



New Jersey Institute of Technology
University Policies

Effective Date: 07/01/2026

Sponsoring Functional Areas: The Office of Business Services, Finance Division

Title: Travel and Business Expense Policy

I. **Policy Statement**

This policy establishes requirements for travel and business expenses incurred on behalf of the University. Its purpose is to ensure expenses are reasonable, necessary, properly documented, and compliant with applicable federal and state regulations and University policies.

For purposes of this policy, “individuals” includes employees and any other persons (e.g., students, contractors, suppliers, or guests) incurring expenses on the University’s behalf.

This policy applies to all such individuals, regardless of funding source. It operates in conjunction with the Fiduciary Responsibility Policy and does not replace other established governance requirements.

II. **Guiding Principles**

As a public institution, NJIT is a steward of funds from sources such as tuition, state appropriations, grants, contracts, and gifts.

Travel and business expenses must:

- Be reasonable, necessary, and appropriate;
- Support the University’s mission and objectives;
- Comply with all applicable federal and state laws and regulations;
- Adhere to University policies and procedures;
- Follow sponsor, grant, and donor restrictions;
- Be incurred in a fiscally responsible and prudent manner; and
- Withstand internal and external audit review and public scrutiny.

This policy is intended to address the most common expense scenarios; however, it is not all-inclusive. In situations not explicitly covered, individuals are expected to exercise sound judgment consistent with the intent of the policy.

III. **General Requirements**

All individuals incurring travel or business expenses must:

- Obtain appropriate pre-approval prior to incurring expenses;
- Confirm availability of funds;
- Exercise fiduciary responsibility when incurring and submitting expenses;
- Provide a clear business purpose describing the nature and benefit of the expense;
- Select reasonable and economical travel arrangements;
- Maintain required supporting documentation (e.g., agendas, receipts, proof of payment);
- Submit expenses within required timeframes using approved University expense systems; and
- Ensure compliance with funding source restrictions.

Expenses that do not comply with policy requirements may be denied or require repayment to the University.

IV. **Tax Exemption and Funding Compliance**

NJIT is exempt from sales tax on goods and services. For purchases made outside of NJIT's procurement system, sales and use tax forms (available from [General Accounting](#)) should be used whenever possible. NJIT reserves the right to deny reimbursement of sales tax on transactions that would have qualified for exemption if processed through NJIT's procurement system.

Federally funded expenses must comply with the Office of Management and Budget (OMB) Uniform Guidance and sponsor-specific restrictions.

V. **Expense Categories**

● **Transportation**

- Allowable expenses
 - Air travel
 - Economy class
 - Reasonable baggage fees
 - Airfare should be booked in advance when practical
 - For federally funded travel, the Fly America Act and Open Skies Agreement must be followed; any exceptions must be documented
 - Rail and bus travel
 - Coach or standard class is required unless justified
 - Automobile travel
 - Personal vehicles
 - Mileage reimbursed at the applicable rate
 - Rental vehicles
 - Must be justified by business need
 - Economy/intermediate vehicle is required unless justified
 - Must meet rental agency requirements and be listed on the rental agreement.
 - Complete NJIT's Driver Authorization Form (available from [Risk Management](#))
 - Supplemental rental vehicle insurance obtained through the rental carrier is required, unless renting a covered vehicle through NJIT's preferred rental vehicle agreement with Enterprise Holdings
 - Fuel for rental vehicles
 - Tolls and parking
 - Ground transportation
 - Taxi, rideshare, public transportation, shuttle service
- Non-allowable expenses
 - Personal or commuting expenses
 - Fines, violations, penalties
 - Car sharing (e.g., Turo, Zipcar)
 - Personal vehicle maintenance, expenses, or insurance

- **Lodging**
 - Allowable expenses
 - Standard accommodations must be reasonable and cost-effective
 - Laundry services during travel longer than five (5) days
 - Non-allowable expenses
 - Transient accommodations (e.g., Airbnb, Vrbo, hostels, short-term housing)
 - Non-commercial lodging accommodations (e.g., family, friends, colleagues)
 - Upgraded accommodations
- **Meals and business expenses**
 - Allowable expenses
 - Travel meals (per diem)
 - [GSA per diem allowance](#) for the travel destination, excluding incidental expenses
 - Meals provided as part of travel (e.g., through a conference, event, or hotel) must be deducted from the applicable daily per diem allowance
 - Business meals (including internal meetings, recruiting, and donor or official University functions)
 - Must serve a legitimate business purpose
 - Required documentation
 - List of attendees
 - Detailed description of business purpose
 - Itemized receipt
 - Proof of payment
 - Tips and gratuities must be reasonable and customary
 - Non-allowable expenses
 - Alcohol
 - Not allowable on federal or state funds
 - Must be excluded/removed from reimbursement requests where not permitted
 - Alcohol may be allowable only in limited circumstances related to official University business (e.g., fundraising or recruiting events)
 - Refer to the Alcohol Policy for additional requirements
- **Other allowable expenses**

Other allowable expenses may include, but are not limited to, the following:

 - Change or cancellation fees for travel when driven by a legitimate business need or circumstances beyond the traveler's control
 - Conference registration fees
 - Business communications (Wi-Fi access, phone)
 - Professional licenses/certifications
 - Memberships/subscriptions
 - Training and development
 - Team development (non-recreational)
- **Other non-allowable expenses**

Other expenses that are not allowable include, but are not limited to, the following:

 - Travel for non-employees (unless authorized)
 - Personal travel costs, when combined with business travel, beyond the business portion
 - Entertainment or recreational activities

- Gifts and personal items
- Personal credit card monthly or annual fees
- Lost/stolen property
- Rewards program memberships

Additional restrictions may apply based on funding source requirements.

VI. **Documentation and Expense Submission Requirements**

- Supporting documentation requirements vary based on the nature of the expense and may include:
 - Itemized receipts;
 - Business purpose;
 - Attendee list; and
 - Conference agenda, invitation, or other supporting documentation.
- Expenses must be submitted within 45 days. Late or incomplete submissions may be denied.

VII. **NJIT-Issued Credit Card**

- University-issued credit cards are not standard and are issued on a limited basis.
- Card issuance and credit limit changes must be supported by a demonstrated operational need and approved by the appropriate financial authority.
- Cardholders must complete Fiduciary Responsibility Training, comply with usage and documentation requirements, adhere to University policies and procedures, and maintain good standing with compliance and audit standards.
- Credit card reconciliation:
 - Credit card transactions must be reconciled and submitted within 45 days of the transaction date.
 - Expenses are charged to the appropriate Project/Program/Gift/Grant upon submission of the reconciliation report.
 - Failure to reconcile transactions within 90 days may result in the account being considered delinquent and the card subject to suspension.
- Personal expenses: In the event a personal expense is accidentally charged to a NJIT credit card, the University must be repaid by:
 - Paying the exact amount owed at the Office of the Bursar; and
 - Attaching the Bursar receipt to the related line item in the reconciliation report.
- Disputed/fraudulent activity must be reported immediately by calling the number listed on the back of the credit card and notifying the NJIT card administrator at cardservices@njit.edu.
- Refer to NJIT's Credit Card Procedure for additional information.

VIII. **Internal Controls and Audit**

The University conducts periodic reviews of travel and business expenses to ensure that proper documentation is maintained, that appropriate approvals are obtained, and for compliance with policies, laws, and restrictions.

Violations of this policy by employees may result in disciplinary action up to and including termination, as well as reimbursement of funds and/or legal action. Violations of this policy by students may result in disciplinary action, and sanctions may include, but are not limited to, reimbursement of funds and/or separation from the University.