

F. Business Purpose

1. All requests for payment must have thorough written justification that clearly identifies the business purpose in such a manner that the benefit to the university is evident.
2. The importance of properly documenting the business purpose of the expenditure as proof of its propriety and reasonableness cannot be overstated. The business purpose must be documented in writing with as much specific information as necessary so the benefit to the university is clearly understood.
3. Even though in some cases the business purpose is implied. It must be specifically documented to receive favorable tax treatment.
4. The purpose and amount of the expense must demonstrate good judgment.

G. Documentation of Expenditures

1. Documentation must include the date and amount of the expenditure.
2. Meals/entertainment. Provide the names of individuals, titles (use a description such as “donor” or “prospect” if appropriate), and business affiliation.
 - a. It will not be necessary to provide the names of attendees at a meeting/reception if only refreshments are served. However, please submit the notice of the meeting, invitation, or agenda with the request for disbursement.
3. Original invoices or itemized receipts are required for all amounts over \$10. Copies may be submitted only for partial payments. Acceptable receipts include:
 - a. Vendor-provided receipts including airfare/rail receipts, hotel folios and car rental receipts.
 - b. Cancelled checks (if copies, include back and front).
 - c. Credit card receipts if detail of purchases are listed.

- d. For meals, include the detailed receipt as normally supplied by the restaurant. This would be the receipt the restaurant would provide if the meal was paid for in cash. A credit card receipt without details is not sufficient.
4. Electronic Receipts
- a. Supporting documentation for on-line booking or purchases over the internet needs to include evidence that the transaction was concluded . Detailed below are the minimum requirements for an electronic receipt to be acceptable as proof of purchase.
 - b. Airline e-tickets
 - i. Passenger name.
 - ii. Issue date and ticket number. A ticket number on the receipt indicates that a ticket has been purchased.
 - iii. Itinerary or routing.
 - iv. Total payment amount and payment type.
 - c. Hotel
 - i. Name and address of hotel.
 - ii. Guest name(s), number of guest(s) and number of rooms.
 - iii. Check in and out dates, number of nights and price per night.
 - iv. Date paid, total amount paid and payment type.
 - d. Conference registration fees
 - i. Name of registrant.
 - ii. Name and dates of conference.
 - iii. Date paid, total amount paid and payment type.

- e. Other Miscellaneous Purchases
 - i. Name and address of vendor.
 - ii. Date purchased.
 - iii. Itemization of items purchased.
 - iv. Total amount paid and payment type.
 - v. Document needs to include evidence that the transaction was completed.

- 5. Missing invoices/receipts; Credit Card Slips Without Detail
 - a. The Foundation stresses the importance of retaining receipts for an accurate accounting of expenses, but understands there are rare instances where original receipts cannot be obtained or are lost.
 - b. A “**Missing Receipt Affidavit**” must be signed by the claimant with a complete explanation of the expense and the reason for the missing receipt. Some other form of documentation may be required for certain types of purchases.
 - c. For missing airline receipts, the affidavit must be accompanied by a copy of the itinerary and one of the following:
 - i. Credit card receipt or credit card billing statement.
 - ii. Cancelled check or other record of payment.
 - d. The use of missing receipt affidavits, rather than original receipts, may cause the processing of reimbursement requests to be delayed or denied depending on the situation. If a high frequency of missing receipts develops, the Foundation reserves the right to halt payment of future expenditure reimbursements until the issue causing such a situation is resolved.

H. Approvals

1. Requests for disbursement or transfer of funds over \$250 require the signature of two account administrators. A second authorized signer must countersign payments to an account administrator, regardless of the amount.
 2. In requesting payment of expense, the account administrators and UH/RCUH/UHF employee who is being reimbursed must certify the expenditure/reimbursement is in line with the purpose of the account and complies with the University of Hawai'i Foundation account policies, supports bona fide University activities, and does not provide any direct or indirect personal benefit.
 3. In some circumstances a dean, director, or higher signature will be allowed as a secondary signer. However, at least one account administrator must sign in approving the payment.
 4. In addition, payments made directly to an account administrator over \$250 must be approved by two parties other than the account administrator being reimbursed. This may be two other account administrators or a fiscal officer, supervisor, or department chair or higher even if they are not an account administrator.
 5. Expense reimbursements made to Deans, certain Directors and higher will need to be approved by their supervisor, in addition to the account administrators. The supervisor's signature will be required in accordance with the following:
 - a. Higher level approval is required for all meal and entertainment expenses with others regardless of amount.
 - b. Higher level approval for non meal and entertainment expenses is required if the reimbursement request is above \$150. The submission of multiple check requests to circumvent this requirement is not allowed.
 - c. Higher level approval is not required for travel per diem expenses.
- I. Documentation of Quotes for Goods or Services \$4,000 or More

1. Payment for goods or services in the amount of \$4,000 to \$15,000 requires at least three verbal quotations or sole source justification. Document the verbal quotes and submit a written quotation for the vendor selected when submitting a requisition for a purchase order or a request for payment.
2. Purchase of goods or services \$15,000 or more require three written quotations or sole source justification, which must be submitted together with the requisition for a purchase order or the request for payment. You can document verbal quotations and sole source on the “**Record of Sole Source and Verbal Quotations**”.
3. For special events, the rationale for using a preferred location may be provided in lieu of a quote or sole source justification.
4. If the lowest quotation is not selected, the justification for the selection should be stated.