

## BUSINESS EXPENSE POLICY HIGHLIGHTS

### **FLOWERS/PLANTS (updated 1/1/16)**

The purchase of funeral flowers is permitted. The Office of Students Affairs will purchase flowers for the funerals of students. A supervisor within the individuals department may purchase flowers for funerals of faculty/staff and their spouse, other eligible individuals (OEI) and children/step-children/children of OEI. An employee reimbursement voucher should be completed and signed by someone administratively senior in order to receive reimbursement. **[BC; ER]**

Flowers/plants may **not** be purchased for individual faculty, staff or students for any reason other than funerals (as outlined above). Flowers/plants may **not** be purchased for decorations for offices of individuals or for events held at a personal residence.

Flowers/plants may be purchased as part of a development effort. The appropriate development officer and/or Dean must approve these purchases. **[BC; ER]**

Flowers/plants may be purchased for decorations at university events open to the public. Examples include commencement, the all university retirement reception, campus award ceremonies, homecoming, conferences and other special events. **[BC; ER; PO]**

### **GIFTS, GIFT CARDS AND PRIZES (updated 1/1/16)**

Gifts and prizes include cash payments, gift cards, and non-cash gifts paid for with university funds. Gifts and prizes may only be purchased for specific purposes and must be distributed within 30 days of purchase. They may not be purchased in bulk and set aside for future use.

It may be appropriate to purchase gifts for visitors to CMU, e.g., international visitors, volunteers, speakers, guests. The cost of any gift must be modest (normally, less than \$50 per individual). Gifts of more than \$250.00 are not allowed. Gifts (regardless of value) may **not** be purchased for students, employees or members of their immediate families. **[BC; ER; B; PO]**

Gifts may be purchased for donors as part of a development activity. The appropriate development officer and/or Dean must approve these purchases. **[BC; ER; B]**

Prizes are allowed for organized contests and drawings, department surveys, etc. The cost of any prize must be modest (normally, less than \$50 per individual). Some prizes given to employees are reportable as taxable income. Some prizes awarded to students (who are not employees) are required to be reported to the Scholarships and Financial Aid Office. If questions, call Payroll and Travel Services.

For gifts or prizes, the name, value and business purpose needs to be reported to Payroll and Travel Services as part of the monthly reconciliation/documentation process. Any gift or prize given to non-university recipients with a value of more than \$50 will need to complete IRS Form W-9 Request for Taxpayer Identification Number and Certification. Departments must also get a statement signed and dated by the recipient stating the amount of the gift they received. The

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**Methods of Purchase Policy Effective: 10/7/02, Revised: 10/01/2004, 4/9/07, 4/1/08, 1/12/12, 8/31/12, 1/1/16**

A Campus Dining

BC CMU Business Card

IV Invoice Voucher

US University Stores

B CMU Bookstore

ER Employee Reimbursement

PO Purchase Order (over \$4,999)

**Note:** A Vice President must provide written approval of all exceptions to the above policies

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forms must be submitted to Payroll and Travel Services as part of the monthly reconciliation/documentation process. [BC; ER; B; PO]

Payment for research participation approved through the IRB is not considered a gift. For more information, please see the policy and procedure titled [Payments to Research Subjects](#).

Plaques, service awards, departmental apparel or other similar promotional items are not considered gifts for purposes of this policy. Any college, department or unit purchasing apparel for employees must have a university approved CMU logo AND its college, department or unit name imprinted on the apparel. Acceptable documentation must include receipts for purchase of apparel and imprinting costs. [BC; ER; B; PO]

### MARKETING/PROMOTIONAL ITEMS

CMU marketing materials (pens, mugs, etc.) of nominal value (normally, less than \$10) may be purchased under this policy for distribution to potential students, donors, customers, etc. Any college, department or unit purchasing apparel for employees must have a university approved CMU logo AND its college, department or unit name imprinted on the apparel. Acceptable documentation must include receipts for purchase of apparel and imprinting costs. [BC; ER; B; PO]

### HOLIDAY CARDS AND DECORATIONS

The purchase of holiday cards and decorations must be directly related to development activities. [BC; ER; B]

### BEVERAGES/FOOD ITEMS

Supplies of coffee, water, soda and juice may be purchased and provided to university guests and employees. Food items may **not** be provided to employees on a routine basis. [ER; A; US; BC]

### EMPLOYEE ONLY MEALS

The cost of meals, where only CMU employees are present, are generally **not** permitted. In situations where employees from multiple campus units can only meet during a meal period it is permissible to charge the cost of the meal to university funds. Good judgment should be used when expending university funds in this manner. Original itemized receipts are required. [A; BC; ER]

### DEPARTMENTAL APPRECIATION EVENTS (updated 1/1/16)

A department may hold events during the year to show appreciation for employee efforts. The cost of the event should be reasonable (normally, less than \$20 per person). Spouses or other eligible individuals (OIE) may be invited to appreciation events. The appropriate Vice President (or designee) or Dean must approve all employee appreciation events. [BC; ER; A; PO]

### DEPARTMENT/STAFF RETREATS, WORKSHOPS AND STAFF MEETINGS (updated 1/1/16)

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Campus facilities should be used whenever possible. Beverages/refreshments (coffee, juice, soda, donuts, bagels, cookies, fruit, etc.) for retreats, workshops and staff meetings are permissible when occasional or unusual in frequency. Meals may be provided when appropriate for the time and duration of the event (normally, less than \$20 per person). Spouses or other eligible individuals (OEI) expenses are **not** acceptable at department retreats. Any event held off campus including an overnight stay must have an itinerary and prior approval of the appropriate Vice President (or designee) or Dean. **[BC; ER; A; PO]**

### RETIREMENT/SEPARATION RECEPTIONS (updated 1/1/16)

Departments may host a reception for employees retiring or separating from the university (one per employee). This does not include events for employees that are transferring departments within the university. Reasonable expenditures, under \$250, are permitted. Events costing in excess of \$250 must have prior approval of the appropriate Vice President or designee. **[BC; ER; A; PO]**

### HOLIDAY EVENTS (updated 1/1/16)

Holiday functions are permitted. The cost of such functions must be reasonable (normally less than \$20 per person) and may **not** be charged against any general fund or sponsored program account (i.e., 1xxxx, 2xxxx, 3xxxx, 6xxxx, 7xxxx, 6xxxxx (WBS)). It is permissible to include spouses or other eligible individuals (OEI) in these events. **[BC; ER; A; PO]**

### ALCOHOL (updated 1/1/16)

Reimbursements for alcohol consumed on campus, at locations other than approved areas, will not be approved for payment. Approved areas include Bovee University Center, the President's residence or locations as designated by the President. The purchase of alcohol is allowed for business meetings, development events and activities funded from ticket sales (Lem Tucker, golf outings, fundraisers). Alcohol (including any sales tax that was charged) may **not** be purchased from any general fund or sponsored program account (i.e., 1xxxx, 2xxxx, 3xxxx, 6xxxx, 7xxxx or 6xxxxx (WBS)). **[BC (when applicable) ER; PO]**

### SPOUSE EXPENDITURES (updated 1/1/16)

Meal expenditures related to spouse (or other eligible individuals (OEI)) involvement in development activities, athlete recruitment and employment interviews are permitted when university guest has corresponding spouse (or other eligible individual (OEI)) in attendance. Expenditures for spouse (or other eligible individual (OEI)) travel (meals, airfare, etc.) are **not** permitted. The appropriate Vice President or designee must approve exceptions to the spouse travel policy in advance, unless there is no additional cost. **[ER; BC (when applicable)]**

### GROUP TRAVEL (added 4/4/08)

In limited circumstances, lodging and business meals (within per diem) for large groups may be charged to one employee's business card. This is only allowable for candidate search committees, set up crews for out of town events put on by University Events, theater/performing

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groups and Gear Up when traveling with large numbers of young children and chaperones. This does not include business conference travel and requires prior approval from Payroll and Travel Services. **[BC; ER; PO]**

### **FRIEND/FAMILY HOSPITALITY (added 4/1/08)**

When a CMU employee is traveling on university business and chooses to lodge with friends or family instead of at a hotel, it is permissible for that employee to purchase dinner(s) for the host(ess) as long as the cost is less than the cost of the lodging and not more than \$40 per person. **[BC; ER]**

### **CHARITABLE CONTRIBUTIONS (updated 1/12/12)**

As a part of the State of Michigan, governed by the Michigan State Constitution, Central Michigan University is not permitted to give charitable contributions/donations to any person or organization. If you are interested in sponsoring an event, please see “sponsorships”.

### **SPONSORSHIPS (updated 1/16/16)**

Sponsorships or underwriting are only permissible if given in exchange for consideration (advertising or services) and must be approved by the appropriate Vice President or designee. Due to the difficulty of determining fair market value and the potential public criticism for this type of activity, departments are expected to carefully review these expenditures. **[BC; ER; IV]**

### **TIPS (updated 8/31/12)**

Tips for handling baggage (whether at the airport, hotel, etc.) should not exceed \$10.00 for the first day and \$10.00 for the last day of each occupancy/lodging venue. **[BC; ER]**

### **GAS CARDS (updated 1/1/16)**

Gas card purchases are only allowable to be used for CMU owned vehicles. Employees must contact Contracting and Purchasing Services, 774-3118, to obtain a gas card. **[PO]**

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