



ADMINISTRATIVE PROCEDURE

TITLE: Business Expense and Travel

ADMINISTRATIVE PROCEDURE # 7400 *(previously 611.01 AP)*

RELATED TO POLICY # 7400 Business Expense and Travel

Purpose and Introduction

This procedure sets forth the requirement and processes that pertain to business expenses and travel by college employees, Board members, UCC volunteers and students, including standards for driving a vehicle on College business. The purpose of the procedure is to furnish employees and Board members guidelines for the legitimate and appropriate reimbursement of business / travel expenses; ensure responsible and prudent use of college funds; ensure consistent and equitable handling of business/travel expense transactions and provide instructions for the proper substantiation of expenses incurred, and provide expectations for responsible operation of vehicles while on College business. More restrictive policies and procedures mandated by specific grants or programs will take precedence over UCC procedure.

Allowable expenses for which reimbursement may be provided must be:

1. In compliance with college policies, procedures and restrictions
2. Nontaxable. Items defined as taxable fringe benefits by the IRS are income rather than reimbursement for expenses. The final responsibility for satisfying the IRS rests with the employee.
3. Reasonable. The nature and amount of the cost should be what a prudent person would have incurred at the time.
4. In compliance with requirements of any specific grant or contract being charged.

I. Accountable Plan

The travel and transportation payment methodology used throughout this procedure is defined as an Accountable Plan. The Plan assumes the following IRS criteria have been met:

- A. All expenses are incurred while on official college business.
- B. Expenses must be adequately accounted for in a reasonable time frame.

- C. All excess payments or advances must be returned in a reasonable time frame.

II. Authorization

- A. Business/travel expenses will be paid by the College only with advance approval of the supervisor. Those approving expenditures are responsible for ensuring that expenditures:
 - 1. Comply with college policies and procedures.
 - 2. Provide least expensive means of travel requested.
 - 3. Have adequate funding, budget authorization, and documentation to support the expenditure.
 - 4. Are valid and reasonable college-related expenses.
 - 5. Comply with funding agency regulations.
- B. Personnel whose duties require travel are required to have advance approval before reservation / travel arrangements are made. All travel in- and out-of-district (out of Douglas County) must be authorized in writing by the immediate supervisor. A copy of the approval must be emailed to Accounts Payable prior to travel. Travel costs are to be allocated and expended within established budgetary limitations and, as funds to support travel are limited, travelers are not to make commitments to travel or to incur travel expenses without first obtaining the appropriate approvals.
- C. All **out-of-state and international travel** requires pre-authorization that must be completed on Out-of-State Travel Authorization form and signed by the President. Once the authorization is approved, the approver will notify the requestor to proceed with travel arrangements.

III. Advances

A travel advance of a minimum \$100.00 may be requested before departure by submitting a supervisor approved Advanced Funding Request Form. Whenever possible, payment of expenses necessary prior to the trip (ex. airplane, conference registration, etc.) are to be made with a departmental issued credit card or through Accounts Payable (payment issued to the vendor) instead of requesting an advance. If travel is canceled, an advance must be returned to Accounts Payable immediately. An employee may have only one travel advance outstanding at a time. A travel expense voucher, proper documentation and any excess advance must be submitted to Accounts Payable within 5 business days of the employee returning to the college. Failure to provide the documentation will result in the advance being reported as income subject to withholding and payment of employment taxes reported on the employee's W-2.

IV. Meals

A. Cost of Meals While Traveling Overnight

1. The College will reimburse personal meal expenses incurred while traveling out-of-district on behalf of the College on a per diem basis only. The College may establish maximum dollar amounts. For group travel, other rules will apply (see below: B. Actual meal expense reimbursement). The College credit card shall not be used for these expenses. Refer to the Reimbursement Rates for Lodging, Meals and Private Vehicle Mileage Table for current rates as the rates might change. All forms and tables referenced in this procedure could be found on Employee Forms and Information website.
2. Employees will not be paid for meals that are provided as part of the cost of the conference or event, or are included in the cost of lodging, or when no charge is otherwise incurred for the meal.
3. Documentation required for reimbursement for per diem: Per diem days are documented by a conference brochure, workshop agenda, or other item that shows the dates and times of the event as well as dates and times of travel (departure and arrival). Meal receipts should not be submitted for per diem reimbursement. No reconciliation between actual expenses and the per diem allowance is made.
4. Per diem for the first and last travel day involving an overnight stay is pro-rated as follows:

	IF YOU LEAVE...			
Percentage of per diem allowance:	Prior to 6:00 AM	6:00 AM to Noon	12:01 PM to 6:00 PM	After 6:00 PM
Initial day of Travel	100%	75%	50%	25%
Final day of Travel	25%	50%	75%	100%

5. The cost of meals while traveling in-district is not reimbursable.

B. Actual Meal Expense Reimbursement

Reimbursement for meals at actual expense is only allowed for banquet meals when an employee is on official business away from the college; or travel involving large groups of people, such as athletic teams, student groups, UCC Board of Education, etc. When actual meal expenses are reimbursed, an itemized receipt is required. A gratuity of up to 15% of each meal expense, if paid by the employee, or up to 18% of group meal expense may also be claimed.

The receipt must separate the meal cost and the gratuity paid. When the receipt shows only the total charge, the traveler should write in the meal and gratuity amounts.

C. Other Non-Travel Related Meals

1. Business meals

Reimbursement and payments provided to employees for meals in the course of conducting business may be exempt from taxation. The employee(s) must have actively engaged in a business meeting, negotiation, discussion, or other bona fide business transactions immediately preceding, during, or following the meal. The expense must be ordinary, reasonable, and necessary. Business meals should be pre-approved by a supervisor (at dean/director level or above).

2. Non-travel related meals are reimbursed at actual cost and should be reasonable and prudent. Approved College travel per diem rates will be used to check for a “reasonableness” standard. Original, itemized receipts are required. A credit card receipt that indicates only the total amount is not sufficient unless an itemized bill is attached. Receipts for meals should indicate the names of people in the party and the business purpose of the meal. Tipping is reimbursed to a maximum of 15%. For large groups where the restaurant has included a required gratuity exceeding 15% that required gratuity is reimbursable but must be documented on the receipt.

3. College funds may be used for non-travel related meals:

- a. If officially scheduled as part of a business conference, business meeting (not departmental or regularly scheduled meeting), chamber of commerce meeting, or other professional association meeting.
- b. If the purpose is furthering the College’s interest or engaging in a business meeting.
- c. For College guests, guest speakers or presenters, etc.
- d. Provided for employees on the work site during an overtime period for the convenience of the College.

4. College funds may not be used for:

- a. Employee meals for regularly scheduled departmental meetings.
- b. Meals to celebrate social occasions (birthdays, retirements, etc.).

5. Meals provided by employer

According to the IRS, for meals provided to employees to not be taxable income to the employees, the meals must be in-kind (i.e., must be food, not cash to

purchase food), on the employer's business premises, and for the convenience of the employer.

6. Meeting refreshments

Refreshments are defined to include beverages (no alcohol) and light food items such as fruit, pastries, chips, cookies, etc. Refreshments may be provided as long as it is an occasional and nominal expense and there is a clear business purpose for the meeting. Refreshments should be pre-approved by a supervisor (at dean/director level or above).

College funds may be used for:

- a. Refreshments provided for business meetings with industry representatives or the public at the discretion of administrators if business is actively conducted.
- b. Refreshments provided for college working sessions or meetings lasting more than two hours in duration.
- c. Refreshments provided for program completion ceremonies and celebrations for graduating students and/or program participants.
- d. Refreshments for business meetings when participants are required to travel from different locations and the time frame involved requires a break and participants cannot obtain refreshments and return in a reasonable amount of time.
- e. Refreshments provided during College sponsored events.

College funds may not be used for refreshments to celebrate social occasions (birthdays, retirements, etc.).

D. Alcohol and Controlled Substances

Reimbursement for alcohol or controlled substances is not allowed under this or any other policy of the college.

V. Registration

Convention and meeting registration fees must be approved in advance by an employee's supervisor (or President's approval for out of state travel). These fees may be paid by Accounts Payable by generating a check upon receipt of an approved request, or reimbursed provided that the request is supported by an itemized receipt.

Departments are encouraged to use a departmental issued credit card to pay for registration fees in order to accommodate registration deadlines, which precede the actual event, especially those that provide a discount for early registration.

VI. Lodging

All approved expenses for lodging incurred outside the College District are reimbursed using the lesser of actual cost (before lodging taxes) or the cost established by the College as of July 1 each year. Please refer to Reimbursement Rates for Lodging, Meals and Private Vehicle Mileage for current rates. Standard room accommodations in excess of established rates require Senior Leadership Team approval. Hotel accommodations exceeding established rates, purchased prior to approval, do not qualify for reimbursement.

Employees must select standard room accommodations in non-luxury/moderately priced hotels or motels at the conference or government rate. Travelers who stay in a private residence with relative or friends while traveling on business may not be reimbursed for lodging. Room service and honor bar charges will NOT be reimbursed.

A. Lodging at Conference Site

When a traveler is attending a conference and staying at the conference or meeting site (or a hotel arranged by the conference), the amount in excess of established rates of the lodging can be reimbursed (unless the lodging is shared). When the lodging is shared, other rules may apply.

B. Shared Lodging with a Non-Employee

When an employee shares a room with a non-employee, such as a spouse, the employee must request from the facility a signed, single rate notation. If the single rate notation is not obtained, reimbursement is at 90% of the double room rate, including tax.

C. Receipts for Lodging

Each receipt for lodging must be filled in by the lodging establishment and must include:

1. Name of the employee
2. Date or dates occupied
3. Number of persons occupying the room
4. Single room rate
5. Actual amount paid
6. Lodging tax
7. Name of lodging establishment
8. Address of lodging establishment

VII. Travel incidentals

Employees who incur travel expenses while conducting official college business may be reimbursed for all reasonable and necessary expenses in connection with business related travel (e.g., parking fees, shuttles, taxis, toll fees, internet access, etc.). Original itemized receipts are required. Incidentals do not include medication, clothing, or other personal use items.

VIII. Transportation

Persons traveling on official business for Umpqua Community College must choose the mode of transportation that is most suitable and economical for conducting the planned business. Reimbursement is limited to travel on the most direct and usually traveled route and to the mode of travel that provides **the least cost to the College**. Employees are encouraged to utilize Car Rental vs Mileage Reimbursement Calculator while comparing private vehicle vs rental vehicle costs.

A. Vehicle Use Requirements

1. Anyone who drives a motor vehicle (College, personal or rental) for College business shall acknowledge that they possess a valid driver's license, have no physical or mental limitation that affects their ability to drive safely, have insurance as mandated by ORS 806.010, and shall follow all applicable seatbelt and traffic safety laws. An employee is prohibited from driving a personal, rental or College-owned vehicle on College business if the employee's healthcare provider or pharmacist has recommended that the employee not operate a motor vehicle, or if the employee has reason to know that a medical condition, medication, or treatment affects or is likely to affect their ability to safely operate the vehicle.
2. All motor vehicle accidents that occur while driving on College business must be reported immediately to the Director of Facilities and Security by filing an Incident Report form. Employees are expected to cooperate fully in investigations of vehicle accidents.
3. Traffic citations and parking citations that are issued to an employee while driving on College business must also be reported as soon as possible. All traffic citations, and parking citations issued to an employee's personal vehicle are the responsibility of the employee and will not be paid or reimbursed by the College. An employee who incurs a parking citation while using a College vehicle must promptly reimburse the College for the amount of the citation. Employees may also be subject to disciplinary action for traffic or parking citations.
4. Employees driving their own vehicles or riding in private vehicles in the course of conducting college business **do so under the primary liability coverage of the vehicle**. The college does not provide any collision or comprehensive coverage to

any vehicle that is not owned by the College, and any damage to the employee's vehicle is solely the responsibility of the employee. Expenses for private vehicle repair, whether or not resulting from the traveler's act, are not reimbursable. Medical coverage is limited to the provisions of the State Accident Insurance Fund (SAIF).

5. ORS 811.507 and College guidelines prohibit the use of a non-hands free mobile communication device, such as cell phones, while operating a motor vehicle.

B. Private Vehicle Reimbursement

1. Employees traveling with a personal vehicle may be reimbursed for mileage at the College established rate, except for commuting. Commuting is travel between an employee's personal residence and main or regular place of work. The current mileage allowance for travel is listed in Reimbursement Rates for Lodging, Meals and Private Vehicle Mileage. The College will reimburse for the shorter of the distance from work or home to a meeting, other assigned work location, or destination when traveling for business purposes. For example, when a trip begins at the employee's residence, the mileage to the destination is the shorter of the distances from either the regular place of work or the residence. When the trip ends at the employee's residence, the shorter mileage to either the regular place of work or the residence is allowed for reimbursement.
2. Fuel costs are included in the per-mile reimbursement rate and won't be reimbursed.
3. If a personal vehicle is used for the convenience of the traveler and the approved travel is to a location more than 200 miles beyond the point of origin, reimbursement will not exceed the lesser of the following: 1) the cost of per-mile reimbursement plus parking and tolls; or, 2) the round-trip airfare between the nearest commercial airport serving the origin and destination cities plus transfer costs to and from the airport; or, 3) the cost of a rental vehicle plus fuel, parking and tolls.
4. To calculate mileage amounts, use a mapping tool such as Map Quest, Google Maps or Yahoo Maps. A printout documenting mileage is required.
5. For inter-campus travel, please use the Authorized Mileage Chart. No printout documenting mileage is required in this case.
6. An employee that is working from home will not receive mileage reimbursement for travel between the employee's home and a college campus.

C. College Motor Pool

1. Only authorized drivers added to the College insurance are permitted to use College Motor Pool vehicles. Interested drivers should contact Facilities department to be added to the pool. The College's general liability insurance covers loss and damage of College-owned vehicles.
2. The Facilities Department will charge the department authorizing travel for the use of the College motor pool vehicle.
3. College motor pool vehicles may be used for official college business only. When an employee's use of a College vehicle is found to be in violation of law or of the College's driving-related policies or procedures, any out-of-pocket cost to the College resulting from the employee's violation (e.g., an insurance deductible, or costs incurred due to the insurance company's denial of the claim) will be charged to the budget of the Department that authorized the employee's use. Additionally, the employee may be subject to disciplinary action, and the College may seek reimbursement from the employee, or the employee's automobile insurance carrier, for such costs incurred.
4. Using a College-owned vehicle for personal purposes or allowing another person to do so is prohibited.

For further information regarding the use of College-owned vehicles refer to Administrative Procedure 6530 Use of College Vehicles.

D. Rental vehicles

1. When traveling on College business, the use of a rented automobile is usually justified in the following situations:
 - a. When public transportation is inadequate, and a College or personally owned automobile is not available for travel to the business meeting or conference, or
 - b. When a rental vehicle is less expensive than mileage reimbursement.
2. The college will reimburse the employee for the lesser of mileage or the car rental plus gas.
3. If a rental is justified, employees should use a preferred vendor for car rental services established by the College and follow procedures outlined for car rentals. A rented automobile should be shared if two or more people travel on the same schedule to the same destination. "Economy" or "Compact" cars are to be used unless there are three or more persons.

4. Fuel costs for the car rental will be reimbursed based upon actual fuel purchased, not mileage. Receipts for fuel purchased must be submitted for reimbursement using the Travel Expense Voucher or paid with the College issued credit card.
5. The use of a rented car for personal purposes is not allowed under any circumstances.
6. The College's auto insurance policy extends to vehicles rented for College travel. The College will not reimburse for additional "personal accident insurance" available in car rental agreements.

E. Airline Transportation

1. Employees traveling by commercial airline must purchase the lowest and most convenient available fare. First class airfare and/or travel are not authorized. Airline baggage fees are considered a cost of air travel and are therefore reimbursable. College business credit cards can be used for purchasing the airline tickets after all approvals have been obtained.
2. Airline tickets purchased using a personal credit card will be reimbursed using the Travel Expense Voucher, provided adequate and detailed documentation is included.
3. The college will not reimburse for tickets purchased with frequent flyer miles or personal flight/travel credits. Frequent flyer and bonus travel programs should not influence the traveler's flight selection or routing.

IX. Use Of Personal Credit Cards and Rebate Programs

1. Oregon State Statute 244.040 prohibits public employees from obtaining financial gain from their employment other than their salary.
2. Any financial benefit that a public employee accepts from a credit card company and personally uses as a result of the public employee using a personal credit card to make a purchase on behalf of the official's public employer would violate ORS 244.040 unless such benefits were formally adopted by the governing body of the public body as part of the employee's official compensation package. Such benefits include frequent flyer miles, rebates, discounts on future purchases, and all other such financial incentives.
3. The College does NOT consider the above-mentioned benefits as part of employee's compensation packages. Therefore, employees should not accept personal benefits for College-related purchases when using a personal credit card.

X. Miscellaneous Expenses: Dues and Memberships

Personal and institutional memberships in professional organizations may be paid for with college funds when it is determined by the College that such memberships are directly beneficial to the College and relate to an employee's job.

Memberships in civic organizations such as Chambers of Commerce may be paid for when an employee's College duties require such membership. Approval by the employee's supervisor is required.

A. Subscriptions and Journals

Subscriptions and journals that directly relate to the employee's job may be paid for with College funds. A supervisor's prior approval is required.

B. Items of Appreciation, Condolence or Recognition

The college may pay for items of appreciation, condolence, or recognition if the activities/events to be recognized are extraordinary in nature and relate to college business. A supervisor's prior approval is required. Such purchases shall be infrequent and items purchased shall be of nominal value.

C. Other Items

Miscellaneous items that are required to support instructional or operational functions may be reimbursed with appropriate documentation and prior written supervisor approval.

X. Reimbursement Processing

Accounts Payable will process a reimbursement payment after receiving an approved Request for Payment Voucher, Monthly Mileage Reimbursement, or Travel Expense Voucher with receipts attached. Purchases which are not compliant with college policy will not be paid. Reimbursement requests with the documentation attached are to be submitted within 5 working days of returning from business travel, or the end of the month for requests of payments of monthly mileage reimbursements.

Reimbursement can be expected two (2) weeks after the Accounting and Finance department receives the completed reimbursement request with required documentation.

Reimbursement requests at the end of the fiscal year must be received within the time period set by the Accounting and Finance department for year-end closing, usually by July 10.

A. Form for Requesting a Non-Travel Reimbursement

For non-travel related reimbursement, an approved Request for Payment Voucher must be submitted to Accounts Payable with receipts attached.

B. Forms for Requesting a Travel Reimbursement

A Travel Expense Voucher form is used to request a reimbursement for a specific trip or conference expense, and a Monthly Mileage form is used for monthly in-district mileage.

C. Specific Trip and Meeting Reimbursement Requirements

When requesting a payment for out-of-pocket travel expense for a specific trip or meetings, the employee must complete the Travel Expense Voucher form within five (5) working days after returning. All expenses must be itemized, including those expenses for which an advance payment was received, and receipts attached as specified. The completed form is to be submitted for supervisor's approval. The approved form is to be forwarded to Accounting and Finance Accounts Payable for processing.

A separate form is to be used for each specific trip or meeting.

D. Monthly Mileage Reimbursement Requirements

To request payment of monthly in-district mileage reimbursement, the employee must complete the Monthly Mileage Reimbursement form within five (5) working days of the end of each month. Submit the completed form to the immediate supervisor for approval. The form is then forwarded to Accounting and Finance Accounts Payable for processing.

References:

2 Code of Federal Regulations Part 200.474
ORS 244.040

RESPONSIBILITY:

The Director of Accounting and Finance is responsible for implementing and updating this procedure.

NEXT REVIEW DATE:

DATE OF ADOPTION: 1/4/2021 by CC

DATE(S) OF REVISION:

DATE(S) OF PRIOR REVIEW: