

June 11 DFS Conversations Questions Answered

Changes to university policies 3.2, Travel Expenses, and 6.6.13, Flexibility in the Workplace

All of the following information will be or has already been published as part of the procedures on the [Travel](#) website and other pages within the Division of Financial Services site. This document does not constitute the complete set of procedures for any policy.

If you have questions, please contact the [Shared Services Center](#) or attend one of their daily [Virtual Office Hours](#) sessions.

Expenses and Cost Savings

While it is not strictly required or monitored, the policy statement of Travel Expenses states, “The university expects its faculty and staff members to consider costs, efficiency, economics, value, and necessity when traveling on behalf of the university.” This clear directive is expected to become part of the university’s culture.

To that end, the Travel Expenses policy and its procedures advise units to **consider the budget implications of travel and opt for alternatives to physical travel, where appropriate.**

Strongly recommended cost-saving measures include, but are not limited to, the following:

- Avoid sending multiple people from the same unit to the same conference, meeting, or event.
- Opt for remote candidate interviews and attendance at conferences, meetings, and events.
- Use Cornell’s negotiated rates with preferred and contract travel vendors.
- Use Cornell’s preferred booking methods.

Tax Exemption

Cornell is a tax-exempt organization, and tax exemption only applies when the expense is paid with Cornell funds using your university-provided card or another university-prepaid method. This requirement is **not** a change in current policy; it’s the law.

Tax exemption certificates are only available from the Shared Services Center. You should try whenever possible to have tax removed from a university business expense using a **tax-exemption certificate** regardless of what payment method you use. The vendor still might deny the exemption even when Cornell pays the expense directly. Because obtaining some exemptions can take several weeks, we strongly recommend that units reimburse employees for sales tax paid on expenses incurred in furtherance of university business. See [Sales Tax Exemption Certificates](#).

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Meals: Individual and Business/Hosted

Individual Travel Meals

Individual meals while in travel status are reimbursed at the per diem rate and should be paid for **using your personal resources** (cash or credit card) so that the expense doesn't appear on the T&M Card and so that you will not have to repay the university if the cost of a meal exceeds the per diem rate. If you spend more than what the per diem covers, you are responsible for that cost. As long as your meal expenses for the day stay within the daily per diem allowance, you should not incur additional personal expenses.

Alcohol

If you choose to *responsibly* consume alcohol during your **individual travel meal**, it is inconsequential because you are reimbursed at the per diem rate, you pay for personal meals using your own funds, and you do not submit receipts. For all other types of meals, however, be mindful of the rules about alcohol use and reimbursement.

Alcohol is a **federally unallowable expense** but may be reimbursed under certain conditions, but **only** with non-sponsored funds. The purchase and use of alcohol may represent a legal exposure to an individual or institution. **Some colleges or units may not allow reimbursement of alcohol purchases.** Extra caution regarding alcohol should be taken when traveling with students. For more information, see [University Policy 4.8, Alcohol and Other Drugs](#).

Business and Hosted Travel Meals

The new rules state that business and hosted meals **while in travel status** are reimbursed at **up to 100%**, including tax and tip, of the **daily per diem rate per person** for that location. The rate was previously 150%.

This means that the **person who paid** for the business or hosted meal while traveling on university business will be reimbursed at the **total daily per diem rate** for **each person** attending the meal. For example, suppose you host a business meal for five people, including you, in New York, NY, where the **total** per diem rate for the whole day is \$79 per person. In that case, your total **reported expense** for the meal cannot exceed \$395. That does not mean you can't *spend* more than that; you just won't be reimbursed for the overage.

Travel Status: You are in short-term **travel status** when you travel **at least 50 miles away from home for 12 hours or more** while conducting university business, where **one or more overnight stays** occurred. Short-term travel is generally less than 30 days.

Local business or hosted meals are not included in this rule because these meals are considered a business expense, and reimbursement is based on **your receipts**, not per diem. You can use your T&M or procurement cards for these local meals. Make sure you follow the meal expense submission procedures for each payment method.

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Catered and Private Events

Do not pay directly for meals being provided at a private event (for a group in a restaurant or other facility only for Cornell and its guests and not open to the public) or for **event spaces**.

Private events require a purchase order for [catering and event space rental](#). If you have questions, contact the [Procurement Services](#).

Lodging

Gifts in Lieu of Housing

In the past, Cornell reimbursed travelers who purchased gifts for the host of the lodging where the traveler stayed instead of paying for commercial lodging. Cornell doesn't reimburse you for staying at a private residence or your personal or family-owned residence; therefore, **Cornell will no longer reimburse travelers for gifts in lieu of housing costs**. Gifts generally include things like tangible property, meals, or gift cards.

There are no exceptions to this rule.

E-Commerce Lodging and Safety Considerations

While e-commerce accommodation services such as Airbnb are not considered private residences under this policy, Cornell **strongly discourages** using Airbnb or other similar services due to the potential risks to the traveler, specifically related to **fraud, fire protection, and physical assault**. If you choose to stay in an e-commerce accommodation, you do so at your own risk. **You must not book a stay at an e-commerce accommodation on behalf of another individual or group of travelers** because you cannot accept that risk on another person's or group's behalf.

Students traveling abroad and staying with host families should work with their departments to review potential safety, health, and security issues.

If you have questions about the insurance liability and risks of using an e-commerce accommodation, please contact [Risk Management and Insurance](#).

Taxability of Expenses

All information related to the taxability of business expenses is available on our website: [Taxability of Expenses](#) and specific travel rules are available on the [Travel](#) website.

Travel expenses must be submitted **within 60 calendar days of the travel end date**, which means you must **submit** your expense report through the required system **within 60 days of the date you return** from your trip, whether short- or long-term.

The 60-day timeframe does not reset for any reason, so it's critical that you fully and accurately submit your expenses within the 60 days. If your report is missing information and has to be resubmitted, your report could be delayed past the 60-day deadline.

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If you purchased travel-related expenses on behalf of someone else, you are responsible for submitting those expenses within 60 days of when the traveler returned from travel. The traveler must also submit the expense within 60 days as a prepaid expense.

Business expenses must be submitted within 60 calendar days of **when you incurred the expense**. This requirement follows the person who holds the procurement or T&M card, not the requestor, who is not always the same person. Therefore, it's critical that cardholders get the receipts from any third parties as soon as possible and submit a report within the 60-day period.

After 60 days, you must get approval from your dean, dean, vice provost, vice president, provost, president, or designee. If approved, **the total amount of your expense report may be reported as taxable income** to the IRS, and applicable taxes will be withheld from a future paycheck when required, regardless of how expenses were paid (e.g., university prepaid, university-provided card, or out-of-pocket) or whether you receive reimbursement.

You will not be reimbursed for out-of-pocket expenses submitted twelve months (365 days) or more from the end of travel. Expenses prepaid by the university or paid on a university-provided card will be reported as taxable income to the IRS, and applicable taxes will be withheld where required. Further guidance will be provided on whether and how employees must **repay prepaid or T&M Card charges** after 365 days.

When amounts are reported as taxable income, units must not increase (i.e., gross-up) the net amount to include taxes.

Canceled Travel and Unused Expenses

If an expense for travel was incurred on a T&M Card but **travel was canceled**, leave the transaction in Concur and take no further action until the expense **is used**. For example, if you booked and paid for a flight with your T&M Card, but the flight was canceled or the trip postponed, leave the expense in Concur and only report it when it has been used. When you have paid out-of-pocket for canceled travel expenses, you can request an advance for the expense and, if the advance is approved, add it to a future expense report.

Amounts not reported as of July 1, 2024

These rules go into effect on July 1, and any expenses not submitted within 60 days of travel as of July 1 will be taxable. Likewise, expenses older than 365 days will not be reimbursed.

Tracking Compliance

Units are responsible for reviewing outstanding T&M Card transactions as part of the required unit internal control plan. Several OAS Concur Travel dashboard reports show outstanding transactions, unsubmitted expense reports, etc. If a traveler in your unit is not submitting a trip or expenses, please work with the individual or your college business officer.

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Remote Worker Travel to Campus

The revisions to University Policy 6.6.13, Flexibility in the Workplace, include new rules for reimbursing remote employees who travel to campus. **The new flex policy and its procedures will be effective as of June 24, 2024.** There are also tax rules for the [Taxability of Employee Travel to Campus](#). Any reimbursement to a remote employee not complying with the following rules **will be considered taxable income.**

The Flexibility in the Workplace policy does not support working fully remotely outside the U.S. For questions on faculty working out of the U.S., you can speak with Kristi Shults from International HR.

For easy access, travel procedures for remote workers will be available on the [Travel](#) website with the Travel Expenses procedures.

Employee travel to campus is considered **commuting**, and on-site or hybrid employees will not be reimbursed for it. For employees who are **required** to live elsewhere (e.g., AA&D West Coast), travel to campus is considered business travel and will be reimbursed as normal.

These procedures only apply to regular fully remote employees traveling to their home campus (i.e., where the position would be based if they worked on-site, such as Ithaca, Geneva, New York City, etc.) from their **permanent** remote work location. These rules **do not apply to temporary remote locations**, such as those often required for research or flexible, temporary work arrangements.

Purpose rules apply:

- You must be **required** to travel to campus **for purposes other than performing responsibilities of your position** (e.g., team building, new hire orientation, unit all-staff gathering, attending training).

Distance rules apply, and these are **one-way** miles, not roundtrip:

- You must live 100 or more miles away for single-day travel
- You must live 50 or more miles away for multiple-day travel.

Time rules apply:

- You will only be reimbursed for **up to 4 visits** and **35 total days** on campus **per calendar year (Jan.-Dec.)**. The 4-visit cap does not include a new hire orientation visit to campus. However, the days spent on campus for a new hire orientation visit count towards the 35 days per calendar year.

For faculty or staff members whose primary appointment is at one campus and they periodically travel to another campus **for purposes other than performing their position's responsibilities**, if the travel to Ithaca is expected to continue for more than one year (e.g., it's an ongoing expectation), they would only be reimbursed for up to 35 days out of that year.

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If a remote employee has to travel to campus **more than 4 times per year**, they will only be reimbursed if the trip is **for purposes other than performing their position's responsibilities** and the length of all the trips is within the 35-day limit.

Student Travel

Student travel was not covered in this presentation, though there were a few questions about this topic. New guidance about student travel will be available in the fall. How student travel is treated depends on the business reason for the trip. See the [Travel](#) website for current guidance on student travel.

Employee Business and Leisure Discounts

The business and leisure discounts available for Ithaca, Geneva, and Cornell Tech employees are unavailable for Weill Cornell employees. Weill Cornell Medicine currently has its own travel system, procurement team, and contracts.

For business-related rates, use the Concur booking system or World Travel, Inc., our preferred travel agent, or see the Travel website for discounts available directly from suppliers.

For leisure and personal discounts, see the [Employee Personal Purchase Discounts](#) page (Ithaca, Geneva, and Cornell Tech employees only).

Travel Processing Turnaround Times

The Shared Services Center publishes its turnaround [Standards](#) on its website. The current turnaround time for processing travel, including DV e-doc processing, is **15 business days, not including the lag time** required to request more information or documentation.

Please refer to the [Travel](#) website for all procedures and contact the [Shared Services Center](#) with questions.