. Independent Contractor

- a. Independent contractors should always be paid via the independent contractor process and generally will be paid with a check payment. For more information please see the [Independent Contractor Policy](#) and [Payment Process](#).

6. Wire Transfer

- a. Wire transfers are typically used for international payments when a check or credit card process is not accepted. All wire transfer requests must be approved by a Budget Manager and President's Cabinet member. For more information, please see [Wire Transfer Request Process](#).

II. REIMBURSABLE EXPENSES

Though not preferred, at times, it is necessary for faculty, staff and students to purchase small amounts of goods and/or services using personal methods of payment. In such cases, it is UST policy to reimburse employees for all expenses that are reasonable, necessary, and actually incurred for authorized, legitimate UST business.

Prior to making any such purchases or payments, employees should take steps to use other preferred direct methods of payment for business expenses such as obtaining a UST approved credit card or using requisitions and purchase orders - eBuy&Pay.

1. Category Specific Guidance for Reimbursements

Goods and Services

UST has competitively bid and contracted vendors for most materials and supplies.

Departments must use [preferred vendors](#) for the purchase of goods and services in order to maximize savings to the university and ensure compliance with tax guidelines. Rapid delivery options will meet most all faculty, staff and student needs.

On rare occasions (such as while traveling or in last-minute emergencies), faculty and staff may purchase office supplies for business purposes (totaling under \$250) on a UST credit card or personal payment method and be reimbursed.

Payments to Individuals or Independent Contractors

Payments to an individual or independent contractor are not reimbursable.



III. METHODS OF REIMBURSEMENT

1. Employee Reimbursement

- a. UST will reimburse business expenses incurred using cash, a personal check or a credit card paid from personal funds, if the expenses were incurred in accordance with UST policies.
- b. Employees may not make payment to an individual (domestic or foreign) from personal funds and seek reimbursement. Occasional exceptions may occur while traveling internationally and should be discussed with Purchasing Services in advance to ensure the expenditure is appropriate and reimbursable.

2. Student Reimbursements

- a. Students may be reimbursed for UST expenses that have been appropriately approved and documented as required by this policy.

3. Prepaid Expenses (Employee Only)

- a. In limited circumstances, reimbursements may be requested and made prior to the business expense being incurred or completed (for example: travel may be booked months before the trip, in which case reimbursement may be obtained prior to the occurrence of the trip). This method may also be used when assigning expense to the appropriate fiscal year. For more information, please see the [Prepaid Expense Request Process](#).

4. Cash Advance (Employee Only)

- a. Cash advances may be extended to employees involved with foreign travel, group/team travel and student travel. Group travel for UST is defined as students traveling with one or more faculty or staff member on the same trip. (Group travel is not defined as a group of employees traveling together.) For more information, please see [Cash Advance Request Process](#).

For more information on requesting reimbursements, see Reimbursement Request Process for submission of expenses.

IV. SUBSTANTIATION

All expenses must be sufficiently substantiated. Original documentary evidence, such as receipts or paid bills, is sufficient to support expenditure if they show both *proof of purchase* and *proof of payment*. Documentary evidence will be considered adequate to support expenditure if it includes sufficient information to establish: the amount, date, place, and business purpose of the expenditure.

If the expenses of an employee are not substantiated with original detailed receipts and descriptions of business purpose within 60 days of the purchase, the purchase amount may need to be included as income on the employee's IRS Form W-2.

Original detailed receipts are not required for purchases under \$75 on UST-sponsored WellsOne credit cards, with the exception of itemized hotel receipts and/or grant spending. The payment



transaction on a UST-issued credit card for expenses under \$75 is considered documentary evidence by the IRS and the detailed receipt is not necessary.

V. REVIEW PROCESS

A reimbursement request or UST Wells Fargo Visa reconciliation must be completed in order for an employee or student to be reimbursed and for expenses to be considered business expenses. At least two distinct approvals are needed on employee spending: the employee's and the person authorizing the expenses. This generally is the employee's supervisor or the budget manager. Requests for reimbursement must be submitted promptly. Reimbursement of expenses submitted after 60 days from the date they were incurred generally will be considered income and added to an employee's IRS Form W-2. If an employee is incurring expenses authorized by a different department from which he or she works, the employee must obtain the approval of the person authorizing such expenses.

A critical review of a business expense will be made by the departmental approver and Accounts Payable to ascertain that the expense is necessary and reasonable to the functioning of UST. Accounts Payable may ask for additional substantiation to establish a reasonable and necessary business purpose. UST complies with IRS standards and guidelines for an accountable reimbursement plan which allows UST to maintain tax-exempt status for certain expenses.

TRAVEL PURCHASE POLICY

This travel purchase policy applies to any transportation to or from any activity located outside of the UST Minneapolis or St. Paul campuses, whether local, domestic or international. Business travel does not include transport between the Minneapolis and St. Paul campuses.

I. PREFERRED TRAVEL VENDORS

All individual and group travel eligible for reimbursement by UST employees (faculty, staff and student workers) and students for air, ground transportation, and hotel (except conference hotels) must be booked with [UST's Preferred Travel Vendors](#). Use of the preferred vendor ensures that UST receives the best overall value and provides additional flexibility in case of travel changes.

II. TRAVEL EXPENSES

All expenses related to UST-sponsored travel that are eligible for reimbursement must be justifiable and reasonable. All transactions above \$75.00 (for UST Wells Fargo Visa cards) and from \$0.01 (for reimbursements) must include appropriate substantiation including: original receipts or invoices, legitimate business purpose and connection, and, an attendee list. The UST Wells Fargo Visa program is the preferred method of payment for Travel expenses. The following categories of expenses are typically considered to be justifiable business expenses. (Disallowed expenses are documented in the [Disallowed Expenses](#) section of this policy.)



1. Air Transportation

a. Preferred Vendors

Employees are required to purchase airline tickets through the [UST preferred agencies](#). The purchase of airline tickets should be made as far in advance as possible to take advantage of maximum discounts available.

b. Personal Aircraft

UST travelers are prohibited from traveling in their own or rented personal aircraft when on UST business.

c. Airline Reservations

For domestic travel, UST will pay or reimburse coach or economy class travel only. When traveling internationally, UST will reimburse business class travel. (International travel is defined as travel outside of North America, not including Canada, Bahamas, Cuba, Mexico or the Caribbean.) Upgrades and flight insurance are not covered by UST.

d. Saturday Night Stays

Saturday night stays are encouraged when it results in significant airline fare reductions. UST will cover lodging and meals relating to Saturday stays, not to exceed airfare savings. Travelers must fully document the cost/benefit of staying over a Saturday night.

e. Frequent Flyer Miles

Frequent flyer miles earned while traveling on UST business belong to the employee. However, preference of airlines by employees to attain mileage incentives should in no way influence the employee to accept a higher fare. Personal frequent flyer vouchers used for UST business trips are not reimbursable.

f. Canceled Air Travel

In the event a trip is canceled, the UST preferred travel agency retains the ticketing information for reuse by that individual for UST business purposes. The individual must document business reason for cancellation and make every effort to reuse the ticket.

2. Lodging

a. Preferred Vendors

Reservations for business trips must be made through a [UST Preferred Travel Agency](#) with the exception of unique academic lodging situations including but not



limited to monasteries, hostels, flats and tents/campsites. Corporate and consortium rates for major hotel chains are available.

b. Incidentals

The following lodging incidental expenses are acceptable with documentation:

- i. Laundry bills on business trips extending beyond seven (7) business days
- ii. Internet connectivity charges
- iii. In-room dining (in alignment with meal expenses)
- iv. Reasonable tips for bell and housekeeping staff

3. Ground Transportation

Travelers are expected to exercise prudence in their selection of transportation, both for local and non-local travel.

a. Car Rental

Arrangements for rental cars may be made through a UST-contracted travel agency (preferred vendor). UST will pay or reimburse only for standard or compact car rates, unless a group traveling together for business requires a larger vehicle.

Automobile rentals are subject to the following guidelines:

- i. Do not accept additional insurance. UST provides insurance coverage.
- ii. Do not accept advance purchase fuel. Return the rental car to the agency with a full tank.
- iii. Submit the agreement as well as receipts to Accounts Payable. Attach any original gas charge receipts relating to the car rental travel.
- iv. Mileage is not reimbursed in addition to the car rental charge and gasoline charges.

There are often restrictions for travelers under the age of 25. Travelers under age 25 should inform the reservation agent of their age when making car rental reservations.

b. University Vehicle Use

Employees may use a University fleet vehicle, if available, if the employee has an appropriate driver's license and driver approval from UST. Fleet vehicles may be obtained through Public Safety and Parking Services. When using a UST vehicle for business, travel, fuel and oil expenses will be covered at the actual cost, not the mileage rate. In addition, traffic violations are the responsibility of the employee.

c. Buses, Taxis and other Ground Transportation

Buses, taxis and other ground transportation fees are covered while travelling to/from valid UST events and conferences, both local and non-local.



d. *Personal Car Use*

- i. A personal car may be used when it is the most practical and economical method of transportation. Normally, economical personal car use applies to trips within 300 miles (one-way) of the employee's workplace.
- ii. Employees using their personal automobile for business travel will be reimbursed at the standard IRS mileage reimbursement rate rather than for actual expenses. See **MILEAGE REIMBURSEMENT Rate.**
- iii. Employees using their own cars for UST business are obligated for damages to their car and liability for injuries/damages sustained by third parties.
- iv. Traffic violations are the personal responsibility of the employee.

4. Meal and Entertainment Charges, Local and Non-Local

UST will pay the reasonable costs for meals and business-related entertainment (breakfast, lunch and dinner) for UST employees and students traveling on UST business. If related to a legitimate UST business purpose, UST also will pay for local meals and entertainment of one or more guests, provided such expenses are reasonable and appropriate. The cost of meals and entertainment includes taxes and tips. UST will pay market-appropriate gratuities and suggests 15% for meals.

5. Communications Charges

All business-related telephone, fax, computer and postage costs incurred during the business travel are allowed expenses. Travelers should use economical means of communication.

6. Currency Conversion Fees

Any conversion fees incurred while on business travel in a foreign country are allowed expenses.

7. Parking and Tolls

- a. Employees may park at the airport or at an airport park-and-ride for a maximum of three days.
- b. Employees may leave their car at UST free of charge while traveling on UST business, provided the car is registered with Parking Services.
- c. Tolls and parking fees are reimbursable regardless of the type of vehicle used.

8. Rail

- a. The cost of first-class railroad fare is covered provide it doesn't exceed the cost of coach airfare.



- b. Travelers who choose to use rail instead of available commercial air service will not be reimbursed for food or lodging expenses that would have been avoided by using commercial air.

9. Registration Fees

UST covers registration fees for conferences and seminars with a legitimate business connection if approved by the employee's supervisor and any other approval process applicable to the employee's department.

III. TRAVEL CONSIDERATIONS

1. Local Travel

When traveling to/from local events, per IRS guidelines, UST will only cover expenses between the employee's main office location and the event or home to the event, whichever is less.

2. Team Travel

Athletic team travel and travel by coaches and athletic staff may be subject to NCAA rules and regulations. Such travel must be authorized by the designated staff member and appropriate budget person in the Athletics Department.

3. Grant Travel

Travel funded through grants is subject to applicable regulations and/or the terms and conditions of the grant agreement and other regulations. All spending requires receipts – no exceptions in any payment type.

4. Student Travel

Students and student clubs and organizations traveling on behalf of UST and incurring reimbursable expenses are subject to the policies in the [Student Club Handbook](#). Students should book and pay for their own travel. From time to time on an exceptions basis (depending on the particular facts and circumstances), UST pays for student travel, in which case students should work with Purchasing Services prior to the trip.

5. Personal Travel

Travelers may combine personal travel with UST travel as long as the official trip serves a valid UST purpose. The employee must pay any and all additional costs of the personal portions of the trip with a personal method of payment. A UST Wells Fargo credit card should not be used for personal expenses while traveling. The employee also has full responsibility and liability for any events that occur during personal portions of the trip. (Saturday night stays for the benefit of UST are not considered personal travel.)



6. Foreign Travel

The IRS has specific, complex rules pertaining to foreign travel when combined with personal travel. There will be greater documentation required when submitting an Employee Expense Report requesting foreign travel expenses to be reimbursed. Specifically, for trips in excess of seven (7) days, employees must attach an itinerary or agenda showing the daily details and business purpose of travel, including any dates for personal travel. If personal travel is included with business travel, a portion of the reimbursed air travel expense may be taxable to the employee.

7. Travel with UST Colleagues

Employees should normally pay for their own business travel and may not pay for the travel of other employees when they are not traveling together. When employees are traveling together, one employee may pay for the business travel (airfare, lodging, ground transportation and meals) of other UST employees making the same trip provided that they use a UST Wells Fargo Visa Card and that the person making the payment is in a supervisory position. Please be aware that TSA closely monitors personal information, so be sure you book all airfare with exact traveler names.

8. Spousal/Family Travel

In general, the expenses of a spouse, family or others accompanying the business traveler are not reimbursable. UST will not reimburse a spouse's or other family member's expenses when the spouse or family member has no significant role or performs only incidental duties. When a spouse or family member who attends a function has a significant role in the proceedings or is involved with fundraising activities, this constitutes a valid UST business purpose. Prior to travel, such expenses must be approved by the appropriate member of the President's Senior Staff. The spousal travel reimbursement rules are covered under IRS rules and regulations and generally require greater documentation.

OTHER UST EXPENSES

1. Alcohol

Alcohol purchases will be paid or reimbursed by UST only in accordance with the UST Alcohol Policy. Generally, alcohol served at a UST-sponsored event, either on or off campus, will be paid or reimbursed only if a "Request to Serve/Use Alcoholic Beverages" form was submitted and approved by [Catering Services](#). Expense payment or reimbursement requests should include appropriate substantiation of the cost and approval through Catering Services.



The “Request to Serve/Use Alcoholic Beverages” form is not needed for reasonable alcohol charges from a business meal.

2. Memberships and Subscriptions

UST pays for memberships and subscriptions when there is an appropriate business purpose. This includes memberships in professional organizations or subscriptions to professional magazines that are in the employee’s name. Country club memberships must be approved by the Provost or President. If UST reimburses club dues and other membership costs to a UST employee, the personal use percentage of such costs must be included in the employee’s taxable income per IRS guidelines. Contact Controller’s Office Senior Tax Accountant for general guidance on documenting personal and business usage of club memberships.

3. Floral Purchase and Tributes

In situations involving death of a family member, Human Resources will make floral purchases for tributes or memorials on behalf of UST. Please direct any question regarding tributes to [Human Resources](#). Individual or departmental tributes, other than those originating from Human Resources, are individual expense and not paid by the UST.

4. Gifts for Individuals Not Employed by UST

Floral purchases for individuals outside UST will be covered for a legitimate business purpose provided that the appropriate documentation and substantiation is provided. The substantiation must clearly state the necessary business purpose. Gifts of any kind to UST suppliers are prohibited.

5. Faculty and Staff Recognition Events and Gifts

The University supports a range of efforts to recognize employees. Reasonable and occasional recognition events for faculty and staff are considered valid business expenses by the University. Employee recognition or departure gifts may be provided when approved by the President’s Senior Staff member for the employee who would receive the gift and must be purchased in UST campus or online stores. Any items not purchased through UST must also be reviewed by the Controller’s Office to determine any tax consequences to the recipient.

i. Holiday Parties

UST hosts annual parties that all employees are invited to attend, including the President’s Christmas party. Departments may have recognition events during the



year but departmental Christmas parties are disallowed in favor of the UST-wide celebration.

ii. Retirement Gifts

Alumni & Constituent Relations works with supervisors to purchase retirement gifts for faculty who are retiring from employment. Please direct any questions pertaining to retirement gifts to [Alumni & Constituent Relations](#).

Any exceptions to gift policies must be approved by the Vice President for Business Affairs and the President's Senior Staff member for the employee recipient.

6. Fellowships, Scholarships and Grants

Fellowships, scholarships, or grants awarded to individuals should generally not be processed through Accounts Payable. Please connect with [Financial Aid](#) to process these payments.

7. Moving Expenses

A new employee may be eligible for reimbursement of moving expenses. Moving expenses are reimbursed under the Moving Expense Program. Please contact the [Controller's Office](#) (link) for more information.

8. Charitable Contributions

Any request for contributions to be made to an outside charitable organization must be paid directly by UST and approved by the appropriate President's Senior Staff member.

9. Job Candidate Reimbursements

UST reimburses job candidates for reasonable expenses incurred in connection with on-campus interviews and recruiting events sponsored by UST. The job candidate is responsible for payment of his or her travel arrangements and may then seek reimbursement. Expenses must be reimbursed directly to the job candidate. An employee may not pay the expenses of a job candidate and later be reimbursed.

Gifts and gift cards (considered tax equivalent) are treated as taxable income to the recipient and taxpayer information is required.



DISALLOWED EXPENSES

The following items are listed to illustrate those types of expenses that UST does not consider to be legitimate business expenses. This listing is not intended to be all-inclusive.

- Portion of air or train travel, auto rental, mileage, hotel costs, or meals for personal use
- Babysitter fees, kennel costs, pet or house-sitting fees
- Bus costs or mileage between a traveler's home and the University of St. Thomas
- Mileage between the Minneapolis and St. Paul campuses; UST shuttle should be used
- Purchase of any kind of travel insurance (car rental, flight etc.)
- Parking tickets, traffic violations, or personal automobile repairs
- Upgrades (air, hotel, car, etc.)
- Frequent Flyer tickets
- Airline club memberships
- Costs incurred by failure to cancel reservations
- Personal entertainment, in-room movies, video rentals
- Personal expenses including haircuts, shoe shines, saunas, massages and health club fees
- Furniture, fixtures, equipment, carpet, paint, wallpaper, or other building or remodeling goods and services
- In-room bars and alcohol
- Airport parking in excess of three (3) business days
- Personal vehicle expenses, such as gas, oil, repairs, etc.
- Car rental fuel fees (for not returning tank full)
- Home phone lines, DSL services, cable or internet access except as approved through the Remote Access Program ([Link to CO Website](#))
- Flowers for employees, except from Human Resources for a funeral or memorial
- Gifts to employees and departing employees except as otherwise described in this policy
- Payment to a third party for services rendered or reimbursement of expenses
- Credit card delinquency fees or finance charges
- Liquor store purchases

CONTACT US:

For any questions regarding this policy or any procedures to be followed, please contact Purchasing Services.

Website: <http://www.stthomas.edu/purchasing>

Email: purchasing@stthomas.edu or accountspay@stthomas.edu