

706 Travel Policies

Troy University Travel Policies have been developed in accordance with Alabama law and Internal Revenue Service regulations. These policies cover University employees, students and any others who travel on approved, official University business.

Travel and related costs represent a significant expenditure to Troy University. They are essential to the maintenance and growth of the University and need to be carefully planned and controlled. Before undertaking any travel you should ensure that the University's mission could not be accomplished more efficiently by alternative methods, such as telephone calls, e-mail, fax, telephone or video conferencing.

It is Troy University's policy to reimburse employees for reasonable and necessary authorized expenses incurred and directly connected with the performance of their duties.

All official travel should be prudently planned so that the best interests of Troy University are served at the most reasonable cost. Anyone traveling on University business is expected to exercise the same economy that a practical person would exercise when traveling on personal business.

Excessive costs or unjustifiable costs are not acceptable and will not be reimbursed.

706.1 Instate Travel

If you travel overnight within the state on official business, you must claim per diem. The per diem covers lodging, meals, and tips. No receipts are required. (Subcode 2610)

The reimbursement rate is \$75 per day for each day or part of day, when overnight travel is required. For example, if an individual travels in state and spends two consecutive nights away from home they will receive \$225 ($\75×3) per diem to cover lodging, meals and tips.

When an overnight stay is not included, the reimbursement rate for meals during in-state travel is: \$11.25 for trips of 6-12 hours; \$30 for trips over 12 hours in length. Payments to individuals for the meal per diem when the travel does not require an overnight stay are taxable income to the individual per IRS guidelines. (Subcode 2720)

If you elect to claim less than the established per diem rates, please note that on your voucher.

[Requests for reimbursement of official travel and other out-of-pocket expenses must be submitted within a reasonable period. Requests for reimbursement received after 60 days are taxable and withholding will be made from a subsequent salary check.](#)

706.2 Out of State Travel

For overnight trips out of state, you will be reimbursed for actual expenses up to \$31 per day (meals and tips) without receipts. If actual expenses exceed \$31 per day, you can be reimbursed

up to the cost of the meals for that day with itemized receipts for every meal claimed. (Subcode 2630)

Upon returning from official travel, original, detailed receipts must be presented for all travel expenses that require documentation including lodging, airfare, rail fare, car rental and gasoline, and any unusual expenses. Expenses paid by a traveler are reimbursable upon completion of the trip. To claim reimbursement, any conference brochures or other literature documenting the expense, a detailed receipt, including dollar amount and method of payment must be submitted along with the travel voucher.

Lodging is reimbursed at the actual single room rate, and an itemized receipt is required.

When you do not stay overnight, the reimbursement rate for meals is: \$11.25 for trips of 6-12 hours; \$30 for trips over 12 hours in length. Payments to the individuals for the meal per diem when the travel does not require an overnight stay are taxable income to the individual per IRS guidelines. (Subcode 2720)

Requests for reimbursement of official travel and other out-of-pocket expenses must be submitted within a reasonable period. Requests for reimbursement received after 60 days are taxable and withholding will be made from a subsequent salary check.

706.3 Foreign Travel

The rules used for out-of-state travel also apply for foreign travel. The per diem rules for out-of-state travel also apply for foreign travel. Receipts aren't needed for taxi, subway or local bus service. Itemized receipts are required for all other allowable expenditures.

706.4 Air Travel

Airline reservations are your responsibility and are to be made through your unit. Reimbursement will be made at the lowest logical standard or discounted rate for the period of business travel. Your travel itinerary, proof of payment, and any other documentation provided by the airline are required (Subcode 2635) for reimbursement of airfare. In order to get reimbursed for air travel, you must use [All Seasons Travel](#) as your travel agent. This group has been selected to meet our needs and is aware of our travel regulations and will assist you in the best manner possible. In case you are booking travel that originates from a point outside the United States, you may use an alternate travel agent or an online booking engine.

All employees will use economy/coach class for all air travel. Reimbursement for an upgraded airfare will be made only when a supporting statement is provided by the airline or travel agency stating that no lower rate was available.

All airfare arrangements will be charged to the traveler's university purchasing card, if available, or the traveler's individual credit card. No billing facilities are available from the travel agency.

Purchase of full fare economy tickets for purposes of upgrading to a higher class or travel when cheaper tickets are available is not permitted.

Airline travel may only be purchased through the authorized travel agency. A copy of this policy will be given to the authorized travel agency.

Exchanging tickets, downgrading classes, or making other arrangements with a company-provided airline ticket for personal benefit is prohibited. Cash allowances or companion tickets will not be given in lieu of company-provided airline tickets.

For the most current rules and regulations regarding air travel, visit the web site for the [Transportation Security Administration](#).

706.5 Travel by private Vehicle

The current state mileage rate is 50¢ per mile (effective 1/1/10). That covers all vehicular costs, including tolls, repairs, and fuel.

706.6 Rental Vehicles

Rental vehicles may be used if approved by your supervisor. For reimbursement, attach your paid, itemized receipt to your travel voucher. Tolls and gas charges will be reimbursed. Gas receipts are required.

706.6.1 Insurance for Rental/Personal Vehicles

Anyone renting a vehicle on University business within the United States, Canada or Puerto Rico SHOULD NOT take out insurance through vehicle rental agencies. The University's policy covers comprehensive or collision damage claims to rental vehicles used for Troy University business. Insurance coverage SHOULD be obtained when renting a vehicle outside the United States, Canada or Puerto Rico.

706.7 Reimbursement for Using State Car

Only itemized out of pocket expenses for gasoline and necessary repairs will be accepted for reimbursement when using a state car. State cars should not be used for personal travel while the traveler is conducting University business.

706.8 Student Team Travel

There are two methods for paying for team travel. One is to reimburse each student separately. The other method advances money to the coach or advisor with that person responsible for reconciling expenses after the trip.

To obtain advanced funds for student team travel:

706.8.1 At least 10 days prior to travel submit a voucher (payable to the group advisor) to Procurement and Payment Services for a team travel advance. A list containing the travelers (students and advisors), the purpose of the trip, the itinerary and the amount requested must be shown. Team travel involving athletic teams require a list of travelers to be given to the Senior

Vice Chancellor for Finance and Business Affairs only once at the beginning of the season. The advance should be enough to cover all anticipated expenditures. A check will be prepared by the Accounting Specialist in the Accounts Payable Department.

706.8.2 Within 10 days after completion of the trip submit a detailed reconciliation (expense report) with authorized signature to the Accounting Specialist in the Accounts Payable Department. This should include itemized receipts for all expenditures. Follow the University's guidelines for expenditure limits. **For team travel only**, you may choose to give students a cash meal allowance rather than submit receipts for individual meals. In such cases, students must sign a verification receipt that they have received the funds. If the advisor pays for meals for the group, attach appropriate receipts. **The meal receipts must be itemized.** Lodging and transportation follow standard University policies.

706.9 Entertainment Policy Including Guest meals, Business meals, Receptions, Gifts, and Flowers

These policies and procedures reflect Troy University policies for entertainment related expenses. The Troy University Foundation (TUF) also has policies established by TUF for the use of TUF funds in similar circumstances. For the convenience of the reader, references to TUF policies are included in this document, however, readers should contact TUF for specific and/or additional information about TUF policies and procedures.

706.9.1 General

It is understood that the business of the University requires some expenditures of an entertainment nature. [It is the desire of the University, however, to place this activity in proper focus, to prevent abuses, and to issue guidelines for these expenditures.](#) In all cases, there must be a clear, documented, business purpose for the event/expenditure that indicates the event's benefit to the University. This policy is intended to be neither all inclusive nor to address every situation which may arise.

In general, State laws and regulations expressly prohibit the University from spending University funds on: alcohol; spouse meal and travel expenses; tickets to athletic and cultural events; and expenses associated with social events.

In addition, OMB Circular A-21, which dictates Federal cost principles for educational institutions, requires that the type expenses addressed in this policy be captured separately as they are considered generally unallowable. Therefore, appropriately subcoding such expenditures is required.

From an IRS perspective, for meals and entertainment to qualify as a business expense, they must be **ordinary** and **necessary** and not lavish and/or extravagant and must be directly related to or associated with the University's mission. In addition, a Troy employee must be present at the meal/event for it to meet the IRS business expense regulations. Because the IRS imposes strict substantiation/documentation requirements on such expenditures, the University must be able to provide the following documentation on such expenses:

Amount

Date, time, and place

Business purpose served by the expenditure

Business relationship to the University of each person in attendance

706.9.2 Meals

Expenses for meals other than those incurred while on travel status can fall into two broad categories: business meals and guest meals.

By definition, **business meals** would include meals provided during business meetings involving the following: only University employees during normal working hours; persons being compensated by Troy University via a professional service (PSC) or other contract; meals served during/associated with advisory council type meetings; meals at Troy University hosted/sponsored conferences/meetings/seminars; and meals provided to students while on campus or traveling in conjunction with executive degree programs.

Public funds can be used to provide meals and/or refreshments at business meetings when the meals are directly related to the business of the entity, and the meals and refreshments are **incidental** to the meeting. In order for meals to be an **incidental** part of the meeting, the primary purpose of the gathering must be to have an official meeting at which business is conducted, not a social gathering at which food is provided. **Under no circumstances should a business meeting begin or end with a meal.**

Meals and refreshments may be provided when a meeting lasts all day and participants work through lunch or when an examination lasts all day and participants are not allowed to leave the area.

While business meals/refreshments are allowable in some cases, the expense and frequency should be kept to a minimum to ensure prudent use of public funds. **Meals or refreshments provided for a gathering comprised solely of University employees is discouraged unless there is a clear business purpose and extenuating circumstance requiring the meeting to continue through a traditional mealtime and beyond.** Such business meals should be infrequent and should generally be served at the meeting site.

Meals Refreshments incidental to a business meeting that involves **substantive** business discussions and include primarily only Troy University employees may be provided if, for reasons of continuity, the meeting extends through a traditional meal time period and beyond. Documentation requesting payment/reimbursement of business meals while in travel status must include **all** of the following: Guest list of all in attendance that denotes each participant's association with Troy itemized bill (credit card receipt only is not sufficient) detailed statement of the business purpose. **All requests for payment/reimbursement of meals provided at a meeting**

attended solely by University employees must include a documented business purpose and extenuating circumstance that requires the employees to remain in the meeting area through a regular mealtime and beyond.

706.9.3 Guest Meals

Guest meals are defined as those meals provided during the course of Troy University business when at least one non-Troy University employee is present. There must be a documented business purpose (must meet IRS ordinary and necessary criteria) and need for business to extend into a traditional meal time period. The cost of the meal must be reasonable, not lavish or extravagant, and the number of Troy University employees present to entertain the guest should be kept to a minimum. The expenses for spouses in attendance and/or alcohol served cannot be charged to University funds. Guest meals are limited to actual expenses up to a total of \$60/day per guest.

Meals served during interview situations, for guest lecturers, visiting scholars and other distinguished guests of the University are considered guest meals and are limited to actual expenses up to \$60/day per person. The number of University employees participating should be kept to a minimum.

Some expenses associated with entertaining/guest meals may be allowable, with prior approval, from Foundation funds when not appropriate from University funds. For instance, in interview situations, meal expenses for a Troy University employee spouse can be paid/reimbursed as a non-taxable expense through the Foundation when the interviewee's spouse is also in attendance at the meal. However, such entertainment/guest meal costs will only be covered by the Foundation when IRS business purpose criteria are met (ordinary and necessary), expenses are reasonable, and not lavish or extravagant. Such expenses are limited to actual expenses up to \$60/day per person.

Documentation requesting payment/reimbursement of guest meals must include all of the following:

- Guest list of all in attendance that denotes each participant's association with Troy
- Itemized bill (credit card receipt only will not be sufficient)
- Detailed statement of the business purpose

706.9.4 Receptions

Expenses associated with Retirement Receptions may not be paid using University accounts. Departments choosing to host a meal rather than a reception for a retiring employee may not use University funds to do so.

Meals and/or receptions for employees leaving the University who are not retiring are considered personal in nature and may not be paid using University funds.

706.9.5 Coffee Break & Refreshment Supplies

Supplies for coffee breaks, office refreshments, etc. are considered personal and may not be purchased with University funds. See the Foundation Policy for their policies on such expenses.

Refreshments for business meetings which meet the business purpose test may be purchased using University funds if documentation supporting the business nature of the purchase and subsequent use is provided.

706.9.6 Other Functions

Expenses associated with seasonal gatherings/meals, birthday/wedding/baby celebrations, non-retirement employee departures and social gatherings (even if for morale building purposes) are considered to be personal in nature and may not be paid using University funds.

706.9.7 Flowers, Invitations & Greeting Cards

Flowers purchased for decorative purposes for official Troy University business functions may be paid for using University funds. Flowers for any other purpose including corsage/boutonnieres for retirement functions, flowers for ill/deceased Troy employees/donors/friends etc... may not be purchased with University funds.

A Courtesy Committee is in place for University employees who voluntarily choose to participate. Documented guidelines as far as what types of contributions and other memorials are acceptable are maintained and enforced by the Courtesy Committee members.

The cost of printing and mailing invitations to official Troy University business functions including retirement receptions may be paid using University funds. The cost of greeting and/or seasonal cards may not be charged to University funds.

706.9.8 Gifts, Plaques & Framing

Gifts or anything that might be perceived as a gift, including items given as a thank you for services provided, etc. cannot be purchased using University funds.

Plaques and/or framed artwork purchased for permanent display on a University owned building wall, may be charged to University funds. All others may NOT be charged to University funds unless awarded through a documented competitive process. Written criteria for award and the selection process must be provided with reimbursement/payment request.

706.9.9 Donations

University funds cannot be used to make a donation to any outside agency/institution or other groups.

706.9.10 Exceptions

Any exception to travel policies in 706 must be authorized by the Chancellor. However, rules promulgated by the State of Alabama have precedence.