

From: [Inform-c07](#) on behalf of [Sann, Heidi](#)
To: [Inform-C06 \(Classified\)](#); [Inform-C07 \(Professional Faculty\)](#); [Inform-C08 \(Instructors, Research Associates/Assistants\)](#); [Inform-C09 \(Professors, Associate/Assistant Professors\)](#); [Inform-c12 \(Academic Wage & Other Misc\)](#); [Inform-C14 \(Graduate Assistants\)](#)
Subject: [Inform-c07] Annual Reminder of OSU's Expense Reimbursement Responsibility
Date: Tuesday, January 26, 2021 4:49:29 PM
Attachments: [image002.png](#)

Dear Colleagues,

I want to ensure that you are provided with appropriate guidance and clarity regarding your role and responsibility in seeking reimbursements for travel or other business expenses. To that end, I am sharing this annual reminder so you can avoid unnecessary taxable income.

OSU follows accountable plan rules under IRS regulations. An accountable plan allows organizations to reimburse workers for business expenses without treating those reimbursements as taxable income to the employee. IRS regulations require that an employee file reimbursement requests within a reasonable period of time to avoid the reimbursement being subject to withholding taxes and W-2 reporting. In alignment with guidance provided by the IRS, OSU policy defines a *reasonable period of time* as *60 days from the purchase date or from the date of return from travel*.

If an employee does not submit a reimbursement request within a *reasonable period of time*, the reimbursement will be treated as taxable to the employee and reported on their W-2. Because there are administrative costs associated with reporting taxable income to the employee, OSU may also deny reimbursement to employees who regularly turn in reimbursements past the 60-day window.

OSU's applicable policy

- [03-140-202 Personal Reimbursements](#)
- [03-140-401 Travel](#)

OSU employees are responsible for:

- Requesting reimbursements in a timely manner (within 60 days of incurring the expense or after the completion of business travel)

OSU department heads/unit leaders (or designee) are responsible for:

- Timely approvals of reimbursement requests and submission to the business center, once a reimbursement request is received from the employee

Business Center Staff are responsible for:

- Timely processing of approved reimbursement requests
- Monitoring reimbursement requests for compliance with IRS regulations
- Identifying taxable transactions per IRS requirements, and processing appropriately

Accounts Payable/Payroll Staff are responsible for:

- Reporting taxable transactions per IRS requirements

I am excited to add the OSU Travel Redesign Project Team will be announcing the selection of our new Travel and Expense solution very soon. Over the next few months you will hear more about the project as implementation work kicks off. The solution is expected to minimize the hassle of processing travel and other business expenses. If you have questions or concerns please do not hesitate to contact me.

Warmly,

Heidi Sann, CPA | she/her/hers | AVP for Finance & Controller

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Are you aware of the free student resources offered by the OSU Human Services Resource Center?

[Learn more here.](#)

Oregon State University in Corvallis, OR is located within the traditional homelands of the Mary's River or Ampinefu Band of Kalapuya. Following the Willamette Valley Treaty of 1855 (Kalapuya etc. Treaty), Kalapuya people were forcibly removed to reservations in Western Oregon. Today, living descendants of these people are a part of the Confederated Tribes of Grand Ronde Community of Oregon (<https://www.grandronde.org>) and the Confederated Tribes of the Siletz Indians (<https://ctsi.nsn.us>).