

Meal Reimbursement Change Effective 9/1/2014 for Local Funds

The Internal Revenue Service (IRS) audits are focusing more on employee reimbursements. In response to this changing audit environment, the Texas A&M University System's outside tax attorney has recommended Texas A&M members change current practices to ensure compliance with IRS publications 463, 535 and 15-B.

Effective 9/1/2014, we will have a more restrictive policy than our previous local funds policy. The new policy will be to reimburse actuals up to the GSA rate without receipts, but receipts or substantiation are required if the daily meal expenses exceed the GSA rate. The State Department's rates will be used for foreign travel. (Fiscal responsibility still applies).

System members adopting this policy:

Texas A&M University
Texas A&M University at Galveston
Texas A&M Health Science Center
Texas A&M AgriLife Extension Service
Texas A&M AgriLife Research
Texas A&M Veterinary Medical Diagnostic Laboratory
Texas A&M Engineering Experiment Station *after they implement Concur in FY' 15

Substantiation can be either the receipt or if the travel card was used, this provides the required substantiation.

State Funds Policy will remain the same – reimburse up to the GSA rate, no receipts or substantiation required. A department can require receipts but neither the State nor Texas A&M AgriLife require them.

The meal reimbursement rate policy will apply to trips with a start date of 9/1/14 or after. The 90 day report submission policy will be effective for all expense reports submitted on 9/1/14 or after. Also attached is a document illustrating how to enter the new GSA Rate information into Concur on the expense report header. These policies, and the changes in Concur, will be effective on 9/1/14.

90 Day Reimbursement

All expenses must be adequately accounted for within 90 days or the expenses will be reported as taxable income to the employee and the travel card suspended.

This policy has been implemented to meet the “reasonable period of time” in the IRS accountable plan. Expenses that fall within the IRS accountable plan are not reported as taxable income to the employee.

IRS Accountable Plan

- expenses must have a business connection.
- must adequately account for these expenses within a reasonable period of time.
- must return any excess reimbursement or allowance within a reasonable period of time.

Travel

- Submission of expense report within 90 days of travel end date
 - Applies to out of pocket and travel card transactions.
 - If not submitted within 90 days of travel end date.
 - Travel card immediately suspended until expense report is submitted and approved.
 - Expenses become tax reportable income to the employee and a tax withholding form must be attached to the expense report.
- Unassigned travel card transactions assigned to an expense report within 90 days of post date.
 - Documents travel end date, which allows for aging/tracking of expenses.
 - Best practice is to assign transactions within 30 days.
 - After 60 days lose dispute rights with the bank.
 - If not assigned within 90 days of post date.
 - Travel card immediately suspended until transactions are assigned to an expense report and the travel end date can be evaluated.
 - If travel end date is less than 90 days the card suspension will be removed.
 - If travel end date is older than 90 days the expenses become tax reportable income to the employee and card will remain suspended until expense report is submitted and approved.
- Third Strike Rule - for cards suspended for the third time.
 - Travel Card will be suspended for one year with notification of card suspension sent to traveler, business manager and department head.
 - No travel advances will be made available to the employee during this time period.

Purchase

For any reimbursement request outside of travel expenses must be submitted for reimbursement with 90 days of the receipt date or in the case of a working fund project completion date.

- Best practice is to submit reimbursement requests within 30 days
- Any reimbursement request older than 90 days should include a request for tax withholding form.

Tools Available to Track Concur Aging Transactions and Expense Reports

- Concur automated email generated to the traveler and delegates for any unassigned transactions not assigned to an expense report 30 days from postdate.
- Concur automated email generated to the traveler and delegates for any expense report not submitted 30 days from the travel end date.
- Monthly aging transaction report distributed to the first approver on FAMIS screen 919 for each department.
- Weekly aging report for transactions greater than 60 days distributed to the traveler and the department business manager.
- Standard reports available to departments to run at any time.

Public Folders - IBM Cognos Connection - Windows Internet Explorer provided by Yahoo!

https://reporting2.concursolutions.com/cognos/cgi-bin/cognosisapi.dll?b_action=xts.run&m=portal/cc.xts&m_folder=i6CD07536FCFE4EEAB10EC27B1A332895

p00082048i4v_601006782@TAMUS.EDU_3894 Log Off

Public Folders My Folders

Public Folders > Texas A&M University System (p00082048i4v) > Texas A&M University System Department Reports > Credit Card Transactions

Entries: 1 - 11

<input type="checkbox"/>	Name	Modified	Actions
<input type="checkbox"/>	Outstanding Credit Card Transactions	July 5, 2013 12:38:53 PM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Dept	March 21, 2014 2:13:32 PM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Dept > 30days	May 23, 2014 6:21:40 AM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Dept > 60days	October 3, 2012 3:33:55 PM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Employee	January 23, 2013 1:22:03 PM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Employee Older than 30 days	October 3, 2012 12:29:11 PM	More...
<input type="checkbox"/>	Outstanding Credit Card Transactions Grouped by Employee Older than 60 days	October 3, 2012 12:31:18 PM	More...
<input type="checkbox"/>	Top Employees with Unassigned or Unsubmitted CC Transactions	May 7, 2014 7:22:16 AM	More...
<input type="checkbox"/>	Unassigned Credit Card Transactions	July 15, 2014 11:48:05 AM	More...
<input type="checkbox"/>	Unassigned Credit Card Transactions Grouped by Employee > 30 days	October 15, 2012 1:26:41 PM	More...
<input type="checkbox"/>	Unassigned Credit Card Transactions Grouped by Employee > 60 days	February 28, 2013 9:57:32 AM	More...