

Marcus Institute Reimbursement Policy

Institutional Policy

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1 Purpose

The purpose of this Policy is to establish how the Marcus Institute for Aging Research at Hebrew Senior Life (HSL) will reimburse faculty and staff for business related expenses with clear guidelines and expectations to assure compliance with applicable federal and state regulations as well as institutional policies. As a not-for-profit entity that benefits from gifts by donors and sponsored awards, Marcus Institute/HSL has a stewardship obligation to use its funds prudently. All Marcus Institute faculty and staff must use Marcus Institute resources wisely and in the fullest support of the Marcus Institute mission of education and research. As such, travel and other expenses must be reasonable and necessary. Travelers must always use the most cost-effective means of travel and if using sponsored funds for travel follow the guidelines set forth in this policy. While no policy can address every scenario, this document is intended to cover the most common reimbursement related situations; where unusual circumstances arise, the spirit of this policy-along with good judgment-should prevail.

2 Scope

This policy is applicable to all Marcus Institute faculty and staff for sponsored and non-sponsored awards managed by the Marcus Institute. This policy is also applicable to any HSL or non-HSL staff working on sponsored awards managed through Marcus Institute.

3 Definitions

Allowable - The expense conforms to any limitations or exclusions set forth in the sponsored agreement or in the Federal Cost Principles while conforming to the four principles defined below.

Allocable - Specifically identified with a particular project, costs are charged in proportion with their benefit or use to a particular project.

Reasonable - the nature of the goods or services acquired or applied and the associated dollar amount reflect the action that a prudent person would have taken under the circumstances prevailing when the decision to incur the cost was made while also adhering to the criteria specified in the below policy.

Timely – should be submitted to Accounts Payable as soon as possible, but no more than 45 days after original charge was incurred.

Conform - This test of allowability – conformance with limitations and exclusions as contained in the terms and conditions of award, including those in the cost principles – varies by the type of activity, the type of recipient, and other characteristics of individual awards.

4 Policy Statement

To maintain compliance with federal and state regulations, as well as institutional policy, staff and faculty are expected to follow the procedures for reimbursements as outlined in this document.

5 Procedures

General Guidelines:

- a) All reimbursement forms can be found at:
<https://www.marcusinstituteforaging.org/resources/research-administration/finance-policies-forms>
- b) Prior to making any purchases with their own funds, Marcus Institute staff must contact Research Administration in order to ensure there is not already an established vendor or method of purchase (i.e. Center Credit Card, Purchase Order, etc.) for that service or product.
- c) For all reimbursements, it is important that the following questions are all answered on the reimbursement form: Who? What? Where? When? Why? (How does the purchase/expense benefit the grant and/or organization?).
- d) For reimbursements that get charged to a sponsored award, the expense must be Allocable, Allowable and Reasonable. If you are not sure, please check with your grant manager before making any purchases.
- e) Because payments must be delivered to AP for final payment by the 90th day after an expense is incurred, we recommend that you submit all reimbursement requests to Research Administration within 45 days of the purchase/travel date. This will allow for proper review, approval, and submission to AP in the time frame stated above. If you do not submit your reimbursement request within 45 days of the date of purchase/travel date, then we cannot guarantee that your reimbursement can be processed. (In certain extenuating circumstances beyond the employee's control, such as short term leave, exceptions may be documented for the auditors and approved for processing).
- f) All charges being represented on a reimbursement must include an itemized proof of **payment**
- g) All receipts must be **itemized** and legible.
- h) All receipts must be itemized on the appropriate reimbursement form.
- i) For petty cash requests only, all receipts must be **itemized originals**.
- j) Reimbursements are typically for employees or non-employees providing a very clear service to HSL/Marcus Institute (please see non-employee reimbursement section for further details)
- k) Reimbursements for non-employees, while non-taxable, must be accompanied by a signed relevant tax document (W-9 for US Citizens, W-8 for foreign citizens) in order for them to be set up in the payment system.

- l) All reimbursements must be approved by the staff member's supervisor/manager.
- m) Hebrew Rehabilitation Center is a tax-exempt 501 (c) (3) organization. Any purchases made outside of the Center in the State of Massachusetts must be exempt from sales tax by presenting a copy of the certificate of exemption (please contact Research Administration to obtain a copy). Sales tax will not be reimbursed for charges within the State of Massachusetts. An exception is granted to food charges with a receipt totaling \$25 or less, all other in-state sales tax is not considered reimbursable. Occupancy/ hospitality tax charged by hotels is not sales tax and is reimbursable. For charges outside the state, sales tax will be reimbursed.
- n) Inability to provide any of the required documentation may result in the inability to process the reimbursement for payment.

5.1 Food/Meals

Personal meals are the meals for the traveler who is on the trip. Each traveler will be reimbursed for his/her personal meal expenses only.

The traveler may choose between getting reimbursed by using the federally approved daily Meal & Incidental (M&I) per diem rates from the General Services Administration ([GSA](#)) or by submitting itemized receipts. The traveler may not interchange between the two on different days of the trip.

5.1.1 Per Diem Meals & Incidentals (M&I):

- a) When the traveler chooses not to provide itemized receipts for their meals and/or incidentals, they must use per diem rates. The total amount reimbursed to the traveler cannot exceed the daily GSA listed per diem rates for the visited city including tax and tip.
- b) For the first and last calendar days of travel, HSL will honor 75% of the federally approved GSA per diem rate for the visited city.
- c) Per diem rates are determined by city, and they can be found on the federal website under M&I Expenses <http://www.gsa.gov/portal/category/21287>
- d) Per diem reimbursements will be given for M&I Expenses only; Itemized receipts must always be provided for lodging.
- e) If a meal(s) is included as part of a conference or provided by any other third party, the traveler cannot request a per diem reimbursement for that meal.
- f) For meals not provided by the conference or by any third party, the traveler may request per diem reimbursement for this meal(s). The amount reimbursed will be based on the GSA per diem individual meal rates.
- g) Per diem may not be claimed for local travel or travel which does not require an overnight stay. An exception is when a conference is held locally in Massachusetts and meals are not provided as part of the conference registration, reimbursement may be provided in line with the per diem rates for the city where the conference is located.

5.1.2 Receipts:

- a) If the traveler is providing itemized receipts instead of claiming per diem, on the first and last days of travel s/he can be reimbursed up to 75% of the daily federally approved per diem meal rate.
- b) If a meal(s) is included as part of a conference or provided by a third party, the traveler can not submit a receipt for that meal. An individual cannot be reimbursed more than once for the same meal on the same date.
- c) The conference agenda should be included with the reimbursement request.
- d) Total meal expenses reimbursed to an individual cannot exceed the daily GSA meal per diem rate. This rate is inclusive of all taxes and tips.
- e) An **itemized** receipt must be included for every meal on the reimbursement if per diem is not being used.
- f) Tips on a meal receipt and appropriate services will be reimbursed at a rate of no greater than 20%.
- g) Alcohol is not reimbursable on any sponsored account or on many special purpose funds. If you wish to be reimbursed for alcohol, the charge and related taxes must be on a separate receipt (from the food if applicable) that is justified (reasonable purpose) on the reimbursement request and charged to a discretionary account. Please speak with your grant manager before alcohol purchases are made to make sure you have access to an eligible account.
- h) If the food/meal was charged to a credit card, and a tip or any other extra charge subsequent to the receipt being issued was added after the meal total, A receipt must be provided for the total amount of the meal plus additional charges. A copy of the credit statement is not required, however it may be requested as back-up information for audit specific needs.
- i) When a Marcus Institute staff member provides a meal to a group while away at a conference or locally for a business purpose, this is not considered a personal meal. Therefore, it is not subject to the per diem guidelines. Additionally, such expenses should not be charged to sponsored accounts. They can only be charged to special purpose accounts. The group meal is considered a "third party" provider to those in attendance, and should be treated as such when the Marcus Institute staff in attendance for the group meal claim other expenses for that day's meals. Such requests for reimbursement must include a meeting agenda, business/meeting purpose, and list of attendees.

5.1.3 Group Meals Provided By Marcus Institute Employees:

When meals are provided to a group - whether locally or while travelling - and paid for by a Marcus Institute employee, these meals are subject to the following restrictions:

- a) Due to the complexity of the nature of these types of meals, they are not eligible for reimbursement from sponsored awards;

- b) The staff member paying for the group meal can still claim per diem for the rest of the trip, removing this individual meal rate (lunch, breakfast or dinner) from the total day's per diem rate for that city;
- c) A detailed description outlining the business purpose for the meal: Who, What, Where, When, Why;
- d) A participant list must be provided with first and last names;
- e) An itemized receipt must be provided; and
- f) HSL staff for whom the meal was provided, when claiming their own per diem on the day of the provided meal, must remove the individual meal rate (lunch, breakfast or dinner) from the total day's per diem rate for that city so as to not duplicate reimbursement.

5.2 Air Travel: Foreign and Domestic

- a) Travelers are expected to book the lowest priced coach fares.
- b) Itemized receipts must be submitted.
- c) Receipts must be itemized by each leg of the trip to reflect business travel expenses.
- d) When purchased through a third party vendor or package, an itemized invoice of costs must be provided by the third party to reflect all charges. If itemization cannot be provided, reimbursement may not be possible. Please speak with your Grant Manager before purchasing any third party travel package.
- e) Boarding passes required for prepaid travel only.
- f) If the air travel (foreign or domestic) is to be charged to any federal grant, the traveler must
 - i. Use domestic airlines only, or US chartered airlines if no US carrier is available. Under certain circumstances a foreign carrier may be used if an Open skies treaty exists. This is mandatory. Even if the flight is more expensive, these policies must be followed and documented.
 - ii. Only book basic coach seats. No upgrades can be reimbursed on grants*
(*Certain reasonable seat upgrades may be charged to some special purpose accounts on a case-by-case basis. Please see your grant manager before purchasing any upgrades to see if they are reimbursable)
- g) Other miscellaneous expenses associated with air travel (such as travel insurance) may be reimbursable. If you are unsure whether a particular expense is reimbursable, please see your grant manager before purchasing your air travel reservations.
- h) Travelers who submitted their airfare for prepayment will be required to provide their boarding pass or printed emailed boarding pass that names traveler as proof of travel within 90 days of travel (see Prepayment section for more information)
- i) Travelers who submit their request for airfare reimbursement post-travel as part of their overall conference reimbursement packet will not be required to provide a paper boarding pass as proof of travel, as the reimbursement packet will serve as proof that the airfare was used.

It is recommended that before foreign travel is booked, the traveler consult with the grant manager. If you have any questions, please see your grant manager before purchasing any ticket, foreign or domestic.

5.3 International Travel: Converting Foreign Currencies

Expense Reports must be submitted in US Dollars with an explanation and translation of the foreign receipts and their conversions. For purchases made in cash, travelers must use the currency rates that were in effect on the date the purchase took place from the conversion site <http://www.oanda.com/currency/converter/>. A print out of the conversion rates must be attached to the request form.

When a foreign currency expense is purchased using a credit card, the credit card statement must be provided as back up to show the actual amount of USD charged because exchange rates vary daily.

5.4 Lodging

Lodging will only be reimbursed for the traveler. Travelers are required to stay in a standard room not to exceed the federally approved per diem rate. The exception is when the traveler is staying at a conference rate hotel or conference recommended hotel unless the room is part of the package where the meeting is being held.

- a) Hotel receipts must be itemized by day and by individual expense
- b) Hotel costs must be itemized by day on the Travel Expense Form to reflect the costs on the hotel receipt
- c) If any costs other than lodging are included in the hotel receipt (ex. meals, internet, etc.) they must be categorized on the reimbursement form separately in their proper charge category on the day they were incurred.
- d) If any food costs are listed on the hotel receipt, an itemized food receipt must be included in addition to the hotel receipt in order to receive reimbursement.
- e) When purchased through a third party vendor or package, an itemized invoice of costs must be provided by the third party to reflect all charges. If itemization cannot be provided, reimbursement may not be possible. Please speak with your grant manager before purchasing any third party travel package.

5.5 Alcohol

- a) In order to be reimbursed for alcohol purchases, a separate itemized receipt listing the alcohol purchases only must be provided.
- b) Alcohol is not reimbursable on any sponsored account or on many special purpose funds. If you wish to be reimbursed for alcohol, the charge and related taxes must be on a separate receipt that is justified (reasonable purpose) on the reimbursement request and charged to a discretionary account. Please speak with your grant manager before alcohol purchases are made to make sure you have access to an eligible account.

- c) Purchase of alcohol as gifts or incentives can no longer be reimbursed through the Marcus Institute.

5.6 Conference/Registration Fees

- a) Proof of **payment** must be provided.
- b) In some cases, registration fees up to \$1000 may be eligible for reimbursement through HSL's tuition reimbursement program. The employee should review the Tuition Reimbursement Information on tuition reimbursement on The Hub (<http://thehslhub/Forms>) and any questions must be directed to Human Resources.

5.7 Taxis

- a) A receipt must be included that includes the date of travel, drop off location, and dollar amount.
- b) If you use a taxi slip given to you by HSL Administration, hand in proof that the ride was taken.

5.8 Rental Cars

Travelers may rent a car to their destination when driving is more convenient than airline, rail, or other transportation or it is less expensive than other transportation modes such as taxis, limousines, and airport shuttles. Where air travel is available, the cost of the rental car should not exceed the cost of a round trip airfare.

- a) Reimbursable costs include the daily rental fee, gasoline charges, and tolls.
- b) Non-reimbursable costs include, but are not limited to: child car seats, personal accident insurance, car repairs, tickets, fines, and traffic violations.

5.9 Mileage

- a) Travel is only reimbursable from HSL to the destination and back. Normal commuting expenses between home and the traveler's place of work are not reimbursable. The traveler is required to deduct his or her own commuting mileage (home to primary office location) from the total mileage of the trip when the trip originates from home. A google map outlining the trip should be submitted with the reimbursement request to ensure only allowable mileage is reimbursed.
- b) When the trip originates from home and the total round-trip mileage is less than employee's total commuting mileage, then the mileage from this trip is not reimbursable.
- c) For the current reimbursement rates, please go to www.irs.gov and do a search for "20XX standard mileage rate". These typically change annually, but have been known to change throughout the year.

5.10 Telephone/Cell Usage

- a) Employee will be reimbursed for safe arrival and business phone calls placed on land lines that are reasonable and necessary for conducting business and itemized on the hotel bill.

- b) If a principal investigator determines that the use of a cellular phone by project staff is imperative to the project, the following reimbursement calculation will be used:
- i. The actual monthly cost per minute is a factor of the monthly service charge (fixed cost) and any additional usage costs. The calls relating to the project should be identified on the call detail portion of the invoice. Divide the sum of the fixed and usage cost by the total number of minutes used. This will define the monthly cost per minute. Then multiply the number of project related minutes by the monthly cost per minute to calculate the reimbursement amount.
 - ii. Monthly minutes used for business purposes on a cell phone plan with unlimited minutes will be prorated based on a percentage of total minutes used. The reimbursement amount will be derived from the prorated percentage of the rate for monthly minutes on the itemized bill.
 - iii. Devices, replacements upgrades and any other device related expenses cannot be charged to any sponsored award. Devices which are reimbursable must be paid up front. No monthly device payment plans will be reimbursable.

5.11 Tolls, Parking, Meters

- a) For tolls, a receipt must be included
- b) For parking, a receipt must be included

5.12 Prepayments

There are only 3 types of pre-payments that HSL currently reimburses for which are 1) flights, 2) deposits on hotels and 3) registration for conferences. Please go to the [Marcus Institute Finance Policies & Forms page](#) for the most up to date version of the Travel Expense form.

- a) Once an employee pays for a flight, hotel deposit and/or conference registration, the employee should complete the Travel Expense form per policy outlined above for lodging, conference fees and/or air travel.
- b) The employee must provide the same back-up information as with a regular reimbursement (include proof of payment as described above)
- c) Employee must submit proof within 45 days of travel that he/she took the flight, and/or stayed at the hotel and/or attended the conference. **Failure to provide this proof will mean the employee will no longer be allowed to take advantage of this reimbursement option.**

If the expense was originally charged to a grant, failure to provide appropriate back up documentation will necessitate the transfer of this expense to a program specific discretionary account identified by Director of the center or core.

5.13 Non-Employee Reimbursements

Guest speakers and colleagues may receive reimbursements when providing a very clear service to HSL/Marcus Institute. Each non-HSL employee must have the applicable reimbursement form submitted individually in his/her own name and he/she will be reimbursed as a vendor.

- a) Travel reimbursements must meet all of the above requirements for employee reimbursement. **Please go to the [Marcus Institute Finance Policies & Forms page](#) for the most up to date version of the Travel Expense form.**
- b) Honoraria and other non-travel reimbursements will require a completed W-9 (or W-8) form for the payee in addition to a completed Department request Form. **Please go to the [Marcus Institute Finance Policies & Forms page](#) for the most up to date version of the Departmental Request form.** Additional information may be needed by Research Administration to set up a new vendor and the faculty and/or staff are responsible for obtaining all information from new vendors.

5.14 Non-Travel Reimbursements

- a) Must include a detailed description of the purchase including the business purpose (who, what, where, when, & why).
- b) Must include itemized proof of payment
- c) Must follow the general guidelines as listed above.

5.15 Approvals

Reimbursement requests must meet the approval requirements for Accounts Payable per the Marcus Institute Purchasing Policy & Procedures, and the employee submitting the reimbursement request must also obtain approval signatures from the following staff members:

- a) The request must be signed by the specified recipient of the funds as justification that the expenses being requested are accurate
- b) The request must be signed by an authorized account signatory as justification that the request accurately represents expenses applicable to the account specified
- c) The request must be signed by the employee's Manager/Supervisor
- d) The request must be signed by the Grant Manager as justification that there are sufficient funds in the account specified and that the expense is allowable, allocable and reasonable

5.16 Payment Timeline and Turnaround

- a) In an effort to get reimbursements processed through fiscal services as soon as possible, Research Administration must do a complete review and preapproval of all reimbursement requests before they are submitted to fiscal services. This process can take some time.
- b) The employee can anticipate a three-five week period between the date that the request is submitted by Research Administration to Fiscal Services and the actual receipt of the check.*
- c) Employees seeking further information on check statuses post-submission can contact Research Administration. Employees should not contact Fiscal Services directly under any circumstances.

Example timeline for staff member who traveled to California for a trip

1. Staff member returns from trip and submits proper form and receipts to Research Admin

2. Research admin reviews to make sure proper forms are used and completed properly. And, confirms backup documentation agrees with requested reimbursement
3. Approval from Research Admin is sent with a Reference Number back to staff member to get all signatures and add the Reference Number to the form.
4. Staff member returns fully signed reimbursement packets (form, backup) to Research Admin
5. Research Admins submits to fiscal services for payment
6. Fiscal services processes for payment and check is sent down to Marcus Institute for distribution to staff member

*Please note that all payment requests are submitted by Research Administration to Fiscal Services weekly on Fridays. The preapproved, fully signed, completed reimbursement packet must be submitted to researchadmin@hsl.harvard.edu no later than the end of the day on Wednesday in order to ensure that it is submitted to fiscal services on Friday.

6 Reference Materials

- Marcus Institute Reimbursement forms can be found on the website at <https://www.marcusinstituteforaging.org/resources/research-administration/finance-policies-forms>
- Purchasing Policy & Procedure