

# Executive Summary for Travel Advances & Travel Expenses

Effective 06/01/2010

The following is intended to outline the major requirements and highlight changes and clarifications from the previous policy. The new policy has been designed to include best practices and consistency with peer Universities. Generally speaking, there are no restrictive spending limits. The traveler should use prudent judgment in selecting moderate lodging & reasonably priced meals based upon their destination. More restrictive policies may be set at the department or school level. However, it is the responsibility of the department or school to document, communicate, and enforce any restrictions they impose. More details and instructions can be found at *aishelp.wustl.edu, Accounts Payable*.

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## Executive Summary

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- Formal approval of travel before the trip is not required.
- Travel can be paid for using the following methods:
  - Personal Credit Card
  - Travel Advance
  - Corporate Travel and Entertainment Card
  - Procurement Card
- There is not a specific deadline when one can obtain a travel advance in order to cover costs paid up front (e.g. purchasing an airline ticket months in advance of the trip to secure lowest airfare). Travel advances for expenses that will be incurred during the trip will not be approved prior to 30 days before the trip.
- Employees may use the procurement card to pay for airfare, registration, hotel, car, meals, social expense while out of town, and catered events. Local social and entertainment expenses, specifically dining out at St. Louis area restaurants, will not be allowed on the procurement card. Employees cannot use the procurement card to pay for meals when using the meal and incidental expense per diem method.
- All travel expenses paid by the procurement card must be entered on a travel expense statement. As a best practice, the supplemental procurement card expenses form should be used to detail procurement card activity. The original procurement card receipts should be kept in the department or school procurement card files.
- If a trip is paid for entirely by procurement card, a travel expense statement must be completed and approved. It is not necessary to enter this travel report in AIS; however, the statement and documentation must be retained in the department.
- Reimbursement on a per diem basis is allowed to cover meal and incidental expenses each day in lieu of actual costs. Travelers may not request reimbursements based on actual expenses for one portion of the trip and per diem for the remainder. With per diem, the traveler is not required to provide receipts for meals and incidentals.
- In order for the traveler to avoid possible taxable income, per diem rates cannot exceed the federal rates (see the Travel Policy for the websites to use).
- No per diem may be claimed for one-day travel (when there is no overnight travel).
- Per diem rates must be adjusted under the following circumstances:
  - For day of departure and return, rate is reduced to 75%.
  - Per diem is reduced for meals provided by a conference or by others (15% breakfast, 25% lunch, 60% dinner).
  - If traveler selects the per diem method but hosts a business meal with others (non Washington University employees), the university will reimburse this particular meal

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based on a receipt. The traveler must reduce the total daily per diem for the meal. (15% breakfast, 25% lunch, 60% dinner)

- Travel related expenses must be submitted on the revised travel expense statement with receipts attached (other than procurement card and when using the meal and incidental expense per diem method). Supporting documentation is encouraged for all actual reimbursable expenses, regardless of amount; however, it is only required for individual expenses of \$30 or more. Any individual transaction of \$30 or more without a receipt requires exception approval.
- For a trip of seven or fewer days, exception approval will be required if the total of all expenses for which there are no receipts submitted is greater than \$210. For longer trips, this limit may increase by \$30 per day.
- After the traveler signs the travel expense statement, the travel expense statement must be signed by someone who is at least one level higher than the traveler or by a designee coordinated with the Accounts Payable Manager and approved by the Controller's Office. Principal Investigators (PI's) can sign for travel paid on their research grants. PI's cannot approve their own travel expense statements.
- When an exception to the policy is necessary, a brief explanation of the exception must be noted on the travel expense statement and exception approval must be obtained from the Dean or Vice Chancellor who has responsibility over the employee's department. If responsibility is delegated to someone other than the Dean or Vice Chancellor, it cannot be delegated to the person who approves the Travel Report and the designee must be coordinated with the Accounts Payable Manager and approved by the Controller's Office. Exceptions for Deans, Executive Vice Chancellors, and other Senior Management reporting to the Chancellor, will be approved by the CFO or Controller in the CFO's absence.

## Reimbursable and Non-Reimbursable Expenses List

### Reimbursable Travel Expenses

- Lowest available standard airfare
- One class upgrade from standard coach airfare for trips with flight segments of 5 or more hours (not reimbursable on federal grants unless for a documented medical need)
- One class upgrade from standard coach airfare due to medical necessity (documentation required)
- Moderately priced lodging
- Travel meals
- Automobile rental
- Gas for rental car
- When renting/leasing vehicles outside the United States, Canada, or U.S. possession, collision and liability insurance should be purchased.
- When a personal automobile is used by the employee for convenience on a work related trip, a more comprehensive review of all costs of flying versus driving should be considered.
- Registration fees
- Ground transportation
- Laundry and valet services which can not be deferred until completion of the trip (for trips less than five days, these services are not normally reimbursed). The meal and incidental per diem rate for foreign travel also includes laundry and dry cleaning therefore it cannot be claimed as a separate expense.

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- Telephone/Internet expense when used for business purposes
- Personal phone calls, within reason, are reimbursable but may not be charged to a sponsored fund
- Tips (except when the per diem method for meals and incidentals is used).
- Foreign currency transaction fees such as ATM charges or currency conversion charges

## **Non-Reimbursable Travel Expenses**

- Personal entertainment expenses including in-flight movies, headsets, books, magazines, newspapers, health club fees, hotel pay-per-view movies, in-theater movies, greens fees, ski passes, social activities, honor bar charges, etc.
- Babysitting, house-sitting, pet-sitting and kennel fees
- Personal grooming including haircuts and shoeshine services
- Incremental travel costs including airfare, lodging and meals for spouses or other persons accompanying an employee (in limited, approved situations, spousal travel may be reimbursed)
- Late fees related to personal liability cards
- Traffic fines, court costs, parking violations, and auto repairs
- Over the counter medicine or prescription medicines
- Airline club fees

## **Other**

- The University has a travel accident policy that provides accident insurance to employees traveling on University business (there are a few exceptions).

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## **Corporate Travel & Entertainment Card**

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Washington University has partnered with JPMorgan Chase to offer a personal liability Travel and Entertainment (T&E) card for the University. Employees who are expected to travel or incur entertainment expense on behalf of the University may apply for this T&E Card. The department head or business manager must approve all T&E Card requests. The card will allow employees to pay for business related travel and entertainment expenses without tying up personal credit cards. This is a personal liability card and the cardholder is responsible for issuing payment to JPMorgan Chase by the stated due date.

## **Benefits**

- Card can be used for all business related travel and entertainment expenses including airfare, hotel, transportation, and meals
- Allows traveler to keep business expenses separate from personal expenses
- Will not impact personal credit history unless cardholder becomes 120 days delinquent
- Ability to receive and pay credit card statement on-line
- Payment due date 25 days after billing date
- VISA family of benefits including lost luggage insurance, travel insurance, and auto rental damage waivers
- This card replaces the Corporate American Express and Diner's Club programs