

**Truman State University
Travel Reimbursement Policy**

For Travel on or after October 1, 2013

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Overview

The university recognizes and appreciates the efforts of those traveling for university purposes. Travelers should understand the university's travel policies, be comfortable while traveling and receive timely reimbursement. At the same time, travel costs submitted for reimbursement must be incurred in accordance with these guidelines.

Departments may implement policies that are more restrictive, but not more generous, as long as the more restrictive policies are consistently applied within the area.

Responsibility

The primary responsibility for the expense report items being properly documented and within university policy rests with the traveler and the approving supervisor. The Business Office will review expense reports on a sample basis for compliance with this policy, and forward taxable reimbursements, if any, to payroll for inclusion on W-2 wages.

The traveler is responsible for the submission of all forms related to his/her travel. The traveler may delegate responsibility for preparation of the forms to an associate but the traveler and the authorizing supervisor will retain accountability for travel expenses. A completed and signed Travel Expense Report form should be submitted as soon as practical, but no later than 60 days after the traveler's return. One exception is that travel taken during June needs to be submitted in accordance with fiscal year closing dates in order to classify the travel in the appropriate fiscal year.

Purpose of Policy

This policy is intended to:

- Ensure clear and consistent understanding of policies and procedures.
- Ensure compliance with state, federal and university regulations.
- Ensure equitable consideration to both the traveler and the university.
- Provide guidelines covering university travel and other business expenses, as well as the documentation required for substantiation.

Prior Approval Required

Truman policies require prior approval for all travel reimbursed by university funds. Travelers may not approve their own travel requests. Prior written approval by the appropriate President's staff member is required for international travel. The traveler's supervisor may specify the written format used to obtain prior approval for business travel, as long as the approval is in written form and is retained in the department through the end of the annual audit.

Taxability

Rules for Accountable Plan for Travel Reimbursement

The university's travel expense reimbursement program meets the Internal Revenue Service (IRS Publication 463) definition of an accountable plan. As a result, expenses and reimbursements that conform to this policy are not reported as taxable income to the individual.

Under the accountable plan, business travel expense reimbursement must meet two requirements:

1. Reimbursements must be made for business expenses only. A business expense is defined as: "A clear and understandable reason for travel that is specific enough to explain how the university benefits from the expenses being claimed (it should answer who, what, when, where, and why)".
2. Travelers must provide a statement substantiating the amount, dates, use and business purpose of expenses within a reasonable time (normally not to exceed 60 days) after the expenses are incurred. Original receipts must be attached to the statement.

If for some reason the traveler is unable to provide an accounting for the expenditures within the time frame indicated above, the traveler should provide documentation as to the reason for the delay. Reimbursement is subject to the availability of funds, and the department responsible for providing the budget has the discretion of denying the reimbursement especially if the tardy expense reimbursement request crosses fiscal years.

Rules for Travel Advances Received for Group Travel

When a travel advance is involved, such as for group travel for athletics or study abroad travel trips, additional accountable plan rules are involved as follows:

1. The advance is not disbursed to the traveler more than 30 days prior to incurring the expenses; and
2. Any cash advance amount not used for business travel for which the advance is received is returned to the university within 60 days after the expenses were paid or incurred.

Failure to account for a travel advance will result in:

Past Due 60 days

- Suspension of travel advance privileges

Past Due 90 days

- Withholding of taxes on the advance from the employee's pay check; inclusion in the traveler's W-2 wages.

Official Headquarters

Official Headquarters is the location where performance of official duties requires an employee to spend the largest part of his or her working time and where business travel normally begins and ends. For all but a few Truman employees, the official headquarters is the campus address

in Kirksville. However, for an employee stationed in Kansas City, the Official Headquarters would be that person's home location in Kansas City.

Travel Status

Employees are on travel status while away from the Official Headquarters on authorized university business. Travel status begins when employees leave Official Headquarters, their residences or other authorized locations to go directly to their work destinations. Travel status ends when employees return directly to their Official Headquarters, their residences or other authorized locations after completing university business.

Entertaining while in Travel Status

Business entertainment meals while in travel status are those taken with guests, donors or others during which time focused business discussions take place. Travelers may be reimbursed for an approved, necessary and reasonable business entertainment meal while in Travel Status. To meet IRS guidelines for a tax free reimbursement, the following information must be provided:

- Date and location of meal
- Names of attendees
- Type of meal (Breakfast, Lunch, Dinner)
- Business purpose
- Original receipt if total of meal is over \$25

Reimbursement for Meals on Day Trips

Per IRS rules, business meals eaten during day trips (Travel Status without an overnight stay) may qualify for reimbursement on a tax free basis if the traveler is in continuous travel status for twelve hours or more. Travelers must indicate on the travel reimbursement form the time travel began and the time travel ended to document twelve hour travel status if no overnight lodging is listed otherwise the meal will not be reimbursed.

Combining Business and Personal Travel

At times a traveler may wish to combine personal activity in connection with a business trip. The university accommodates such activity provided that the related time and expense are paid by the individual, and the business objective for the travel is unaffected.

In submitting a trip's expense reporting the traveler is responsible for excluding all expenses of a personal nature from the expense report seeking reimbursement.

Saturday Stay-over

Travel extended to save airfare costs (e.g. a Saturday night stay for domestic travel) may be reimbursed when the cost of airfare plus additional expenses associated with the extended stay (e.g. additional night lodging, meals) is equal or less than the cost of airfare had the traveler not extended the trip. A justification statement documenting these savings, including a price quote for the same airline, must be attached to the expense report.

Non Employee Travel

Prospective employees, students, lecturers or official visitors may be reimbursed, if authorized, for travel expenses incurred in connection with university business under this policy. In some instances the tax handling of payments to non employees may differ from this policy.

Travel reimbursements for Non Resident Alien

The type of payments the university may make to non resident aliens depends on the Visa status of the traveler. Departments should contact the Payroll department prior to committing travel reimbursement to ascertain the current status.

Calculation of Business Mileage

Business travel mileage shall be reimbursed and computed between the travel site destination and the traveler's Official Headquarters or residence if leaving directly from the residence, whichever is less. For example, a traveler living in Macon, Missouri, who drives to Columbia from Macon on university business, may be reimbursed mileage from Macon to Columbia and back. If for some reason the traveler needed to come to campus first, then traveled to Columbia for the business meeting, then returned home to Macon, the mileage to Columbia would be reimbursable from Kirksville to Columbia. The mileage back would be reimbursable from Columbia to Macon.

Commuting Expense

Commuting expense is the cost of one round trip between the residence and Official Headquarters. Travelers may not be reimbursed for commuting expenses.

Example: A traveler works on campus in Kirksville and travels back and forth from his or her home in Macon each day. This round trip between Kirksville and Macon is considered commuting expense and would not be reimbursable as business mileage.

Example: A traveler lives in and is stationed in St. Louis and they do not have an office in that location; therefore the Official Headquarters for that individual is considered his or her St Louis

home. Driving from home in St. Louis to the business travel destination in St. Louis would be reimbursable as business mileage.

Corporate Card Program

University employees may apply for the UMB Business Travel Card, which is available to all State of Missouri employees who qualify. Individual cardholders are liable for charges to their cards. Contact the Business Office (660-785-4150) for an application.

Transportation

Air Travel by Commercial Flight

Commercial flights are to be by coach, tourist or equivalent class. Air fares from both Kansas City and St. Louis airports should be secured to find the most economical price.

Airfare costs in excess of the lowest available commercial discount airfare or customary standard (coach or equivalent) airfare are not allowable except when such accommodations would:

- Require circuitous routing
- Require travel at unreasonable hours
- Excessively prolong travel

Air Travel by Personally Owned Aircraft

Reimbursing for use of aircraft owned or operated by the traveler is prohibited.

Internet Purchase

Purchase of air transportation via the internet is allowable if it provides economic benefit to the university. Travelers should understand the risks associated with tickets obtained from consolidators and through the internet.

Reimbursement for tickets paid on personal credit card

The university will reimburse the traveler for tickets paid for by the traveler on a personal credit card after the trip is complete.

Unused Tickets

Unused tickets purchased or reimbursed by the university may not be used for personal travel. The department paying for the ticket should work with the traveler to account for the unused ticket and if possible, convert its use for future business travel.

Rail Transportation

Rail transportation may be used when the cost is less than or equal to other methods.

Driving on Official University Business

University Fleet Vehicle

Employees driving a university-owned fleet vehicle on approved university business are covered under the state legal expense fund for liability (injury to third parties and third party property damage). Fleet vehicles should only be used for business travel. If the university employee is combining personal and business travel, a fleet vehicle should not be used. The operator of the fleet vehicle assumes full responsibility for bodily injury and damages to the vehicle and/or third party damages if an accident occurs during any unauthorized use of a fleet vehicle.

Student workers who are required to drive a university-owned fleet vehicle as a part of their campus jobs are covered by the state's legal expense fund as long as the vehicle is being used for an authorized business purpose.

Rental Car

The State of Missouri has a contract with Enterprise Rental Car, and university employees needing a rental car should first check with Enterprise and request the State of Missouri rate. If cost effective, traveling employees may rent a car through Enterprise Rental rather than drive their personal vehicle or a fleet vehicle. Employees renting cars for university business within the state of Missouri with only university employees riding in the vehicle should select CDW coverage on the rental contract. Employees renting cars for university business within the state of Missouri if non employees are going to be in the vehicle or if the employee is traveling outside the state of Missouri should select both CDW and Supplemental liability coverage. The Personal Accident insurance should not be selected unless the employee wishes to pay for that option. If the rental car is used for both personal and business travel, then the rental fee should be prorated with only the business portion charged to the university.

Private Vehicle

Travelers who use a personal vehicle to travel on university business will be reimbursed for the business mileage at a rate set by the university. Rates are effective each July 1 and employees will be notified of changes to the current rates. The established mileage reimbursement rate takes into consideration all costs of owning and operating a vehicle—including fuel, insurance, maintenance and depreciation. The reimbursement rate represents full compensation for the costs of operating the vehicle and therefore the traveler maintains total responsibility to adequately insure, safely operate, properly maintain and protect the vehicle. The university does not provide automobile liability and comprehensive/collision insurance for loss or damage to a personal vehicle used for business travel. Physical damage to the vehicle or loss of physical property in the vehicle is not covered by the university. Coverage should be obtained through the traveler's personal auto insurance. Liability to others, including passengers, must be covered by the employee's private auto policy. Travelers should refer to their policy or contact their insurance agent for coverage specifics

Traveling by Auto for Personal Convenience

If a personal vehicle is used primarily for the convenience of the traveler and the approved travel is to a location more than 300 miles beyond the point of origination, then reimbursement will not exceed the lesser of the following:

- The cost per mile reimbursement, plus tolls or
- The round trip airfare using air coach or tourist fare (including applicable costs such as airport parking and travel to and from the airport) or equivalent rail. The cost of airfare should be based on a 7-14 day advance coach fare. Submit with the expense report a copy of the internet quote, and the date the quote was obtained.

Lodging

Hotels

Reasonable and necessary amounts are allowed for lodging, usually based on single occupancy rates unless rooms are shared with other business travelers. When two or more staff share the same room, the total claimed for reimbursement must not exceed the total paid for the room. Additional room costs resulting from family or other non-business companions are not reimbursable. A receipted, itemized statement furnished by the hotel or motel is required for all lodging expenses. Summary statements provided by credit card companies will not be accepted as backup for lodging reimbursement.

Reimbursement for hotels paid on personal credit card

The university will reimburse the traveler for hotel costs placed on a personal credit card after the trip is complete.

Missouri Hotels

When staying in a Missouri hotel, request that the bill exclude Missouri taxes. At the time of check-in, the traveler should present a copy of Truman's exemption from Missouri Sales and Use Tax certificate (available on the web) and the traveler's Truman ID card. Hotels are more likely to give this exemption if the traveler is using the university's corporate card to pay for the charge.

Hosted Lodging

On occasion a colleague, relative or friend may host a traveler in a private residence. In these instances, the traveler may compensate the host by a token gift or meal as appropriate. Under IRS regulations a receipt must be submitted for any such gift over \$10. Only one gift per stay may be provided.

Meals

For Travel within the Fifty United States and the District of Columbia

For overnight travel within the fifty United States and the District of Columbia, the meal expense allowance is not to exceed \$50 per full travel day for three meals, including tips. Tips should not exceed 15%-20%. Receipts for meals costing \$25 or less are not required. If fewer than three meals per day are subject to allowance, amounts (including tips) should not exceed the maximum reimbursement for the total of the eligible meals that day:

Breakfast	\$10
Lunch	\$15
Dinner	\$25

For example, if a traveler is at a conference where full breakfast is provided as a part of the conference fee, then the eligible amount for meals for lunch and dinner would total \$40 (including tips).

Travelers going to high cost areas may receive additional meal reimbursement consistent with the U.S. General Services Administration per diem rates current with the dates of travel. Travelers should use the following site to check for rates by county/city under the M&IE rates: <http://www.gsa.gov> From the U.S. General Services Administration site, click on “per diem” rates and select the state. The meal and tip rate will be available by city and county. If traveling to a high cost area, but staying in a suburb, the traveler should check the web site by county to see if it qualifies for high cost reimbursement. Reimbursement for high cost areas must be approved as an override of policy by the approving supervisor.

Meal expenses may be claimed by traveling employees for restaurants outside a thirty-mile radius of Kirksville. For example, an employee returning from business travel who stops to eat in Columbia, Missouri at 6 pm could be reimbursed for that meal. However, an employee returning to Kirksville at 6 pm could not stop at a restaurant in Kirksville and claim the meal as a reimbursable travel expense.

Meals Provided by Others

Meals included in conference registrations, covered by other university payments, or paid by others are not eligible for reimbursement to the traveler. If a meal is provided by conference registration, but the traveler chooses to eat elsewhere, the added meal expense is not reimbursable.

Other Expenses

Conferences and Professional Meeting or Registration

If a traveler pays for the registration fee from personal funds, reimbursement may be made after the travel is complete.

Taxi, Rental Car or other Local Transportation

The cost of taxis and other local transportation to and from hotels, airports or railroad stations in connection with business activities is reimbursable. Rental cars may be utilized if the business purpose is documented.

Telephone

Business Phone Calls

Travelers will be reimbursed for business phone calls:

- That are reasonable and necessary for conducting business, and
- When documentation is attached to support the charge.

Internet Server Access While Traveling

Travelers will be reimbursed for the cost of internet connections for the purpose of administering university business.

Other Reimbursable Expenses:

Reimbursement will be allowed for other expenses under the following circumstances:

1. Parking and tolls
2. Shipping of university materials not carried by the traveler
3. Baggage handling
4. Business expense such as copying and fax
5. Currency conversion fees
6. Gratuities
7. Ground transportation (used for business)
8. Laundry if in travel status more than five days

Non-Reimbursable Expenses:

1. Hotel gyms
2. Alcohol
3. In-room movie and mini-bar charges
4. Laundry (unless traveler is in travel status for five or more days). Receipts are required.
5. Parking fines or speeding tickets
6. Child or pet care
7. Travel expense or meals of other persons, such as spouse, traveling with the employee for personal reasons
8. Food in excess of daily allowance
9. Event tickets
10. Taxis or other transportation to and from personal events
11. Commuting expense between your home and Official Headquarters.
12. Additional transportation, hotel or other expense for vacation related travel in connection with business travel (taken before, during or after business trip)
13. Entertainment
14. Personal phone calls

15. Recreation expense
16. Airline Club memberships
17. Upgrades
18. “no show” charges
19. Credit card delinquency assessments, credit card annual fees
20. Medical expenses
21. Lost baggage
22. Magazines, newspapers, unless specific business purpose is indicated
23. Theft or loss of advance funds, personal funds or other personal property
24. Snacks unless in lieu of a meal
25. Personal health and hygiene items
26. Outside activities offered as a part of the conference
27. Dues in private clubs
28. Insurance costs, including baggage, flight and life insurance
29. Massages, saunas, spa
30. Personal automobile repairs

Documentation

Type of Documentation Required

The following support for reimbursement requests will be required for all expenses over \$25:

- | | |
|-----------------------------|--|
| 1. Air transportation | Airline ticket “receipt” coupon and copy of invoice and proof of payment by credit card other method as long as the documentation includes the amount, date, name of flyer and destination. |
| 2. E-Tickets | Airline “receipt/itinerary” and charge card receipt as long as the amount, date, name of flyer and destination is shown. |
| 3. Car Rental | Car rental agreement and charge card receipt |
| 4. Personal Auto | Miles driven |
| 5. Lodging | Itemized hotel bill and charge card receipt |
| 6. Meals | Hotel bill, charge card or restaurant receipt (plus business purpose if business entertainment meal). While a receipt is not required for meals under \$25 or less, a business purpose is still required for business meals. |
| 7. Conference | Conference Agenda and paid receipt (if paid by employee) |
| 8. Telephone, Fax, Internet | Hotel bill or other connection charge receipt |
| 9. Taxi, other | Receipt if over \$25 |

Original receipts are required for all expenses indicated above. Photocopies of invoices, credit card statements or record of charge slips accompanying the monthly billing statements, receipts or restaurant stubs are not acceptable.

A receipt is defined as a written acknowledgment that a specified remittance, article or delivery has been made. At a minimum, the name of the payee, date and amount should appear on the receipt. Receipts are required for expenditures in excess of \$25.

Lost Receipts

In the event a receipt is lost, a written statement from the traveler stating that the original receipt is not available and that reimbursement has not been previously received must be attached to the expense report.

Travel Charged to Sponsored Gifts, Grants or Contracts

Reimbursement of expenses to be charged to sponsored gifts, grants or contracts made to the university must be in full compliance with the specific terms and instructions of the gift, grant or contract, as well as this policy.

International Travel

Persons in travel status outside the continental United States may seek reimbursement for reasonable expenses associated with their travel. Such expenses may include, but are not limited to:

- Visa, passports and other travel documents
- Photographs for travel documents
- Inoculations
- Currency conversion

Receipts are required for reimbursement. The amounts must be stated in US dollars, with the traveler providing the conversion rate.

Direct Deposit of Travel Reimbursements

For faster reimbursements, employees may sign up for direct deposit of their reimbursements by contacting the accounts payable section of the Business Office.

Compliance with the Americans with Disabilities Act

All travelers are to be afforded equal opportunity to travel for official business. If expenditures outside this policy are necessary to provide accommodation, the circumstances should be noted on the travel expense report.

Business Travel for Hourly paid employees

Supervisors should contact the Payroll Supervisor regarding overtime during travel for hourly paid employees and discuss these provisions with the employee before permission to travel is granted.

Questions/Policy Updates

Questions about this policy should be addressed to the payable section of the Business Office. This policy will be reviewed on an annual basis. Individuals wishing to recommend changes to the policy should contact the university Controller.