

# **Eastern Michigan University**

## **TRAVEL**

## **PROCEDURES**

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## PURPOSE:

To define University travel policies and procedures, comply with state and federal regulations, describe reimbursable expenditures, and inform employees and expense report approvers of their responsibilities in managing and reporting business travel-related costs.

## PROCEDURE:

### I. **ADMINISTRATION**

#### A. **Authorization to Travel**

All travel on behalf of the University must be pre-approved consistent with University Policy and Procedures. A Concur Travel Request must be completed for overnight travel in advance of booking. All International travel must have CFO, Provost or University Athletic Director approval. For International Travel within the **Academic Affairs Division** the International Travel Request must be imaged and attached to the Request. Travel expenses not in compliance with the University Travel Policy, will be deducted from any reimbursement owed to the employee. In the event that the non-reimbursable expenses exceed any reimbursements, the employee must send a check for the amount owed to EMU to the Accounts Payable Office, 112 Hover. In the event of non-payment, the overage will be deducted from the employees University Payroll according to State and Federal law.

When traveling, use of the University issued Payment Card should be utilized whenever possible. In addition, when using the University issued Payment Card for booking Airfare, Concur and/or the University sanctioned Travel Agency should be used.

#### B. **Travel Reimbursements**

Travel expenses charged to a personal credit card will be reimbursed by the Accounts Payable Department only after the travel has been completed and the corresponding expense report has been submitted and all approvals have been obtained. Expense Reports received in Accounts Payable no less than 8 business days prior to the designated Employee Reimbursement date will be Directly Deposited on the appropriate Tuesday. Those received less than 8 days before the Employee Reimbursement date or contain incomplete or incorrect information will be delayed until the following designated reimbursement date. See "Accounts Payable Reimbursement Procedures" for clarification..

#### C. **Travel Advances**

Travel advances will only be issued for Group/Team Travel and International Travel where the use of the University designated Payment Card is not practical or allowable. Cash Advances will not be issued for under \$200.00. Cash Advances will be declined if the Requestor has outstanding Payment Card transactions or if the Payment Card is currently suspended. Requests are processed via a Cash Advance Request Form that must be approved by the requestors Reporting Authority for the Fund/Org being used along with a clearly defined budget outlining the request. Travel advances will be issued per trip and all receipts and/or money must be returned to Accounts Payable within 7 days of return. Cash Advance funds should not be used for Chartered Buses, Airline/Train

tickets, Hotel Stays, Per Diems or Mileage. In most cases, these can be paid for by Pcard or directly to the vendor. A second cash advance will NOT be granted until the previous cash advance has been settled in full with Accounts Payable. See [Accounts Payable Procedures; Cash Advances](#)

**D. Sponsored Travel**

If the travel expenses are to be charged to a sponsored account (grant or contract), additional care should be exercised to comply with appropriate regulations, see [Fly America Act](#). Preapproval is required on all international flights. If the international flight is not preauthorized by a grant accountant and the flight does not adhere to the guidelines imposed by the Fly America Act, then the project director will be responsible for identifying the nonfederal appropriate funding source. When sponsored account travel restrictions are in conflict with University travel procedures, the more restrictive procedures will be followed.

**E. Student Travel**

Travel expenses are to be submitted for reimbursement via a Payment Request through the Concur Invoice Module. All receipts, where applicable, must be uploaded to Concur and attached to the Payment Request. Meal expenses will be reimbursed up to per diem. Students using personal cars for University business will be reimbursed at the current IRS rate at time of travel. All other travel policies apply.

**II. AIR TRAVEL**

**A. General Information**

Consistent with reasonable business planning, air travel accommodations, whether refundable or non-refundable, must be booked at the lowest applicable economy fare. Reimbursement will not be made for first-class, business class, comfort or any other premium rates as these are considered a personal preference and therefore a personal expense. If the employee chooses to fly at a premium rate they must obtain a price comparison at time of booking showing the economy fare, this comparison must be attached to the Concur report. If a comparison is not obtained as described above the economy fair rate from 90 days of audit will be used. The difference will be a personal expense.

As a general practice, business class accommodations may be booked for International flights of eight (8) or more hours of continuous flying. However, where travel is governed by contractual obligations or budgetary considerations, economy fare may apply.

Upon completion of the trip, regardless of whether a reimbursement is due to the employee, the employee must submit the travel itinerary issued with the ticket along with a completed Expense Report.

In the event personal travel is done in conjunction with the business travel the employee must submit a price comparison at time of booking. If the price of the flight is greater than the flight would have been for business only, the employee is responsible for the difference.

**B. Club Memberships, Luggage Fees**

Dues and/or initiation fees for airline clubs are not reimbursable by the University. Luggage fees are limited to one checked bag. Any additional cost for weight/oversized or additional bags would be a personal non reimbursable expense. Contact Accounts Payable if you have further questions.

**C. Insurance - Air Travel**

The Pcard provides life insurance on airline ticket purchases for the cardholder only. Additional insurance may NOT be charged to the University and will be considered a personal expense.

**D. Unused Tickets**

Unused airline tickets will be tracked in the Concur system for future use. If the ticket remains unused upon the ticketed employee leaving the University, the employee will be expected to reimburse the University for the cost of the airline ticket less any airline change fees. If applicable, the employee may have the fees deducted from their vacation or sick payout.

**E. Chartered Flights/Buses**

Transportation on a University owned or chartered aircraft or bus will not be taxable to related non-employees (spouse, dependents) if at least 50% of the passengers have a bona fide business purpose. *Ex: A team who charters a plane for an event and 81% of the plane is occupied by the team, coaches, employees, etc. then any spouses and/or dependents who travel with them are considered "at no additional cost" and the value is nontaxable.*

**III. GROUND TRANSPORTATION**

**A. Car Rental**

The use of a rented car must be justified as an economical need and not as a matter of personal convenience. When traveling with less than three occupants, it is expected that a mid-size or smaller car be rented. If the rental agency cannot supply a mid-size car, the employee should actively solicit the mid-size car rate. When traveling in groups, sharing of cars should be practiced to minimize costs.

University travelers should secure the best rental car rate available. The use of the University preferred rental car agencies should be used when the cost is equal to or less than a non-preferred agency. If the employee chooses to rent a vehicle above the mid-size car rate, a price comparison must be obtained at time of booking and attached to the Concur report. If a comparison is not obtained as described above the mid-size car rate from 90 days of audit will be used. The difference will be a personal expense.

The traveler should utilize their University Payment Card when securing a rental vehicle. The Pcard provides primary collision/loss damage insurance on rental vehicles for the cardholder only. Additional insurance offered by the rental agency may be charged to the University if the driver is not the named cardholder. Any charges for collision damage to a rental car used on University business are to be submitted to the Risk Management Department with a copy of the accident report..

Employees are expected to refuel the rental car prior to return to avoid refueling charges. When purchasing gasoline for rental vehicles, obtain a receipt that shows actual number of gallons dispensed and prices per gallon. Prepaid gasoline receipts cannot be reimbursed. The refueling option that is prepaid to the rental car agency should not be accepted and will not be a reimbursable expense.

The employee must submit car rental expenses on an Expense Report and must attach the paid in full customer copy of the rental voucher and agreement. When booking through Concur and signed up for e-receipts the e-receipt will suffice providing the e-receipt matches the expense.

Employees receiving a University Car Allowance or a University Leased Car should not rent a car for local usage unless use of the Employees/Leased car is impractical (i.e. If an employee needs to transport 6 students and the leased car is too small to accommodate the group a van would then be appropriate).

**B. Taxi and Other Transportation costs (tolls, gratuities, etc.)**

Taxis and shuttles should be used in lieu of rental cars when the daily cost will be less. Receipts are necessary for all transportation expenses and must be submitted with the Expense Report.

Tips are considered a reimbursable expense and should be based upon the level of service, but should not exceed twenty percent (20%) of the total. Any amount over twenty percent (20%) will be considered a personal expense.

**C. Personal Car**

Employees using personal cars on University business will be reimbursed based on the shortest route to your business destination less commute miles (if applicable) and calculated at the current IRS rate at the time of travel.

Commute mileage is not reimbursable. Commute miles are the miles you incur traveling to and from work in a day. Any business related travel over this amount is reimbursable. All mileage must be submitted through a Concur Expense Report. Student mileage must be submitted on a Payment Request through Concur eInvoice and include Google or MapQuest driving directions. The route planner should be for **actual** miles traveled by using **actual** beginning and end point less commute miles if on your regularly scheduled work day. If the University is not your place of business, i.e. you work from home, the commute miles per the IRS is your first and last trip of the day. Therefore, your first work trip and your last work trip must be marked as personal and are not reimbursable.

Mileage using a personal car will be reimbursed only to a maximum of the price of the lowest available airfare (documentation must be obtained prior to the travel and attached to the Expense Report). If a comparison is not obtained as described above the economy fair rate from 90 days of audit will be used. The difference will be a personal expense.

Parking fees for University Employees on the University's premises will not be reimbursed

**D. Fuel Costs for University Leased Autos or Auto Allowances**

Reimbursements on fuel purchases for personal vehicles for which the University is subsidizing the cost through a University Car Allowance will be reimbursed at the IRS Standard Mileage Rate for Moving and submitted via Concur.

For University owned vehicles, employees will submit a mileage log at the end of the year to the Accounting Department and the taxable portion (personal miles) will be taxed by the Payroll Department in December.

For those employees using one of the fleet vehicles, every attempt should be made to use the EMU Wright Express gas card. If an EMU Wright Express gas card is not available, fuel will be reimbursed with a receipt that shows actual number of gallons dispensed and price per gallon. Prepaid gasoline receipts cannot be reimbursed. Employees must attach documentation to the Expense Report.

**E. Insurance - Personal Car**

University insurance extends to personal cars being used on University business, but subject to deductibles of \$20,000 per person and \$40,000 per occurrence for property damage, or the limits of the vehicle owner's insurance. Persons who use a personal car on University business should carry liability insurance with at least the above limits, or be prepared to otherwise assume such a liability in the event of an accident.

**IV. LODGING**

**A. General Information**

Whenever possible, employees should utilize hotels which recognize the University as eligible for corporate/governmental rates. Employees are expected to take advantage of reduced rates when available.

The University will pay only actual room rental costs supported by the hotel bill for each day that lodging away from home is required for business reasons. The University does NOT utilize hotel per diems.

Employees traveling to conferences, seminars, training sites or business meetings are authorized to directly book lodging with the hotel where the conference, seminar, training, or meeting is being held.

**B. Cancellations**

Hotel reservations should be guaranteed to either the University Payment Card or the traveler's personal credit card. It is, therefore, imperative that hotels be advised of any cancellation of hotel space prior to their designated deadlines to prevent "no show" charges. Be sure to obtain the name of the person you speak to and the cancellation number upon his/her cancellation of a reservation. Any "no show" charges will be assessed to the traveler for payment if attributable to the traveler's failure to cancel.

V. **PERSONAL MEALS/BUSINESS MEALS/HOSTING**

A. **General Information**

Meals for one day trips will not be reimbursed, where an overnight stay is not required.

The University will reimburse employees for Domestic and International overnight meal expenses using the Government's Department of Defense standard travel per diem for meals. The Per Diem rates in the Concur system will be updated once per year.

Receipts for meals are not necessary since actual expenses will not be reimbursed. Meals will only be reimbursed when overnight travel is required. A meal will not be reimbursed when the time a person leaves or returns indicate that the meal would not normally be eaten during travel time. Where meals are included within the conference registration, per diem amounts will not be reimbursed. Conference itinerary **must be** attached to the Expense Report.

Since all food and beverages will be reimbursed at the per diem rate, the University Payment Card may NOT be used for meals while traveling on University business.

B. **Business Meals**

When it is in the best interest of the University, business meals may be purchased for customers, vendors and others who are not affiliated with the University and with whom the University has business dealings. Business meals will be reimbursed at actual expense only, no per diem allowed and itemized receipts with attendees' full name, business affiliation, location, date and business purpose of the meeting **must be** submitted on an Expense Report.

All alcohol purchases require prior approval from the President of the University. The approval document must be attached to the expense in Concur along with the appropriate receipts. Alcohol purchases must be allocated to the Departmental Restricted Development Fund.

Gratuities may be added to the itemized receipt but must be reasonable with no more than a standard gratuity of 20%.

C. **Hosting**

Reasonable hosting expenses are allowable only if they are directly related to the active conduct of the University's business, when directly preceding or following a business discussion, or when necessary to accomplish some useful purpose connected with the University's business.

To qualify as business expenditure, hosting expenses cannot be lavish or extravagant and must be "directly related to" or "associated with" the University's business.

Hosting expenses are to meet the "directly related test" below:



- The University must reasonably expect to derive income or some other specific business benefit at some future time.
- Must include individual(s) not affiliated with the University.
- The employee/University must engage in active conduct of the business during the hosting with the persons being entertained.
- The active conduct of business must be the primary aspect of the combined business and hosting activity.
- Gratuities may be added to the itemized receipt but must be reasonable with no more than a standard gratuity of 20%.

Hosting expenses should preferably be paid for using a University Payment Card or a Purchase Order and be documented with receipts, indicating individuals full name, business affiliations, location, date and business purpose of the hosting.

## VI. **MISCELLANEOUS**

### A. **Miscellaneous**

Itemized receipts must be submitted with the Expense Report for all items (except per diem).

### B. **Unallowable Expenses**

It is the University's policy to reimburse the employee for all reasonable and necessary expenses incurred in transacting the affairs of the University; however, there are specific types of expenses which are considered to be of a truly personal nature and are not reimbursable. Upgrade items of any kind including personal changes to accommodations, transportation or the like will not be reimbursed. Please see [Most Commonly Questioned Purchases](#).

Booking fees for airline travel outside of Concur will not be reimbursed.

Employees are responsible for personal property lost or stolen while traveling.

### C. **Conferences and Special Meetings**

Expenses directly related with a conference or special meeting, such as registration fees and banquets are reimbursable, without regard to the standard limitations, providing they have a business purpose, are reasonable and supported by receipts.

### D. **Sales Tax**

Eastern Michigan University is a tax exempt entity therefore; Michigan sales tax may not be reimbursed. Please make sure you notify the vendor at the time of purchase to inform them that EMU is tax exempt. You may obtain a Blanket Certificate of Exemption in the Accounts Payable or Purchasing Department before you make your purchase to substantiate tax exempt status to the vendor.

**E. Non-Essential Travelers**

It is assumed that any non-employee invited to attend an event at the University's expense has been invited due to a specific bona fide business purpose; however, each individual's business purpose will need to be documented by the department/division head who has invited the guest. Attendees that are non-essential travelers and have only incidental duties will be required to pay for the costs of the trip prior to the event.

**VII. EXPENSE REPORTING**

**A. General Information**

Reimbursement of business expenses will be reduced by items inadequately supported. Those items questioned will be identified and the employee will be contacted. Reimbursements to employees will follow the current Accounts Payable Reimbursement Procedures. University policy on documentation of business expenses is intended to satisfy the stewardship responsibilities of all University employees and comply with Internal Revenue Service guidelines. Proper completion of the Expense Report will provide adequate documentation when supported by itemized receipts. Receipts are required for all expenses (except per diem reimbursed meals). Estimated expenses are not acceptable.

The Expense Report must be completed, acknowledged and approved by both the employee and their Reporting Authority (this person must have signing authority on the Fund/Org) and submitted to Accounts Payable regardless of whether or not the employee is receiving a reimbursement. Travel expenses will only be reimbursed after the travel has been completed. If airline tickets, hotels, etc. are paid out of personal funds in advance of travel, the traveler will not be reimbursed until travel has been completed. Travel that is funded completely on a Payment Card is required to be submitted to Accounts Payable via the Expense Report with all appropriate documentation.

Expenses paid directly by the University are not reimbursable to the traveler. These include conference fees, car rentals, lodging and airline tickets. To ensure proper accountability for these expenses, they should be listed on the Expense Report as either paid on Payment Card or paid on a Secondary Payment card in the event someone else has reserved/paid the expense. Related original receipts, such as the customer copy of the car rental agreement and/or airline ticket should be submitted electronically with the Expense Report documentation.

For those charges that are non-reimbursable, employees must check the box on the Expense Report marking the expense as personal the expense will then be deducted from the "Amount Due Employee". In the event that the employee will need to reimburse the University, or for Reimbursement of a Travel Advance, send a check for the amount owed to EMU to the Accounts Payable Office, 112 Hover. Cash cannot be accepted.

**B. Filing Deadline**

Expense reports must be submitted to the Accounts Payable Department within sixty (60) days after return from any trip. Any exception must be documented and approved by the appropriate Divisional Vice President or CFO. Late reimbursement requests will be subject to IRS guidelines and appropriate taxes will apply. Reimbursements from prior fiscal year will be reviewed on a case by case basis for eligibility of reimbursement. Normal day-to-day expenses should be reported monthly.

University Payment Card privileges may be terminated if the expense report has not been received within sixty (60) days after the return from the trip.

All Pcard transactions must be accounted for on a Concur Expense Report with attached itemized imaged receipts and must be submitted to the cardholder's approver no more than twice per month but within 30 days from the expenses transaction date. The Approver should review the transactions within 14 days and if approved, submit the completed Expense Report to Accounts Payable for audit and upload to Banner. If not reviewed within 14 days, the report is automatically forwarded to the approver's reporting authority. Payment Cards of employees with unapproved reports may be subject to suspension.

Cash entries outstanding in Concur for more than 60 days will be deleted.

**C. International Expenses**

Employees are required to turn in receipts for all expenses related to International travel. Exchange rates will be applied via Concur; no additional documentation regarding exchange rates is necessary. If employee received a Cash Advance residual foreign currency should be converted back to U.S. currency the employee must send a check for the amount owed to EMU to the Accounts Payable Office, 112 Hover. Carryover of advances for any purpose is not allowed.