



WAKE FOREST  
UNIVERSITY

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## Accounts Payable Disbursement Policy

Approved By:	Senior Vice President for Finance and Administration & CFO
Effective Date:	January 1, 2015
History:	Approval Date: October 8, 2014 Revisions: None
Policy Type:	Administrative
Policy Number:	3.4.02
Responsible Official:	Associate Vice President for Finance and Controller
Related Policies and Procedures:	Payment Approval Procedures Travel Procedure Meals and Entertainment Procedure University Procurement Card Manual

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### **Policy Statement**

Wake Forest University (WFU) pays all necessary, appropriate, and reasonable business-related expenses incurred by faculty, staff, students, and other official University guests. Faculty and staff are responsible for carefully managing the University's resources, including financial resources. Faculty and staff should use prudent business judgment, coupled with disciplined budgetary control, when expending University funds for business expenses.

Expenditures such as travel, business meals, and entertainment event costs are consistent with the normal business operations of the University. Expenditures must be reasonable in nature and consistent with the nature of the business conducted by the University.

This policy is intended to support the IRS regulations and Internal Revenue Code (IRC) definition of an "Accountable Plan." The accountable plan rules determine which expenditures may or may not be reported as taxable income to employees, students, and other University guests. The accountable plan rules are defined in the University's financial procedures.

Individual University departments may implement more restrictive policies and procedures, which the department should monitor and enforce.

Sponsored projects such as National Science Foundation, or National Institutes of Health Grants, may have additional requirements. The applicable award document, the Uniform Guidance, and OMB Circular A-21 should be referred to prior to contacting the Grant Accounting Manager, x 5187, in Financial and Accounting Services (FAS) for specific project guidelines.

### **Reason for Policy**

This Policy establishes the foundation for business expenditures related to University activities. In addition, this Policy and related procedures are intended to comply with Federal and State regulations, the University's accountable plan, and best industry standards.

### **Responsibilities**

The following outlines the responsibilities of various parties under this Policy:

#### ***Employees and Students***

The individual submitting documentation, such as an invoice, University procurement card (Pcard) statement, Travel and Entertainment Form or Expenditure Voucher will:

- Verify that all expenses requested to be paid or reimbursed by the University are valid and conform to this Policy and related procedures.
- Attest that expenses submitted for reimbursement, in accordance with University procedures, have not been previously paid through a prior submitted expense report, cash advance, Pcard, or by any outside agency or other third party.
- Submit within time limits documented in related University procedures.
- Remain accountable for ensuring that all expenses are incurred, and all requests for payment or reimbursement of such expenses are submitted in accordance with this Policy, even though the employee may delegate responsibility for a form's preparation to another person.

#### ***Authorizer/Approver***

Individuals authorized to approve the business expenditures of others will be responsible for administering this Policy. Approvers must:

- Attest that the purpose of the expense is valid and directly related to University business.
- Request further documentation or explanation of expenses that appear to be excessive or unusual. Explanation of such expenditures will be included in documentation submitted to Accounts Payable, such as invoices, Pcard statements, Travel and Entertainment Form and Expenditure Voucher Form.
- Submit the approved documentation to Accounts Payable on a timely basis.

The primary responsibility for the determination of the appropriateness of expenditures rests with the individual seeking reimbursement and the individual responsible for approval and authorization. Accounts Payable will review the Travel and Entertainment

Forms, invoices, Pcard statements, and Expenditure Voucher Forms for compliance with the University's accountable plan.

***Financial and Accounting Services/Accounts Payable***

The Accounts Payable unit within Financial and Accounting Services (FAS) is responsible for reviewing documentation, such as invoices, Pcard statements, Travel and Entertainment Forms, or Expenditure Voucher Forms prior to processing to verify that expenses are reasonable, appropriately authorized, and comply with the University's accountable plan.

***Internal Audit***

University Internal Audit personnel routinely examine invoices, Pcard statements, Travel and Entertainment Forms, and Expenditure Voucher Forms to monitor compliance with University policies, procedures, and regulatory agencies.

***Primary Guidance***

The primary guidance for this policy is the Internal Revenue Code and its requirements for an accountable plan, along with industry standards for best practices.

Other guidance for this policy comes from North Carolina Sales and Use Tax Regulations.

For sponsored projects, guidance within award documents, as well as federal policies, such as the Uniform Guidance, OMB Circular A-21 Cost Principles for Educational Institutions, 2 CFR, Part 220, NSF Award & Administration Guide, and NIH Grants Policy Statement must be adhered to.

***Responsible University Office or Officer***

Associate Vice President for Finance and Controller  
Director, Accounts Payable

***Who Is Governed By This Policy***

All staff, faculty, students and official University guests who expend University funds.

***Who Should Know This Policy***

All staff, faculty, and students.

***Exclusions & Special Situations***

None

**Highlights of Revisions, by Date**

n/a

**Violations of Finance Policy**

Violation of this Policy should be reported to your supervisor, faculty administrator, human resource representative, department manager, and/or the office responsible for the policy. Where these resources are inadequate, you may choose to make an anonymous report through any of the following:

University Compliance Office at 336-716-5252 or  
Compliance Hotline at 877-880-7888 or visit the [WFU compliance web site](#)