Procedure 20335a: Travel Overview

This overview discusses the general regulations for university travel-related business expenses. Travel expenses while on official business for the University may be fully reimbursable. The procedures set forth herein have been established in accordance with the Code of Virginia for Covered Institutions such as Virginia Tech. It is the policy of the university to limit travel costs to only those expenses that are necessary for providing services for the mission of the university. Reimbursements of travel expenses using the university guidelines meet the Internal Revenue Service conditions for an "accountable plan," thus the travel reimbursement is not considered taxable income to the business traveler. Travel expenses for spouses, friends, or other individuals not traveling on official business of the University are not reimbursable.

Travel rates and allowances listed in the University travel procedures are the maximum amount the University may reimburse the traveler. Departments are permitted to reimburse travelers at rates lower than the maximum rates listed in the University travel procedures. When a department authorizes a lower rate, the amount of the lower rate must be listed for each day.

All university travel must be processed through the electronic Banner Travel & Expense Management (TEM) system in accordance with University travel procedures.

A. Approval of Travel Activity

For all official business travel, the traveler must be able to demonstrate, with documentation, that a reasonable effort was made to secure the most cost beneficial means of travel for the University. All official business travel must also be properly approved based on the following guidelines:
ALL travelers (including presenters, students, visitors, and other business associates) whose travel expenses are to be charged to university public funds are encouraged to prepare an estimate of the total cost of any proposed travel (travel authorization). Total cost includes lodging, meals, conference registration, airfare, and any other travel costs or course fees. Approvals on the travel reimbursement are sufficient documentation for reimbursement through the Controller's Office and the travel authorization is not required to be submitted to the Controller's Office. For departments who will maintain internal procedures beyond what is required for reimbursement, and in order to meet other University department's requirements (see information below), the TEM travel authorization can serve as a means of documentation.

A.1 The Office of Export and Secure Research Compliance (OESRC) (http://www.oesrc.researchcompliance.vt.edu/):

OESRC supports Virginia Tech's commitment to comply with U.S. laws and regulations applicable to export and trade sanctions. OESRC is charged with this task, and thus require that international travel be reviewed prior to departure date. When a person is traveling internationally (entering or leaving the United States), the TEM travel authorization is required and will be automatically routed by the system to OESRC for review. OESRC will review the request and contact the department if necessary. If the international travel is charged to a sponsored fund, the TEM system will automatically route the document to the Office of Sponsored Programs (OSP) for their approval.

A.2 Communications Network Services (CNS) (http://www.cns.vt.edu/):

CNS should review an individual's plan to acquire telecommunications service while traveling abroad. This should be done prior to the trip. There are cases where CNS may recommend a certain approach, or provide a solution based on their experiences. CNS is also charged with the responsibility to make sure telecommunications services are procured correctly. When a person is traveling internationally, CNS requests that these costs be estimated and approved on the TEM Travel Authorization (TA). CNS can use a copy of the TA as a departmental approval for that travel since the form will be approved by an authorized approver. Otherwise, a separate letter is required from an authorized approver before they can approve telecommunication services for an individual that will be traveling internationally. The department can send an image of the TA attached to an e-mail to Bill Blevins in CNS at blevins@vt.edu. As a best practice suggestion, CNS approval should be retained with departmental Travel Expense Reimbursement documentation through an approval e-mail from CNS.

A.3 Other Approval Considerations:

- Authorized approvers are responsible for approving all travel. In accordance with the Virginia Tech policy, Department Heads must have Dean or Vice President approval for their own business travel (next higher level of management). Departments must thoroughly document the business necessity for attending a conference, seminar, or training workshop when more than three employees travel to the same destination. When departments have knowledge that employees from other departments plan to attend the same event, it is incumbent upon the departments to present documentation supporting the business necessity of all attendees to their authorized approver for review and approval. Such documentation must be available for review in the department travel files.

- Lodging up to 100% over the guidelines (CONUS/OCONUS rates) can be approved by the traveler's authorized approver. Details of this requirement are available in Procedure 20335b, Hotel and Motel Accommodations.
- When 5 or more employees are to be trained, the department that needs training must document the comparative cost of sending employees to be trained versus bringing a trainer to the campus. The department will provide a cost comparison to Senior Management along with their Travel Authorization for 5 or more employees. When approved, documentation of the cost savings must be attached to their travel reimbursement request.

B. Reimbursement Rules

Individuals traveling on official business of the University will be reimbursed for reasonable and necessary expenses incurred. The travel procedures are applicable to all faculty, administrators, staff, students, guests, interviewees, and other individuals traveling on university business. Travelers are expected to exercise prudent judgment when making travel arrangements and expenditures. Travel expense accounts are open to the public and must be able to sustain the test of public review.

The Appropriations Act of the Commonwealth of Virginia requires the university to reimburse employees by direct deposit for travel reimbursements. Travelers may sign up for direct deposit by completing the Accounts Payable Direct Deposit Authorization form (http://www.bursar.vt.edu/forms/documents/direct_deposit_form.pdf) found on the Bursar's web site. An employee can sign up for direct deposit online by using the following steps:

1. go to www.vt.edu,
2. click on "My VT" at top of page,
3. log-in using your PID and password,
4. once logged-in, click on "Personal Info" tab,
5. Scroll down to "University Account" segment and click "Enroll in – View Direct Deposit",
6. register for direct deposit for all payments.

Travel expenses must be reasonable and reimbursements cannot exceed the allowances set forth in Procedure 20335b and Procedure 20335c. Public transportation rates must not exceed those for coach class accommodations. Receipts are required for taxi, shuttle vans, and other forms of transportation if the claim exceeds $75. Occasionally, business class air travel is permitted on international flights (see Procedure 20335e for details).

Travel routing, whether by public transportation, privately owned vehicle, state-owned vehicle, or for-hire conveyance, shall be by the most-direct practicable route. Any deviations from a direct route must be explained on an attachment to the travel reimbursement request. In the

instance of a less direct air travel route being taken because it is less expensive, a statement of this fact should appear as the explanation. When travel is by automobile, the total transportation expenses reimbursed (including meals and lodging) shall not exceed the cost of the most economical public transportation fare available.

When an overall net cost saving to the university results from extending the business trip to use lower excursion-rate airfares, the university can reimburse for one additional night and one additional day meal expenses. The cost of the additional meals and lodging and the excursion airfare must be measured against the lowest available airfare, not involving a Saturday night stay, for a direct flight. Such cost comparison must be made at the time the trip is booked.

The Controller's Office may question reimbursements requests. If reimbursements are made and later deemed to be inappropriate, the traveler may be required to reimburse the unallowable expense.

Travel regulations and approvals apply to all funds deposited to the State Treasury, whether appropriated by the Commonwealth or funded by a sponsored project or grant. The U.S. Government Office of Management and Budget is responsible for issuing policy for expenditures funded by a sponsored program. Their Uniform Guidance document states that travel expenses must be "in accordance with the non-Federal entity's written travel reimbursement policies" and practices must be "consistent with those normally allowed in like circumstances in the non-Federal entity's non-federally-funded activities." Travelers should review grants, contracts, and departmental policies to determine if more restrictive policies are applicable to the particular funds to which the travel is charged.

Travel credits, reduced rates, or free services received from public facilities (i.e., airlines, car rental agencies, motels, etc.) by persons for whatever reason, accrue to the Commonwealth. Any such credit, reduced rate, or free service must be deducted from the amount of travel expenses claimed. Failure to comply with this requirement may result in disciplinary action.

B.1 Exceptions

The University Controller administers exceptions to policies or procedures.

1. Exceptions that allow for expenditures in addition to these regulations should be referenced on the Travel Reimbursement Request under "Comments."
2. For financial or budget control purposes, the academic and administrative departments may establish lower maximum limits for expenses than the amounts listed in these procedures.
3. Certain classifications of travel may be reviewed periodically.
4. The University Controller may communicate temporary procedural changes by memoranda or through "The Ledger" publication.

B.2 Reimbursement Approval

Authorized approvers are responsible for approving travel reimbursements for travelers within their administrative units as set forth in Procedure 10305 Accounting Approvals.

B.3 Corrections

The Controller's Office will return travel reimbursement requests in the TEM system for correction where there is an obvious error or conflict with university and state regulations. If there is only missing documentation such as a receipt image or a cost justification statement, the Controller's Office will email the traveler or delegate who submitted the reimbursement request asking that the documentation be provided through email. The Controller's Office will attach the missing information to the reimbursement request when it is approved by them.

B.4 Other Travel Expenses Reimbursements for official telephone calls, facsimile transmissions, and telegrams made and paid for by the travelers may be made on the Travel Reimbursement Request. The name of the parties, business purpose, and points between which the calls were made or wires sent must be stated to document the business necessity of the expense. (The IRS requires this documentation to support these expenses.)

Individuals using personally owned cellular telephones may be reimbursed for business calls when shown to be cost beneficial or necessary. In this case, an itemized cell phone statement must be included and attached to the travel reimbursement. In the event that free minutes are used for business calls, reimbursement is not permitted.

1. Traveler's checks, passports, and visa expenses are reimbursable. Vaccinations and medications required for entry to some countries are also reimbursable. Receipts are required.
2. Expenses incurred for conferences, registration fees, field trips, copying costs while on travel status, and other business expenses will be paid if they are a reasonable and necessary part of the staff member's travel.
3. Funeral attendance expenses are reimbursable for employees selected by the Department Head to represent the University, provided the employee must travel outside of his/her official station. No reimbursement will be made if the services are held within the employee's official station.
4. Each traveler or traveler delegate must submit his/her own travel reimbursement request. See Procedure 20335c for reimbursement of business meals.
5. Gratuities are included in the M&IE per diem. All service fees or tips (including but not limited to bellhops, skycaps, maids, waiters/waitresses) laundry expense, personal

telephone calls, and transportation between places of lodging or business and places where meals are taken are reimbursed through the incidental expense portion of the M&IE per diem. On a day trip where no per diem is reimbursed, a maximum of 15% of the taxi cab or shuttle service fare is reimbursable as a tip. For reimbursement, the Travel Reimbursement Request must be divided into one amount for the fare and one amount for the tip. Receipts are not required for the tip reimbursement. Actual expenses incurred during overnight travel for these expense categories are not permitted.

6. Expenses for personal necessities and entertainment are not reimbursable. Examples of non-reimbursable expenses include:
    - Lost or stolen articles;
    - Alcoholic beverages;
    - Excessive meals and lodging;
    - Damage to personal vehicles, clothing, or other items;
    - Services to gain entry to a locked vehicle;
    - Movies charged to hotel bills;
    - All expenses related to the personal negligence of the traveler, such as fines;
    - Entertainment expenses;
    - Towing charges;
    - Expenses for children, spouses, and companions while on travel status;
    - Lodging in excess of the allowable room rate for the area.
    - Travel Protection Insurance (Personal Injuries or loss, trip interruption/ cancellation, etc.)

7. Business Travel and Vacation Leave may be combined if approval is obtained from the authorized approver. In such cases, reimbursable transportation and accommodation expenses will correspond with a round trip to the designated area of official business. Reimbursement will be appropriate only for the time during which official business is conducted. If the traveler leaves the designated area after business is concluded, there will be no reimbursement from that moment on, except for those expenses relating to the second half of the round trip. The university will not be responsible for any expenses related to accident or injury while the employee is not on official business.

B.5 Recruitment Expenses

Employee recruitment is considered official university business. Therefore, reasonable expenses incurred by prospective employees or university employees who are directly involved in the recruitment process are reimbursable. Generally, guests or spouses of prospective employees are not required during the recruitment process and their expenses are not

reimbursable. However, the inclusion of the prospective employee's spouse is allowable for the positions of President, Provost, Vice President, Dean, Department Head, and faculty. This exception does not extend to other "guests" or to other positions within the university. Expenses of university employees' spouses involved with the interview process are not reimbursable using public funds. Please clearly identify the spouse expenses and the specific position name under recruitment on any related travel reimbursement request.

C. Travel Reimbursement Request

Claims for reimbursement are presented on the electronic TEM Travel Reimbursement Request as outlined in Procedure 20335v Travel and Meal Expense Reimbursement. Standard travel account codes that should be used on travel vouchers are available at Controller's Office Simplified Travel Account Code Listing.

Travel reimbursement requests should be submitted to the Controller's Office within the time period explained in Procedure 20335v. If travel reimbursement requests are not submitted timely, US Treasury Regulations require the University to report the travel reimbursement as taxable wages and withhold taxes.

D. Definitions

As used herein, the following terms shall have the stated meanings:

1. Domestic -- contiguous 48 United States.
2. Non-Domestic -- all locations outside the contiguous 48 United States.
3. U.S. Travel – 50 United States and all territories
4. Foreign Travel – all international travel not covered above under U.S. Travel
5. Official Station -- within 25-mile radius of base point of operation where an employee is employed.
6. Public Transportation -- commercial scheduled airline, rail, bus, rental car, shuttle or other "for hire transportation" or taxi (when necessary).
7. State Employee -- any elected or appointed faculty or classified employee of Virginia Tech or other state agency.
8. State Funds -- any funds deposited with the State Treasurer, whether derived from appropriation, grants, contracts, or general University receipts.
9. Travel -- all activities involving expenses for transportation, lodging, meals or registration, which are authorized to be paid from State funds or involve State vehicles for transportation.
10. Travel Status -- travel away from the employee's official station, except when engaged in daily travel as part of regular routine.