

BUSINESS EXPENSES AND TRAVEL POLICY – NYU EVP

I. Policy Statement

This policy complements other NYU business expense and travel policies and defines an allowable business expense or travel for the NYU Division of the Executive Vice President (EVP) organization as a necessary, reasonable, appropriate, and allowable non-compensation expense incurred for a valid business purpose to fulfill the mission of the University. If a topic is not covered in this policy, employees should refer and adhere to [NYU policies and guidelines](#) on travel and other business expenses. In cases where there is a discrepancy between this policy and NYU policies, the more restrictive policy will apply. This policy applies to all EVP employees regardless of the funding source.

- [Business Expenses Policy](#)
- [Expense Reimbursement Policy](#)

II. Who Is Affected by This Policy?

This policy affects all EVP employees purchasing goods or services for non-compensation business expenses. It also affects every employee or individual who reviews, approves, or records financial transactions on behalf of the EVP organization.

III. Policy

CRITERIA FOR DETERMINING AN ALLOWABLE EXPENSE

In order to be paid directly by the University or reimbursed to an individual, a business expense must be:

- **Necessary** to perform a valid business purpose fulfilling the mission of the University; and
- **Reasonable** in that the expense is not extreme or excessive, and reflects a prudent decision to incur the expense; and
- **Appropriate** in that the expense is suitable and fitting in the context of the valid business purpose.

NECESSARY

An expense is necessary if there is a valid business purpose required to fulfill the mission of the University. The primary beneficiary of a necessary business expense is the University, not the individual. A necessary expense is a minimum purchase or service required to achieve a valid business objective.

REASONABLE

Reasonable means the amount that normally would be spent in a specific situation. An expense is considered reasonable if it is not extreme or excessive and reflects a prudent decision and action to incur the expense. A cost may be considered reasonable if the nature of the good or services acquired, and the amount involved therefore, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made. Major considerations involved

in the determination of the reasonableness of a cost are: (a) whether or not the cost is of a type generally recognized as necessary for the operation of the institution; (b) whether or not the individuals concerned acted with due prudence in circumstances, considering their responsibilities to the institution, its employees, its students, the Federal Government, and the public at large.

APPROPRIATE

Costs are appropriate if they are suitable or fitting for a business purpose. For a cost to be appropriate it is also presumed that there is a valid business purpose, which is normally the responsibility of the unit to determine.

The following questions should be considered when determining the appropriateness of costs:

- Could the cost be comfortably defended under public scrutiny?
- Would you be confident if the cost was selected for audit?
- Would you be comfortable reading about it in the newspaper?
- Would you be comfortable explaining to a donor that their donation was used this way?
- Does documentation align with requirement of NYU Business Expense Policy?

BUSINESS EXPENSES: OTHER THAN TRAVEL

MEALS

- When not traveling on NYU business, meals (including alcoholic beverages) between two or more employees during which routine business issues are discussed are not reimbursable. Rare exceptions may be granted by a VP.
- There should be no more than four NYU hosts per external guest for lunch or dinner.
- In situations where an individual is conducting business with one or more guests, reasonable meals and entertainment expenses are allowable. Business meals and entertainment must be directly related to University business.
- Except under rare circumstances, meals should not exceed the following thresholds (per person), excluding tips and tax:
 - Up to \$25 USD for breakfast
 - Up to \$35 USD for lunch
 - Up to \$75 USD for dinner
- When sound business reasons necessitate that business meals exceed the thresholds above, the excess cost of the business meal must be approved by the Executive Vice President.
- Chartwells must be the vendor of choice for all catered events. Exceptions will be granted for external vendors if savings would be in excess of 25% of Chartwells' quote.
- Inexpensive options such as bagels and pizza are allowed but must be paid by P-Card or through a Seamless account for orders under \$250 USD.
- Catered meals for internal meetings are not allowed except for training and professional development. However, coffees, teas, and other non-alcoholic beverages as well as snacks are allowed.

- Refreshments, snacks, and beverages may be used to encourage participation of employees outside of the organization hosting the event.
- Purchases of single-use, disposable water bottles are not reimbursable.
- The most senior representative present for meals should submit the expense.
- Payments to vendors for incidentals involving NYU employees are not allowed.

ALCOHOL

- The purchase and use of alcohol places significant legal exposure on the University. Therefore, the use of alcohol for business meals and entertainment purposes should be kept to a minimum and must comply with the University's [Drug and Alcohol-Free Workplace Policy](#).

OCCASIONAL EMPLOYEE EVENTS AND FUNCTIONS (ONSITE OR OFFSITE)

- On occasion, group events such as retreats, group meetings, retirement celebrations, holidays or other similar events may occur as need arises. Such gatherings should be infrequent and a legitimate purpose should be outlined that aligns to business needs. To the extent possible, such events should be held in University space. If University space is not available or is not large enough for the size of the event, the use of space outside the University requires the approval by the designated financial officer for the unit.
- Social events such as annual holiday parties are allowable if they are reasonable in scope, with only one event per department, school, or unit, supported by unit funds. Funds for non-University invited guests will not be reimbursed. Incidental costs incurred by staff in order to participate in such events such as transportation costs or babysitting are not allowable for reimbursement.
- Such events should be modest and alcohol consumption should be closely supervised by the event sponsor. The costs associated with these events should not exceed the per person cost for business meals as previously outlined unless approved in advance by the Chief Financial Officer or the appropriate designee.
- Units should make every effort to consolidate holiday activities with other groups to ensure that the total cost for NYU is reasonable and prudent.
- Occasions that are inherently personal in nature (e.g., parties to celebrate births or marriages) or small in-office functions with purchased food or beverages should be paid for by the employees involved and are not reimbursable business expenses.
- Events should follow the [NYU Green Events Guide](#).

BUSINESS EXPENSES: TRAVEL

AIR TRAVEL

- **If you are considering traveling on University business, you are expected to determine if the potential benefits of the trip justify the time, expense, and environmental impact after considering cost-effective and low-carbon alternatives, such as video conferencing.**
- Flights and hotels should be booked using the Egencia agency. Please note that Egencia offers best rate guarantee. Full details surrounding the NYU Travel program can be found on the [Book a Trip](#) page.
- Tickets must be booked at least 21 days in advance unless there are extenuating circumstances and the exception is approved by a VP.

- International travel must be approved in advance by a VP and the approvals need to be documented in the AP Workflow submission, where applicable.
- Per NYU policy, a P-Card may not be used to book travel and the CTA card should only be used for infrequent travelers and NYU guests.
- Lowest-priced coach airfare ticket that meets the business needs of the travel should be chosen.
- All travel must be registered with NYU Traveler.
- Air travel within the Northeast Corridor (Richmond to Boston), and between cities within four hours travel by train in Europe, is prohibited without justification.
- Business Class airfare is permissible on flights longer than 12 hours. Exceptions can be granted by the EVP and CFO and include the following examples:
 1. Compressed travel (traveler must report to work immediately after flight);
 2. Health considerations;
 3. Travelers whose job descriptions include > 50% responsibilities which are global in nature (outside their "home location), as determined by their supervisor;
 4. Critical event/emergency-related travel.

HOTELS

Reservations

Negotiated rates at NYU preferred hotels are present in Egencia and hotel reservations should be booked using Egencia. When booking a hotel for a conference where there is a special conference rate, the reservation may be made directly with the hotel. Travelers must cancel reservations to avoid no-show charges which are not reimbursable unless there are extenuating circumstances.

LOCAL TRANSPORTATION

- The least-expensive and lowest-carbon option (e.g., train, taxi, shuttle, or personal auto) should be chosen unless there are convenience or safety issues that justify the additional cost.
- Taxis and car services such as Uber and Lyft are allowed for airport travel on University business.
- When traveling with others, it is often more economical to coordinate travel times and share a van or shuttle service. When requiring larger vehicles (e.g., UberXL, van) business justification and/or attendee information should be included.

TAXI AND CAR SERVICES

- Use of taxis and car services for travel between NYU locations, while not encouraged, should be permitted if it is for a legitimate business purpose.
- Commuting costs are not reimbursable unless it is to travel home after working until 9 pm or later or during the weekend.

MEALS AND ENTERTAINMENT

Individual Meals and Incidentials

- Travelers must claim actual meal and incidental expenses unless they are using per diem as described in NYU policy. Actual daily expenses claimed should be reasonable and appropriate and

typically should not be more than \$75 USD for domestic travel and \$125 USD for international travel.

- Meals are not reimbursed for travel without an overnight stay unless it is for a duration of 12 hours or more.
- Business meals on travel should refer to the general meals policy above.

Mini Bar

Mini bar charges are not reimbursable unless they constitute/replace a meal.

Incidentals

- The following incidental expenses will be reimbursed for approved business travel needs:
 - A temporary international voice or data plan added to a personal cell phone
 - Internet access (e.g., hotel, airline)
 - Passport and visa fees
 - Immunizations and travel related prescriptions

TIPS GUIDELINES

- The following would be considered reasonable and appropriate:
 - Skycap: \$2 USD per bag
 - Porters/bell person, etc.: \$2 USD per bag upon check-in/check-out
 - Maid service: up to \$2 USD per day
 - Meals: 15% – 20% (if not included in the charge)
 - Car service: if using a non-contracted service, 15-20% is appropriate

VIOLATIONS

- Employees and approvers are responsible for compliance to this policy which will be subject to audit.
- Expenses submitted for reimbursement that are deemed in violation of this policy may not be reimbursed to the employee/traveler.
- Additionally, employee/traveler may owe NYU an amount equal to the total of discrepancies or unallowable expenses.
- Repeated or egregious violations are subject to other disciplinary actions.

CONFERENCES

- Attendance at conferences requiring a flight and hotel should be limited to two employees from the same department per conference (exceptions may be granted for required continuing education for licenses/certifications or other business needs).
- Attendance at an instructional conference requiring a flight and hotel should be pre-approved by a VP. Employees must first complete online classes and justify the value of an in-person conference.
 - Justification for travel over less expensive and more sustainable alternatives (e.g., webinars) must be documented.
- Conferences and events hosted by NYU should allow for virtual participation when possible and follow the [NYU Green Events Guide](#).

CONSULTING AND OTHER PROFESSIONAL FEES

Any contractual agreement for consulting or other professional fees of \$100K- \$499K USD must be approved by a VP and agreements of \$500K USD or above, the CFO.

GIFTS TO EMPLOYEES AND NONEMPLOYEES

- Gifts and flowers to any University employees for any purpose other than those provided through the official University Human Resource employee recognition programs and exceptions listed below are not reimbursable.
- Gifts and flowers in celebration of holidays and other major life events—weddings, birthdays, births, promotions, or recognition of colleagues separating from the University are not reimbursable. Contributions should be solicited from friends and fellow workers to cover the expenses of these occasions.
- Flowers or gifts for bereavement, severe illness, or surgery are reimbursable.
- The University takes seriously its commitment to advance sustainability of resources, and to the extent possible, encourages limited purchase and distribution of printed materials to the extent possible. To that end, the University encourages the use of electronic cards as an alternative to printed cards whenever feasible.

COMPUTER PURCHASES, REPLACEMENTS, AND STANDARDS

COMPUTER PURCHASING AND REPLACEMENT

- Only one computer will be purchased for each employee (laptop recommended).
- Only one monitor will be purchased for each employee unless approved by department's fiscal officer.
- Devices must be procured through appropriate University channels (i-Buy).
- Needed specifications (beyond standard Dell model) must be defined by NYU IT.
- Use of add-on applications must be approved by NYU IT.
- All equipment is the property of NYU and must be returned to NYU upon equipment refresh or separation from the institution.
- Requests for devices and upgrades beyond the standard offerings to be approved by a VP (or equivalent) and FO.

COMPUTER STANDARDS

All staff are provided with or have access to the standard equipment offerings upon joining NYU. The following table provides guidance on determining the appropriate device.

GUIDANCE ON DETERMINING THE APPROPRIATE DEVICE

Device	Functional Requirements	Technical Requirements
Standard laptop	<ul style="list-style-type: none"> Long battery Backlit keyboard Touch Dongle Wireless Screen size - 13" 	<ul style="list-style-type: none"> 16GB RAM 256G SSD I5 processor
Lightweight laptop	<ul style="list-style-type: none"> Long battery Backlit keyboard Touch Dongle Wireless Dock 	<ul style="list-style-type: none"> 16GB RAM 256G SSD I7 processor
Power workstation	<ul style="list-style-type: none"> Faster CPU Dedicated GPU Additional RAM Additional storage Additional peripherals 	<ul style="list-style-type: none"> 32GB RAM 256GB SSD Xeon processor

Custom equipment may be requested when the standard equipment specifications do not allow the employee to perform the duties of his/her job, provided that requests are reasonable, necessary, and consistent with NYU policies.

Exceptions to this policy require documented approval by the VP.

COMMUNICATION DEVICES AND MOBILE DEVICES

DESK PHONES

Desk phones ("hard" phones") must be justified. Otherwise Jabber should be used.

MOBILE DEVICES

A. Eligibility Requirements

1. Full-time NYU employee

AND

- 2a. Employee's ability to respond after work hours is critical to the operational continuity, security, and stability of core University functions.

OR

- 2b. Employee spends the majority (~ five hours or more) of the workday in the field and his/her ability to respond, reference, or record via their mobile device while away is critical to the operational continuity, security, and stability of core University functions.

B. Terms

- Only one cell phone/line will be allowed per eligible individual.
- For eligible employees, mobile hotspots can be made available with the cell phone line to allow connectivity to other NYU-owned devices (i.e., laptops).
- iPads, mi-fi's, wearable tech, and other devices will not be provided or covered by NYU.
- All equipment is the property of NYU and must be returned to NYU upon line termination.
- Each department is responsible for notifying it.mobile@nyu.edu of deactivating lines as well as collecting and returning devices.
- Cell phones can be upgraded every two years, barring malfunction, loss, or theft. Employees are encouraged to keep functioning equipment for as long as possible.
- Mobile plans and device offerings will be determined and defined by NYU IT.
- Requests for devices/plans/upgrades to be approved by a VP (or equivalent) and FO.

C. International Travel

- Employees covered by this policy are responsible for signing up for international cellular plans by contacting it.mobile@nyu.edu at least one week prior to departure. This is applicable only to business related travel and excludes personal trips and vacations.
- Employees not covered by this policy, traveling on international NYU business are eligible for reimbursement for reasonable and necessary mobile fees incurred during business travel. This is applicable only to business-related travel and excludes personal trips and vacations.

D. Timing/Effective Dates

- New hires are subject to the policy as soon as it goes into effect.
- Existing employees will have until 3/31/2020 to take ownership of their NYU line and returning the device OR simply returning the device.

E. Exception Process

Exceptions to this policy require documented approval by the VP. For additional information, see these [Mobile Policy FAQ](#).

OFFICE EQUIPMENT AND FURNITURE

- For cost as well as sustainability consideration, re-using equipment and furniture must be considered first.
- When this is not feasible, preferred vendors must be used and the best value option should be chosen.
- If an ENERGY STAR rated model of the office equipment is available, it should be selected or justification should be documented.

SALES TAX

- The University reserves the right not to reimburse sales tax for a transaction that would have qualified for a sales tax exemption if it had been properly processed through the appropriate University channels (P-Card, i-Buy, etc.)

INTERNAL SERVICES

- Internal services should be the first option, enabling the University to retain substantial funds previously spent off-campus.
- Orders for services provided by internal departments cannot be placed with external suppliers without approval from Dining Services, Print Services, or other relevant departments.
 - Print Services
 - Mail Services
 - Space Rental (Kimmel)
 - Desktop Support
 - Facilities
 - Security Services
 - Chartered Bus Services

OTHER GOODS AND SERVICES

PREFERRED SUPPLIERS

Preferred Supplier Contracts

- Preferred Supplier Contracts are established by Procurement for the purchase of goods or services, which are either competitively bid or negotiated with suppliers. These agreements may include group and cooperative purchasing agreements that the University may utilize. When making a purchase for goods and services, departments should use Preferred Supplier Contracts as their first choice. Generally, departments do not have to obtain additional quotations or the competitive bid process when a Preferred Supplier Contract is utilized unless required by Procurement.
- Preferred suppliers can be found in the i-Buy NYU Marketplace and in the Procurement and Suppliers section of the Buying and Paying site.
 - [Log-in for access to the i-Buy NYU Marketplace.](#)
 - [Procurement Processes and Policies.](#)

TEMPORARY STAFFING

- Temporary employees other than student workers should be hired for a maximum of three months.
- To retain a temporary employee beyond three months, a business case must be submitted to the organization's VP and FO and where appropriate, to Human Resources, in compliance with the University's [Hiring Process for Temporary Employees](#) policy.
- Contingent staffing should be used only when it is based on the following reasons: special projects with defined time frames; coverage for attrition or an employee going out on a leave of absence; need for additional personnel during peak workload periods.
- Exceptions are granted for large projects that may last more than three months and for which the business case has been approved by the CFO.
- Use of preferred suppliers is mandatory. If preferred suppliers cannot provide service required, the Procurement team must be engaged to negotiate contractual agreements relating to fee schedules, bill rates, payment schedules.