



Employee Policy Manual

Travel

Issue Date: August, 1994, revised July 2001; revised January 2003; revised July 2003; revised October 2005; revised March 2008; revised July 2008, revised August 2009

Policy Number: 33

Policy Applies To: All Employees

Statement of Policy

Nova Southeastern University recognizes that, for many employees, travel expenses are incurred in order to further the mission of the University. By setting forth the requirements necessary for obtaining approvals and reimbursement of these expenses, the University is endeavoring to assist, as much as possible, its travelers. The University shall reimburse employees for those ordinary and necessary expenses incurred while traveling on official University business. The employee, in turn, shall strive to travel in the most economical manner possible consistent with the nature of the trip. In all cases, expenditures should be reasonable, using sound business judgment. Appropriate reimbursement forms must be submitted within 60 days of completion of each business trip, unless stated otherwise herein. Travelers that fail to comply may not be reimbursed for their business expenses.

The University uses an Internal Revenue Service "Accountable Plan" for reimbursement of actual travel expenses. Amounts paid under an accountable plan are not wages and are not subject to income tax or social security withholding. All meal expenses require itemized receipts. The maximum daily limit for meals for business entertainment and domestic travel is \$50 per day, for foreign travel the maximum daily limit is \$100 per day (excluding taxes and tip). Refer to the sections on Domestic Travel and Foreign Travel to view the capped amounts for breakfast, lunch, and dinner based on the time of departure and return. Expenses incurred above the maximum daily limit must have the approval of the appropriate Dean or Vice President. An individual traveling on University business should neither gain nor lose personal funds as a result of that travel.

Definition of Terms

Domestic Travel

Travel performed within and between the 50 states of the United States, and its possessions and territories; it also includes travel between the United States and Canada, unless otherwise specified by a funding agency outside the University.

Foreign Travel

Travel outside the 50 states of the United States, its possessions and territories. This includes travel within the United States while en route to or returning from foreign destinations.

Local Travel

Travel performed within fifty miles (50) of the primary place of employment.

Travel Costs

Transportation, lodging, meals and related items incurred by employees who are on Official University business.

U.S. Possessions and Territories

Areas of Guam, American Samoa, Puerto Rico, and the Virgin Islands.

Travel Policy

The travel requirements placed on University employees by the University's Travel Policy are uniformly applied to all funding sources. In order for reimbursements of travel expenses to be excluded from the traveler's taxable income, the University's travel policies must meet Internal Revenue Service requirements, including proper documentation of the business purpose. Supporting information should state:

- Name of attendees
- Business purpose
- Date, location and amount

Travel arrangements for air, hotel and rental cars should be made through the University's Travel Office, or they may not be reimbursed. Also, payment should be made with University funds to insure exemptions from state sales tax where applicable.

All expenses require the approval of a supervisor who is, at a minimum, the next level above the employee who is traveling. The reimbursement must be within a reasonable period of time after the expense is incurred or may not be reimbursable. Expenses submitted after this time period may be rejected for reimbursement. The IRS considers the definition of a reasonable period of time as being within 60 days after the expenses are incurred. Employee reimbursements must be submitted on a Travel Expense (TE) form. Non-university personnel, including contractors and consultants, must submit expenses on a check request form. The following are University travel requirements that apply to specific areas, including travel advances, air travel, ground transportation, lodging and meals, etc.

Travel Advances

Travel advances may be granted to full-time, on-campus University employees for out-of-pocket expenses expected to be incurred on a trip. To secure an advance the traveler must complete a Check Request and Travel Advance Authorization Form ten (10) working days prior to the anticipated trip. The request must state the dates of travel, purpose of trip, and amount requested.

A single advance should not exceed \$500 and must be accounted for within thirty (30) days of the travel, and any unspent amounts advanced must be returned within thirty (30) days of the travel. No further advances will be issued until prior monies are accounted for and/or returned, as appropriate.

Air Travel

General

Commercial air transportation will be reimbursed on the basis of the actual cost incurred by the traveler, not to exceed the cost of an advanced purchase ticket. All official University travel should be at the most economical rates available. Generally, coach or lower promotional fares are the only classes of travel that are reimbursable.

Tickets purchased with frequent traveler program points are not reimbursable.

All travel must be by the most direct or economical route. Higher fares may be reimbursable only when coach accommodations would: (1) require circuitous routing; (2) require travel during unreasonable hours; (3) greatly increase the duration of the flight; (4) result in additional costs which would offset the transportation savings; (5) offer accommodations which are not reasonably adequate for the medical needs of the traveler. These exceptions will require the traveler to submit a letter of approval signed by their Dean or Vice President. The approval letter

must be submitted with the request for travel reimbursement.

Club Memberships

Dues and/or initiation fees for airline clubs, such as American Airlines Admiral Club, are not reimbursable by the University. These memberships are considered personal perks. Any reimbursement would be subject to the IRS guidelines for reporting as taxable wages or income to an employee.

Baggage

Baggage is the responsibility of the traveler and the transportation service provider. Therefore, if baggage is lost it is not the responsibility of the University to replace or reimburse it.

NSU will only reimburse for the first checked bag (a valid receipt is needed for reimbursement of the checked bag). However, if the traveler is charged an excess baggage fee due to the size or weight of an item being transported at the request of the University, then the traveler may be reimbursed for additional costs.

Insurance

The University provides \$350,000 of accidental death coverage on all tickets charged to the University's American Express Account. The insurance is provided, at no cost to the traveler. The policy covers employees traveling on official University business trips that originate from home or the University. Any purchase of flight and personal travel insurance is a personal expense and not reimbursable.

Joint Employee Travel

The University recognizes the need for continuity of overall operations provided by knowledgeable and experienced employees. To assure that this continuity is not lost in an air disaster, the number of employees traveling together from the same center or department should be held to a reasonable minimum.

Travel with Spouse or Dependent

Regardless of the source of funds, when a spouse or dependent accompanies the traveler, the University will pay for only the normal single travel costs. Exceptions must be approved by the Vice President for Finance. When an employee's original travel itinerary includes personal travel, the employee will be responsible for the applicable portion of the costs associated with such travel. These costs must be included as a deduction on the expense report for the related travel, or a check should be submitted with the expense report.

Travel by Non-University Personnel

Non-University personnel (including contractors and consultants) may occasionally travel on University business, and have their tickets charged to the University. This must be done through the University Travel Office. Advances will not be granted to contractors and consultants. Such travel requires the same prior approval. The same restrictions and regulations are applied to non-University personnel as are applied to University personnel.

Travel Under Grants and Contracts

University employees traveling under grants and contracts will be reimbursed for travel expenses in accordance with the policies of the University, unless otherwise specified within the award. The Office of Grants and Contracts must be advised of any contemplated foreign travel, since restriction and prior approval requirements vary among agencies.

Ground Transportation

Car Rentals

Trips to destinations in excess of 300 miles should not be made by automobile unless:

- Three or more travelers share a van.
- Traveling with excessive baggage, too cumbersome to carry on a plane.
- Frequent stops are made.

Reservations for car rentals should be made through the University Travel Office, as Nova Southeastern University receives discounts on corporate use. Vehicles may be rented when:

- Local transportation is not available.
- Schedules do not permit the use of local transportation.
- The cost of local transportation equals or exceeds the cost of renting an automobile.

Compact cars should be rented under most circumstances. When three or more employees are traveling together or when a large amount of supplies or equipment is being transported, a larger size automobile is more appropriate.

Auto rentals must be returned with a full tank of gas due to inflated costs charged by rental companies for gas, unless a discount is offered.

Gas receipts are only reimbursable with rental car receipts.

University employees may not accept, nor will they be reimbursed for, "personal injury" or "collision damage" insurance, except where included in corporate rental agreements. Property damage risk is covered by the University, and personal injury risk is covered by Workers' Compensation.

Use of Private Vehicle for University Business

The University shall reimburse employees for use of private vehicles to travel between campuses and other University sites and for local travel, as defined. A travel expense form should be completed, approved by the appropriate center director or department head, and submitted monthly. A mileage log must be submitted for all travel being reimbursed. Reimbursement is calculated per mile based on the current reimbursement rate established by the Internal Revenue Service as of July 1st subsequent to the IRS effective change. This mileage rate covers normal "wear and tear" of the vehicle and gasoline. NSU will reimburse up to 300 miles driven one way or 600 miles round trip.

If renting a vehicle is less expensive than using the employee's private vehicle, then the traveler should rent a vehicle, as an alternative.

If an employee is involved in an accident using his/her own vehicle on authorized University business, the employee's insurance is primary. NSU's insurance will respond for liability only when the employee's primary coverage is exhausted.

Except for the deductible (not to exceed \$500), and only in those situations where an employee is not cited or determined to be otherwise at fault for an accident, the University is not responsible for comprehensive or collision damage.

The following must be submitted to the employee's department head as a condition to receiving reimbursement from the department:

- A copy of the police report, but if none is available, then a detailed report regarding the incident and damage to the vehicle together with any supplementary documents required by the University;
- A copy of the insurance policy or the declaration page of the policy to verify the deductible amount; and
- A copy of the paid bill.

All of the employee's submissions shall be furnished to the University's Director of Risk Management for approval.

Please be aware that the University is not obligated to pay any amount with respect to comprehensive or collision damage, but is willing to do so only as an accommodation for the employee's use of his/her personal vehicle for authorized University business.

Taxi or Limousine Services

Use of a taxi is authorized only when more economical services are not available, or in special cases when valid business reasons warrants the use of such transport. Receipts are required in order to receive reimbursement. Limousine service is not considered an acceptable mode of transportation, unless it is specifically approved by a center director or department head.

Lodging and Meals

Accommodations

Hotel accommodations may be booked by the individual traveler or the University's Travel Office. The traveler should refer to accounts payables web site for a listing of tax exempt states. University travelers are reimbursed for the costs of single standard room accommodations, with a limitation of \$275 per night. The appropriate Dean or Vice President must approve exceptions to the \$275 limit.

When a reservation needs to be cancelled, the traveler must adhere to the hotel's deadline. Any expense incurred due to a "no show" will not be reimbursed, unless the expense is approved by the traveler's management-level supervisor.

Points earned under frequent stay programs that are redeemed for hotel charges are not reimbursable, nor are the related membership fees. Costs to watch movies while on travel status, such as hotel movies, are considered personal entertainment and are not reimbursable by the university.

Expenses incurred for mini bar items, including snacks, and candy are only reimbursable, if claimed as part of the daily meal expense.

Domestic Travel

The University's maximum actual daily limit for meals is limited to \$50 per day. Meal payment requests that exceed the maximum actual daily limit require approval from the Dean or Vice President.

Reimbursement for meals (excluding sales tax and gratuities) on the day of departure and day of return will depend on the time of day the employee starts his/her trip, as follows:

DAY OF DEPARTURE	MEALS PAID	DAY OF RETURN	MEALS PAID
Prior to 8 AM	Breakfast, Lunch & Dinner (capped at \$50 total)	Before 11 AM	Breakfast (capped at \$10 total)
Before 12 PM but after 8 AM	Lunch & Dinner (capped at \$40 total)	11 AM - 6 PM	Breakfast & Lunch (capped at \$25 total)
After 12 PM	Dinner (capped at \$25 total)	After 6 PM	Breakfast, Lunch & Dinner (capped at \$50 total)

On the second and succeeding days, travelers will be reimbursed the maximum actual daily limit of \$50 per day. The guideline for tax and gratuities is eight per cent for sales tax and a maximum of twenty per cent for gratuities. The amounts for sales tax and gratuities should be shown as a separate line item on the expense report.

Receipts are required for reimbursement within the above limits for all days traveled, whether for a full or partial day. Also, hotel folio and passenger ticket receipts are required and should be attached to the employee's travel expense report for verification of travel dates and times. Upon approval, the report should be sent to accounts

payable for processing. The traveler will not be reimbursed without the attached documents.

Foreign Travel

Actual expenses, excluding tax and tip, should not exceed the maximum daily limit of \$100 per day. Food expense reimbursement for the first day and the last day of travel will depend on the time the traveler leaves and returns from his trip as stated above. Breakfast is capped at \$20 per day, lunch at \$30, and dinner at \$50. Expenses incurred above the maximum daily limit must have the approval of the appropriate Dean or Vice President.

Itemized receipts for all reimbursements are required. The hotel folio and passenger ticket receipts are required and should be attached to the employee's travel expense report for verification of travel dates and times. Upon approval, the report should be sent to accounts payable for processing. The traveler will not be reimbursed without the attached documents.

When traveling in foreign countries, it is suggested that the traveler use his credit card whenever possible to show the current currency conversion into US Dollars. If a credit card is not used, record the US dollar equivalency on the travel expense report and the date the exchange was calculated.

Business Meals

Business meals are those conducted with guests (not employees) or donors during which focused business discussions take place. Business meals are not normally taken away from the general vicinity of employment. Business meal expenses should not exceed the maximum allowances listed in the Statement of Policy.

Itemized receipts showing detail of charges are required for all reimbursement for business meals. Also, the employee's expense reimbursement report should document, the name of the establishment, name of person or persons attending, time of day with date and business purpose of the meal. Upon approval, the report should be sent to accounts payable.

Without the appropriate documentation, the expense, if paid or reimbursed, will be treated as income to the individual and subject to employment taxes and W-2 reporting.

The University will not reimburse meals that are provided at the conference, meeting or seminar unless approved by Dean or Vice President.

Receipts

Neither a credit card statement nor a cancelled check is considered a receipt.

Appropriate receipts/documentation includes:

- **Business Purpose:**
 - Written explanation of business purpose or conference/itinerary or schedule of events (topics discussed)
- **Transportation:**
 - Air
 - Rail
 - Rental Car
 - Other Ground Transportation
- **Lodging:**
 - Hotel-Original bill/receipt detailing all expenses
- **Meals:**
 - Credit card and/or cash register receipt showing itemized charges (order stubs are not acceptable)
- **Conference Fees:**
 - Detailed receipt from conference sponsor or copy of registration form

- **Miscellaneous Charges:**
 - Tips, tolls and other miscellaneous charges require itemized receipts

Miscellaneous Expenses

Phone Charges

It is the University's policy to reimburse the employee for all reasonable and necessary expenses incurred in transacting the affairs of business.

Travelers will be reimbursed for business phone calls that are considered necessary, have a business purpose, and are documented on an itemized bill. Personal calls are allowed within a reasonable limit to keep in touch with family for overnight trips.

Telephone usage with an air phone is prohibited except under emergency situations.

All telephone usage should be documented on an expense report with an explanation for any unusual charges.

Miscellaneous Tips

Gratuities to porters, bellhops and other service personnel are reimbursable without a receipt if \$15 or under per trip. Any amount above the \$15 limit requires receipts with documented explanation.

Reimbursable Expenses

Reimbursable expenses include but are not limited to the following:

- Baggage handling and storage expenses
- Parking and tolls
- Business office expenses (copy services, postage, etc.)
- Business-related phone calls and faxes
- Conference fees
- Costs of obtaining required visas and passports
- Currency conversion fees
- Gratuities to porters, bellhops and other service personnel
- Actual fee charged to exchange traveler's checks for official travel expense
- Laundry charges if travel is for 7 days or longer
- Expenses incurred for mini bar items, snacks, and candy are only reimbursable if claimed as part of a meal expense

Non-reimbursable Expenses

Non-reimbursable expenses include but are not limited to the following:

- Clothing, toiletry items, or personal care items
- Commuting between home and campus
- Corporate charge card delinquency assessments
- Magazines, newspapers, personal reading materials
- Movies
- Alcoholic beverages
- Personal expenses (such as entertainment, hotel room movies, theater tickets, prescriptions, over the counter drugs, hair services, massages, golf, health club facilities, etc.)
- First class or business class airfare upgrade vouchers
- Parking tickets, traffic violations and court cost
- Travel accident insurance premiums
- Charge incurred for failure to cancel hotel reservation ("no show" charges)
- Charge incurred for failure to cancel travel reservation ("no show" charges)

- Employee parking permits or fees
- Loss or damaged baggage
- Laundry, dry cleaning or pressing of clothes expenses (travel under 7 days)
- Airline Clubs
- Corporate charge card delinquency assessments (late fees) due to action of traveler
- Gifts to friends or relatives even in lieu of meals and lodging
- Personal portion of airfare, hotel or rental vehicle
- Expenses submitted for reimbursement more than 12 months after expenses were incurred
- Donations to charities

Costs associated with receiving dependent care (such as childcare, eldercare and/or pet care) are not reimbursable

Nova Southeastern University © 2004-2005