

# University of North Alabama Foundation Travel Policy

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## I. INTRODUCTION

The travel policies of the University of North Alabama Foundation have been developed in accordance with Internal Revenue Service regulations and guidelines. These policies cover University employees, students and others who travel on approved, official University business.

Employees must obtain prior approval of the immediate supervisor before traveling or obligating Foundation funds. Some types of travel require additional authorization.

When traveling at the University of North Alabama Foundation's expense, University employees should, in all cases, seek to obtain the lowest possible fares and rates by scheduling their travel in a manner that will be the most economical to the University. Personal travel for side trips is not reimbursed. It is the employee's responsibility to obtain proper documentation of the travel costs when seeking reimbursement for incurred expenses.

In all cases, there must be a clear, documented business purpose for travel. Excessive or unjustifiable costs are not acceptable and will not be reimbursed.

The concept of an "accountable plan" was developed by the IRS to set forth rules that define legitimate expense reimbursements. The components of a qualified accountable plan require all expenditures to

- a) have a bona fide business purpose;
- b) be properly substantiated;
- c) be accounted for on a timely basis (within 60 days of return date from trip).

The IRS requires that Foundation payments to or on behalf of UNA employees that do not qualify as accountable plan payments be included in the employee's W-2 wages. These non-accountable plan payments are essentially treated like compensation for services. The Foundation will not pay the check request if any of the three elements of an accountable plan are missing from the check request.

The Foundation does not have a special exemption from sales tax. Therefore, all applicable taxes must be present on the receipt before reimbursement can be made.

## II. GENERAL GUIDELINES AND DOCUMENTATION

1. Travel Status - Employees are in travel status when they leave their base. Base is defined as the employees' primary residence or work location whichever is closest to the travel destination. Work location is defined as the office location to which an employee is assigned.
2. Claim for Travel Expenses – All claims for travel reimbursement must be made on the appropriate Foundation Travel Expense Claim Form. The request for reimbursement must be submitted within **sixty (60) days** after completion of the trip. Travel reimbursements submitted subsequent to 60 days after the completion date of the trip will be treated as income according to IRS regulations and cannot be reimbursed by the Foundation. Original itemized receipts and other documentation of the total costs of the trip must be submitted along with the claim form.

In cases where the cost center head does not approve payment of the entire cost of travel at the time of the initial request for reimbursement, the entire travel package, with all supporting documentation, must still be submitted to the Foundation with the initial request for partial reimbursement. If funds become available at a later date, the traveler may submit a request for additional reimbursement. A copy of the supporting documentation to the original package should also be attached to subsequent requests for partial reimbursement.

The form must be signed on the line marked “Traveler’s Signature” by the employee who traveled and is seeking reimbursement. The employee’s signature acknowledges acceptance and terms of reimbursement.

Any expenses covered by a third party should be noted on the travel form and should not be included in the reimbursement request.

3. Documentation of Costs/Approval of Travel Reimbursement - After returning from official travel, employees are required to present original itemized receipts for all travel expenses for which a claim is made.

Conference registration fees paid by a participating University employee are reimbursable following the conference. To claim reimbursement, any conference brochures or other literature documenting the expense, a registration receipt, including dollar amount and method of payment, or other proof of payment must be submitted along with the claim for travel form.

4. Approval of Travel Reimbursement by Supervisor, Dean, Director or Department Head - The Foundation requires that claims for travel expense forms be signed by the supervisor of the employee who is requesting reimbursement for official travel. By signing the expense report, the supervisor is certifying the expenses have been used in accordance with the Foundation’s Travel Policies. Even if the traveler is the principal investigator or

project director for the account making the reimbursement, the claim for travel expenses form must be signed by his/her supervisor and the appropriate Dean or VP.

5. Exceptions –Generally, any exception to Foundation travel policies must have prior written authorization by the Vice President of Advancement. The Dean’s approval of the exception is required. However, rules promulgated by the IRS have precedence.
6. Travel Reimbursement for Executive Officers - The President’s and Vice Presidents’ request for travel reimbursement must be reviewed and approved by the Vice President for Business & Financial Affairs. Reimbursement requests from the Vice President for Business & Financial Affairs must be reviewed and approved by the President.
7. Travel Expenses Advancement - The Foundation does not advance funds for travel expenses.
8. Multiple Reimbursements/Third Party/Other Organizations - No employee may be reimbursed by both the Foundation and University for the same travel/trip expenses. As an example, employees claiming per diem at the University may not submit for reimbursement of the difference between actual and per diem at the Foundation.
9. Prohibited Expenses – The Foundation does not reimburse employees for the following:
  - a. Purchase of alcohol when there is not a legitimate business purpose and a personal guest is not present. A business purpose may include meeting potential donors, a Dean meeting a potential faculty candidate or a reception at the President’s home, etc. A personal guest does not include employees of the University or friends one may meet for primarily social reasons, etc.
  - b. Lavish or extravagant expenses, first-class travel, or trips or conferences aboard luxury cruise ships.
  - c. Cash tips will not be reimbursed. All tips should be included on the itemized receipt. Tips in excess of 18% will not be reimbursed by the Foundation.
  - d. Travel expenses incurred by spouses or other family members. The Foundation understands there may be instances where the First Lady is expected to attend an event with the President. In this instance, an exception will be made.
  - e. Cost of passports, safe charges, mini-bars, in-room movie, valet services, recreational activities (even when such activities are part of a business meeting or conference) and excursions.
  - f. Charges for traffic or parking violations, or other expenses incurred such as lost keys, keys locked in vehicles, GPS systems, maps and atlas.
  - g. Medical expenses incurred during travel may not be reimbursed as travel costs.
  - h. Charges for internet/telephone usage may not be reimbursed unless business-related and

specifically approved by the employee's supervisor.

10. Special Travel Requirements - If an employee has special travel requirements that are not covered by the above policies, contact the Foundation prior to travel for approval.
11. Early Arrival/Late Departure – The Foundation will not reimburse expenses for early arrival or late departure. Since these expenses tend to be for sight-seeing and other personal benefits, they are not considered reimbursable business-related expenses.
12. Interrupted Travel - The employee assumes all additional costs associated with deviating from the official travel itinerary if the employee interrupts the official travel for reasons of personal convenience.
13. Cancellation of Trip – Please contact the Advancement office at ext. 4670 or via e-mail when an official trip has to be cancelled to prevent potential reimbursement problems.

### **III. TRANSPORTATION EXPENSES – MODE OF TRAVEL**

1. Air – Only coach/economy fares are reimbursable when traveling on commercial airline for official University business. An original receipt, including method of payment must be attached to the travel reimbursement form. Employees should plan well in advance and obtain the most economical fare available. Upgrades of seat selection are not reimbursable.
2. Taxi – A taxi may be hired for transportation when no other economical public transportation is readily available. If a taxi is hired for any trip except traveling to and from the airport, a written explanation must accompany the claim for travel expenses form. A taxi will not be reimbursed for personal travel, i.e., sight-seeing.
3. Privately Owned Automobile Transportation - Employees who use their own automobiles for official travel will be reimbursed at the current federal mileage rate. The Foundation makes reimbursement for the round-trip mileage traveled from the employee's base (see "Travel Status" of page 2) and destination or for the actual miles traveled from origin to destination and back, whichever is less. The mileage between an employee's residence and official travel station is not reimbursable.

When two or more passengers travel in one private automobile on official University business, only one employee may claim reimbursement for mileage.

When private automobiles are used for official travel, any parking/or toll charges incurred are reimbursable with original receipts.

Reimbursement for round trip mileage cannot exceed the cost of a roundtrip flight. The employee will be reimbursed at whichever is lowest, the current mileage rate or the lowest discounted airfare. This is called airfare-in-lieu of mileage. Employees must print a comparison airfare quote at the time travel is arranged. This quote must be attached when the reimbursement form is submitted. Roundtrip flights over \$450 require written supervisor approval prior to booking the trip.

If a personal vehicle is used to drive to an airport for a flight or to pick up an official University guest, the traveler will be reimbursed at the current effective mileage rate.

Employees traveling within the Florence city limits should submit a claim for travel expenses form to claim reimbursement. However, for frequent local travel, claims should not be submitted on a per-trip basis. Rather, employees who make frequent local trips should keep a mileage log and submit claims at appropriate intervals. The mileage log must be submitted with the claim for travel expenses form. The claim for travel expenses form must include the date, destination, and reason for the trip, along with the recorded mileage. Employees may not be reimbursed for travel to their work location.

NOTE: The interval of claims must be less than 60 days. Any expense turned in for reimbursement more than 60 days after the expense was incurred is treated as taxable income subject to withholding per IRS regulations. The Foundation cannot pay for reimbursements past the 60 day timeframe. These travel expenses must be submitted to the University.

4. Rental Vehicles – The Foundation does not accept sight-seeing, transportation to and from the airport, or to and from meals as justification for renting a vehicle.

If renting in the Florence area, please contact the Procurement Office for information on vehicle rental. This will insure obtaining a contracted price and appropriate insurance coverage.

Except in special circumstances, requests for reimbursement for a vehicle rental cannot exceed the actual mileage at the current effective mileage rate.

When renting a vehicle, the primary driver should waive collision insurance as this is covered under the University's current insurance plan.

The University carries liability insurance to protect the University. Drivers may want to carry an expanded rider on their own policy to cover themselves.

Employees should remember the following when renting a rental car:

- a. When renting locally from an approved vendor, use a UNA purchase order to ensure all appropriate contract language exists
- b. Waive CDW coverage at time of rental

Prior to leaving the rental car location, the vehicle must be inspected and any damage is to be noted on the rental agreement and acknowledged in writing by a representative of the rental car company. When returning the vehicle, the vehicle should be inspected and if any damage was sustained while in the possession of the renter, an accident report should be filed with the rental car company and a copy provided to the Procurement Office.

The Foundation does not reimburse for "extras" such as insurance, GPS and any other special fees related to rental vehicles.

#### IV. IN-STATE AND OUT-OF-STATE TRAVEL

Requests for reimbursement for employee travel must be submitted on a travel reimbursement form. Travel reimbursement forms must be filed within 60 days of travel. Travel reimbursements submitted subsequent to 60 days after the completion date of the trip will be treated as income according to IRS regulations and cannot be reimbursed by the Foundation.

1. Lodging – Itemized original receipts must accompany the travel reimbursement form when an employee presents documentation requesting reimbursement for lodging expenses. **Credit card receipts alone are unacceptable.** Employees should make every effort to minimize lodging expenses. The Foundation will not reimburse for hotel stays that are lavish or extravagant.

The hotel maximums allowed are as follows:

- \$125 for In-State lodging (before taxes)
- \$180 for Out-of-State lodging (before taxes)

Any exception to the maximums must be approved by the VP of Advancement.

Dates of occupancy, number of nights claimed for reimbursement, and the total amount charged for lodging must be recorded on the Travel Reimbursement form.

When an employee's lodging is paid for by a third party, the amount paid should be deducted from the amount due to the employee.

2. Meals – Employees traveling on official University business are reimbursed with itemized receipts. The Foundation will not reimburse for meals that are lavish or extravagant. The Foundation does not reimburse for snacks in between meals.
3. Gratuities – The Foundation strongly suggests limiting gratuities at 15%. Gratuities in excess of 18% for food service will not be reimbursed. Cash tips are not accepted.
4. Baggage Handling – Only baggage handling expenses incurred when traveling to or from the place of lodging or when traveling to or from the airport or train station will be reimbursed.

Baggage fees charged by airlines may be reimbursed for up to two bags each way with original receipts unless there is an approved business reason for carrying additional bags.

5. Incidental Expenses – The Foundation allows up to \$5 per overnight stay for incidental expenses, such as hotel baggage tips, housekeeping tips and tips to taxi drivers.

## V. INTERNATIONAL TRAVEL

The Foundation defines travel as international when it occurs anywhere outside the United States or its territories.

1. Travel Claim Forms - Requests for reimbursement for international travel should be submitted on the claim form for Out-of-State travel expenses. All costs listed on the travel claim must be recorded in U.S. Currency and the exchange rate stated on the claim form.

Currency exchange fees may be claimed only when you are required to convert to/from U.S. currency. You may not claim reimbursement for losses due to currency conversion. Please use [www.x-rates.com/historical/](http://www.x-rates.com/historical/) for currency conversions.

*Note: American Express Corporate Card charges are converted by American Express to U.S. dollars and cents and the exchange rate noted. Other major credit card companies convert foreign currency charges to dollars and cents but don't always show the exchange rate.*

Request for reimbursement for travel expenses must be filed on the Claim for Out-of-State Travel Expenses form within 60 days of travel. Receipts and other documentation of the total costs of the trip must be submitted along with the travel claim form. Documentation must include information detailing meals included in a registration fee. This might be listed in the conference registration information or on the daily meeting schedules. Any expenses paid by a third party should be noted on the Claim for Out-of-State Travel Expenses form.

2. Reimbursement for International Travel

Actual lodging expenses will be reimbursed up to the maximum federal rate allowable in each city. Receipts are required.

Meals and incidental expenses will be reimbursed at the current federal M&IE rate for the destination. Receipts are not required. The U.S. State Department Office of Allowances publishes foreign per diem rates for lodging and M&IE. Current rates may be viewed at the following website address:

[http://aoprals.state.gov/content.asp?content\\_id=184&menu\\_id=78](http://aoprals.state.gov/content.asp?content_id=184&menu_id=78)

3. The Foundation does not reimburse for insurance for international travel or medical coverage.

## VI. NON-EMPLOYEE TRAVEL

1. Independent Contractors – Those individuals and companies that have contracted with the Foundation or University to provide professional services as defined by IRS regulations are independent contractors (IC). If the agreement with the IC provides for a fee plus travel expenses, reimbursement is made according to the contract signed by the parties but

may not exceed the limits stated in the Travel policies.

2. Volunteers – Individuals who perform services for The University of North Alabama or UNA Foundation without receiving compensation for those services are considered volunteers.
  - a. Eligibility Requirements - Volunteers are eligible for actual travel expense reimbursement when they meet all of the following conditions:
    - A properly approved University Volunteer form is on file with the Office of Human Resources. Blank forms may be obtained from that office.
    - They are traveling at the specific request of the University on official University business.
    - They do not receive compensation from any source for performing this service for the University.
  - b. Reimbursement for Volunteer Travel – Requests for travel expense reimbursement for volunteers should be made on the Travel Reimbursement form and signed by the department head as well as the Dean or VP for which the service was performed.
    - The service performed by the volunteer should be described in detail and the volunteer's eligibility for reimbursement established on the disbursement requisition form. It should be clearly stated on the Travel Reimbursement form that no fee for services is being paid.
    - An itemized record and all original receipts for the actual transportation, lodging, meals, and miscellaneous expenses incurred by the volunteer should be submitted with the disbursement requisition form.

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