

# Gross-Up Payments

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## About This Policy

**Effective Date:** June 2012  
**Last Updated:** June 2012  
**Responsible University Office:** Office of the Chief Financial Officer  
**Responsible University Administrator:** Chief Financial Officer

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## Purpose

Clarkson University has established the following procedure to ensure sound fiscal responsibility with University funds related to gross-up of reimbursement payments.

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## Responsibility

All staff, faculty, students and outside parties who incur business expenses for or on behalf of the University.

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## Procedure

If reimbursement of a business expense is deemed taxable according to Federal and/or State government the University may choose to "gross up" the payment (ie. pay an amount sufficient to both reimburse for the expense and to pay the applicable income tax attributable to the inclusion of such expense reimbursement as additional income).

Approval for such "gross-up" payments is required by the Chief Financial Officer for faculty, students, outside parties, staff who are below the University's Cabinet level. Gross-up payments to a staff member at the Cabinet level are required to be approved by the President. Gross-up payments to the President require approval from a committee of the Board of Trustees.

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