

<p>Name of Policy: <u>Travel and Business Expense Reimbursement.</u></p> <p>Policy Number: 3364-40-03</p> <p>Approving Officer: President</p> <p>Responsible Agent: Executive Vice President/CFO</p> <p>Scope: All University of Toledo Campuses</p>	 <p>Review/Revision date: August 13, 2019</p> <p>Original effective date: March 1, 2010</p>								
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(A) Policy statement

When on official business, university travelers will exercise the same care in incurring expenses that a prudent person would exercise on personal business. Reimbursement for in-state and out-of-state travel will be made for travel and living expenses (meals and lodging) incurred on official university business. Travelers must itemize travel and living expenses for the purposes of reimbursement within Concur. Reimbursement will be dependent upon providing supporting documentation including original receipts for all expenses incurred. Expenses that are submitted 180 days after the date the expense was incurred are not reimbursable.

(B) Purpose

To encourage the most efficient and economical means of travel for accomplishing the stated business purpose of the trip and to standardize the reporting and documentation of expenses in accordance with federal and state laws and regulations.

(C) Procedures

(1) Authorization for travel and business expenses

Prior to each trip, travelers must obtain approval from the appropriate executive officer (president, vice president, dean, director, provost, or designee). Executive officers may establish other travel regulations applicable to their areas of responsibility which fall within this general policy. The proper approval of an expense report constitutes approval of the itinerary as well as the accuracy and reasonableness of the request for reimbursement. Such approval must be documented prior to the trip and available for audit review. Estimated costs and the business purpose must be included in the travel request. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements.

Advances of university funds for travel purposes are not permitted except for intercollegiate athletic team travel. Any request for exceptions to this must have the authorization of the Associate Vice President for Finance or designee. Receipts and a copy of the deposit of any unused cash must be submitted to the university's Accounts Payable department within five business days after the date of conclusion of the trip.

(2) Reimbursable expenses

(a) Transportation

(i) Common carrier

In accordance with the Ohio Ethics Commission advisory opinion number 91-010, Division (A) (4) of Section 2921.42 and Division (A) of Section 2921.43 of the Revised Code prohibit a state officer or employee from accepting or using, for personal travel, a discounted or free 'frequent flyer' airline ticket or other benefit from an airline if she has obtained the ticket or other benefit from the purchase of airline tickets, for use in official travel, by the department, division, agency, institution, or other entity with which she is connected." Therefore, any miles earned from university paid or reimbursed travel, although accumulated in the traveler's name, must be used for official university business travel. In order to assist with compliance with this ruling, airline tickets for university employees must be purchased using a university purchasing card ("P-Card") or through the Purchasing department.

Travel by coach air, rail, bus or other common carrier must be at the most reasonable available rate for the chosen method and time of travel. No reimbursement will be made at first-class rates where other accommodations are available.

In accordance with the "Fly America Act" (49 U.S.C. 40118), generally individuals charging travel to federal funds must use U.S. flag air carriers to the maximum extent possible when commercial air transportation is the means of travel between the United States and a foreign country or between foreign countries. Travelers not utilizing U.S. flag carriers must demonstrate compliance with the exception to this requirement that is provided under a bilateral or multilateral air transportation agreement to which the United States government and the government of a foreign country are parties, and which the department of transportation has determined meets the requirements of the "Fly America Act." This requirement will not be influenced by factors of cost, convenience or personal travel preference.

All UT faculty and staff are required to register with the university when they travel internationally for university business at:

<http://www.utoledo.edu/policies/academic/international-studies-and-programs/pdfs/3364-85-01-international-travel-registration.pdf>.

For any university travel, whether or not a reimbursement is requested, the travel itinerary issued with the ticket should be submitted with the expense report.

(ii) Privately owned vehicles

The use of a privately owned vehicle will be reimbursed up to the Internal Revenue Service (“IRS”) standard mileage rate at the time of travel, excluding some grants which may authorize less than the “IRS” standard mileage rate. The mileage rate includes all expenses incurred for using the privately owned vehicle except parking fees and tolls.

All employees are expected to follow the prudent person rule and use reasonable judgment in selecting the appropriate mode of transportation factoring cost, availability, safety, and efficiency. When possible, employees are encouraged to use the most economical mode of transportation. Employees need to factor the total inclusive costs of travel when determining the mode of travel. For instance, it may be less expensive for airfare and ground transportation (taxi, shuttle) when compared to personal vehicle mileage reimbursement, parking, and tolls. The university holds the right to reimburse at the less expensive mode of transportation.

Mileage will not be reimbursed for the following: travel between work and home; travel from home to a point between a traveler’s home and primary work site; travel between the university campuses (Main Campus, Health Science Campus, Scott Park Campus, Center for the Visual Arts, Stranahan Arboretum, Lake Erie Research Center); and travel between buildings on the individual university campuses named above. Travelers interested in deducting mileage for tax purposes are encouraged to explore the matter with a tax advisor.

An individual who uses a privately owned vehicle for university business must meet liability insurance requirements of the motor vehicle financial responsibility laws of the State of Ohio. Any accidents that occur while a traveler is on university business should be reported immediately to the department of Risk Management at the university.

(iii) Rental vehicles

The university requires all purchases of rental vehicles to be made via a university P-Card or through the Purchasing department.

All travelers are encouraged to use the least expensive mode of transportation. When other less expensive transportation is not available or appropriate, rental car expenses will be reimbursed. All employees are expected to follow the prudent person rule and use reasonable judgment in selecting the appropriate mode of transportation factoring cost, availability, safety, and efficiency.

In order for an individual or group to obtain a rental car, the traveler(s) must provide adequate written justification and receive advance written approval from the appropriate vice president. Reimbursement will be approved for rental of an appropriately sized vehicle for the number of participants. This approval must be attached to the expense report.

If a traveler decides to rent a vehicle in lieu of using a lower cost mode of transportation and does not follow the prudent person rule, the university holds the right to reimburse at a less expensive rate for transportation.

If it is necessary for a traveler to rent a car from a car rental agency, the traveler should select the insurance coverage from the car rental agency. If using a preferred supplier, the insurance coverage may be included free of charge. Consult the purchasing department car rental website at: https://www.utoledo.edu/depts/supplychain/purchasing/preferred_suppliers/vehicle_rental.html for preferred vendors and their terms. If it is necessary for a traveler to rent a car outside of the United States, the driver must purchase all local coverage as well as optional coverage. If the filing of an insurance claim becomes necessary, the signed rental agreement must be filed with the department of Risk Management.

(iv) Transportation costs

Transportation costs, such as parking fees, tolls, taxi, gratuities, and airport limousine fares are reimbursable on an actual costs basis. Receipts must be obtained and submitted for any such expenses that exceed \$25.00.

(b) Meal allowance

(i) Personal meals

An individual who travels for an authorized, overnight business event may claim a meal allowance based on federal meal and incidental expense per diem rates for the continental United States (“CONUS” rates) for each full day of travel. Personal meals will be reimbursed up to the per diem rate. A P-Card should not be used for individual meals at any time.

First and last day of travel when an overnight stay is required will be reimbursed at seventy-five percent of the federal per diem rate, while on authorized travel status.

Reimbursement will not be provided when meals are provided by the hotel, conference or meeting. Adjustments to per diem reimbursement will be made as follows:

Breakfast: twenty five percent of the federal per diem rate, while on authorized travel status.

Lunch: twenty five percent of the federal per diem rate, while on authorized travel status.

Dinner: fifty percent of the federal per diem rate, while on an authorized travel status.

No reimbursement will be made to an individual traveler for the actual cost of meals in excess of the appropriate daily allowance.

The daily per diem rates for all destinations can be found at:

<https://www.gsa.gov/travel/plan-book/per-diem-rates>.

(ii) Business meeting meals

Business meals with individuals not affiliated with the university will be reimbursed at actual cost upon submission of appropriate receipts. Business meeting meals must have a business purpose and must include two or more persons (at least one non-university employee). If there is a question regarding the business purpose of the trip, a dean or vice president must approve the expense.

Costs should be reasonable and customary for the location. The expense report must contain the date, place, business reason, persons in attendance and business relationship of persons entertained. Business meeting and group travel meals reimbursements cannot use the per diem rate. All receipts are required.

(iii) No additional reimbursement will be made for a meal that is provided at a conference as part of the registration fees.

(iv) Reimbursement for alcoholic beverages will not be authorized from university or grant funds.

(c) Lodging

The university requires all purchases for lodging to be made via a university P-Card or through the purchasing department.

- (i) When travel on official business requires overnight lodging, more than fifty miles away from the traveler's home or headquarters, reimbursement will be made for the actual single room rate plus taxes per night. When staying in the State of Ohio, the traveler should inquire as to the availability of a state tax exemption due to the tax exempt status of the university. Claims for reimbursement must be supported by original hotel receipts. A credit card charge slip is not acceptable documentation for reimbursement.
 - (ii) No reimbursement will be made for overnight lodging closer than fifty miles from the traveler's home or headquarters except in unusual circumstances described in a statement of explanation accompanying the request for reimbursement.
 - (iii) The cost of lodging for members of the employee's family is not reimbursable.
 - (iv) If a traveler extends the stay at a conference/seminar in order to save money on the airfare, the university will reimburse the traveler's additional hotel expense and meal per diems for the added days. Documentation showing that the extended stay resulted in a net savings must be provided (i.e. airfare without a Saturday stay versus airfare with a Saturday stay).
- (d) Conferences and special meetings
- (i) Expenses directly included with a conference or special meeting, such as registration fees and banquets are reimbursable, without regard to the standard limitations, providing they are reasonable and supported by original receipts.
 - (ii) Registration fees can be prepaid directly by the university if such is required by the vendor. Accounts Payable must receive the request for prepayment at least seven working days in advance of the due date in the event that a P-Card cannot be used for payment.
 - (iii) Conferences and seminars that are being conducted by the university, requests for reimbursement of meeting rooms, catered meals or other special services must be submitted to the appropriate vice president prior to the event.

(e) Miscellaneous expenses

(i) Other living expenses.

Other expenses directly related with the purpose of a particular business trip are reimbursable provided that they are necessary, reasonable, and supported by original receipts.

Expenses that relate to business activities (such as fax or printing charges) will be reimbursed if the appropriate receipt is provided. Purpose and reason for the expense must be documented.

(ii) Non-meal tips and gratuities

A tip of twenty percent or less of the cost of the associated goods or services is allowable, or the tip is customary and of a reasonable amount in cases where the tip cannot be associated to a specific cost. Examples include baggage handling (one dollar per bag), express check in, concierge service, and shuttle service. Tips for room cleaning are not reimbursable.

(iii) Extended stay in excess of one week

Dry cleaning and laundry for extended stays in excess of one week are reimbursable. Receipts must be obtained and submitted with the expense report.

(3) University purchasing card

Travelers are required to use their P-Card for airline tickets, lodging, and rental car purchases or they must be purchased through the purchasing department unless reimbursement is authorized and approved by the appropriate president, vice president, dean, or provost.

Travelers are required to comply with the University of Toledo Purchasing Card Policy and procedures.

(4) Reimbursement by a third party

If any portion of the traveler's travel expenses are to be reimbursed in full or in part by a third party, those components of the expense report must be noted. The university will reimburse the traveler for those travel expenses that are to be paid by a third party only after funds have been properly receipted from the third party. The Controller's Office must be notified when the reimbursement is received from the third party so the correct deposit of those funds may be made and prompt reimbursement made to the traveler.

(5) Non-reimbursable travel expenses

Personal expenses are not reimbursed and must be paid out-of-pocket. Such expenses are not directly related to the business travel, and may include personal entertainment such as hotel pay per view movies; refreshments made available in the hotel room; airline upgrades; purchase of additional personal travel insurance; and personal grooming.

(6) Reporting and documentation of expenses

- (a) All reimbursements must be requested within Concur. The expense report must indicate exact dates, itinerary, other travelers, and reasonable itemizations; must be accompanied by original receipts or bills; business purpose of the expenditures; and must have proper authorizations.
- (b) This policy is applicable to all university related travel including all operating budgets, construction funds, federal, state and private grants. The grants accounting department must approve all travel reimbursements from grant accounts.

(7) Travel for non-university personnel

The university encourages employees coordinating travel for non-university personnel to comply with the travel and business expense reimbursement policy when those expenses will be paid or reimbursed by the university. These individuals include guests, lecturers, consultants, prospective faculty and staff, and students.

If a circumstance arises that is not specifically covered in the travel and business expense reimbursement policy, the Controller's Office should be consulted for guidance.

<p>Approved by:</p> <p><u>/s/</u> Sharon L. Gaber, Ph.D. President</p> <p><u>August 13, 2019</u> Date</p> <p><i>Review/Revision Completed by: Senior Vice President for Finance and Administration, Controller, SLT</i></p>	<p>Policies Superseded by This Policy:</p> <p><i>01-015 Travel and Business Expense Reimbursement (former Health Science Campus Policy, previous effective date 7/01/03)</i></p> <p><i>3360-40-20 Policy on Travel (former Main Campus Policy, previous effective date 7/10/02)</i></p> <p>Initial effective date: March 1, 2010</p> <p>Review/Revision Date: August 13, 2019</p> <p>Next review date: August 15, 2022</p>
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