

# Finance Training

Policies, Procedures, & Best Practices

# Overarching Principles

- Regenstrief Institute is a non-profit organization with an international reputation to uphold. Individuals incurring expenses on behalf of the Institute are asked to exercise discretion and good judgement in the use of funds available to the Institute, regardless of their source.
- As good stewards of the funds entrusted to the Institute, expenses must adhere to the specific restrictions required by the funder.  
**External funding restrictions supersede any restrictions outlined by Regenstrief Institute.**
- “Regenstrief Institute’s procurement policy is to obtain the best value for the materials, goods, and services that it purchases from, and to maintain the highest ethical standards in dealing with, its suppliers. Value includes price, quality, and service.” ([Purchasing Policy](#), section 2.1)



# Training Objectives

- Understand the importance of pre-approvals
- Review the purchasing lifecycle
- Review processes for vendor selection, set-up, and contract routing
- Review travel and expense reimbursement best practices
- Understand payroll and time management basics
- Access and navigate key references and forms

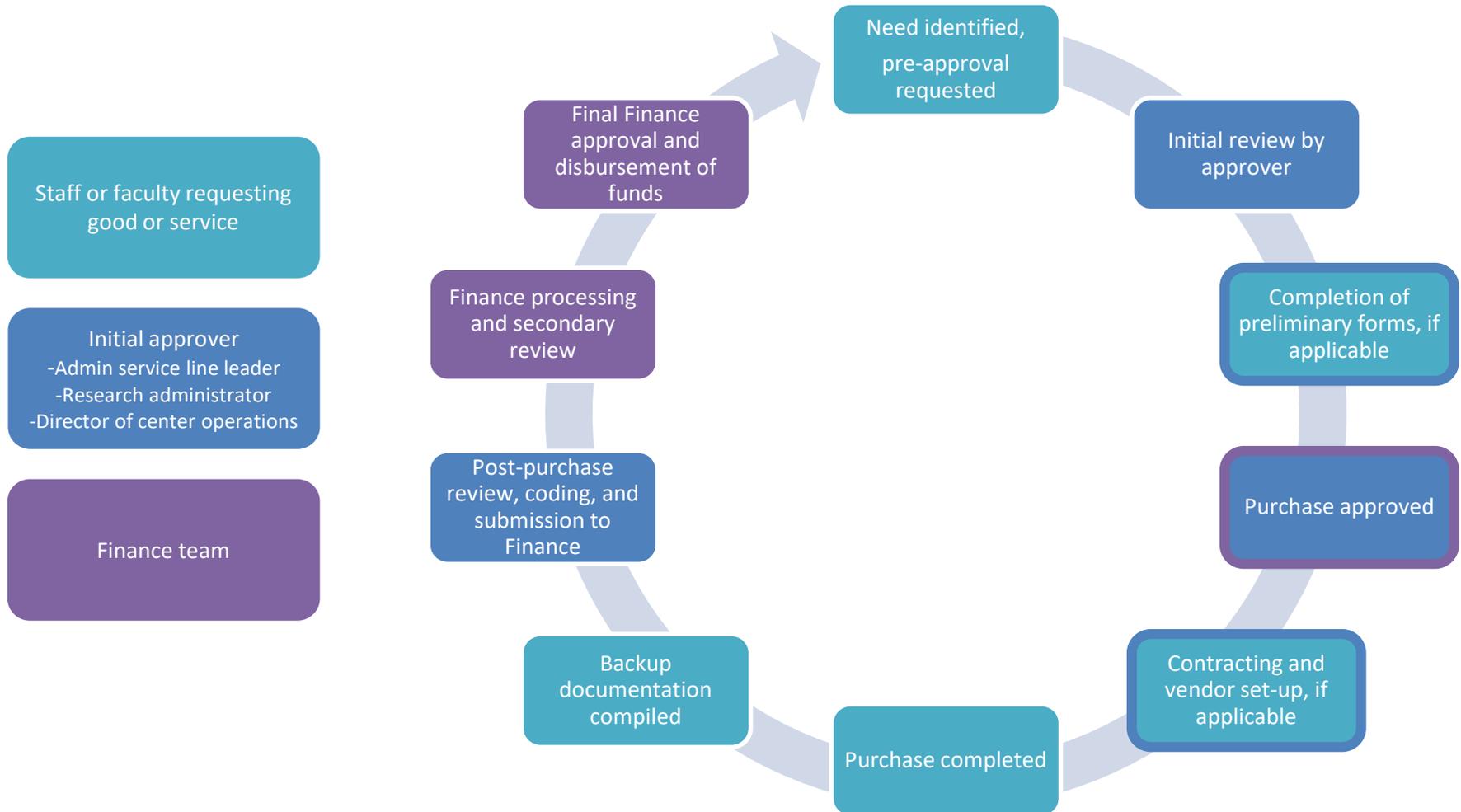


# Pre-approvals

- Leverage knowledge of approvers:
  - Administrative Service Line Leaders
  - Research Administrators
  - Directors of Center Operations
- Reduce unallowable expenses and budget overages
- Conserve discretionary funds
- Protect you and the funds we are entrusted to steward
  - “Any individual under the scope of this policy found to have willingly violated this policy may be subject to disciplinary action, up to, and including, termination of employment.” ([Purchasing Policy](#), section 5.1)



# Purchasing Lifecycle

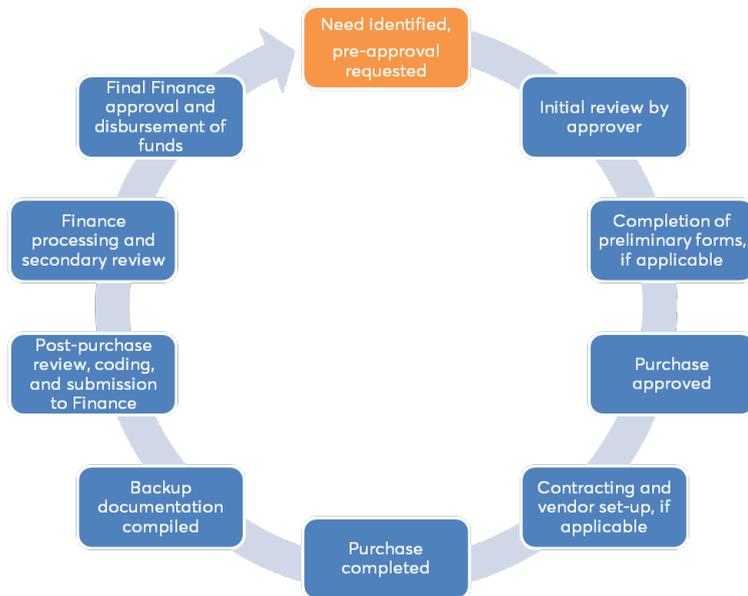


# Purchasing Lifecycle

- Need identified, pre-approval requested

– At a minimum, requests should include:

- Goods or services to be procured
- **Clear business purpose**
- Vendor
- Estimated cost
- Proposed source of funds
- Other pertinent details needed to make an informed decision

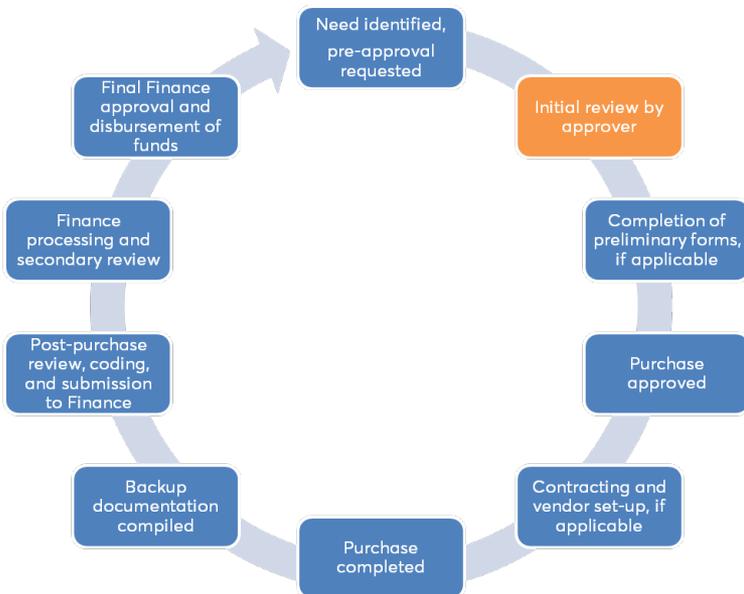


# Purchasing Lifecycle

- Initial review by approver

- Is the proposed expense:

- **\*Necessary:** Does a valid business purpose exist?
- **\*Reasonable:** Would the purchase, in its nature and amount, be in line with that of a prudent person under similar circumstances?
- **\*Appropriate:** Is the cost suitable for the business purpose? **Could the expense be comfortably defended under the scrutiny of the funder, auditors, and the public?**
- **\*Allowable:** Does the expense adhere to internal and external restrictions?

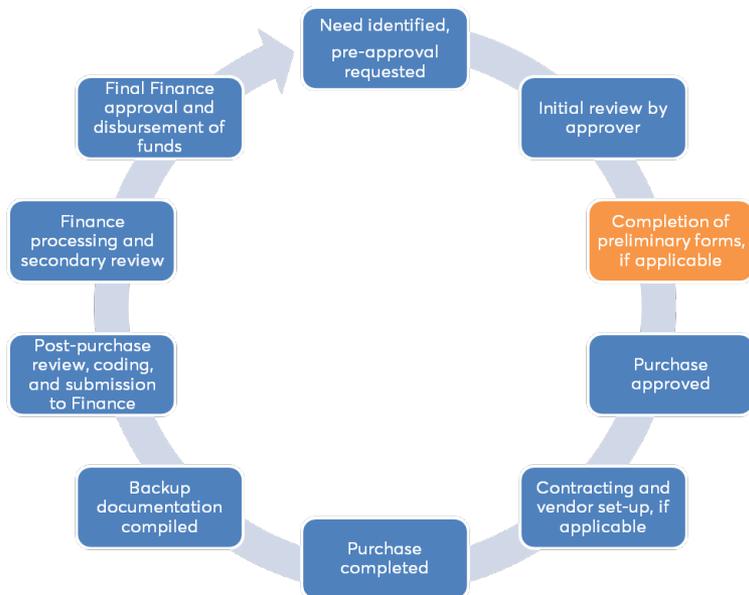


\*Detailed definitions can be found in the [Expense Reimbursement Policy](#).



# Purchasing Lifecycle

- Completion of preliminary forms, if applicable



- Small Purchase Request Form

- **Required** for purchases priced from \$10,000 to \$249,999
- **Must be approved by Finance prior to purchase**

- Competitive bids

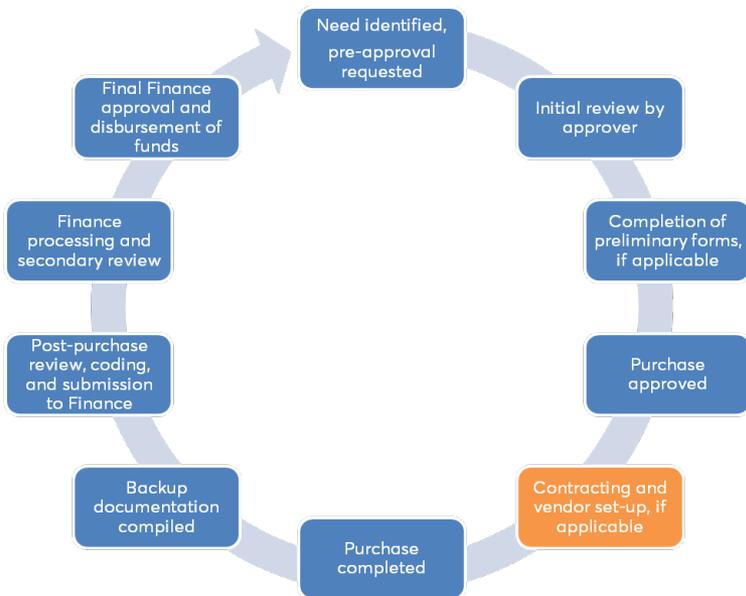
- Must be solicited for purchases of goods or services priced at \$250,000+
- Please contact Finance for assistance with this process.

- See Purchasing Policy



# Purchasing Lifecycle

- Purchase approved
- Contracting and vendor set-up, if applicable
  - Individual independent contractors must be vetted by the Director of Human Resources and pre-approved before any commitment is made on behalf of the Institute.
    - IssueTrak Quick Pick = Contracts - Independent Contractor Review/Addition
  - All contracts must be processed through IssueTrak and signed by an authorized signer.\*
  - All new vendors must submit a completed vendor packet to [riiap@regenstrief.org](mailto:riiap@regenstrief.org).



\*See the [Signature Authority Policy](#) for additional details.



# Vendor Packets

- US and International versions
- Required for all new vendors
- Purpose
  - Comply with IRS reporting requirements.
  - Inform vendors of Institute expectations.
  - Facilitate prompt payment and vendor management.



# Vendor Selection

- Regenstrief Institute supports and encourages contracting and subcontracting opportunities for small business concerns.
- For contracts subject to a HHS subcontracting plan that meets the minimum requirements of section 8(d) of the Small Business Act, contact the Director of Grants & Contracts or the Director of Finance for assistance in developing requests for proposals or other solicitations.
  - The Institute works with Indiana University Purchasing to identify small business concerns capable of providing the products or services solicited. This is to ensure small business concerns are made aware of relevant opportunities.
  - Requests for proposals shall be designed to permit the maximum practicable participation of small business concerns, and solicitations shall be reviewed to remove statements which might restrict or prohibit participation by small business concerns.
  - Assistance in preparing responsive bids will be provided to small business concerns as requested.



# Purchasing Lifecycle



- Purchase completed
- Backup documentation compiled
  - ALL expenses must be properly substantiated. **This includes items purchased on corporate credit cards.**
  - Invoice, receipt, or [Missing Itemized Receipt Form](#) including:
    - Name of vendor, merchant, or individual seeking reimbursement
    - **Itemization of goods or services purchased**
    - Date
    - Transaction amount
    - Method of payment (if reimbursement)
  - **Clear business purpose**
  - Total number of attendees, accompanied by a list of those attendees or identification of a discernable group, for food/hospitality expenses



# Purchasing Lifecycle



- Post-purchase review, coding, and submission to Finance
  - Payment requests with all backup documentation, approval, and coding should be submitted to [riiap@regenstrief.org](mailto:riiap@regenstrief.org) by:
    - Administrative Service Line Leaders
    - Research Administrators
    - Directors of Center Operations
- Finance completes secondary review, processing, final approval, and disbursement of funds.
- See [Check Signing and Expense Approval Policy](#)



# Deadlines\*

\*Center deadlines that are more restrictive take precedence.

- Credit card reconciliations
  - Per policy, completed reconciliations are due by EOD 3 business days after statement close (currently the 28<sup>th</sup> of each month).\*
  - [Unauthorized Purchase Form](#) must be completed and included for any unauthorized purchases.
  - [Missing Itemized Receipt Form](#) must be completed and included for any transaction that is not supported by an itemized receipt.
  - Policy enforcement, per [Corporate Credit Card Policy](#):
    - Any individual under the Scope of this policy found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.
      - The Institute will seek restitution for any inappropriate charges made to the card.
      - Fraudulent or intentional misuse of the card will result in revocation of the card and/or possible criminal charges.

\*Finance has allowed 5 days from statement close.



# Deadlines\*

\*Center deadlines that are more restrictive take precedence.

- Expense reimbursements
  - Due to Finance **within 60 days** from the date the expense was incurred
  - See [Expense Reimbursement Policy](#)
- Travel reimbursements
  - Due to Finance **within 60 days** of the return date of the trip
  - See [Travel Policy](#)
- Requests submitted after the initial 60 day period require written justification. If approved, the payment is taxable compensation.
- Requests submitted after 120 days require the approval of the Regenstrief Institute President.
- The [Missing Itemized Receipt Form](#) must be completed and included for any transaction that is not supported by a receipt.
  - This form should only be used in the rare case that a copy of the missing receipt cannot be obtained from the vendor or credit card company.



# Travel Best Practices

See [Travel Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- **Obtain pre-approval before booking travel**
  - Funding agency or contract-specific restrictions supersede Institute restrictions.
  - Your research administrator knows best!
  - **Business class airfare may not be allowable.**
  - Justification and prior approval are required for preferred seating/seat selection fees.
- RI employees are encouraged to purchase travel insurance when traveling outside of the United States. Please reference the [Travel Expense Reimbursement Guide](#) for preferred carrier and policy.
  - IU employees have travel insurance through the university.
- Exercise discretion and good judgement in the use of funds available to the Institute, regardless of their source.



# Travel Best Practices

See [Travel Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Know before you go:
  - **Save your receipts**, including itemized hotel receipt.
    - Exception: Receipts for meals if per diem is requested instead
  - Per diem
    - Based on full M&IE rate (inclusive of incidental expenses) and documented departure/arrival times
    - Meals provided to the traveler as part of the conference registration or paid for by another entity are excluded from reimbursement.
    - **Default per-meal breakdown:**
      - Breakfast: 25%
      - Lunch: 25%
      - Dinner: 50%
    - Payable in advance with proper approval
  - A corporate credit card should not be used to pay for meals, tips, or other incidentals.



# Travel Best Practices

See [Travel Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Know before you go:
  - **Upgrades of any kind are generally unallowable.**
    - Exceptions must be **pre-approved by Finance** and supported by a unique and valid business need.
    - Traveler preference is not a valid justification for upgrade.
  - Airport parking is limited to the cost of economy parking.
  - Transportation to/from the home airport (in lieu of parking) is limited to the cost of economy parking for the duration of the trip.



# Unallowable Travel Expenses

See [Travel Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- **Airport club and lounge memberships**
- Cell phone usage\*
- Contributions to public officials
- Credit card delinquency fees or finance charges
- **Incidentals**
  - **Gratuities for baggage handling, hotel staff, etc.**
- Personal expenses
  - e.g. Travel costs incurred when business travel is extended for personal reasons
- Saunas, massages, or exercise facilities
- Spouse/partner travel when not required by the Institute
- Unused room reservations when not properly canceled
- **Upgrades**

\*See [Travel Expense Reimbursement Guide](#) for exceptions



# Expense Reimbursement Best Practices

See [Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- **Obtain pre-approval prior to purchase.**
  - Funding agency or contract-specific restrictions supersede Institute restrictions.
  - Your research administrator knows best!
- Exercise discretion and good judgement in the use of funds available to the Institute, regardless of their source.



# Expense Reimbursement Best Practices

See [Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Know before you buy
  - Hospitality
    - **Itemized** receipt or invoice must include
      - **Total number of attendees**, accompanied by a list of those attendees or identification of a discernable group
      - **Valid business purpose, which benefits the Institute**
    - Recommended limits per meal including food, beverage, tax, service, and delivery charges:
      - Breakfast: \$30
      - Lunch: \$40
      - Dinner: \$100
      - **Justification for costs exceeding these rates is required and reimbursement is not guaranteed.**



# Expense Reimbursement Best Practices

See [Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Know before you buy
  - Gifts and Honoraria
    - Pre-approval by a director of center operations or service line leader is required.
    - Consult the Finance team for potential tax implications.
  - Legal Fees
    - Consult with one of the following before engaging with outside counsel:
      - Chief Operating Officer
      - Privacy and Compliance Officer
      - Director of Human Resources



# Expense Reimbursement Best Practices

See [Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Know before you buy:
  - IT-related items
    - Title to equipment generally resides with the Institute.
    - All requests for computers to be serviced by HTS (formerly CAITS) must be submitted through the HTS ticketing system ([htshelp@iu.edu](mailto:htshelp@iu.edu)).
    - Requests for **all other IT-related items** (docks, wireless keyboards/mice, cables, power adapters, software, etc.) should be submitted to [riipurch@regenstrief.org](mailto:riipurch@regenstrief.org) by one of the following:
      - Administrative service line leaders
      - Research administrators
      - Directors of center operations
    - For more information, see the [guide](#) for use of [riipurch@regenstrief.org](mailto:riipurch@regenstrief.org).



# Unallowable Expenses

See [Expense Reimbursement Guide](#) and [Travel Expenditures and Reimbursement Procedure](#)

- Personal advertisements
- Employee travel to and from work
- Personal credit card fees, including late payment penalties and interest charges
- Hazardous materials
- Parking or traffic violations
- **Parking permits for IU staff**
- Personal services
  - e.g. Child care, pet care, medical services, etc.
- Political contributions
- **Sales tax\***
  - See [Sales Tax Exemption Form](#)
- Sponsorship of external teams or other external groups
- Stolen, lost, or damaged personal property
- Tuition expenses for non-employees\*\*

\*Regenstrief Institute reserves the right not to reimburse sales tax for a transaction that would have qualified for a sales tax exemption if it had been properly processed through the appropriate Regenstrief Institute channels.

\*\*Exception: Non-employees accepted into an official Regenstrief fellowship program.



# Professional Development Funds

- Allowable uses include, but are not limited to:
  - Conferences, seminars, workshops
  - Participation in professional networks/associations
  - Professional licensures and continuing education
- Expenses related to a degreed program are processed through the employee tuition reimbursement program.
  - Professional development funds cannot be used to supplement tuition reimbursement or to cover placement tests or application fees associated with pursuing college degrees.
- Equipment, devices, and other accessories purchased (or reimbursed) with organizational funds are Institute property. Customization with personal names, initials, etc. is not allowable.

See the [Faculty Development Policy](#), [Staff Development Policy](#), and [Tuition Reimbursement Policy](#) for additional details.



# Payroll and Time Management

- Enter hours worked to the nearest quarter hour (0.25 hour increments).
- Sick and vacation leave:
  - Exempt/salaried employees may use leave in 4- or 8-hour consecutive increments in the same day.
  - Nonexempt/hourly employees may use leave in 1-hour or more blocks of 15-minute increments (e.g. 1 hour and 15 minutes, 2 hours and 30 minutes, etc.)
  - With rare exception, unpaid time should not be granted if an employee has sick and/or vacation leave available for use.

See the [HR Time Keeping Policy](#) for additional detail.



# Payroll and Time Management

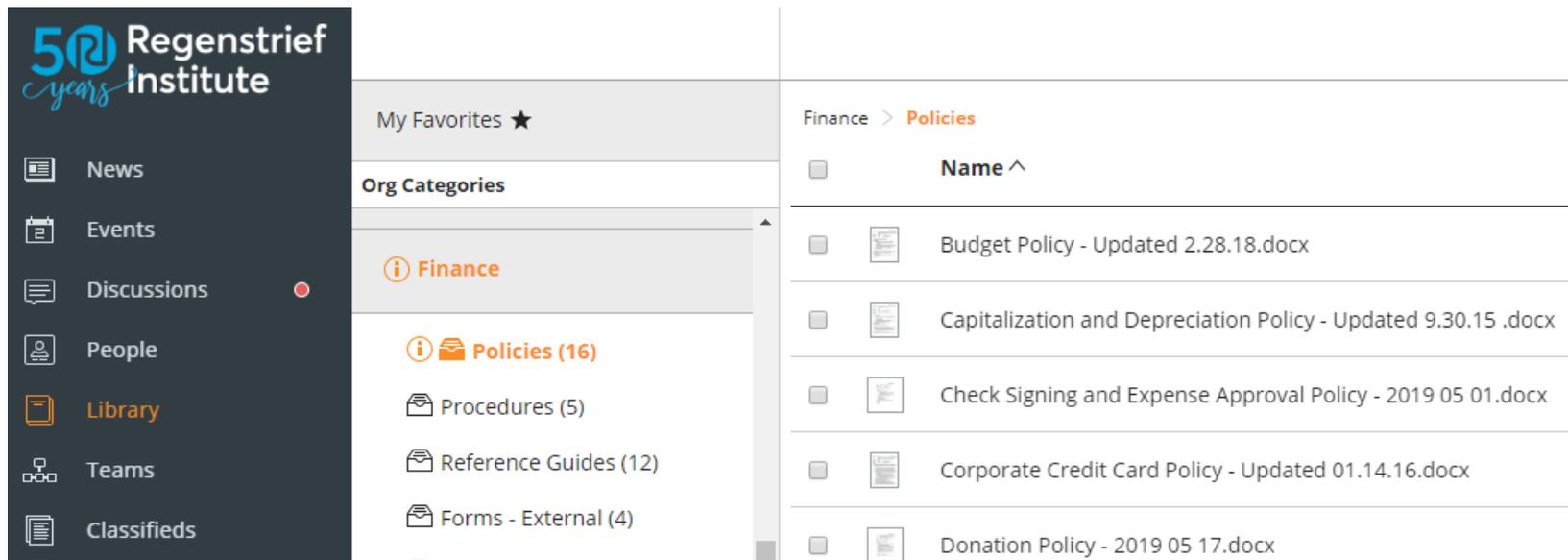
- Pay periods end on the 15<sup>th</sup> and last day of the month.
  - Employees must submit their timecards for approval on the pay period end date.
- Supervisors have until the close of business the following business day to approve timecards.
  - This includes timecards for employees who have terminated employment during the pay period.
- **All timecards must be fully approved before payroll can be processed!**
  - Add a delegate who can approve if you are out of office.

For details on delegation, timecard completion, PTO management, and more, view the [Payroll and Time Management FAQs](#).



# References

- All references and forms are subject to periodic updates. Check the Jostle Library for the most recent versions.



The screenshot displays the Regenstrief Institute website interface. On the left is a dark navigation sidebar with the '50 years Regenstrief Institute' logo and menu items: News, Events, Discussions, People, Library, Teams, and Classifieds. The main content area is divided into two sections. The top section, titled 'My Favorites ★', shows 'Org Categories' with 'Finance' selected. Below this, a list of categories is shown: 'Policies (16)', 'Procedures (5)', 'Reference Guides (12)', and 'Forms - External (4)'. The bottom section, titled 'Finance > Policies', lists several documents with checkboxes and document icons:

<input type="checkbox"/>	Name ^
<input type="checkbox"/>	Budget Policy - Updated 2.28.18.docx
<input type="checkbox"/>	Capitalization and Depreciation Policy - Updated 9.30.15 .docx
<input type="checkbox"/>	Check Signing and Expense Approval Policy - 2019 05 01.docx
<input type="checkbox"/>	Corporate Credit Card Policy - Updated 01.14.16.docx
<input type="checkbox"/>	Donation Policy - 2019 05 17.docx



# References\*

\*Subject to periodic updates. Check the Jostle Library for the most recent versions.

- Policies
  - [Check Signing and Expense Approval Policy](#)
  - [Signature Authority Policy](#)
  - [Corporate Credit Card Policy](#)
  - [Expense Reimbursement Policy](#)
  - [Purchasing Policy](#)
  - [Travel Policy](#)
  - [Faculty Development Policy](#)
  - [Staff Development Policy](#)
  - (HR) [Tuition Reimbursement Policy](#)
  - (HR) [Time Keeping Policy](#)



# References\*

\*Subject to periodic updates. Check the Jostle Library for the most recent versions.

- Procedure
  - [Travel Expenditures and Reimbursement Procedure](#)
- Desk References/Guides
  - [Expense Reimbursement Guide](#)
  - [Travel Expense Reimbursement Guide](#)
  - [Purchasing Guide](#) for [riipurch@regenstrief.org](mailto:riipurch@regenstrief.org)
  - [Payroll and Time Management FAQs](#)



# References\*

\*Subject to periodic updates. Check the Jostle Library for the most recent versions.

- External Forms
  - [Sales Tax Exemption Form](#)
- Internal Forms
  - [Missing Itemized Receipt Form](#)
  - [Small Purchase Request Form](#)
  - [Unauthorized Purchase Form](#)
  - [Vendor Packet \(International\)](#)
  - [Vendor Packet \(US\)](#)



Thank you for your attention. This concludes the training. Your Finance Team is here to help, so please contact us with any questions.

