

Definition of Purpose of Expense/Purpose of Trip

The business purpose of expense must be documented on all OSI payments and reimbursements in order to distinguish them from the compensation and fees paid to employees and consultants.

Purpose of Expense:

- A brief but clear description of the business purpose of expense. [e.g. *Dinner with <Name, Title> to discuss grant status*]
- Remember that the Concur/PRS description is restricted to 25 characters, including spaces. If you're forced to abbreviate and/or truncate the description in Concur/PRS, please write the complete description on the receipt.
- Describe how the expense is related to, or associated with, the conduct of OSI activities. [e.g. *"Materials for Board meeting", NOT "Kinko's"*]
- Do not use the name of the vendor as the description of the business purpose [e.g. *"OSI library purchase: <title>", NOT "amazon.com".*]
- Don't assume that the reader knows what you are talking about. The reader may be an external or IRS auditor.

Purpose of Trip:

- A clear, concise statement of the reasons for the trip. [e.g. *Annual Coordinators Conference*]
- Include the name and exact dates of conference, seminar, or meeting. [*English Language Program, Nov 3-7, 1998*]
- Avoid acronyms, abbreviations, and easily misunderstood words or phrases [*Forced Migration Project, NOT "FMP"*]
- Explain any breaks in your trip such as personal time, or if someone else is funding part of the trip. [*Nov 8-12 vacation*]
- If there are any cross program expenses, please clearly indicate it. [e.g. *Conference space cost is split between two programs should be listed as "x-prog CJF & TIF conf"*]
- The purpose listed on the expense report should always be consistent with the purpose written on the travel authorization. A copy of the travel authorization attached to the expense report is sufficient.

Business Meals and Entertainment:

There are two kinds of reimbursable meal expenses.

- Travel meals, which are incurred by one person while on business trip (see OSI [T&E Guideline – Personal Meals](#) for spending limits).
- Business meals, which are attended by two or more people. Business meal expense can be incurred either locally (non-travel) or while on a business trip (see OSI [T&E Guidelines - Business Meals](#) for spending limits).

In order to be reimbursed for business meals or entertainment expenses, as per IRS regulations, you have to include the following information on the expense report:

1. The names and affiliation of those attending.
2. The business purpose of the expense (i.e. what was discussed - the description can be very brief, e.g. "discussion of the education grant").
3. The time and place of the meal (this is usually printed on the receipt).

Example: lunch w. Joe Genius, Exec. Dir. of Alfa Nonprofit, discussion of XYZ project, Flame Restaurant, Jan. 1, 2010

The expense must be necessary and ordinary to the conduct of OSI business. You may find additional information in the [OSI Travel and Expense Guidelines](#).

Please avoid submitting tear-off receipts for meals. Credit card receipts and/or cash register receipts are acceptable.