As the University continues to navigate the COVID-19 pandemic, the Office of Finance and Treasury has received a number of recent inquiries regarding how to handle certain expenses now that the Fall semester is underway. There is no change to the existing business expense policy, however we have revised our guidance to help clarify circumstances where certain expenses are allowable for the 2020-2021 academic year.

- **Meals** – The cost of food, meals, and associated delivery expenses incurred while working or attending virtual business meetings remotely is not an allowable expense. However, for student focused activities, there may be circumstances where food is a central part of the program’s curriculum or community building purpose even if performed remotely, and thus would be an allowable expense with the appropriate departmental approval. An example of an allowable meal expense could be a virtual program where food is being provided to students to foster a sense of community. Purchases can be made centrally via a University credit card or through personal reimbursement. Please note that gift cards for meals are not an allowable expense.

- **Internet and phone expenses** – Internet service (including WiFi extenders and mesh systems) and home/mobile phone expenses are not an allowable expense. As most service providers have moved to flat rate plans, use of these services while operating remotely does not incur any incremental expense. Individuals who must be readily accessible for required or essential business communication needs and for whom an alternate option is impractical may request a University issued device in accordance with the Mobile Communication Devices Policy.

- **Gifts to Employees and Nonemployees** – Gifts to employees and non-employees of a modest value are allowable in limited certain circumstances such as in recognition of certain personal and professional events. Additional information can be found in the business expense policy. As a reminder, holiday gifts are not an allowable expense.

- **Home office furnishings** – Purchases made to furnish or equip a home are not an allowable expense. These items can include standing desks, lighting, bookshelves, etc. Individuals operating in a remote capacity may need to adapt to how/where we are situated but the University cannot serve as a funding source for home office furnishings and other personal workspace improvements. Managers should refer to the University’s policy on work from home arrangements when considering medical accommodation requests. Normal costs associated with operating a home such as electricity and heating/cooling are also not allowable.

- **Gift cards** – These are allowable only if approved by the Human Subjects Committee of the University Research Board. Cash or cash equivalent awards made as part of official University programs are treated as taxable compensation and paid through payroll. Because of IRS regulations, cash or cash equivalents (such as gift cards, gift certificates, or points on a University card) are not appropriate as gifts or awards.

As a reminder, there are three important considerations which continue to be applicable when determining whether an expense should be incurred:

- Princeton’s business expense policy, which applies to all students, faculty, and staff has not changed and should be used as a guide when making purchases. It provides criteria to establish if an expense is reasonable, necessary, appropriate and allowable. If the expense did not meet these criteria before the pandemic, it likely still does not. For assistance in assessing unique or unusual circumstances, please contact the Financial Service Center (finance@princeton.edu or 609-258-3080). The University also provides resources to managers to aid in supporting individual hardships.

- If an expense is allowable under University policy, it is typically also reimbursable when incurred out of pocket, though we strongly encourage all purchases be made using a PRIME requisition or a University credit card. In
the interest of safety, security, or other overarching concern, certain items such as hazardous materials and personal computers are allowable only when purchased through specified University channels.

During this extended period of uncertainty it is important to keep our priorities in mind: taking appropriate measures to protect the health and well-being of our students, faculty and staff; restoring our teaching and research activities to normal operations, safely but as soon as possible; sustaining our commitments to access and affordability; and retaining and supporting our talented workforce. Exercising caution and restraint in our budgets now will provide some of the flexibility needed to support these priorities into the future.

If you have any questions, please contact the Financial Service Center (x3080 or finance@princeton.edu). Most importantly, we understand that these extraordinary times have introduced difficult and previously unforeseen challenges that each of us must respond to. We thank you for your partnership in managing expectations and resources while ensuring that university work can continue.

- **Cancellation fees** – Fees assessed for cancelling contracts related to University travel and purchases are allowable. Given the extraordinary nature of the pandemic, there is the potential that cancellation fees may be waived or reduced through negotiation. Before agreeing to a cancellation or termination penalty please review the [Procurement FAQs](#), which provide recommended steps for negotiating a contract cancellation. Princeton’s standard contract templates contain provisions to minimize the potential for these fees and should be the first option when entering into a contract with a third party.

- **Equipment use at home** – Individual departments are responsible for securing all University property such as computer monitors, chairs, and scanners. Taking equipment home can be done at the discretion of the department and individuals who are unable to collect these items should work directly with their administration to determine if circumstances warrant other options to be considered. Before allowing individuals to remove University equipment, managers should evaluate the appropriateness of the request, establish a process to track equipment removed from campus in order to ensure its eventual return and inform the requestor that they should exercise reasonable care for equipment in their possession. Third party costs associated with shipping and setup are not allowable. Care should be taken to not remove items not suitable or safe for home use including leased equipment, larger office furniture, research materials and laboratory equipment, and hazardous materials.

- **Charitable contributions** – The pandemic has placed tremendous strain on our community including many local businesses that have long served the University community. Among the actions taken in response, Princeton has established the [Princeton University Relief Fund](#) with an initial commitment of $1 million. The fund will provide direct support to community organizations that are working to alleviate economic distress related to COVID-19 among individuals and businesses. This fund will serve as the University’s primary means of local support and will help ensure a coordinated approach in lieu of departments individually providing other forms of support such as charitable contributions, gift card purchases, and advance deposits not associated with a specific event or activity, each of which are not allowable under current University policies.

- **Mail and other shipping needs** – For correspondence on behalf of the University that cannot be sent electronically, postage for University correspondence is reimbursable. For express services and parcel shipping, eShipGlobal, available in the [PRIME Marketplace](#) should be utilized to purchase and print mailing labels. UPS and FedEx supplies can also be ordered through the application and can be shipped directly to the individual’s home. Larger mailings should continue to be directed to [Print & Mail Services](#), who remain open to serve the campus community.
- **Mileage** – Academic and administrative departments remain operational and may require certain faculty and staff to report to their normal campus place of work. The cost of commuting to/from home and work is a commuting expense and not allowable. Consistent with current policy, reimbursement may be provided for mileage in excess of the commuting distance for any work related travel including the transport of supplies, materials, or other work products to colleagues working from home.

- **Office supplies** – Provision of general office supplies needed to perform ordinary work tasks are allowable and reimbursable. As such consumables are normally centrally ordered in bulk and distributed to individuals as needed, please use care to avoid over ordering supplies for each individual. Office supplies should be ordered from W.B. Mason, available in the PRIME Marketplace. In response to the pandemic, W.B. Mason, now ships/delivers to home addresses and we have negotiated free/reduced rates for this service.

- **Personal Protective Equipment (PPE)** – The Office of Environmental Health and Safety (EHS) has published [important information](link is external) on the ordering of PPE by individual departments. Certain items can be ordered directly through the PRIME Marketplace while some items must be obtained through EHS. Please review this information carefully to determine the appropriate method of obtaining various types of PPE.

- **Personal technology** – Individuals should work with their departmental SCAD/DCS to identify computing needs including laptops, tablets and related equipment. Equipment should be purchased through the PRIME Marketplace or using a PRIME requisition, and cannot be purchased by credit card (University or personal) and are not reimbursable. Purchase of a second computer for individuals who already have a University provided computer should be avoided whenever possible.

- **Shipping to non-campus addresses** – Departments have identified a need to make certain items such as office supplies available to faculty and staff at home. In support of this growing need we have opened the PRIME Marketplace to allow for shipments to be sent to non-campus addresses. Non-campus addresses can be added by submitting a request via the new [Procurement Ship-To Address Request Form](link is external) available within the Princeton Service Portal. The form allows individuals to request the creation of campus and off-campus delivery addresses for items purchased within the Prime Marketplace and Prime Financials. Requests submitted via this form will be processed within two business days. Similar to home use of equipment, leased equipment, research materials and laboratory equipment, chemicals, and hazardous materials should not be shipped to individual’s homes. The shipping address is viewable on purchase requisitions and should be reviewed before approving. Purchasing reports can be found in the PRIME Information Warehouse.

11/30/2020