

Please see below for upcoming changes to Bowdoin's Expense Reimbursement and Cash Advance policy. Changes will be effective January 1, 2019. Please contact Lisa Roux Gauthier (lroux@bowdoin.edu), Lynne Toussaint (ltoussain@bowdoin.edu), or Robin Saindon (rsaindon@bowdoin.edu) if you have any questions.

Expense Reimbursements

Beginning January 1, 2019, expense reimbursements submitted more than 60 days from when the expense was incurred ("expense date") will be considered taxable income to the employee and will be reported to the IRS as part of W-2 wages. Under IRS (accountable plan) rules, reimbursement requests submitted more than 60 days from the expense date represent taxable income to employees. Due to stepped up enforcement by the IRS, the College is also enhancing its compliance efforts.

Generally speaking, the expense date represents the date of purchase. For expenditures paid in advance of receiving services, such as airfare and conference registration, the expense date is the date the service was provided (e.g. day of return flight, last day of conference). The College strongly encourages all employees to use Direct Travel and a corporate credit card for all air travel bookings. By paying with a corporate credit card, you have twice as long to submit receipts before the expense is considered taxable income to you as an employee.

Submitting expenses for reimbursement can be done at any time and from all over the world via your Workday account online or through the Workday mobile app. There is no need to wait until your return to campus.

What does this mean to employees?

1. If you submit your reimbursement request within 60 days of the expense date, there is no impact to you.
2. If you submit your reimbursement request beyond 60 days from the expense date, you will receive the full amount of your requested reimbursement, however taxes will be withheld in a subsequent payroll corresponding to the taxable portion of your reimbursement. The College will not "gross up" wages/withholdings to cover the additional tax.

The College prefers you are fully reimbursed for expenditures made on behalf of the College. Please be sure to submit your expenses in a timely manner.

Cash Advances

Cash advances should be made no sooner than 30 days prior to expenses being incurred, and any unused funds should be returned within 120 days of final expenses being incurred. Unsubstantiated expenses that are not returned within 120 days represent taxable income to the employee, and will be reported to the IRS as part of W-2 wages. Faculty on extended College travel (greater than 30 days but less than 1 year) must return unused funds within 60 calendar days of his/her return to campus. For administrative convenience, return dates of September 15 and January 15 from spring and fall semester leaves, respectively, are assumed for all faculty.