

FINANCIAL GUIDELINES

of the Central European University

Valid from: 1 September 2020

Prepared by: Budget and Finance Office

CONTENT

I. INTRODUCTION	3
II. DEFINITIONS	4
III. ORGANISATIONAL SCOPE	7
IV. OVERVIEW OF THE BUDGETING AND CONTROLLING PROCESS	8
IV.1. Purpose	8
IV.2. Process	8
IV.3. Implementation	9
IV.4. Responsibilities.....	10
V. CONTRACTUAL PRINCIPLES	12
VI. ACCEPTANCE OF SUPPLIER INVOICES	13
VI.1. General Rules	13
VI.2. Acceptable supplier invoices.....	14
VII. GENERAL ORDERING PROCESS.....	15
VII.1. Authorization and approval of payments in SAP system	16
VII.2. Approval of paper forms: authorization of payments outside the SAP system	21
VIII. PAYMENT METHODS.....	31
VIII.1. Possible payment methods for payments received	31
VIII.2. Possible payment methods for disbursements	32
IX. BUSINESS TRAVEL POLICY.....	38
IX.1. Rules for reimbursing Employees’ travel-related expenses	38
IX.2. Rules for student travel reimbursement	44
IX.3. Rules for reimbursing visiting travel-related expenses	45
IX.4. Summary of travel-related eligible expenses	46
X. GRANTS	50
X.1. Grants received	50
X.2. Grants given	52
XI. INVOICING	55
XI. 1. General rules	55
XI.2. Invoicing requirements	55
XI.3. Payment Terms	56
XI.4. Collection of accounts receivable.....	56
ANNEX 1 – Reimbursement of Flights and Accommodation.....	58
ANNEX 2 – Summary of cost reimbursement per entity and per-diem eligibility.....	60
ANNEX 3 – Human Resource Office’s (HRO) Per-diem policy	61

I. INTRODUCTION

This document is an overall guide for administrative staff, faculty and students to understand financial processes at CEU and help them in day-to-day dealings with the Budget and Finance Office (BFO). The present financial procedures and forms created by the BFO supersede all similar documents issued previously.

These guidelines are designed with a view to ensuring prudent financial management. As a rule, all transactions must be supported with valid academic or business reasons that are in compliance with CEU's academic mission. Original documentation must accompany all requests submitted to the BFO.

The procedures set forth herein apply to all CEU faculty, staff and students and are to be used primarily by Budget holders and Budget administrators in their daily work. These Guidelines have been prepared to inform Budget holders and Budget administrators about internal processes at the CEU.

The main objective of this update is to make financial procedures at CEU clearer, simpler and more efficient, whilst reducing paperwork, the number of forms used, and accommodating new requirements.

Processes supervised and regulated by other departments are not detailed in this policy. Recommendations and suggestions from faculty, students and staff members to improve financial procedures further are always very welcome.

II. DEFINITIONS

- a) **Academic year:** the CEU's fiscal year begins on August 1 and ends on July 31.
- b) **ACRO:** Academic Cooperation and Research Support Office
- c) **Adobe form:** An interactive form connected to CEU's SAP system that enables Purchase requisitions to be initiated from outside SAP, without an SAP license.
- d) **Amended budget:** The second (revised) version of the Budget for the current academic year, which is approved by the Board of Trustees in the fall. This version of the Budget is the final one.
- e) **Authorizing officer:** Each budget and project code has an assigned budget officer in the SAP system who has the right to approve and release a Purchase order in the system.
- f) **Bank card slip:** a slip of paper issued by a store or other vendor when paying by credit card, showing where a purchase was made, the amount and date, but does not include an itemized list of the goods/services purchased.
- g) **BFO:** Budget and Finance office
- h) **BoT:** The Board of Trustees has general charge of the affairs, property and assets of Central European University. Trustees carry out the aims and purposes of CEU, formulate strategy for the implementation of endeavors defined in the preamble of the University By-Laws, and, to this end, manage and control all of its property and assets.
- i) **Branch:** means a business establishment in another country. Branch is an office of a legal entity which conducts businesses outside the main office of the given legal entity.
- j) **Budget:** an aggregation of all unit-level financial plans and/or forecasts for an academic year, containing revenues and expenses (both operating and capital).
- k) **Budget administrator:** Each cost center has a Budget administrator who is responsible for administering and monitoring expenditures against the approved budget.
- l) **Budget holder:** Each cost center has a Budget holder who is responsible for monitoring and authorizing expenditures against the approved budget.
- m) **Budget responsible in SAP:** Employee responsible for the budget of a cost center and having SAP access. In the case of internal funds, it can be either the Budget holder or Budget administrator. For external funds, the Project responsible.
- n) **Business establishment:** means an operational facility set in the company's articles of association as a permanent and independent establishment, that is located in a venue other than the company's registered office.
- o) **Business meal:** Business meals are taken with business associates, university guests, invited lecturers, job applicants or donors, during which CEU business discussions take place. Meals between two or more employees during which routine business issues are discussed are not considered as business meal.
- p) **BW:** Business Warehouse. A module of the SAP system which supports planning and reporting processes.
- q) **CEU or CEU Group:** CEU-related entities listed under Chapter III. as legal entities
- r) **CFO:** Chief Financial Officer
- s) **Contracted bank:** bank contracted as a result of competitive selection. The bank provides banking and financial services. More information about the contracted bank and its services are available at the Budget and Finance Office.
- t) **Contracted travel agency:** travel agency contracted as a result of competitive selection. The travel agency provides business travel related services. More information about the contracted travel agency and its services are available in the Procurement Office.

- u) **COO:** Chief Operating Officer.
- v) **Cost center codes (budget codes):** Each budget area or unit has its own cost center codes. Cost center codes ensure the strict separation of financial information by cost centers.
- w) **Domestic supplier:** vendor delivering or manufacturing goods or services registered within the given CEU entity's home country borders.
- x) **Employee:** individual who has either full-time or part-time employment contract for a definite or indefinite period with a legal entity of the CEU Group. Individuals with assignment, consultancy or grant contract are not considered as Employee.
- y) **External fund:** Funds originating from a source outside the CEU Group. These can be service fees received for providing educational, research or other services, competitively awarded grants, as well as other grants and donations (i.e. grants provided by EU, OSI or other institutions),
- z) **Financial releaser in SAP:** Reviews requisitions to ensure that charges are correct, permitted for the account and properly coded. Checks that funds are available in the budget code being charged.
- aa) **FM:** Facility Management Unit
- bb) **Foreign supplier:** vendor delivering or manufacturing goods or services registered outside the given CEU entity's home country borders.
- cc) **HRO:** Human Resource Office
- dd) **Internal fund:** Funds that are raised within the CEU Group (i.e. funds that do not belong to the External Fund; mainly income from CEU's Endowment).
- ee) **Internal order codes:** are used to separate special activities within the cost center (e.g. conferences)
- ff) **Invitation letter:** Official financial document that enables to cover expenses of invited guests' incurred on CEU business. Invitation letter should include all cost types to be paid (e.g. accommodation, travel, travel related insurance) and should reflect that the invited guest is an active participant of the specific event (delivering a lecture, presenting a paper..., etc.). Please see Appendix 1 (a, b, c, d, e)
- gg) **Invoice:** A commercial document that itemizes a transaction between a buyer and a seller. An invoice should include the quantity purchased, description of goods/services purchased, price of goods and/or services, date, parties involved including their addresses (long and short names can be used too), unique invoice number, tax information and payment method. If goods or services were purchased on credit, the invoice will usually specify the terms of the deal, and provide information on the available methods of payment. Also known as a "bill" or "sales invoice".
- hh) **IT:** Information Technology Department.
- ii) **Legal entity:** a society organization that has legal capacity, that is, it can acquire rights and assume obligations in its own name.
- jj) **Logistic releaser in SAP:** Reviews requisitions to ensure that the expenditure is reasonable and complies with CEU policies concerned. Checks that the charges are appropriately documented and are recorded in a consistent manner.
- kk) **Project code or definition:** To ensure the strict separation of the externally funded activities from the internally funded ones, project codes are used. The breakdown of Project codes are WBS elements, please see its definition at mm).
- ll) **Proposed Budget:** The first version of the Budget for the next academic year, which is approved by the Board of Trustees in the spring.
- mm) **Purchase order:** A Purchase order is a formal request in SAP for purchasing a certain quantity of goods or services. Purchase order is created based on a Purchase requisition.

- nn) **Purchase requisition or request:** A Purchase requisition is a request in SAP for purchasing a certain quantity of goods or services.
- oo) **Purchase order creator:** A few Units (Procurement Office, IT, FM and HRO) have the right to prepare Purchase orders from the requestors' requests or start one independently. Purchase order creators are assigned to this task.
- pp) **Project administrator:** Each project has a Project administrator who is responsible for administering and monitoring expenditures against the approved project budget.
- qq) **Project responsible in SAP:** An Employee responsible for monitoring and authorizing expenditures against the approved project budget and has SAP access.
- rr) **SAP:** SAP is an integrated enterprise resource planning software that manages business operations.
- ss) **WBS (Work breakdown structure) element:** WBS element is a smaller component of the Project code or definition. For each element of the work breakdown structure, a description of cost categories or tasks to be performed can be generated.

III. ORGANISATIONAL SCOPE

This document contains CEU-wide guidelines, which are applicable for all CEU-related legal entities (“CEU Group”) at any time.

The CEU Group consists of the following legal entities¹:

- III.1. Name: Közép-európai Egyetem
Address: 1051 Budapest, Nádor u. 9.
English name: Central European University
Hungarian short name: KEE
Tax number: 18118463-2-44
EU VAT: HU18118463
Domicile: Hungary
- III.2. Name: Budapesti Közép-európai Egyetem Alapítvány
Address: 1051 Budapest, Nádor u. 9.
English name: Central European University Foundation of Budapest
Hungarian short name: CEU Alapítvány
English short name: CEU Foundation
Tax number: 19677196-1-41
EU VAT: not applicable
Domicile: Hungary
- III.3. Name: CEU Oktatási – Szolgáltató Nonprofit Korlátolt Felelősségű Társaság
Address: 1051 Budapest, Nádor u. 9.
English name: CEU Educational-Service Non-profit Limited Liability Company
Hungarian short name: CEU Oktatási – Szolgáltató Nonprofit Kft.
English short name: CEU Educational-Service Non-profit Llc.
Tax number: 20342850-2-41
EU VAT: HU20342850
Domicile: Hungary
- III.4. Name: CEU GmbH Magyarországi Fióktelepe
Address: 1051 Budapest, Nádor u. 9.
English name: CEU GmbH Hungarian Branch Office
Tax number: 27922594-2-41
EU VAT number: HU27922594
Domicile: Hungary

¹ As at September 1, 2020

III.5. Name:	Nyílt Oktatás Oktatási-Szolgáltató Nonprofit Korlátolt Felelősségű Társaság
Address:	1051 Budapest, Nádor u. 9.
English name:	Open Education Educational-Service Non-profit Limited Liability Company
Hungarian short name:	Nyílt Oktatás Nonprofit Kft.
Tax number:	26651792-2-41
EU VAT number:	not applicable
Domicile:	Hungary
III.6. Name:	Central European University, New York
Address:	224 West 57 th Street, New York, New York 10019
English name:	Central European University
Tax number (EIN):	13-3956444
Domicile:	USA
III.7. Name:	CEU GmbH – CEU Central European University Private University
Address:	Quellenstraße 51 1100 Wien
English name:	CEU GmbH – CEU Central European University Private University
Tax number:	09 339/3288
EU VAT:	ATU73982639
Domicile:	Austria
III.8. Name:	Central European Academic gemeinnützige Privatstiftung
Address:	Quellenstraße 51 1100 Wien
Tax number:	09 339/2322
EU VAT:	ATU73975978
Domicile:	Austria

IV. OVERVIEW OF THE BUDGETING AND CONTROLLING PROCESS

IV.1. Purpose

The purpose of this section is to provide information and guidance on creating, maintaining, revising and monitoring the budget. This ensures that each unit and project manager take responsibility for overseeing the expenditures and revenues in a fiscally responsible manner so that the unit or the project does not exceed budget parameters.

IV.2. Process

The budgeting process involves planning (allocating), forecasting and monitoring (controlling) CEU's budget.

IV.2.1. Preparing the CEU Budget for the next academic year takes place from January to March (Proposed budget). This Budget is revised in September-October and approved once again by

the CEU Board. This budget version (Amended Budget) is the final budget version for an academic year.

IV.2.2. Forecasting takes place in the middle of the current academic year (January – March). This is a projection which shows the expected results of the current academic year. It is built on actual figures of the first 3-5 months, while the remaining part of the current academic year (9-7 months) is revised during the Forecast.

IV.2.3. Monitoring, controlling and analyses of the actual vs. amended budget are carried out regularly throughout the fiscal year.

IV.3. Implementation

IV.3.1. Planning / allocating resources

First phase (Spring):

Unit planning process: In January, BFO and HRO prepare the first draft version of unit plans for the next academic year. If needed, a budget meeting is held. Based on the agreement reached at this meeting, the unit plan is finalized in Business warehouse (BW) by BFO and the Budget administrator should check there if it is complete. After his/her confirmation, the unit planning process is closed.

Project planning process: The project controller collects all the necessary information on projects and records them in BW by project.

CEU aggregate planning process: After finalizing all individual unit and project plans in BW, an aggregated CEU plan is prepared there and submitted to the Board of Trustees (BoT) for approval.

Approval process: At the spring meeting, the Proposed budget is discussed by the BoT and all change requests from the BoT are set in BW by BFO. The approved Proposed budget is thus finalized and comes into force.

Second phase (Fall):

Unit planning process: By the end of September, BFO and HRO update the Proposed budget of the units (all known and approved changes arising since the approval of the Proposed budget are used as input). No budget meetings are held during the second budgeting phase. The Budget administrator should check the completeness of this amended version in BW too. After his/her confirmation, the unit planning process is closed.

Project planning process: The project controller collects all the necessary information on projects and records/modifies them in BW by project.

CEU aggregate planning process: After finalizing all individual unit and project plans in BW, an aggregated CEU plan is prepared there and submitted to the Board of Trustees (BoT) for approval.

Approval process: At the fall meeting, the updated version of the Proposed budget is discussed by the BoT, it comes into force after its approval and is called the Amended Budget. This budget is the final budget version and all budget decisions shall be made on this basis.

IV.3.2. Forecasting process

Forecasting is done parallel to the first phase planning procedure. The procedure described there is applicable to the Forecasting process. The aim of the Forecasting process is to estimate the results of the current academic year based on actual data (months already elapsed) and based on updated estimates about the months still to come until the end of the academic year.

IV.3.3. Monitoring/controlling and analysis/reporting

For this purpose, CEU uses the Business warehouse. This system contains historical budget, forecast and actual data for unit cost centers, projects as well as personnel and non-personnel data at a very detailed level. It provides a means for entering the Proposed and Amended Budget data as well as Forecast data, covering revenues, operating expenses (OPEX) and capital expenditure (CAPEX). Data in BW is updated daily, allowing a nearly real-time financial data analysis. BW can be accessed by SAP users of units and departments (mostly Budget holders and Budget administrators), as well as by BFO.

IV.4. Responsibilities

As a general rule, each budget code has a Budget holder and a Budget administrator. The decision about who these individuals will be is made when the budget is approved. Expenditures shall only be charged to a budget if the Budget holder and/or Budget administrator (only for academic departments) of that budget have approved such expenses. Due to the segregation of duties, the Budget holder and Budget administrator should not be the same person. A Budget holder and Budget administrator may control more than one budget code.

IV.4.1. Responsibilities of Budget holders

- Preparing budgets and forecasts for their cost centers in consultation with the Provost and/or COO and/or CFO.
- The Budget holder has overall disbursement responsibility and is ultimately responsible for ensuring that the overall budget of a cost center is not exceeded. Budget transfers from personnel expenses to non-personnel categories and vice-versa is not possible without the approval of the CFO and can be done only in exceptional cases.
- The Budget holder is also responsible for justifying any business expenditure initiated from his/her budget code.

IV.4.2. Responsibilities of Budget administrators

- To monitor expenses against the budget continuously to ensure individual budget categories are not exceeded and the overall budget is not exceeded.
- To complete all financial forms (e.g. requests for payment) and to submit these first to the responsible person at ACRO (applicable only for projects supervised by ACRO) and then to the "Financial Assistant - general" at BFO.
- To submit invoices (including the relevant PO number for requests registered in SAP) to "Financial Assistant - general" at BFO.
- To prepare and submit the unit's budget proposal and act as a contact point for all budgetary and financial matters in his/her department or unit.
- To act as a mediator between BFO and the unit, reminding colleagues and students

- about any relevant internal financial regulations.
- To confirm fulfillment of services provided by suppliers with his/her signature on the relevant forms.

A Budget administrator also may appoint someone to act on his/her behalf by informing BFO in writing if they will be away for a lengthy period of time.

If managing external funding for academic purposes, both the Budget holder and Budget administrator are expected to be familiar and comply with the conditions and rules of the scheme and funding agency.

V. CONTRACTUAL PRINCIPLES

CEU has a wide range of business cooperation frameworks and agreements with suppliers and customers. CEU's aim is to develop effective and long-term relationships with its partners based on mutual cooperation of benefit to all parties.

Depending on the Procurement Policy (see Procurement Policy clause 10.2), a contract is needed for formal confirmation of the cooperation. Contracts must be in written form, including all parties' rights and obligations. Contracts ensure that all risks that could potentially arise during the partnership are fully documented in advance and that these risks are eliminated or mitigated.

Changes may be required during the period of a contract, particularly in the case of large, complex construction and service contracts. Amendments to a contract shall be made in writing by common consent of the Parties.

Contracts must be signed by official representatives of CEU entities only. Under no circumstances can Budget holders, Budget administrators, Department Heads or Other members of faculty and staff sign contracts on behalf of CEU without proper written authorization. Otherwise, such contracts will automatically be null and void and will carry no financial obligations for CEU.

CEU must retain a copy of a contract and its amendments executed by an entity of the CEU Group and each contracting party. All contractual documentation is recorded at the Budget and Finance Office. Vendor-related documents are kept in the Procurement Office, contractual processes and conditions, including contract types, requirements and distribution of duties, are detailed in CEU's Procurement Policy. Customer-related documents are available at the Financial Assistant responsible for invoicing. Information related to invoicing processes can be found in Chapter XI.

VI. ACCEPTANCE OF SUPPLIER INVOICES

Please read this Chapter carefully as failure to comply with the requirements listed here will result in the refusal to process payment requests or reimburse expenses. These documents are required by both the tax authorities and auditors to justify CEU's valid business-related expenses.

VI.1. General Rules

VI.1.1. Choosing the proper entity to whom the invoice should be addressed to

- Please review Annex 2. It gives guidance on the proper entity to select.
- Please always ask the vendor to make the invoice out to the proper name and address of the relevant CEU entity (see Chapter III.). All official legal names of entities (name, English name, short name listed per entity in Chapter III.) are accepted.

If there is any uncertainty about which entity should be addressed, please contact "Financial Assistant – General" at financesupport@ceu.edu. For externally funded projects, please contact the units which are responsible for administering the project. These units can be:

- Academic Research and Development Office (ACRO)
- Development Office
- Budget and Finance Office.

VI.1.2. Payment in advance based on advance payment invoice

In some cases, a supplier will not deliver the goods/services until CEU pays them in advance based on a pro-forma invoice. In such cases the following conditions should be fulfilled:

- The advance amount cannot be more than 50% of the total amount of the delivery.
- The formal requirements of pro-forma invoices/request for advance payment letters are the same as for ordinary invoices (see VAT invoice below).
- There should be a reference to the advance payment (and its financial fulfillment) on the final invoice.
- The amount and other conditions of the advance should be included and defined in the service contract.

VI.1.3. Invoice submission deadline

Deadlines are defined separately under Chapter VII General Ordering process for each type of form. At the academic year-end (July 31 every year) you should submit invoices until mid-August at the latest. You will be informed about the exact dates in a separate letter each year.

VI.1.4. General conditions for accepting invoices

- All expenditures are subject to preliminary budget checks by BFO, i.e. verifying whether your unit has sufficient funds available in the relevant budget category to cover the given expenditure.
- There are formal requirements for acceptable invoices. Please see the main

requirements in Chapter VI.2. Invoices submitted are also verified from this perspective.

- To confirm fulfillment of the service or delivery of the goods, the following documents should be attached to the invoice:
 - a. For goods purchased: a delivery note, signed by both the supplier representative and the entitled Budget administrator.
 - b. For services ordered: a certificate of performance of the services signed by both the supplier representative and the entitled Budget administrator.

VI.1.5. Submission of invoices

Invoices should arrive directly to BFO. Suppliers are encouraged to use the common CEU PO box. Please note that suppliers should be informed about the SAP PO number that always needs to be included in the invoice. Invoices arriving without a PO number will be returned to the supplier. Please see Chapter VII. for more information.

If an invoice arrives directly to a unit/department, please forward it immediately to the Financial Assistant - General at BFO. Please note that invoices should be supplied either with the relevant PO number or a payment form. It is the requestor's responsibility to inform the supplier and provide the correct PO number or fill this information in subsequently on the invoice. This will help to reduce late payment penalties charged to CEU.

Please note that suppliers are not allowed to be reimbursed directly in cash at the cash desk.

VI.2. Acceptable supplier invoices

VI.2.1. Invoice (in Hungarian: "ÁFÁ-s számla")

Expenditures in any currency must be documented with proper and original invoices or receipts. In Hungary, please always ask for a properly issued, original and official VAT invoice ("ÁFA-s számla") addressed to the relevant CEU legal entity (i.e. not to the name of the person making the purchase or buying a service). Please make sure you use the official name, English or short names of the entities (see Chapter III.).

In line with European Union's tax and accounting regulations, photocopies of invoices, invoices addressed to institutions other than CEU and bank card slips without a VAT invoice are not acceptable. Due to Hungarian tax and accounting regulations, a simple cash register receipt (in Hungarian: "blokk" or "nyugta") in Hungary is not acceptable.

VI.2.2. Formal requirements of an invoice

VI.2.2.1. The following formal requirements should be indicated on the invoice:

- Supplier's official name and address, tax registration number, bank account details;
- Official name, address, tax number of the relevant CEU legal entity;
- Invoice number;
- Description of goods or services;
- Quantity of goods or services;

- Price per item of goods or services;
- Currency the invoice is issued in;
- In case the invoice issued:
 - In Hungary, in a currency different than HUF: the currency the invoice is issued in (note that VAT must always be indicated both in the currency the invoice was issued and also in HUF.);
 - In Austria, in a currency different than EUR: the currency the invoice is issued in (note that VAT must always be indicated both in the currency the invoice was issued and also in EUR.);
- Net amount, VAT amount and total amount of services/goods purchased;
- VAT rate in % if applicable;
- Invoice issue date;
- Delivery date of services/goods purchased;
- Due date of invoice;
- EU VAT number for intra-EU transactions (of both the supplier and the relevant CEU legal entity);
- For the SAP ordering process, the PO number must be provided on the invoice.

VI.2.2.2. The formal requirements for invoices issued by an Austrian service provider to an Austrian entity of CEU in case of the amount of the invoice is below EUR 400:

- Supplier's name and address;
- Description of goods and services;
- Quantity of goods and services;
- Net amount, VAT amount and total amount of services/goods purchased;
- VAT rate in % if applicable;
- Invoice issue date.

Please note that these minimum requirements are applicable in the territory of Austria only: both the service provider issuing the invoice and the CEU entity receiving the invoice must be registered in Austria.

Due to the complexity of EU Directive on the common system of the value added tax (VAT), preliminary consultation with BFO about the invoicing requirements and conditions is suggested.

VII. GENERAL ORDERING PROCESS

The main rule is that all Purchase requests should be recorded in the SAP system, except for the following transactions:

- payments which should be re-invoiced to a third party,
- payments related to penalties (e.g. late fee penalty)
- advance payments,
- payment requests payable by corporate credit card,
- credit notes.

In such cases, please use paper-based forms (detailed under Chapter VII.2.).

VII.1. Authorization and approval of payments in SAP system

This chapter outlines the process to follow when a department/unit requests a purchase of goods/services. All departments/units should follow the procedure below.

VII.1.1. Purchase request (PReq)

PReq is used to:

- Provide information by a staff member to the Purchase order creator on the need to acquire goods and/or services;
- Obtain internal approval for the purchase of certain goods and/or services prior to a Purchase order being raised; and
- Consolidate requests from multiple requisitions to a single Purchase order for a single Supplier.

Please note that a Purchase requisition is an internal document, it is not a binding legal contract and should never be forwarded to a Supplier.

VII.1.1.1. Purchase requisition registration

The Purchase request should be initiated by:

- users with SAP access: directly in the SAP system or
- users without SAP access: indirectly by submitting an Adobe form.

Please note that only authorized users are eligible to log in to SAP or submit an Adobe form. Authorization requests should be addressed to the Head of Controlling.

The Adobe form is available on CEU's server to ensure that all users can reach the most recent form. Forms are updated regularly reflecting changes in the SAP system. The form is available on [BFO intranet site](#). Make sure that you use the updated version for your requisitions.

Please note that all Purchase requests generated via an Adobe form need to be sent to the SAP system using the sending button available on the form. Adobe forms should be approved by the assigned SAP user of the unit.

VII.1.1.2. Purchase requisition types and required information

There are four main types of PReqs in the SAP system developed for CEU. Please find below the details of the PReq types, detailing the cases when they are applicable. Necessary information and documents should be attached or provided to the text field of the form by the requestor. Please note that the Purchase order creator might ask for further clarification from the requestor.

a.) General Purchase requisition (PReq)

1. General Purchase requisitions are used for goods/services ordered directly from a supplier. When submitting a Purchase requisition to SAP, the following documents and information

must be enclosed:

- For:
 - a. purchases through competitive bidding: competitive quotations
 - b. minor purchases (see Procurement Policy clause 6.2.1): any external official information (e.g. e-mail, print copy, etc.) about the price
 - c. institutional, professional, business and technical organization membership fees: any document or mail conversation about the price
 - d. accommodation: reservation confirmation from hotel
 - e. catering: offer from the supplier.
- For special purchases (see Procurement Policy clause 6.3.1), the signed and scanned 'Form for special procurement procedures' is necessary.
- Unless the vendor with the lowest offered price is selected, please provide the reasons for selecting the proposed vendor.
- In the case of suppliers, if choosing a non-preferred vendor defined in Procurement Policy clauses 6.2.2. and 6.2.3., an explanation is needed.
- For requests when prior authorization from CEU management is needed (e.g. mobile/internet subscription), please attach the confirmation.

Further requirements:

- In the case of catering costs, please list the names and institutions of all participants. In the case of a public lecture, the agenda or the invitation of the lecture is also suitable instead of a list with names. Business meals are subject to close scrutiny by authorities. The catering cost suggested is
 - up to HUF 10,000 per person in Hungary.
 - up to EUR 40 per person in Austria and the rest of the world.Please make sure that these expenses are compatible with CEU's business interest.
- Meals, where only CEU Employees are participating, are not considered as business meal and cannot be reimbursed by CEU.
- In the case of field trips, the following information is necessary:
 - a. List with names of all participants;
 - b. Program invitation/agenda;
 - c. Offer of supplier;
 - d. Pro-Rector for Social Sciences and Humanities approval (for expenses paid from both internally and externally funded money).
- For any kind of student program or activity, please provide
 - a. List with the name of all participants;
 - b. Program invitation/agenda;
 - c. Offer of supplier.
- Please note that benefits such as business meals, drinks, cultural events, etc. and related expenses are taxable in the Hungarian entities. These additional taxes are charged to the same budget code as the original costs. Please note that costs related to a private event such as birthday, welcome, farewell, baby-birth or wedding gift for any employee are non-reimbursable.
- Goods (e.g. laptops, furniture etc.) can only be ordered through and with help of Information Technology or Facility Management units. The purchase also has to be approved by their representatives (approval in the SAP system is needed). In these cases, the Internal order code for the investment should be used as the budget code.

- With book purchases, please note that books should first be cataloged by the CEU Library. Book invoices can only be paid with the Library's confirmation of receipt and cataloging. On long-term book loans, information is available at the Library. For further information please turn to the Financial Assistant of the Library.
- If the purchased book does not remain the property of CEU but is provided as support for students/fellows, no book cataloguing is required. In this case, a Grant letter/contract should be prepared by BFO's Grant Management. Please see Chapter X.2.

2.General Purchase requisitions are also used for reimbursing individuals (e.g. accommodation, travel, local transport, etc.) with the following statuses:

- Grantee,
 - Visiting
- with assignment or grant contracts.

The following information is required:

- Information on the status of the beneficiary of the service/product purchased.
- If the service is provided for an individual having an assignment/grant contract with a CEU entity, a copy of the assignment/grant contract should be attached to the Purchase request. For travel services required from suppliers other than the contracted Travel Agency (see Procurement Policy clause 6.2.3), proof of the more favorable proposal must be provided in certain cases. See also Annex 1.
- Please see further requirements in Chapter VII.1.1.2.a.1.

b.) Invitation letter Purchase requisition (Invitation letter PReq)

An Invitation letter PReq is used to purchase goods and services (i.e. travel, accommodation, visa, etc.) for invited lecturers and guests connected to CEU's business. The invitation letter should reflect CEU's business interest in covering the given cost.

At least the following information and documentation needs to be provided by the requestor:

- Complete, signed and scanned invitation letter. Please note that the signature must be an original; no picture images are accepted.
- Proposal/proof of offer from the supplier (reservation confirmation)
- For groups: a summary table with the names and spent nights/persons
- The agenda/program of the event for which the guest is invited
- See also Annex 1.

c.) Consultancy Purchase requisition (Consultancy PReq)

Consultancy PReq is used to purchase services (i.e. travel, accommodation, visa, meal, etc.) for individuals having a Consultancy Agreement with Central European University, New York.

Information and documents to be included in the form (attached or written into) by the requestor:

- Quotations/reservation confirmation from hotel/proof of offer
- Copy of Consultancy Agreement.

- See also Annex 1.

d.) Travel Purchase requisition (Travel PReq)

Travel PReq is used to purchase travel services (i.e. airfare, travel insurance, accommodation, visa, etc.) from the contracted Travel Agency (see Procurement Policy clause 6.2.3) for individuals with the following statuses in any CEU legal entities:

- Individual with an employment contract;
- Individual with a grant contract;
- Individual with an assignment contract;
- Individual with an invitation letter.

At least the following information should be provided:

- Name of traveler;
- Information on status of individual traveler (e.g.: staff, faculty, student, assignee, etc.);
- Purpose of travel (e.g. conference, training, etc.) and proof of the business purpose (brochure/invitation/information site);
- Information about the service (type, date from to, place, etc.);
- Reservation confirmation from the Travel Agency;
- In cases spouses, companions, relatives accompanying Employees on business travel must travel at the spouses', companions' and relatives' own expense and pay the difference between single and double room accommodation rates. When there is no difference between the single and double room rates, an evidence (i.e. a printout from the hotel's official web-site or an email confirmation from the hotel) should be enclosed to the SAP Purchase request. Business travel and vacation/personal leave may not be combined.
- See also Annex 1.

VII.1.1.3. Vendor information

All PReqs should contain the vendor whom the service/product is purchased from. This can be selected from the existing list in the SAP system. For new vendors, please provide the name of vendor in the 'vendor proposal' field and attach a fully completed vendor information form to each Purchase requisition.

VII.1.1.4. Approval of Purchase requisitions

PReqs should be approved by the Budget holder. Where purchases of products/services are covered by an externally funded project, the PReq should be approved by the assigned administrative supervisor (e.g. from ACRO or from the BFO) of the project.

Via a workflow routine, SAP automatically routes the PReqs to the SAP user authorized to release the Purchase request.

If a request arrives, the authorized person receives an e-mail directly to her/his CEU mailbox. The authorized person reviews the requisition to ensure that the Purchase request is appropriate, well-documented and funds are available.

An automatic e-mail message about the approval or refusal of the request is sent to the requestor.

VII.1.2. Purchase order (PO)

A Purchase order (PO) must be created when engaging with a Supplier for the supply of goods and/or services. A Purchase order is an official document of CEU and acts as a tool for committing to the purchase of goods and/or services.

VII.1.2.1. Purchase order registration

CEU Purchase orders should be generated within the SAP system and can be printed directly from there.

Departments eligible to prepare Purchase orders:

- Procurement Office: for general purchases
- Information Technology Department: IT-related purchases (e.g. PCs, laptops, software, etc.)
- Facility Management: FM-related purchases (e.g. office supplies, furniture, utility, etc.)
- CEU Residence and Conference Center: purchases related to the daily operation of the dormitory (e.g. security, utility, rental fee, etc.)

Prior to generating a PO, the PReq is verified from the following aspects:

- missing information, supporting documentation, incomplete descriptions/specifications
- proper CEU entity
- price; comparisons to other offers or to the reasonable market price requested in line with the Procurement Policy.

In the case of missing information or other inadequacies related to the PReq, the requestor is required to modify and/or complete the request.

Each PO has a unique Purchase order number to recognize it, and this should be referenced in all related documents (e.g. invoice).

VII.1.2.2. Approval of Purchase orders

A Purchase order should be approved by the authorized officers in SAP. SAP automatically routes the Purchase order, via a workflow routine, to the Authorizing Officers with delegated authority to release the Purchase order.

The approval process for Purchase orders is a three-level process, it must be approved by:

- Level 1: Procurement Office (Logistic releaser)
- Level 2: Budget responsible:
 - If there is no change in the Purchase order compared to the related Purchase request, the Purchase order is approved automatically;
 - If there is a change in the Purchase order compared to the related Purchase request with regard to:

- the supplier and/or
- the value of the purchase and/or
- the Cost center code, Project code or the Internal order code, the Budget responsible must re-approve.
- If a Purchase order is created without having a prior Purchase request, the Purchase order should always be approved by the budget responsible. Please note that this kind of Purchase order can only be created by the eligible departments defined in VII.1.2.1.
- Level 3: Financial releaser

VII.1.2.3. Sending Purchase orders to the Supplier

Please follow the instructions of the Procurement Policy, Clause 6.

VII.2. Approval of paper forms: authorization of payments outside the SAP system

Paper forms serve as a document to:

- Reimburse CEU employees, non-employees and students for expenses while conducting university business;
- Initiate advance payments to suppliers;
- Pay for goods/services ordered directly from a supplier which will be re-invoiced to a third party;
- Request cash advances for CEU's business purposes.

Please note that all payment forms are internal document, they are not binding legal contracts and should never be forwarded to a Supplier.

All forms (see requirements for each point below) must be approved and signed by the Budget holder or Budget administrator of the unit prior to submission to BFO. No one can approve payments for herself/himself. If Budget holders or Budget administrators need to be reimbursed, they countersign each other's forms.

Fully completed forms should be submitted to the "Financial Assistant – General". Prior to submitting forms for payments from external projects administered by the Academic Cooperation and Research Support Office, they should be authorized by either the Director or the responsible ACRO project administrator.

All Purchase orders, payment requests, expense reimbursement requests, cash, salary and travel advances and travel requests submitted to BFO on relevant forms have to pass a budget and accounting check. The Chief Accountant and Head of Controlling check the accuracy and completeness of forms from accounting, tax, budget and other financial perspectives. They authorize the payments with their signatures.

All financial forms (Appendix 3. /a., b., c., d./) are available on [BFO intranet site](#). For your convenience and in order to speed up the disbursement process, the forms should be filled in electronically. We also recommend saving the completed forms and using them as templates in the future. All necessary details should be filled in. The forms are designed so that they will remind you automatically to fill the necessary fields. Upon completing the required fields, the reminders disappear. Forms with missing information (including red reminders) or handwritten forms cannot

be processed and will be returned to complete the missing data. You are requested to attach any supporting documentation or correspondence to the forms.
Please do not write anything in the sections of the forms reserved for BFO and ACRO use.

VII.2.1. Payment to supplier / PS

VII.2.1.1. Subject of form

Following implementation of the SAP system, the use of PS forms has been restricted. The aim of the PS form is to initiate the following transactions:

- transactions that should be re-invoiced to third parties;
- payments related to penalties (e.g. late fee penalty);
- advance payments for suppliers;
- payment requests payable by corporate credit card;
- payment for goods/services ordered directly from a supplier which will be re-invoiced to a third party;
- credit notes.

VII.2.1.2. How to fill in the form

At the top of the form please tick the appropriate box in each case below:

- Method of payment (see Chapter VIII.2.) which can be one of the followings:
 - a. Bank transfer
 - b. Corporate credit card
- Status of individual for whom expense was incurred:
 - a. Faculty
 - b. Staff
 - c. Student
 - d. Visiting faculty
 - e. Other

Expense should be covered by the relevant legal entity of the CEU Group. Please provide the selected entity on the form. Please ensure to tick the appropriate entity because the invoice is issued on this basis.

Budget information:

Based on the following information, this section is necessary to check the payment from a budget point of view:

- The budget code of the cost center, internal order or project covering the expense
- The budget year
- The name of the cost center, internal order or project
- The date the form is completed

Purpose / Amount / Currency:

Please state here:

- The exact business purpose of the expense;

- The type of payment (re-invoicing or advance payment);
- Amount and currency of relevant expenditure.

Only expenses supported by proper invoices (see Chapter VI.) attached will be reimbursed by BFO.

Name of supplier

Please state here the exact name of the supplier (this should be the same that appears on the invoice).

Bank details:

In the case of bank transfers, please provide the most accurate bank information for the vendor. The bank address, SWIFT code and IBAN (International Bank Account Number) if applicable are mandatory. PS forms without proper bank details are not accepted. Such forms will be returned to the Budget administrator.

VII.2.1.3. Other important information

- Submit the invoice to BFO at least 5 working days before the due date.
- When re-invoicing or with advance payments, please attach a copy of the contract/order/agreement providing the related conditions to the form.
- The PS form shall be accompanied by the original invoice in the case of re-invoicing, and by a pro-forma invoice in the case of advance payments.
- One invoice should be attached to one PS form.
- For business meals, please attach a list with the name of all participants. With public lectures, the agenda or official poster of the event is also appropriate.
- Please note that benefits such as business meals, drinks, cultural events, etc. and related expenses are taxable in the Hungarian entities. These additional taxes are charged to the same budget code as the original costs. Please note that costs related to a private event such as birthday, welcome, farewell, baby-birth or wedding gift for any employee are non-reimbursable. Business meals and entertainment expenses are subject to close scrutiny by authorities. Please make sure that these expenses are compatible with not-for-profit operations.
- Please note that providing gifts to business partners are forbidden in Austria.
- The business meal cost suggested is
 - up to HUF 10,000 per person in Hungary.
 - up to EUR 40 per person in Austria and the rest of the world.
- Goods (e.g. laptops, furniture etc.) can only be ordered through and with help of Information Technology or Facility Management units. The form also has to be approved by their representatives (signature needed). In these cases the Internal order code for the investment should be used as the budget code.
- In the case of services, please always attach the certificate of performance.
- With book purchases, please note that books should first be cataloged by the CEU Library. Book invoices can only be paid with the Library's confirmation of receipt and cataloging. On long-term book loans, information is available at the Library. For further information please turn to the Financial Assistant of the Library.
- If the purchased book does not remain the property of CEU but is provided as support for students/fellows, no book cataloging is required. In this case, a Grant

letter/contract should be prepared by BFO's Grant Management. Please see Chapter X.2.

- When reserving and paying for an airplane/train ticket, accommodation, a registration fee or book online with a CEU central corporate bank card, the Budget administrator should be present during the booking/reserving process to avoid any misunderstanding related to the conditions of the trip.
- When buying a product (book, periodical, etc.) or service (hotel, Airbnb.com, booking.com, registration fee, etc.) online, the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. In case the invoice is available only when the service is completed, it should be submitted accordingly.
- All further necessary documents listed in VII. 1.1.2. a. should be enclosed with the PS form.
- Information about supplier invoices requirements is available in Chapter VI.

VII.2.2. Payment to individual/PI

VII.2.2.1. Subject of the form

This form should be used for any kind of payments to an individual. These can be travel, accommodation or other cost reimbursements, and cash advance settlements. When traveling on CEU business please also refer to Chapter IX. Business Travel Policy and Annex 1 for eligible travel related expenses.

VII.2.2.2. How to fill in the form

At the top of the form please tick the appropriate box in each case below:

- Method of payment (see Chapter VIII.2.), which can be one of the followings:
 - a. Bank transfer
 - b. Cash
- Status of individual for whom expense was incurred:
 - a. Faculty
 - b. Staff
 - c. Student
 - d. Visiting faculty, guests
 - e. Other

Expense should be covered by the relevant legal entity of the CEU Group. Please provide the selected entity on the form. Please ensure to tick the appropriate entity because the invoice is issued on this basis.

Please indicate the amount, currency and date of a cash advance taken related to the given expense reimbursement.

Budget information:

Based on the following information, this section is necessary to check the payment from a budget point of view:

- The budget code of the cost center, internal order or project covering the expense
- The budget year
- The name of the cost center, internal order or project
- The date of completing the form.

Details of expenses:

This section is needed to provide details of expenses incurred. All costs should be specified individually as follows:

- The exact business purpose of the expense
- Amount and currency of the relevant expenditure
- Summarized expenses by currency
- Numbering the receipts attached
- Amount, currency of any related cash advance taken

Please note that the information is required separately for each invoice attached to the form. Only expenses supported by proper invoices (see Chapter VI.) attached are reimbursed by BFO.

Beneficiary:

Please state here the exact name of the beneficiary.

Bank details:

If the payment method is bank transfer, please provide the individual's most accurate bank information. The bank address, SWIFT code and IBAN (International Bank Account Number) if applicable are mandatory. PI forms without proper bank details are not accepted. Such forms will be returned to the Budget administrator.

VII.2.2.3. Other important information

- With cash advances, if the amount spent was more than the advance taken, the difference will be reimbursed. If the amount spent was less than the advance, the remaining balance should be repaid at the cash desk within 3 working days after returning from a business trip or making the purchase.
- If the expense is incurred for visiting guests, invoices have to be submitted to BFO within 30 days of the cost arising. Processing the payment takes 5 working days.
- In the case of business meal or entertainment costs, please attach a list with the names and institutions of all participants. For public lectures or events, the agenda or official poster of the event is also appropriate.
- Please note that benefits such as business meals, drinks, cultural events, etc. and related expenses are taxable in the Hungarian entities. These additional taxes are charged to the same budget code as the original costs. Please note that costs related to a private event such as birthday, welcome, farewell, baby-birth or wedding gift for any employee are non-reimbursable. Business meals and entertainment expenses are subject to close scrutiny by authorities. Please make sure that these expenses are compatible with not-for-profit operations.

- Please note that providing gifts to business partners are forbidden in Austria.
- The business meal cost suggested is
 - up to HUF 10,000 per person in Hungary.
 - up to EUR 40 per person in Austria and the rest of the world.
- If the beneficiary has an assignment or consultancy or grant contract, please attach one copy to the PI form. This is necessary to justify expenses for external audit and taxation purposes.
- Please use numbers to identify all the receipts you submit for settlement and attach them. The BFO cannot accept PIs submitted without proper invoices/receipts. Such PIs will be returned to the Budget administrator.
- A private vehicle of an individual may be used for business trips when it is less expensive or timelier than renting a car or taking a taxi or alternate transportation. Please see Chapter IX. 1. 2. for further information about private vehicle or car renting reimbursements.
- If the beneficiary is an invited guest, please attach one copy of the invitation letter to the PI form. Please note that no images of signatures inserted into invitation letters are accepted.
- When re-invoicing, please attach a copy of the contract/agreement providing the related conditions to the form. The PI form shall be accompanied by the original invoice. For meal or entertainment costs, please attach a list with the names and institutions of all participants. For public lectures, the agenda or official poster of the event is also appropriate. Meals and entertainment expenses are subject to close scrutiny by authorities. Please make sure that these expenses are compatible with not-for-profit operations.
- No CEU entities are permitted to reimburse bank charges, conversion costs and other fees charged by banks if employees or other individuals use their private bank card or bank account for CEU purposes.
- With book purchases, please note that books should first be cataloged by the CEU Library. Book invoices can only be paid with the Library's confirmation of receipt and cataloging. On long-term book loans, information is available at the Library. For further information please turn to the Financial Assistant of the Library.
- If the purchased book does not remain the property of CEU but is provided as support for students/fellows, no book cataloguing is required. In this case, a Grant letter/contract should be prepared by BFO's Grant Management. Please see Chapter X.2.
- Goods (e.g. laptops, furniture etc.) can only be ordered through and with help of Information Technology or Facility Management units. The form also has to be approved by their representatives (signature needed). In these cases the Internal order code for the investment should be used as the budget code.
- Meals, where only CEU Employees are participating, are not considered as business meal and cannot be reimbursed by CEU.
- Please note that benefits such as meals, drinks, cultural events, etc. and related expenses are taxable. These additional taxes are charged to the same budget code as the original costs. Please note that costs related to a private event such as a birthday, welcome, farewell, baby-birth or wedding gift for any Employee are non-reimbursable.
- Please note that only mineral water, coffee, tea, milk, sugar may be reimbursed as

- office food or drink.
- When buying a product (book, periodical, etc.) or service (hotel, Airbnb.com, booking.com, registration fee, etc.) online, the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. In case the invoice is available only when the service is completed, it should be submitted accordingly.
- All further necessary documents listed in VII. 1.1.2. a. should be enclosed with the PI form.
- Information about supplier invoices requirements is available in Chapter VI.

VII.2.3. Travel Request / TR

VII.2.3.1. Subject of the form

This form should be used for any kind of travel request prepared and arranged through CEU's contracted travel agency which should be re-invoiced to a third party. This agency provides travel-related services (such as searching for and reserving the most appropriate airplane and train tickets, accommodation, contracting travel insurance, etc.) to visiting guests, students, faculty and staff members of CEU at specially discounted prices.

VII.2.3.2. How to fill in the form

At the top of the form please tick the appropriate box in each case below:

- Type of services ordered:
 - a. Air ticket
 - b. Train ticket
 - c. Insurance
 - d. Accommodation
- Status of individual for whom expense was incurred:
 - a. Faculty
 - b. Staff
 - c. Student
 - d. Visiting faculty
 - e. Other

Expense should be covered by the relevant legal entity of the CEU Group. Please provide the selected entity on the form. Please ensure to tick the appropriate entity because the invoice is issued on this basis.

Budget information:

Based on the following information, this section is required to check the payment from a budget point of view:

- The budget code of the cost center, internal order or project covering the expense
- The budget year
- The name of the cost center, internal order or project

- The date the form is completed
- Name and signature of traveler
- Business purpose of the trip.

Travel details:

Destinations and other conditions of the trip should be specified here, such as purpose, destination, date of trip, etc.

VII.2.3.3. Other important information

- TR form should be submitted to BFO complying with the deadlines given by CEU's contracted travel agency, otherwise the travel agency will not be able to keep to its price offered.
- Please indicate the exact name of the institution the invoice should be re-issued to. If there is agreement between the institution and CEU, please add this information as reference.

VII.2.4. Cash Advances / CA

VII.2.4.1. Subject of the form

This form is used if an Employee requires a cash advance for business purposes.

VII.2.4.2. How to fill in the form

At the top of the form please tick the appropriate box in each case below:

- Method of payment (see Chapter VIII.2.), which can be one of the followings:
 - a. Bank transfer
 - b. Cash
 - c. Contracted bank's voucher
- Status of individual for whom expense was incurred:
 - a. Faculty
 - b. Staff

Advance should be taken from the CEU legal entity that Employee has employment contract with. In case the advance is connected to a project funded by an external donor or grantor, the grant receiving entity shall also be considered. Please provide the selected entity on the form.

Budget information:

Based on the following information, this section is necessary to check the payment from a budget point of view:

- The budget code of the cost center, internal order or project covering the expense;
- The budget year;
- The name of the cost center, internal order or project;
- The date the form is completed.

Details of the advance

This section should contain all the relevant details of the advance (e.g. business purpose, currency and amount requested).

Personal details

- Name of Employee responsible for the advance. If the advance is not settled or not settled in time, the unsettled balance is deducted from the given Employee's salary;
- Date of birth;
- ID or passport number.

Bank details

If the payment method is a bank transfer, please provide the most accurate bank information for the individual. The bank address, SWIFT code and IBAN (International Bank Account Number), if are mandatory. A PI form without proper bank details is not accepted. Such forms will be returned to the Budget administrator.

If the Employee responsible and the Employee receiving the advance are different, the name of the authorized Employee collecting the advance should be indicated on the form. The authorized person should counter-sign the Cash advance form.

VII.2.4.3. Other important information

a.) General conditions

- Only Employees having an employment contract with a CEU entity are allowed to take a cash advance.
- CEU's contracted bank needs time to make the sufficient amount and currency of advance available. Please submit the CA form to BFO 5 working days prior to the day the advance is required.
- If the required payment method is cash, and the request is approved, the advance can be picked up at the cash desk in its opening hours.
- If the required payment method is a voucher of CEU's contracted bank, and the request is approved, the advance can be picked up at the cash desk of CEU's contracted bank.
- A new advance may only be provided if any previous advance has already been settled.
- In exceptional cases, the amounts of business-related travel advances in foreign currencies can also be taken at the cash desk in the assigned branch of CEU's contracted bank.
- The currency of advances can be any currency published on the contracted bank's website.
- The maximum amount of advance is 1,000 EUR or its equivalent in any other currency. It is possible to raise this limit in certain specified circumstances. In this case a detailed explanation should be enclosed to the CA form. Please also see VIII. Possible payment methods for disbursements.

b.) Settlement of a CA

- In general cases: must be settled within 3 working days of receiving the advance.
- In case of business travel: must be settled within 3 working days of returning from a trip abroad.
- Advances that are not settled within 30 days of the deadlines defined above are considered overdue. All overdue, unsettled advances are reported to the Human Resource Office and are deducted automatically from the given Employee's next monthly salary. Cash advances can only be used for expenditures included in the budget.
- The total amount of invoices and the remaining cash must equal the amount of the original advance. If you have overspent, you will be reimbursed up to the amount of the invoices submitted in the same currency the advance was taken. If there is any shortfall, the Employee taking the advance should repay it in the same currency as the advance was given. More information about foreign currency advance settlements is available in IX. 1. 6.
- Due to the regulations of CEU's contracted bank, CEU can only accept coins in the following currencies:
 - In Hungary: HUF, EUR, USD and GBP. For all the other currencies listed on the website of the contracted bank (i.e. CZK, HRK, SEK, NOK, etc.), only banknotes are acceptable.
 - In Austria: EUR.

VIII. PAYMENT METHODS

The Budget and Finance Office is responsible for optimizing cash flows and ensuring the security of all funds collected, managed and disbursed by CEU Group entities. All banking and cash transactions are approved by the Budget and Finance Office.

No individual, department, school or center has the authority to set up an active bank account or accept petty cash in the name of CEU Group entities, other than the Budget and Finance Office.

VIII.1. Possible payment methods for payments received

VIII.1.1. Payments at CEU's cash desk

CEU aims to minimize cash turnover and encourages its community to use bank cards or bank transfers for every transaction, instead of cash payments.

Among others, the following fees can be paid in person at CEU's cash desk in cash or with bank card:

- Reader;
- Printing quota;
- Language course;
- Temporary ID cards;
- Lost key, book, ID card;
- CEU garage rental fee;
- Other damages;
- Apostille;
- Transcript;
- Summer University course fee;
- Conference registration and participation fee;
- Advance settlement.

The following currencies can be accepted at the cash desk:

- In Budapest:
 - HUF;
 - EUR;
 - USD.
- In Vienna:
 - EUR;
 - USD.

Based on the cooperation agreement CEU has with the contracted bank, the terminal can accept the following bank card types:

- MasterCard;
- VISA.

VIII.1.2. Online payments with bank card

VIII.1.2.1. Online payments on payments.ceu.edu

The online payment system is compatible with MasterCard and Visa bank cards. Of all the various bank cards suitable for making purchases, the following can be used to initiate transactions:

- MasterCard;
- VISA;
- VISA Electron – However, using this over the internet is subject to the consent of the card-issuing bank. (The issuing bank decides whether to allow use of the card in ‘card not present’, or CNP transactions.)
- Virtual bank cards specifically designed for online payments.

The list of reasons for payments is available on payments.ceu.edu.

All partners initiating payments on CEU’s online payment page should include the full name of the participant/student, program/conference/project/workshop and invoice number if available in the comment field. For more information please visit <https://payments.ceu.edu>.

VIII.1.2.2. Online payments in SITS

Students shall pay all fees due upon their login to SITS.

VIII.1.3. Bank transfer

When sending payments by bank transfer to a bank account of a CEU entity, please ensure that the full name of the student/participant, program/conference/project/workshop and invoice number, if available, are quoted in the comment field. Payments should be initiated at least 5 working days before the due date to avoid late charges.

Please note that payers are responsible for all banking fees and additional taxes charged.

VIII.2. Possible payment methods for disbursements

VIII.2.1. Cash

CEU aims to minimize cash turnover and encourages its community to use bank cards or bank transfers for every transaction, instead of cash payments.

- Petty cash can be used to:
 - a. reimburse Employees for business trip related expenses;
 - b. reimburse Employees for non-travel, out-of pocket expenditures; small, incidental expenses when it is not feasible or impractical to use other means of purchase. Petty cash should be used only when there is no other means to process the transaction. Such expenditures shall also be related to CEU’s businesses.
 - c. taking business travel and other business-related cash advances (Employees

only). The maximum amount of petty cash payment is EUR 500 or its equivalent in any other currencies.

- Petty cash should not be used for:
 - a. payments for items to be purchased through the SAP purchasing system;
 - b. payments to vendors, independent contractors, consultants, non-CEU Employees;
 - c. salary, assignment and consultancy fee payments;
 - d. any payment above EUR 500 or its equivalent in any other currency.

VIII.2.2. Contracted bank cash withdrawal form (voucher)

Given the significant banking fees associated with the use of the contracted bank's vouchers, CEU prefers to wire payments where possible.

Payments can be made using CEU's contracted bank cash withdrawal form (voucher) in the following cases:

- reimbursing Employees, assignees for business trip related expenses;
- taking business travel and other business-related cash advances (Employees only);
- reimbursing visiting professors, conference and workshop participants for business trip related expenses;
- paying travel, research and educational-type grants to grantees.

Voucher shall be used for payments up to EUR 500 (or equivalent in any other currency). Above EUR 500 (or equivalent in any other currency) wire transfer shall be used for any payment and reimbursement.

Reimbursements, payments and repayments with vouchers are carried out at assigned branch of the contracted bank during office hours.

Payees should make sure they have their passport or personal identity cards as proof of identity. Cash may be withdrawn upon presentation of any of these documents.

Contracted bank vouchers can be issued:

- In Hungary in:
 - HUF;
 - EUR;
 - USD.
- In Austria in:
 - EUR;
 - USD.

A voucher may be issued in the name of a different individual than the beneficiary. In this case, an authorization letter with the names and signatures of two witnesses and the beneficiary must be enclosed to the payment/Purchase request. Once the beneficiary has received her/his funds, a written statement confirming

- receipt of the funds and

- that CEU has no liability towards the beneficiary should be submitted to the Budget and Finance Office.

VIII.2.3. Bank (wire) transfer

A wire transfer is the electronic transfer of funds from one bank to another. The major advantage of a wire transfer is that funds will normally be received sooner than if a check is issued. Given the significant banking fees associated with other payment methods, CEU prefers to wire payments where possible.

Wire transfers are used for payments to Employees, students, grantees, visiting professors, public lecturers and vendors all around the world.

Payments can be made via wire transfer in the following typical cases:

- Payments to suppliers;
- Stipends paid to students;
- Research, travel and educational grants payable to faculty, students and visiting professors and fellows having a grant contract;
- Employee salaries;
- Salary advances payable to Employees;
- Travel advances payable to Employees (any related private banking fees and charges including ATM fees are not reimbursed);
- Deposit and fee repayments to students;
- Assignment and consultancy fees payable to assignees and consultants;
- Travel and all business-related reimbursements payable to Employees, assignees, consultants, public lecturers, conference and workshop participants and other business-related invited guests;
- Grants and support payable to institutions having grant contracts or payment agreements with any CEU Group entity.

To initiate a wire transfer, the following information is required:

- Bank account holder name:
- Bank name:
- Bank address:
- Bank account number:
- IBAN (International Bank Account Number when applicable)²:
- SWIFT/Bank/ABA code:

²International Bank Account Number (IBAN) is an internationally agreed means of identifying [bank accounts](http://www.ecbs.org/iban.htm) across national borders. It is composed of the country code, a 2-digit checksum and the basic bank account number. Country code information on IBAN is available at: <http://www.ecbs.org/iban.htm>. International bank account numbers can be validated at <http://www.ibancalculator.com/>.

Generally, bank charges of international bank transfers are shared between the beneficiary and CEU. As the default option, CEU pays for all the bank charges incurred until the amount sent reaches the beneficiary's bank (bank option: "SHA").

VIII.2.4. Corporate bank card

The corporate card was introduced as an alternative purchasing and payment mechanism to improve payment performance, simplify clerical processes, provide more effective cash management and in many cases a better service delivery.

The corporate card system has two main components:

a.) Central corporate card is located at the Budget and Finance Office and can only be used at CEU premises. As a main rule, the central corporate card can be used in the following business-related cases:

- ordering travel services (plane, bus and train tickets, accommodation; please also see Chapter IX. Business Travel Policy);
- conference and workshop registration fee;
- ordering books, newspapers and other media materials in online stores.

If you request a payment by corporate bank card, please submit a Payment to supplier form indicating 'credit card' as the payment method. Supporting documents clearly proving the business purpose as well as a printout of the goods/services must be attached. When buying a product (book, periodical, etc.) or service (hotel, Airbnb.com, booking.com, registration fee, etc.) online, the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. The booking or order confirmation alone is not accepted. In case the invoice is available only when the service is completed, it should be submitted accordingly.

To avoid any future misunderstanding and inconvenience, we kindly request that you be either physically or online present at the BFO when the order and payment are processed.

Corporate bank card payment requests are authorized by the Financial Controller and the Chief Accountant.

Approved requests will be executed by the BFO and you will receive confirmation. Neither the central corporate card nor the details of this card will be handed over to those requesting such forms of payment.

The CFO has the right to decline a request for payment by bank card at his discretion. Maximum prudence should be observed when using the bank card. The card can be used only for well-established and well-known vendors since orders placed by phone or on the Internet involve a certain risk.

b.) Corporate card for Employees

Members of management at CEU and Employees with justified job descriptions can apply to the CFO for a CEU corporate card. If authorized, our financial assistant will contact you for the required data to fill in the Bank's form.

It normally takes between 10 and 14 working days for a card to be issued by the bank. Once the card and PIN number have been sent to CEU, the Employee has to collect the card in person from the Budget and Finance Office. Please note you will be required to bring along your staff ID card

for identification.

As a card holder, you are solely responsible for each and every transaction processed on your corporate card. You should advise the Budget and Finance Office immediately of any fraudulent transactions.

CEU corporate cards should be used mainly for covering travel-related expenses. Meals are covered by per diem, consequently corporate cards cannot be used to pay individual meal cost during business trips. They may also be used for urgent unforeseen travel requirements where it was not possible to use the CEU's preferred travel provider. They may also be used for purchases where there is no continuous business relationship with this supplier. In case of ongoing demand, please raise a new vendor request form (Appendix 4)

Before you start using your card, you must make sure you are familiar with all related policies and procedures which are designed to ensure compliance with all tax and audit regulations. Transactions processed with a corporate card must comply with all associated policies and procedures. CEU expects all card holders to treat their corporate card with the same levels of security and responsibility as they would treat their own personal credit card. Failure to adhere to these policies and procedures will result in the card being withdrawn.

Reasonable precautions should be taken to prevent fraudulent use of the card. For example, corporate cards should not be used by anyone other than the named card holder and PIN numbers should not be written down or disclosed to third parties. Cardholders should never write their full card number on any application/registration forms, nor should you provide your CSV number or signature. Cardholders must also take precautions when giving out card details over the phone. The cardholder should always initiate the phone call and be certain that it is the correct person they are giving the card details to.

At no time should cash withdrawals or personal purchases be charged to your CEU corporate card. If this happens by mistake, CEU must be reimbursed immediately.

Whenever you use your corporate card, please ask for a VAT invoice in the name and with the address of the relevant CEU legal entity. Please make sure that when buying a service or product with a corporate card linked to

- Közép-európai Egyetem, the cost is incurred on behalf of KEE and the invoice is addressed to this entity.
- CEU GmbH, the cost is incurred on behalf of CEU GmbH and the invoice is addressed to this entity.

Please also see Chapters III.1. and Chapters VI.2.

Until an invoice is submitted for transactions paid with CEU's corporate card, they are considered business advances taken by the corporate card holder. Business advances that are not settled within 30 days of the deadlines defined in VII.2.4. are considered overdue. All overdue, unsettled advances are reported to the Human Resource Office and are deducted automatically from the next monthly salary of the Employee responsible.

Financial Guidelines

Please note that according to the international accounting and tax regulations, only original invoices are accepted. Copies or the bank card slip itself, without enclosing the original receipts/invoices, are not considered appropriate and acceptable documents.

IX. BUSINESS TRAVEL POLICY

The purpose of this chapter is to set the parameters of travel arrangements for CEU business and for the reimbursement of such travel expenses. You are encouraged to utilize the preferred CEU partnership with the contracted travel agency when traveling for CEU business. Travel and entertainment expenses incurred should be consistent with the business, academic and professional objectives of CEU. The policy applies to all Employees, students and visiting traveling on CEU business.

Travelers should:

- Conduct CEU business with integrity, in compliance with applicable laws, and in a manner that excludes considerations of personnel advantage.
- Exercise good judgment and travel on CEU business in a cost-efficient manner. As the price of airfares is strongly affected by many factors in today's market, early purchases are not always a guarantee for the best price. The contracted travel agency provides professional expertise in securing the best pricing available for the specific time, date and route traveled.

IX.1. Rules for reimbursing Employees' travel-related expenses

IX.1.1. General rules

An Employee is an individual having an employment contract with a legal entity of CEU. Employees having an additional assignment or grant contract are considered Employees, all regulations defined in Chapter IX. 1. and Annex 1 apply to them.

Travelers will be reimbursed for the following business-related expenses: transportation (airfare, train, bus, taxi, public transport boat), accommodation, business meals, supplies, phone/fax, other (postal charges for CEU use, tips if you have a receipt – ask for a 10-15% service charge to be added to your bill if you want to give a gratuity, visa/passport/consulate fees). Only expenses documented with original receipts are acceptable. Photocopies and single bank card slips without the original receipts are not acceptable. Further information about accepting invoices is available in Chapter VI.

Please note that individual meal and incidental costs are covered by per diem. For further information please see Human Resource Office's Per diem Policy in Annex 3.

Please check local practices for appropriate tipping when traveling abroad. Some hotels and restaurants include a gratuity or a service charge in the price, in which case a tip is not necessary.

Upon returning from a business trip, a Payment to Individual or Payment to Supplier form and all required documentation for reimbursement should be submitted to the Budget and Finance Office, "Financial Assistant – General". The Budget and Finance Office shall check whether the reimbursable expense(s) are eligible in accordance with the provisions of these Guidelines, all related CEU policies and the traveler's relevant contract. The availability of funds in the appropriate budget category is also checked. A Payment to Individual or Payment to Supplier form with insufficient supporting documentation and including items that are not permitted will be

rejected. Reimbursement is made only for expenses necessary to perform the traveler's official duties. If the traveler takes part in a conference, workshop or course, an official invitation, a program of the conference/course and relevant correspondence must be attached to the Payment to Individual or Payment to Supplier form. Expenses reimbursed by any other entity (government, corporation, association, organization, individual, etc.) will not be reimbursed by CEU. Invoices addressed to any institution or company other than to the relevant entity within CEU Group are not reimbursed or paid.

Required Documentation for Employee travel reimbursements:

- In general, please refer to Annex 1, detailing the conditions of travel and accommodation.
- Original invoices, receipts addressed to the name and address of the relevant legal entity of CEU. See Chapter VI. Please include an English translation of any documentation that is in any language other than Hungarian, German or English.
- For reservations made over the internet or by other methods from service providers operating, a receipt, the itinerary, the e-tickets, the boarding pass or confirmation (see Annex 1) and proof of payment must accompany the reimbursement request.
- Itemized car rental invoice for a car rental expense. The amount submitted for reimbursement should not include insurance charges.
- Original itemized hotel bill for accommodation.
- In case spouses, companions, relatives accompanying Employees on business travel must travel at the spouses', companions' and relatives' own expense and pay the difference between single and double room lodging rates. When there is no difference between the single and double room rates, an evidence (i.e. a printout from the hotel's official web-site or an email confirmation from the hotel) should be enclosed.
- Business travel and vacation/personal leave may not be combined. In exceptional cases when combining private and business travel is unavoidable, only costs related to CEU's businesses are reimbursed. The business purpose must be clear and well-documented. The traveler should provide a price calculation proving that staying extra days for private purposes does not result in additional costs for CEU. Costs related to private trips are covered by the traveler.
- Itemized receipts for business meals. A list with the name and home-institution of invited guests should be enclosed. The cost of individual alcohol consumption is reimbursed up to 1 glass of wine or beer.
- Receipts paid directly by the traveler should include proof of payment. A credit card statement is proof of payment but does not qualify as an itemized receipt.
- If an Employee travels to a conference/workshop, an original receipt for the conference registration fee and a copy of the agenda or program should be included with the backup documentation. The conference/workshop must directly support the purpose of CEU's business and/or the aim of projects funded by external sources.
- When buying a product (book, periodical, etc.) or service (hotel, Airbnb.com, booking.com, registration fee, etc.) online, the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. The booking or order confirmation alone is not accepted. In case the invoice is available only when the service is completed, it should be submitted

accordingly.

CEU will not reimburse you for items like:

alcohol, babysitter service, room service, minibar use in hotels, in-room meals and other services (e.g. movie) in hotels, laundry, chewing gum, cigarettes, tissue, travel stopovers (except those necessary for CEU business or which are unavoidable), ticket modification fee due to personal reasons, items lost or stolen in transit, additional insurance on vehicle rental, airline upgrades, airline club membership dues, annual fees for personnel credit cards, auto locksmith charges, barbers and hairdressers, laundry services, car washes, clothing (e.g. socks, pantyhose), taking a business partner to a social or cultural event, credit card delinquency fees/finance charges, ATM fees, private bank account charges, expenses for travel companions/family, vacation-related expenses while on a business trip, health club facilities, saunas, massages, in-flight telephone charges, kennel fees and pet care for pets while on travel, loss/theft of cash advance money or CEU-paid airline tickets, loss/theft of personnel funds or property, lost baggage, magazines, books (unless bought for CEU Library), newspapers, home-printer toner, monthly service charges for personnel cellular phones, movies (including in-flight and hotel in-house movies), non-compulsory insurance coverage (annual fee), optional travel or baggage insurance; parking or traffic fines; personnel entertainment, including sports events, personnel calls on mobile phones, personnel toiletries, personnel postage costs, including postcards, rental car upgrades, routine car maintenance/tune-ups, shoeshine, souvenirs/personnel gifts, tobacco products, tips (without receipt), honorariums paid to resource persons, and any other items for which a valid business reason cannot be presented.

Since the reimbursement of travel expenses depends upon both the availability of funds and the timely submission of original, proper receipts, it is in everyone's interest that the Payment to Individual or Payment to Supplier form be submitted within 3 working days after returning from each trip. If you have completed your trip and are unable to include all receipts, submit what you have and make a note on the original Payment to Individual or Payment to Supplier form (including an explanation of why receipts are missing). When you submit the Payment to Individual or Payment to Supplier form for final reimbursement with the missing receipts, attach a copy of the original Payment to Individual or Payment to Supplier form as reference. Travel that crosses fiscal years must be handled according to the CEU fiscal closing deadlines for submission. If you do not settle your advance within 30 days of your return, the remaining balance of the unsettled advance is reported to the Human Resource Office and automatically deducted from your next month's salary.

If you do not file your PI or PS form within the required time after completing your trip, you will receive no further travel advances until the outstanding advance is settled or the remaining balance of your unsettled advance is deducted from your next month's salary. If you are on an extended work assignment, you must mail receipts and file the PI or PS form at least monthly.

Payment to Individual or Payment to Supplier form approvers are responsible for:

- ensuring Employees understand the travel policy and the need to exercise good judgment while traveling;
- ensuring the trip was taken for a legitimate CEU business purpose;
- reviewing and approving expense reports and backup documentation in terms of appropriateness and correctness.

All receipts, invoices must be recorded separately, one by one, on the Payment to Individual or Payment to Supplier form report. Payment to Individual or Payment to Supplier form must contain a precise explanation of each activity and its purpose.

IX.1.2. Travel

Travelers should make travel arrangements ensuring that CEU gets the lowest possible rate for the travel, i.e. by

- choosing the best price offer provided;
- using Saturday night stays for airfares wherever possible and
- using group and CEU discounts where available.

The contracted travel agency guarantees that they will do their best to provide the best available deal for CEU's travel needs. Should you find a solution that is better than this offer, please:

- inform the Procurement Officer, and
- send both offers of the contracted travel agency and the other travel agency to them.

CEU prohibits the purchase of:

- first-class or business-class or premium economy air travel or the equivalent;
- first-class train travel or the equivalent

at CEU's expense. As a rule, CEU travelers shall only use economy class tickets for travel.

CEU does not allow the use of limousines at CEU's expense. Using limousines is only permitted for dignitaries (i.e. members of diplomatic corps, Board members). A limousine is defined as any chauffeured vehicle, with the exception of taxis and airport minibuses.

The Budget administrator should submit a travel request either in SAP or with a Travel request form so the contracted travel agency can arrange his/her reservation. See Chapter VII.1.1. and VII.2.3.

Besides submitting travel requests, it is also possible to reserve and pay for airplane/train tickets online with the CEU central corporate bank card. The Budget administrator should be present during the booking/reserving process to avoid future misunderstandings related to the conditions of the trip.

IX. 1. 2. 1. Use of a private vehicle

A private vehicle of an individual may be used for business trips when it is less expensive or timelier than renting a car or taking a taxi or alternate transportation.

Private vehicle reimbursements are allowed for Employees and individuals having invitation letters or assignment or grant contracts with any CEU entity. Assignees, grantees and invited guests are eligible to receive reimbursement for private vehicle use only if their assignment or grant contract or invitation letter includes eligibility for such reimbursement.

a., Use of a private vehicle when traveling on behalf of an Austrian employer's businesses

If using a private car for business trips, please provide the following supporting documents:

- clear business reason;
- date, time and place of departure;
- date, time and place of destination;
- number of kilometers.

The cost of using a private vehicle is calculated according to the Austrian regulations. The employee is reimbursed by a fixed rate of EUR 0.42 per kilometer. The fixed rate covers fuel, depreciation, maintenance, insurance or any other car related cost. No additional reimbursement is allowed by the Austrian law.

Using private car on corporate businesses is limited to a 30,000 km per employee per calendar year.

b., Use of a private vehicle when traveling on behalf of a Hungarian employer's businesses

- i) If using a private car for business trips in Hungary, in addition to the regular supporting documents, please attach:
- a copy of the car registration documents;
 - date, time and place of departure;
 - date, time and place of destination;
 - number of kilometers.

A vehicle that is not the property of the individual can be used for business travel purposes if written authorization from the car owner – signed by 2 witnesses – is attached to the settlement. No fuel invoice is reimbursable. The fuel cost is calculated according to the current fuel prices published on the official webpage of the Hungarian Tax Authority (http://nav.gov.hu/magyar_oldal/nav/szolgaltatasok/uzemanyag). In addition to the fuel cost, CEU pays 15 HUF/km as a car amortization cost. Appendix 5 contains the form of settlement.

- ii) In case of using a private car for business trips outside Hungary, in addition to the regular supporting documents, please attach:
- a copy of the car registration documents
 - date, time and place of departure,
 - date, time and place of destination,
 - number of kilometers.
 - original fuel invoices (information about invoicing are available in Chapter VI.)

A vehicle that is not the property of the individual can be used for business travel purposes if written authorization from the car owner – signed by 2 witnesses – is attached to the settlement. The fuel cost is calculated based on the distance traveled on business, the car type and the price listed on the fuel invoice. In addition to the fuel cost, CEU pays 15 HUF/km as a car amortization cost. Appendix 5 contains the form of settlement.

IX. 1. 2. 2. Renting a car

If driving to your destination is more time- or cost-effective than airline or train travel, you should rent a car. When traveling by air or train, you may rent a car when you reach your destination if it is less expensive than other transportation modes such as taxis, airport limousines or airport shuttles. In this case, please prove that car rental is less expensive than any other travel method.

Please submit:

- clear business reason;
- original invoice of renting a car and related contract, if applicable (car type must be clear on the invoice);
- fuel expenses (original invoice);
- date, time and place of departure;
- date, time and place of destination.

Fuel cost is reimbursed upon providing the original fuel invoice addressed to the relevant CEU entity.

IX.1.3. Accommodation

Choose accommodation that has reasonable single room rates. It is expected that the traveler will exercise prudent judgement in selecting a place to stay and will endeavor to obtain the lowest commercial rate available at the accommodation. The Employee should factor in the cost of the hotel room and the cost of per diem for the additional time stayed to see if these costs are still lower than the airfare without the Saturday night stay. Original detailed receipts must be obtained and submitted in order to request reimbursement.

When booking accommodation online (like airbnb.com, booking.com, etc.), the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. The booking or order confirmation alone is not accepted. In case the invoice is available only when the service is completed, it should be submitted accordingly.

Spouses, companions and relatives accompanying Employees on business travel must travel at their own expense and pay the difference between single and double room accommodation rates. When there is no difference between the single and double room rates, proof (i.e. a printout from the hotel's official website or email confirmation from the hotel) should be enclosed either with the Purchase request in SAP or the Payment to individual/Payment to supplier form.

Please also consult Annex 1 for further details.

IX.1.4. Meals

Individual meal costs during travelling on CEU business are covered through a daily per-diem allowance (itemized invoices and receipts does not have to be collected and submitted for reimbursement). Further information on the application and calculation of per diem allowance is available in HRO's Per diem Policy (Annex 3. of this Guidelines).

IX.1.5. Telecommunication services

Phone calls that are reasonable and necessary for conducting business are reimbursed. A memo must be attached in which you summarize the business reasons of phone-calls made during the business trip.

When staying at a hotel you should avoid making phone calls that have a surcharge (i.e. using the phone in your room). To minimize substantial additional charges added by hotels to the telephone bills, use Skype or any free internet-based communication channel whenever possible.

Further information about acceptable invoices is available in Chapter VI.

IX.1.6. Insurance

Having insurance is compulsory when traveling on CEU business-related trips. No travel insurance is paid for private stay. It is the traveler's personal responsibility to have adequate insurance coverage for her/him and for any passengers during any business trip conducted on behalf of CEU. CEU has contracted partners providing standardized travel insurance which is applicable to all CEU faculty, staff and students. The insurance package is an advanced one with higher than standard limits, containing coverage for legal and dental expenses as well.

Further information about acceptable invoices is available in Chapter VI.

IX.1.7. Accounting for foreign currency advances after travel

When traveling on a business trip and changing the currency you have with you (e.g. you have EUR, the local currency is the Georgian lari), please keep the receipt you receive at the change office. Your reimbursement will be calculated using the exchange rate indicated on the receipt. In the absence of a foreign currency exchange receipt, the exchange rate published on the European Central Bank's website on the date the advance was taken is applicable.

If you pay in foreign currencies for business expenses, the following rules apply:

- You spent less than the cash advance taken: your cash advance settlement will be processed in the currency you took the advance.
- You spent more than the cash advance taken: you will be reimbursed up to the amount of the invoices submitted. Your reimbursement will be processed in the currency you took the advance.

Payment to individual or Payment to supplier forms must be submitted summarizing the expenses by currency.

The total amount of invoices and the remaining cash must equal the amount of the original advance.

IX.2. Rules for student travel reimbursement

Payment to individual or Payment to supplier forms submitted for reimbursement will be checked by the Budget and Finance Office to establish whether the reimbursable expense(s) are eligible in accordance with the provisions of this and all related CEU policies, the traveler's grant and/or employment contract and/or study agreement.

Reimbursing travel expenses of students is possible:

- if a student has a legal relationship with any entity of CEU Group.
- according to the conditions included in the relevant contract between the student and the related CEU entity.

IX.3. Rules for reimbursing visiting travel-related expenses

A Visiting is an individual having an assignment or consultancy contract with a CEU legal entity. Grantees having a grant agreement but not employed by a CEU entity are considered visiting. Guests with an invitation letter are considered visiting.

Reimbursing travel expenses of invited individuals who are not CEU Employees but who have a proven business relationship with CEU, is possible. Examples include public lecturers, conference and workshop participants, prospective faculty and staff. Travel expenses for spouses, companions, dependents or other family members of invited guests are not eligible for travel reimbursement. Clear documentation of the evident business purpose is required.

A Visiting is not eligible to take a cash advance.

Whenever you request a travel reimbursement for a Visiting guest, please always attach:

- a clear and complete official invitation letter. Each reimbursable expense category should be specified (i.e. travel costs, accommodation, visa, insurance) with reference to the amount reimbursable per category. Templates are available as in Appendix 1 (a, b, c, d, e). The name of the signatory should be added in capital letters and all signatures on the invitation letter should be original. No images of signatures may be inserted into the invitation letter.
- the copy of the consultancy/assignment/grant/other contract, if applicable.
- an official invitation (leaflet, email, etc.) of the public lecture/workshop, if applicable.

All rules defined under Chapter IX. 1. and Annex 1 are also applicable for visiting travel except for Chapter IX.1.7. – Accounting for foreign currency advance.

IX.4. Summary of travel-related eligible expenses

The summary below contains the main rules for reimbursing travel-related expenses. All general principles and specific conditions are detailed in Chapters IX.1-4. In addition, please refer to Annex 1, detailing the conditions of travel and accommodation.

Expenditure	Current rate	Supporting documentation
Airfare		
– Purchasing airplane ticket from CEU’s contracted travel agency	The lowest available commercial airfare.	<ul style="list-style-type: none"> – Original invoice addressed to relevant legal entity of CEU. A single bankcard slip is not accepted. – Traveler’s name must be included in the invoice.
– purchasing airplane ticket from a different travel agency	The lowest available commercial airfare.	<ul style="list-style-type: none"> – When purchasing a ticket from a Hungarian service provider (e.g. Wizzair Hungary Kft.), an original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – When buying a ticket from a non-Hungarian service provider, an invoice addressed to the relevant CEU legal entity or an electronic ticket accompanied by the boarding pass or confirmation (see Annex 1) and the itinerary showing the price and purchase of ticket are required. A single bankcard slip is not accepted. – The traveler’s name must be included in the case of both types of documentation.
– purchasing airplane ticket online	The lowest available commercial airfare.	<ul style="list-style-type: none"> – When purchasing a ticket from a Hungarian service provider (e.g. Wizzair Hungary Kft.), an original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – When buying a ticket from a non-Hungarian service provider, the e-ticket, the boarding pass or confirmation (see Annex 1) and itinerary showing the ticket purchase is required. A single bankcard slip is not accepted. – The traveler’s name must be included in the case of both types of documentation.

Expenditure	Current rate	Supporting documentation
Train		
– purchasing train ticket from cEU’s contracted travel agency	The lowest available coach fare.	<ul style="list-style-type: none"> – Original invoice addressed to relevant CEU legal entity. A single bankcard slip is not accepted. – The traveler’s name must be included in the invoice.
– purchasing train ticket from a different travel agency	The lowest available coach fare.	<ul style="list-style-type: none"> – When purchasing a ticket from a Hungarian service provider (e.g. MÁV, the Hungarian Railway), an original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – When buying a ticket from a non-Hungarian service provider (e.g. ÖBB, the Austrian Railway), an invoice addressed to the relevant CEU legal entity or the original ticket, receipt or electronic ticket and the itinerary showing the price and purchase of the ticket are required. A single bankcard slip is not accepted. – The traveler’s name must be included in the case of both types of documentation. – Invoices and receipts must indicate the amount and method of payment (e.g. credit card, cash etc.). If the receipt does not provide this information, the traveler must attach a payment receipt indicating payment.
– purchasing train ticket online	The lowest available coach fare.	<ul style="list-style-type: none"> – When purchasing a ticket from a Hungarian service provider (e.g. MÁV, the Hungarian Railway), an original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – When buying a ticket from a non-Hungarian service provider (e.g. ÖBB, the Austrian Railway), an invoice addressed to the relevant CEU legal entity or the electronic ticket and the itinerary showing the price and purchase of the ticket are required. A single bankcard slip is not accepted. – The traveler’s name must be included in the case of both types of documentation. – Invoices and receipts must indicate the amount and method of payment (e.g. credit card, cash, etc.). If the receipts do not provide this information, the traveler must attach a payment receipt indicating payment.

Expenditure	Current rate	Supporting documentation
Local transport	Actual costs	<ul style="list-style-type: none"> – When purchasing a ticket from a Hungarian service provider (e.g. BKV), an original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – When buying a ticket from a non-Hungarian service provider (e.g. Wiener Linien), an invoice addressed to the relevant CEU legal entity or the original receipts, tickets are required. A single bankcard slip is not accepted.
Private car	The current authorized rate for personal car use only	<p>1. Private car use when traveling on an Austrian employer’s businesses:</p> <p>The employee is reimbursed by a fixed rate of EUR 0.42 per kilometer. The fixed rate covers fuel, depreciation, maintenance, insurance or any other car related cost. No additional reimbursement is allowed by the Austrian law.</p> <p>2. Private car use when traveling on a Hungarian employer’s businesses:</p> <ul style="list-style-type: none"> – If a vehicle is not owned by the Employee it can be used for business travel purposes if written authorization from the car owner – signed by 2 witnesses – is attached to the settlement – Date of travel, from/to destinations, the distance in kilometers between destinations per day, purpose of travel. – For travels outside Hungary, the itemized fuel invoice. –
Car rental	Actual cost, only if the car rental is less expensive than other travel methods like minibus, taxi, bus, train, etc.	<ul style="list-style-type: none"> – Original invoice of renting a car and related contract, if applicable; The invoice shall be addressed to the relevant CEU entity. A single bank card slip is not accepted. – Date of travel, from/to destinations, the distance in kilometers between destinations per day, purpose of travel; – For travels outside Hungary, the itemized fuel invoice; – The traveler’s name must be included in the case of both types of documentation. – Invoices and receipts must indicate the amount and method of payment (e.g. credit card, cashetc.). If the receipts do not provide this information, the traveler must attach a payment receipt indicating payment.

Expenditure	Current rate	Supporting documentation
Hotel	Actual cost of a single room, single occupancy. Use of double room, suites need to be documented. Spouses, family members should stay at their own expense and pay the difference between the single and double room.	<ul style="list-style-type: none"> – When staying in a hotel, an original invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – The traveler’s name must be included in the case of both types of documentation. – When booking online (like on airbnb.com, booking.com, etc.), the order or booking confirmation should be accompanied by an itemized invoice addressed to the relevant CEU entity name and address. The booking or order confirmation alone is not accepted. In case the invoice is available only when the service is completed, it should be submitted accordingly. – Invoices and receipts must indicate the amount and method of payment (e.g. credit card, check, etc.). If the receipts do not provide this information, the traveler must attach a payment receipt indicating payment.
Personal meals	Not reimbursed based on receipts and invoices.	<ul style="list-style-type: none"> – Personal meals are covered by per diem. Per diems are processed by HRO. See Annex 3.
Business meals	Actual costs	<ul style="list-style-type: none"> – an original invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – A statement of the diner’s affiliation to CEU indicating the names of guests as well as the date and business nature of the discussion is needed
Conference / Registration Fees	Actual costs	<ul style="list-style-type: none"> – An original VAT invoice addressed to the relevant CEU legal entity is required. A single bankcard slip is not accepted. – The participant’s name should be indicated on the invoice. – Invoices and receipts must indicate the amount and method of payment (e.g. credit card, check, etc.). If the receipts do not provide this information, the traveler must attach a payment receipt indicating payment.

X. GRANTS

The purpose of this section is to provide a summary about the administration of Grants received and Grants given for the purposes listed in the Founding Documents of the relevant CEU legal entity.

X.1. Grants received

External funding – especially competitively awarded – is essential for high-quality research and education at CEU. It increases the visibility, prominence, reputation and attractiveness and improves budget performance.

X.1.1. General rules

CEU may enter into agreements with external donors (individuals, organizations, companies, foundations, etc.) who are willing to provide gifts and grants to support the activity and mission of CEU. The purpose of grants received should be in accordance with the aims listed in the Founding Charter of the relevant CEU entity.

CEU may receive funding in the following main forms:

X.1.1.1. Academic grants

Academic grants are dedicated funds from public bodies and foundations usually awarded as a result of competitive selection and dedicated to fulfilling particular academic objectives.

Academic cooperation between CEU and other institutes of research or higher education may include exchanges of students, faculty and staff, the organization of joint events, courses or research activities, and promoting the exchange of publications and teaching materials. Structured academic cooperation requiring commitment of CEU resources, including staff and faculty time, should be regulated by bi- or multi-lateral academic cooperation agreements. All external academic funding should be applied for, accepted and managed only in conformance with the Policy and Guidelines on external academic funding at CEU available at ACRO.

Grants and contracts are administered by the Budget and Finance Office, the Development Office and the Academic Cooperation and Research Support Office in accordance with the mission, procedures and principles of CEU and in a fiscally responsible manner. All funds associated with grants and contracts, and any assets purchased with those funds, belong to the given CEU entity unless otherwise stated in the terms and conditions of the grant or contract.

All agreements are registered and stored in a central location maintained by the Budget and Finance Office, the Development Office and the Academic Cooperation and Research Support Office, which are also responsible for monitoring and renewing particular agreements.

X.1.1.2. Donations

Donations are funds typically provided by private persons and foundations to support general CEU operations, activities and its mission. Donations are not necessarily tied to specific activities.

X.1.2. Legal entities eligible to accept grants and donations

In accordance with the current legislation, all entities can accept grants and donations both for general purposes and for specific purposes which are in line with the aims listed in the Founding Documents. Please note that providing grants to a non-profit and/or public benefit institution within CEU Group can be more tax advantageous for the grantor. For further up-to-date information, please contact the Chief Accountant.

X.1.3. Legal documentation

For proper tax, legal and financial administration of such grants the following supporting legal documents must be prepared:

- in case of Central European University, New York– a Charitable Intent Form (CIF) (below 500 EUR) or a Grant letter/Contract/Agreement (above 500 EUR);
- in case of CEU GmbH – a Charitable Intent Form (CIF) (below 500 EUR) or a Grant letter/Contract/Agreement (above 500 EUR);
- in the case of other entities within CEU Group – a bilingual Grant Letter/Contract/Agreement in each case.

Please note that a Memorandum of Understanding (MoU) is not considered an official grant agreement.

Minimum requirements of CIF and Grant Letter/Contract for administrative and legal purposes:

- Minimum requirements of the Charitable Intent Form (CIF):
 - a. name and address of the donor;
 - b. proper name and address of the CEU entity as Grantee;
 - c. grant amount;
 - d. grant period;
 - e. purpose of the grant;
 - f. exact bank details of beneficiary.
- Minimum requirements of the Grant letter/Contract (bilingual):
 - a. name and address of the donor;
 - b. proper name and address of the CEU entity as Grantee;
 - c. grant amount;
 - d. grant period;
 - e. purpose of the grant (specified budget code);
 - f. method of payment to CEU (e.g. bank transfer, cash);
 - g. restrictions or limitations regarding use of the grant (restricted or unrestricted);
 - h. donor's requirements on the reporting from CEU;
 - i. certifications and acknowledgments required by the Grantor, etc.;
 - j. exact bank details of beneficiary (prior to providing banking information for the Donor, either ACRO, DEVO or Budget and Finance Office confirmation about the banking details of CEU is necessary);

- k. Only authorized legal representatives of CEU are entitled to sign these forms and letters on behalf of any CEU entity.

2 original copies of the CIF or Grant letter/contract are required. One copy is kept at BFO for its records.

X.1.4. Payment methods

Information about payment methods for receiving a grant or donation is available at Chapter VIII.

X.1.5. Other rules

- Prior to signing grant letters/contracts/agreements, they should be subject to a legal review. Only grant agreements approved by the CEU Legal Counsel can be signed by the official representatives.
- In order to track transactions related to the given project separately from other funding sources, a project code is typically opened for the grant. A project code is broken down to WBS elements which are used to define, organize and administer the total scope of a project. Please note that CEU does not open separate bank accounts for grants.
- ACRO, DEVO and BFO keep all financial records for the proper administration of, and financial reporting on, the use of gifts in compliance with Donors' requirements.
- Please note that no entity within CEU Group is able to issue an invoice when accepting a grant.

X.2. Grants given

X.2.1 General rules

CEU may provide grants and donations to individuals and institutions exclusively for the specific aims listed in the Founding Documents of the relevant CEU entity.

Preferred entities eligible to provide grants are the following:

- Budapesti Közép-európai Egyetem Alapítvány
- Közép-európai Egyetem.

CEU offers a wide spectrum of research, educational, mobility and scholarship programs which are mostly supported by the Central European University Foundation of Budapest. This is a not-for-profit Foundation with public benefit status in Hungary. As a consequence of this status, the Central European University Foundation of Budapest is eligible to provide tax-free grants for conducting academic research, studies carried out in higher educational institutions and for participating in study trips outside Hungary. Grants that are given for other purposes and all grants that are provided by Közép-európai Egyetem are taxable incomes, except if the sources of funding were the European Commission and/or the Central Budget of the Hungarian government.

Grants can only be awarded if the research is fully independent: CEU entities do not benefit from the results and do not expect any service or goods in return.

No employment relationship can be formed in grant-funded tasks. Please note that insurances and health services that are normally included in an employment contract do not cover people with grant contracts. Grantees are not covered by the other benefits that collective employment agreements include either.

No retroactive grant applications are allowed to be submitted.

Academic field trips that serve strictly educational purposes can be supported by Central European University Foundation of Budapest. Entertaining activities like wine-tasting, sight-seeing, etc. are not considered as such.

Applications supplied with all necessary information (an approval from the Provost that serves as an evidence for the field trip has pure academic content, dates of travel, list of participants, program, etc.) should be sent to the Grant Coordinators at BFO. Once approval is available from the Board of the Central European University Foundation of Budapest or from its authorized body, the field trip related costs become payable.

X.2.2. Legal documentation

For the proper tax, legal and financial administration of such grants, an application form must be submitted to the Grant Coordinator and a grant letter prepared and signed by both parties (Grantor and Grantee).

Minimum requirements of a *Grant letter/Contract* (bilingual):

- name and address of the grantee;
- for individuals, passport or identity card number and mother's maiden name;
- for institutions, tax number or registration number;
- proper name and address of the CEU entity as grantor;
- purpose of the grant;
- period of the grant;
- amount and currency of the grant;
- method of payment (e.g. bank transfer, cash);
- exact bank details of beneficiary.

CEU employees may initiate and conduct negotiations on such grants but under no circumstances are they eligible to sign grant letters/contracts/agreements on behalf of any CEU entity.

X.2.3. Grant administration within SAP

Department and Unit Coordinators collect the signed grant applications from the Applicants. Applications supplied with all necessary information should be sent to the Grant Coordinators at BFO. Coordinators with an SAP user license should initiate a fund pre-commitment in SAP for each application submitted. Once approval is available from the Board of the Central European University Foundation of Budapest or from its authorized body, the Grant Coordinators approve the fund pre-commitments in SAP in line with the Board decision.

Grant coordinators register the payment requests in the SAP system.

X.2.4. Other rules

- Grants can be paid in one or more installments.
- Grants can be contracted and paid in EUR, HUF, USD or GBP. Preferred currency is EUR. The currency of payment shall be the currency of the contract.
- CEU does not assume liability for any social security, taxation or other payment related to grant payments.
- Payment of grants:
 - up to EUR 500 (or equivalent in any other currency): any payment method.
 - above EUR 500 (or equivalent in any other currency): wire transfer only.

XI. INVOICING

The purpose of this Chapter is to provide an overview about CEU's invoicing and collecting procedures.

XI. 1. General rules

Most entities within CEU Group may provide services to external partners – both individuals and institutions – in line with their Founding Charters. Invoices on services must always be issued from the relevant legal entity of CEU. Entities that are not eligible to perform business activities and therefore may not issue an invoice are the following:

- Budapesti Közép-európai Egyetem Alapítvány;
- Central European Academic Privatstiftung.

Written and signed contract between the parties is required based on a risk assessment and depending on legal requirements and the type and value of the service as detailed when CEU acts as a customer in the Procurement Policy clause 10.2.1, 10.2.2, 10.2.3.

Please note that while there are a few exceptions, issuing invoices almost always raises VAT related questions. Deciding on the VAT content of a service requires exhaustive individual investigations of the given case. For further information, please contact the Accounting Supervisor.

CEU's contract templates available at BFO must be used for contracting with customers. Any suggested modification in these templates should be approved by CEU's Legal Counsel prior to signing the contract.

Within the Budget and Finance Office, "Financial assistant – invoicing" coordinates the entire CEU invoicing process through SAP.

XI.2. Invoicing requirements

XI.2.1. General information needed for invoicing

If you have an invoicing request, please send the following information to "Financial assistant – invoicing"

- name of the customer;
- name of the vendor (this should be one of the CEU entities);
- date of delivery;
- due date of payment;
- amount to be invoiced;
- currency of the amount to be invoiced;
- subject of the invoice (a short description of goods or services (e.g. language course fee, re-invoiced service, education service, research service, tuition fee, etc.), a reference to contract)
- please indicate if services/goods purchased by a CEU entity are to be re-invoiced to a

partner.

Please note that in case of a new customer, a customer form should be filled in prior to the invoicing process. This information has to be registered in the SAP system. The customer form is available in Appendix 6.

XI.2.2. Conditions for invoicing

An invoice can be issued if any of the following documents are attached to the invoicing request:

- service/purchase contract signed by both parties; or
- in case of sponsorship, the sponsorship contract signed by all parties; or
- study agreement enrollment form for Foreign Language Courses signed by the course participant containing information about the language course fee; or
- In the case of re-invoicing, a copy of the invoices for re-invoicing. If the amount to be re-invoiced exceeds the limits defined in Chapter XI.1., a contract with the partner is also needed.
- Due to the complexity of EU Directive on the common system of the value added tax (VAT), preliminary consultation with BFO about the invoicing requirements and conditions is suggested.

XI.3. Payment Terms

CEU's standard payment term is 15 days from the invoice date if the customer is:

- a student or
- an employee of a CEU entity
- or the customer's seat is either in Hungary or Austria.

If the customer's seat is outside Hungary or Austria the due date can be extended, but for no longer than 30 days from the invoice date. With the approval of the CFO parties may agree on other payment terms which shall be incorporated in the contract.

CEU's policy is to charge default interest on invoices outstanding beyond the due date. Default interest is based on the outstanding amount, the number of days until the payment date and the standard default interest rate, which is twice the base rate of the European Central Bank, unless specified otherwise in the contract.

In the case of outstanding student payments, the default interest is fixed, which covers the extra administration fee.

XI.4. Collection of accounts receivable

The Budget and Finance Office is responsible for collecting general accounts receivable.

The collection procedure is as follows:

- The first payment notice is sent immediately after the due date of the invoice

- The second payment notice is sent 14 days after the first payment notice
- The third payment notice is sent 28 days after the first payment notice
- If the debt remains uncollected after the first 3 steps, the necessary legal actions are taken.

ANNEX 1 – Reimbursement of Flights and Accommodation

The purpose of this Annex is to detail the conditions and documents required in order to be get reimbursed for flights and accommodation for all people travelling on CEU purpose (i.e.: Visitors with assignment contract, Visitors with invitation letter, CEU employees..., etc). CEU will introduce caps for these services and purchases below these caps will have a simplified procedure to the current procedure. Purchases above the cap are allowed, but need follow the current procurement procedures, and having a benchmark offer.

Flights / Travel

- 1) Caps
 - a. Cap for flights / travel within Europe³: EUR 300 for a roundtrip
 - b. Cap for all other flights / travel: EUR 1,100 for a roundtrip

Conditions and documents needed for reimbursement if flight expense is **within the cap**:

1. Contract or CRF in case of a Visitor with assignment fee (already on the “list”), Invitation letter in case of a Visitor without assignment fee.
2. Visitors are encouraged to book their own flight tickets to speed up the booking process.
3. Available budget to be checked by BFO upon the submission of the reimbursement request.
4. No counter offer from CEU’s contracted travel agent or any benchmark pricing is needed.
5. Travel dates can be different than the date of the CEU business purposes (but please note that accommodation will be covered only for the duration of the business reason, +1 day on each leg in case of Europe travels, +2 days on each leg in case of any other travel).
6. Three-way destination (e.g. when the place of departure is a different city than the destination of the return flight) and multiple stop flights are allowed (but please note that accommodation will be covered only for the duration of the business reason).
7. E-invoice alone or E-ticket detailing the trip+ boarding pass (only for the leg to CEU) or a signed confirmation from the unit who invited the guest about that the guest was actually at CEU together is needed.

Conditions and docs needed for reimbursement if flight expense is **above the cap**:

1. Contract or CRF in case of a Visitor with assignment fee (already on the “list”), Invitation letter in case of a Visitor without assignment fee
2. When the cost of flight exceeds the cap, reimbursement of the full amount is possible provided the following conditions are met:
 - a. A counter offer from CEU’s contracted travel agent is required for the dates of the business reason (in case of flight within Europe, +1 extra days before and 1 day after the business dates is allowed; in case of any other flights, with bad itinerary +2-2 extra days is possible). If CEU’s contracted travel agent’s offer is cheaper, we shall consider this price as the benchmark. If the quote from the Visitor is cheaper, then that shall be considered as benchmark (“Benchmark offer”).

³ Europe means EU countries, plus Albania, Belarus, Bosnia and Herzegovina, Iceland, Macedonia, Moldova, Montenegro, Norway, Serbia, Switzerland, Turkey, Ukraine.

- b. Travel dates can be different than the date of the CEU business purposes, in line with the Benchmark offer (as above) (but please note that accommodation will be covered only for the duration of the business reason, +1 day on each leg in case of Europe travels, +2 days on each leg in case of any other travel).
- c. Available budget to be checked by BFO upon the submission of the reimbursement request
- d. Three-way destination (e.g. when the place of departure is a different city than the destination of the return flight) and multiple stop flights are reimbursed only up until the amount of the Benchmark offer. In case of 3-way destination and multiple stop flight, the benchmark shall be calculated based on assuming a return flight to the place of residence or home institution of the person travelling, irrespective of the place of departure.
- e. Invoice alone or E-ticket detailing the trip+ boarding pass (only for the leg to CEU) or a signed confirmation from the unit who invited the guest about that the guest was actually at CEU together is needed.
- f. People are encouraged to book flights at least 1 month in advance of the travel as this may lead to more favorable prices for flights.

Accommodation

- 1) Reimbursement Cap (per 1 night)
 - a. Accommodation in Austria or Hungary, with cooperation agreement with CEU: no cap set.
 - b. Accommodation outside Austria or Hungary: no cap set.
 - c. Accommodation in Austria or Hungary, without cooperation agreement with CEU: EUR 100.
 - d. Choose accommodation that has reasonable single room rates. It is expected that the traveler will exercise prudent judgment in selecting a place to stay and will endeavor to obtain the lowest commercial rate available at the accommodation.

Conditions and docs needed for reimbursement of accommodation expense:

- 1. Contract or CRF in case of Visitor with assignment fee, Invitation letter in case a Visitor without assignment fee.
- 2. Available budget to be checked by BFO upon the submission of the reimbursement request.
- 3. Accommodation is only covered up to the cap (average fee/night for the duration of the stay) and for the duration of CEU business purposes. Private stays are not reimbursed by CEU.

ANNEX 2 – Summary of cost reimbursement per entity and per-diem eligibility

Contract type	Main employer	Secondary employer	Primary workplace	Secondary workplace	Method of the cost reimbursement	Entity for cost reimbursement and per diem payment
KEE only	KEE	n/a	Budapest	n/a	per diem + travel and accommodation cost based invoices	KEE
KEE based shared CEU PU	KEE	CEU PU	Budapest	Vienna	per diem + travel and accommodation cost based invoices	KEE
KEE based shared CEU PU/NY	KEE	CEU PU / CEU NY	Budapest	Vienna	per diem + travel and accommodation cost based invoices	KEE
CEU PU only	CEU PU	n/a	Vienna	n/a	per diem + travel and accommodation cost based invoices	CEU PU
CEU PU based shared CEU PU NY	CEU PU	CEU NY	Vienna	n/a	per diem + travel and accommodation cost based invoices	CEU PU
CEU PU based shared CEU NY/KEE	CEU PU	CEU NY / KEE	Vienna	Budapest	per diem + travel and accommodation cost based invoices	CEU PU
KEE and CEU PU/NY paralell	KEE (In case your working hours are 20 hours or more in KEE)	n/a	Budapest	Vienna	per diem* + travel and accommodation cost based invoices (<u>Exception</u> : because of having an employment contract also in CEU PU, no per diem is granted when travelling to Vienna)	KEE
KEE and CEU PU/NY paralell	CEU PU (In case your working hours are 20 hours or higher in CEU PU)	n/a	Vienna	Budapest	per diem* + travel and accommodation cost based invoices (<u>Exemption</u> : because of having an employment contract also in KEE, no per diem is granted when travelling to Budapest)	CEU PU
OSZ only	OSZ	n/a	Budapest	n/a	per diem + travel and accommodation cost based invoices	OSZ
OSZ based shared CEU PU	OSZ	CEU PU	Budapest	Vienna	per diem + travel and accommodation cost based invoices	OSZ

Notes:

Expenses need to be charged to your main employer (see last column), irrespective of the travel destination.

Please always provide a valid business reason.

Entities and their abbreviations - please refer to Chapter III. in the Financial Guidelines

- KEE Közép-európai Egyetem, Hungary
- CEU PU CEU GmbH – CEU Central European University Private University, Austria
- OSZ CEU Oktatási – Szolgáltató Nonprofit Kft., Hungary
- CEU NY Central European University, New York, US

ANNEX 3 – Human Resource Office’s (HRO) Per-diem policy

Per diem Policy

Prepared by: HRO

Effective date: 14 September, 2020

Any questions regarding this per-diem policy shall be addressed to HRO

(in KEE: payroll@ceu.edu and in CEU PU: ATpayroll@ceu.edu)

INTRODUCTION

CEU’s per diem allowance is intended to compensate for any additional expenditure incurred by employees while travelling at CEU’s request, for the purpose of conducting CEU business. This policy aims to provide clear and transparent guidelines for the application and calculation of the per diem. The allowance is provided for all employees with full- or part-time employment contract who are eligible for receiving per diem (e.g. those on assignment contracts are ineligible, as these contracts are not considered as employment contracts – see exact eligibility rules below under SCOPE OF POLICY).

CEU recognizes the importance of clear per diem guidelines for employees traveling abroad.

SCOPE OF THE POLICY

This policy sets out CEU’s general approach to per diem calculation and is applicable to all employees (academic and non-academic) holding a valid employment contract with any of the entities of CEU Group (Közép-európai Egyetem, CEU GmbH – CEU Central European University Private University, CEU Oktatási – Szolgáltató Nonprofit Kft., Central European University, New York). Employees with parallel contracts (i.e. separate contracts with KEE and with CEU PU at the same time), are not eligible for per diem payments when traveling between the two campuses in Budapest and in Vienna. For all other business-related trips employees with parallel contracts will be eligible for per diem.

DEFINITIONS

Per diem allowance: Per diem allowance is a daily allowance paid to employees who need to perform work-related travel for CEU purposes at CEU’s prior request. Employees who are working abroad, away from their normal place of work, will be paid a per diem allowance. The allowance anticipates the daily costs of meals, including incidental expenses, lunch, dinner, drinks, coffee, other personal related expense. Expenses covered by per diem payment do not need to be

supported by invoices or receipts.

Per diem calculations: The per diem calculation is based on:

- i. The length of time an employee is traveling on CEU businesses;
- ii. The gross per diem rate is set by CEU in Euro and for the particular country.

Per diem is calculated for those days when the employee travels and spends time at the travel destination. Travel time also includes staying at the airport on the way to another country or if spending the weekend traveling, if this can be reasonably expected to provide time- and/or cost efficiencies (if for example week-day travel is considerable more expensive than weekend), as well as arriving at the destination in time for the meeting, conference or work.

PER DIEM PROCESS

Main steps:

- a. Plan your travel with your supervisor and get her/his approval.
- b. Arrange and book any travel and accommodation required.
- c. Insert days spent abroad into the Time and Travel Calendar, together with the location of your trip.

Detailed guideline:

CEU reimburses employees for all reasonable and necessary expenses which they incur in the authorized conduct of university matters while traveling abroad.

Expenses for transportation (international and local e.g., taxi or shuttle service between airport and meeting location) and—where overnight stay is required—accommodation (including breakfast) will be covered in accordance with the rules set out in the Financial Guidelines.

For other, daily out-of-pocket expenses (lunch, dinner, coffee, drinks, personal out-of-pocket expenses) CEU provides a per diem payment to all eligible employees when traveling abroad. This Per Diem Policy provides the rules for the submission, processing and payment of per diem.

To check that that your contract type is eligible for per diem, please find details in the *Cost reimbursement per entity and per diem eligibility table* under Annex 2 in this Financial Guidelines.

It is mandatory that all employees obtain pre-approval for planned travel from their supervisor (or relevant budget holder, if different) or Head of Department or Unit. Occasional one- and two-day business travel between Budapest and Vienna may be approved verbally by the direct supervisor. Before any booking is made, the employee is expected to check the relevant country risks and gain additional approval if needed.

Payroll will consider the submitted Time and Travel Calendar as approved travel days.

The amount of the daily allowance is dependent on the host country. A list of countries and gross per diem amounts are listed at the end of this document. The amount is set in EUR as a gross amount, and the payment will always be made in Euros or Hungarian Forints, dependent on the

entity in which the employee's salary is wage accounted (i.e. in HUF if it is wage accounted in Hungary and in EUR if it is wage accounted in Austria). For further information please see the *Cost reimbursement per entity and per diem eligibility table* under Annex 2 in this Financial Guidelines with the list of different contract types, main employer and entity for cost reimbursement and per diem wage accounting.

Employees are required to register their work-related travel in the Time and Travel Calendar logging the host country as location and will need approval from their direct supervisor.

The per diem will be paid at the end of each month, dependent on when approved Time and Travel Calendar is submitted. HRO Payroll team will deduct all necessary taxes and social contributions in accordance with local regulations (i.e. Hungarian or Austrian social and tax rules) and transfer the net per diem to the employee's back account together with the monthly net salary. On your monthly salary slip you will see the per diem itemized separately.

Per diem for any travel that is not submitted on the timesheet before the payroll close (communicated by HR Payroll each month, in general the 15th of each month) and/or lacks relevant approval, will not be processed by Payroll for that month. Where this is the case, a corrected timesheet can be submitted in the following month, to be wage accounted with the regular monthly salary.

Employees are entitled to full day per diem where a trip is 6 hours or longer within a day. The trip starts when you leave the home location (CEU office or home) and finishes when you arrive back to the home location.

Where an employee needs to arrive at a meeting/begin work in the morning, i.e. by or before 9:00 am, the most reasonable and efficient travel plan must be selected and it is accepted that the employee is required to arrive the night before and/or also stay over a weekend. For these weekend days abroad per diem will be provided. During weekend, if there are no work-related activities, no local transportation will be reimbursed.

All travelers are expected to conduct CEU business travel with integrity, in compliance with applicable laws, and in a manner that excludes considerations of personal advantage. Travelers should aim to always travel cost-efficiently, exercising good judgment where appropriate.

List of gross per diem amounts per country (in EUR)

Europa		America		Afrika		Asia, Australia, New-Zealand	
Countries	gross per diem in Euros	Countries	gross per diem in Euros	Countries	gross per diem in Euros	Countries	gross per diem in Euros
Austria - Vienna	60,15	Argentine	49,77	Algeria	62,26	Afghanistan	47,82
Hungary - Budapest	46,62	Bahamas	72,18	Angola	65,56	Armenia	55,34
Albania	41,95	Barbados	76,69	Benin	54,44	Azerbaijan	55,34
Belarus	55,34	Bolivia	40,00	Burkina Faso	58,95	Bahrein	81,35
Belgium	53,08	Brazil	49,77	Burundi	56,99	Bangladesh	47,82
Belgium - Brussels	62,26	Canada	61,65	Cameroon	68,87	Brunei	49,77
Bosnia-Herzegowina	46,62	Chile	56,39	Central African Republic	58,95	Cambodia	47,22
Bulgaria	46,62	Columbia	49,77	Chad	54,44	China	52,78
Denmark	62,26	Costa Rica	47,82	Democ. Rep. of the Congo	71,13	Georgia	55,34
Germany	53,08	Cuba	81,35	Djibouti	68,87	Hongkong	69,77
Estonia	55,34	Dominica	58,95	Egypt	56,99	India	47,82
Finnland	62,26	Ecuador	40,00	Ethiopia	56,99	Indonesia	58,95
France	53,83	El Salvador	47,82	Gabun	68,87	Iran	55,79
France - Monaco	49,17	Guatemala	47,82	Gambia	65,56	Iraq	81,35
Greece	43,01	Guyana	58,95	Ghana	65,56	Israel	55,79
United Kingdom	55,34	Haiti	58,95	Guinea	65,56	Japan	98,65
UK - London	62,26	Honduras	47,82	Ivory Coast	58,95	Jemen	81,35
Irland	55,34	Jamaica	70,83	Kap Verde	41,95	Jordan	55,79
Island	56,99	Mexico	61,65	Kenya	52,48	Kazakhstan	55,34
Italy	53,83	Netherlands Antilles	65,56	Liberia	58,95	Kuwait	81,35
Italy - Rome	61,05	Nicaragua	47,82	Libya	65,56	Kyrgyzstan	55,34
Serbia	46,62	Panama	65,56	Madagaskar	54,74	Laos	47,22
Croatia	46,62	Paraguay	49,77	Malawi	49,17	Libanon	47,82
Latvia	55,34	Peru	49,77	Mali	58,95	Malaysia	65,56
Liechtenstein	46,17	Suriname	58,95	Marocco	49,17	Mongolia	44,21
Lithuania	55,34	Trinidad, Tobago	76,69	Mauretania	50,83	Myanmar	44,21
Luxemburg	53,08	Uruguay	49,77	Mauritius	54,74	Nepal	47,82
Malta	45,26	USA	78,65	Mozambique	65,56	North Korea	48,87
Moldavia	55,34	USA: New York/Washir	98,35	Namibia	52,48	Oman	81,35
Netherlands	53,08	Venezuela	58,95	Niger	58,95	Pakistan	41,65
Norway	64,51			Nigeria	58,95	Philippinen	48,87
Poland	49,17			Republik Kongo	58,95	Quatar	81,35
Portugal	41,95			Ruanda	56,99	Saudi-Arabia	81,35
Romania	55,34			Sambia	55,79	Singapur	65,56
Russia	55,34			Senegal	74,14	South Korea	68,12
Russia - Moscow	61,05			Seychellen	54,74	Sri Lanka	47,82
Sweden	64,51			Sierra Leone	65,56	Syria	49,17
Switzerland	55,34			Somalia	49,17	Taiwan	58,95
Slovakia	46,62			South Africa	52,48	Tajikistan	55,34
Slovenia	46,62			Sudan	65,56	Thailand	58,95
Spain	51,43			Tansania	65,56	Turkmenistan	55,34
Czeck Republic	46,62			Togo	54,44	United Arab Emirates	81,35
Turkey	46,62			Tunesien	54,44	Usbekistan	55,34
Ukraine	55,34			Uganda	62,26	Vietnam	47,22
Cyprus	43,01			Zimbabwe	55,79	Australia	71,13
						New-Zealand	48,87

Document information	
Type	Guidelines
Number	G-1107-1 v 2009
Title	Financial Guidelines
Distribution	Internal
Filename	G-1107-1 v 2009 Financial Guidelines
Notes	
Related documents	
For final documents	
Approved by:	Márk Kiss (Chief Financial Officer)
Date of approval	July 26, 2011 amended July 2016; July 2018 and August 2020
Enters force	This version enters into force on September 1, 2020