

University of Montevallo Travel Procedures – Revised August 1, 2023

PAYMENT FOR REIMBURSEMENT OF INDIVIDUAL TRAVEL EXPENSES

This document details the policies and procedures for the pre-approval and reimbursement of travel expenses of persons traveling on official business for the State or University. Travel approvals and reimbursements shall be on the basis of in-state per diem or actual and necessary incurred expenses for qualifying in-state travel, and all out-of-state travel. Guidance for in-state per diem travel may be found in Section 1 below. Actual and necessary reimbursements are allowed only for out of state travel and qualifying in-state travel in keeping with the policies and procedures detailed below in Section 2.

Prior to traveling, approval to be away from campus must be obtained in accordance with established procedures by the Traveler completing the *Travel Authorization Form*. Approved travel authorizations provide necessary documentation for State compliance and the University's insurance program. The University will reimburse for travel, entertainment, and business expenses to ensure compliance with Federal and State laws as well as University policies and procedures.

1. IN-STATE PER DIEM TRAVEL (for all In-State Travel prior to August 1, 2023)

Traveler Responsibility. An individual traveling in service of the state is responsible for 1) obtaining authorization from the head of his or her department prior to traveling; and 2) incurring only those costs that are reasonable and necessary for carrying out service to the state. A traveler must submit an approved request for reimbursement within sixty (60) days of the conclusion of travel, or as necessary for University fiscal year-end financial reporting deadline requirements.

Department Head Responsibility. UM Department heads are expected to exercise good judgment and sound fiscal policy when approving travel. The traveler's department head must authorize in writing any travel. The written authorization must contain the department head's certification that the traveler's estimated reimbursable travel expenses have been reviewed and approved by the department head as being necessary.

Deviations from pre-Authorized Travel. There are situations beyond a traveler's control which may cause the amount of actual expenses to exceed the amount of pre-authorized travel expenses. In order for such unforeseen expenses to be reimbursed, a traveler should provide receipts along with an explanation of the circumstances when submitting a request for reimbursement. Additionally, the department head should certify the increased expense as necessary.

Employees who travel in state should submit travel reimbursement requests to the Travel Office as soon as possible after travel concludes, not to exceed 60 days. Expenses should be itemized on an *In-State Travel Reimbursement Form*. The travel reimbursement request form must be signed by the traveler. If the signature is not legible, the traveler must print their name below the signature. The State Comptroller's Office requires that the points of travel be shown for reimbursement of mileage. The points of travel must be notated as the exact locations. In addition, the hour of departure from and the hour of return to work base should be shown on the travel reimbursement form when the employee is away from work base for six hours or more and is entitled to per diem. These times should be notated in the standard time format, not military time. For purposes of these procedures, the term "work base" is defined as the city and state of an employee's primary location of work (ex. Main campus-Montevallo, AL and AMSTI office/Pelham campus-Pelham, AL). <https://www.irs.gov/pub/irs-pdf/p463.pdf> Questions regarding an employee's work base should be directed through the employee's department head to the Travel Office located in Calkins Hall at 665-6012 or travel@montevallo.edu. Emergency and necessary expenditures incurred in connection with travel require supporting documentation and should be held to a minimum. Any expenses not related to travel should be submitted on an *AP Request for Payment Form (RFP)* and not on a travel reimbursement form.

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a. Per Diem Allowance and Providing Meals with Public Funds

Prior to July 1, 2018, Alabama law gave authority to the Governor to fix the amount allowable to a person traveling in-state in service of the state at not less than \$75 per day. Code of Alabama§ 36-7-20(a). <https://alisondb.legislature.state.al.us/alison/CodeOfAlabama/1975/36-7-20.htm>

The current allowance, effective July 1, 2018, for overnight per diem is \$85.00 or \$100.00 per day, depending on the length of the trip. For travel requiring one overnight stay the traveler will be paid \$85.00 per day. For travel requiring stays of two or more nights, the traveler will be paid \$100.00 per day.

The term overnight, as used in Code of Alabama§ 36-7-20, as amended, will be given its plain meaning. The common law meaning of night usually means the period between sunset and sunrise. "Overnight" means that a period of rest is needed to meet the demands of work while away from primary residence. Employees within reasonable travel distance from their primary residence or work base are expected to return to their primary residence or work base. Individual circumstance will determine what is reasonable, but generally a trip of 100 miles or less one-way may not require an overnight stay.

The per diem is not to be paid to an employee stationed at the same place in the State for a period in excess of two consecutive months. After two consecutive months, the per diem is reduced to \$75.00 per day (75% of daily rate for trips lasting two nights/three days or longer). The per diem includes all charges for meals, lodging, fees, and tips. Attorney General's Opinion issued September 8 1952 vol. 68 p.63.

Under no circumstances will an employee be paid an overnight travel allowance at the work base or primary residence. If state business requires the traveler to be away from the work base or official station on weekends or holidays the traveler will be entitled to reimbursement for travel for those days.

If the individual's travel is interrupted for personal convenience or through the taking of leave, the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel. This has been interpreted by the Attorney General as applying to mileage and per diem. AG Opinion 89-00371. The mileage claimed can only be the amount claimed had the traveler left and returned to their work base. <https://ago.alabama.gov/documents/opin/8900371.pdf>

No travel allowance will be paid for a trip of less than six hours' duration. For travel that does not require an overnight stay, the traveler is entitled to be paid a meal allowance of \$12.75 (15% of the regular per diem rate of \$85.00) for a trip of six to twelve hours' duration. For travel in excess of twelve hours' duration the traveler is entitled to be paid \$34.00, which represents one meal allowance and one-fourth of the per diem allowance. No meal allowance will be paid if the traveler remains in the city where his/her primary residence or work base is located.

All meals and incidental expense (M&IE) reimbursements paid for business travel that does not require an overnight stay are taxable through payroll per IRS Revenue Ruling 75-170 and 75-432 https://traveltax.files.wordpress.com/2015/01/wk_revenue-rulings-rev-rul-75-432-jan-1-1975.pdf. Also see, IRS Publication 463; *Travel, Entertainment, Gift, and Car Expenses* at IRS website <https://www.irs.gov/pub/irs-pdf/p463.pdf>. These reimbursements will be included on employee's W-2 for calendar year tax reporting purposes.

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The general rule is that the State may not purchase meals for state employees using public funds. However, there are limited exceptions to the general rule. The State may provide meals when an employee is required to attend training sessions, seminars, or other like group functions or when an employee is required to remain at their duty station to prepare for or respond to an emergency event. Code of Alabama 36-7-20 (e); AG Opinion 2014-054. Public funds may also be used to pay for meals and refreshments served at a business meeting when the meeting lasts all day and the participants work through lunch. AG Opinion 2014-072 Food may be provided for shorter meetings when the employee would otherwise be entitled to a per diem allowance, AG Opinion 2014-072. If a meal is provided, the state employee may not claim a meal allowance and the cost of the meals and refreshments provided throughout the day may not exceed the amount allowable to an individual employee for in-state travel. AG Opinions 88-00340 & 2001-168. For questions regarding when these specific, limited exceptions might apply please contact the Travel Office at 665-6012 or email travel@montevallo.edu.

<https://ago.alabama.gov/documents/opin/2014-054.pdf>

<https://ago.alabama.gov/documents/opin/2014-072.pdf>

<https://ago.alabama.gov/documents/opin/8800340.pdf>

<https://ago.alabama.gov/documents/opin/2001-168.pdf>

b. Reimbursement for Mileage Expenses

Effective January 1, 2019, persons traveling on official business for the State or University in privately owned vehicles shall receive the current IRS rate per mile in lieu of their actual expenses for transportation. Officers and employees of the state are entitled to mileage allowance from their work base to destination and return or for miles actually traveled from primary residence to destination and return, whichever is less. <https://www.irs.gov/tax-professionals/standard-mileage-rates>

Mileage is to be reported in whole miles, rounded to the nearest whole number. To calculate the amount to be reimbursed all mileage listed on the in-state travel reimbursement form must be totaled and then multiplied by the applicable rate. The reimbursement rate for mileage expenses is equal to the mileage rate allowed by the Internal Revenue Code for income tax deductions.

An employee who is either called in after hours or required to work on scheduled off days due to an emergency or other exceptional duty, is entitled to reimbursement for necessary commute mileage incurred in the performance of that duty. AG Opinion 81-00345. When this occurs, it should be notated on the travel form so that it is verified that only "allowable" commute miles are being claimed.

<https://ago.alabama.gov/documents/opin/8100345.pdf>

If the individual's travel is interrupted for personal convenience or through the taking of leave the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel. This has been interpreted by the Attorney General as applying to mileage and per diem. AG Opinion 89-00371. The mileage claimed can only be the amount claimed had the traveler left and returned to their work base.

<https://ago.alabama.gov/documents/opin/8900371.pdf>

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c. Required Receipts

Receipts and/or proof of payment are required to support the following expenses.

Registration fees - include itemized breakdown, if applicable.

Operating expenses of state-owned vehicles such as gasoline and oil, emergency repairs, or expenses of these vehicles such as punctures, parts, etc. Receipts for repairs must be itemized and submitted to the UM Accounts Payable department for payment. The State tag number must also be referenced on the receipt.

Travel related fees such as parking, toll, and/or taxi fees with notation of "to" and "from".

Miscellaneous expense receipts must be itemized.

In the event of a lost receipt, please complete the *Travel Reimbursement Lost Receipt Report* and attach to travel reimbursement form.

2. TRAVEL QUALIFYING FOR ACTUAL AND NECESSARY EXPENSE REIMBURSEMENT – IN-STATE AND OUT-OF-STATE (for ALL In-State and Out-of-State Travel on or after 8/1/2023)

a. General Guidance

The guiding principle behind the policies and procedures governing travel is to travel responsibly. The word "responsibly" means that the traveler exercises the same care in incurring expenses for travel in service of the state that a prudent person would exercise if traveling at personal expense.

Traveler Responsibility. An individual traveling in service of the state is responsible for 1) obtaining authorization from the head of his or her department prior to traveling; and 2) incurring only those costs that are reasonable and necessary for carrying out service to the state. A traveler must submit a request for reimbursement within sixty (60) days of the conclusion of travel.

Department Head Responsibility. UM Department heads are expected to exercise good judgment and sound fiscal policy when approving travel. The traveler's department head must authorize in writing any travel. The written authorization must contain the department head's certification that the traveler's estimated reimbursable travel expenses have been reviewed and approved by the department head as being necessary. Additionally, for in-state travel where actual expenses are authorized, the department head must certify 1) that the person is traveling in service of the state for the purpose of attending or assisting in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization; and 2) the University of Montevallo or person traveling is a dues-paying member of the state, regional, or national organization and has documentation of membership on file.

Deviations from pre-Authorized Travel. There are situations beyond a traveler's control which may cause the amount of actual expenses to exceed the amount of pre-authorized travel expenses. For example a flight may be delayed or canceled, requiring a traveler to return to work base a day later than expected and causing the traveler to incur additional travel expenses, such as an extra night in a hotel. In order for such unforeseen expenses to be reimbursed, a traveler should provide receipts along with an explanation of the circumstances when submitting a request for reimbursement. Additionally, the department head should certify the increased expense as necessary.

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b. Guidance for In-State Travel for Actual and Necessary Reimbursement

In-state travel for reimbursement of actual and necessary expenses is authorized in Section 36-7-21 Code of Alabama 1975, as amended, which states:

“Persons traveling in the service of the state or any of its departments, institutions, boards, bureaus, commissions, councils, committees or other agencies within the State of Alabama for purposes of attending or assisting in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization of which the state or individual is a dues-paying member that is held within the state shall be allowed all of their actual and necessary expenses in addition to the actual expenses for transportation. In-state travel authorized under this section is subject to the same documentation requirements as out-of-state travel.”

<https://alisondb.legislature.state.al.us/alison/CodeOfAlabama/1975/36-7-21.htm>

The law was amended by Act 2018-203 which requires the head of the traveler’s agency, not the Governor as under the previous law, to authorize any travel for which a traveler intends to seek reimbursement from the state before the traveler’s departure. The traveler’s agency head must also certify that the person is traveling in service of the state to 1) attend or assist in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization 2) of which the State or traveler is a dues-paying member and has documentation of membership on file.

c. Travel Expenses for In-State Actual and Out-of-State

Individuals traveling out-of-state and internationally in service of the state or in-state to attend or assist hosting a national, regional or state conference will utilize either the *In-State* or *Out-of-State Travel Reimbursement Form* to submit reimbursement requests. Requests for reimbursement should include all required forms, receipts, itineraries and other required documentation. These forms, receipts, itinerary and any other attachments to the travel reimbursement request should be audited by the employee's department before approval and submission to Travel Office for reimbursement.

Meals and Incidental Expenses. Individuals traveling under this section will receive a daily per diem for meals and incidental expenses (M&IE) based upon the location (city) of duty in an amount that corresponds with the U.S. General Services Administration M&IE per diem rates for the continental United States (CONUS). Current per diem rates can be found at <https://www.gsa.gov/travel/plan-book/per-diem-rates>. Per diem is a flat-rate allowance intended to cover costs for meals and incidental expenses. A traveler will not be required to submit receipts for these items nor will they be allowed to claim any extra expense related to them. A traveler will receive per diem as outlined above regardless of actual expenses.

Incidental expenses include tips and service charges related to lodging, baggage, and transportation.

On the first and last days of business travel, the traveler will be entitled to per diem for M&IE at a rate of seventy-five percent (75%) the daily rate. For all other days for which the individual is traveling, full per diem for M&IE will be paid. M&IE will not be paid for personal days.

Day trips in and out of state qualify for 75% of CONUS if the trip is more than 12 hours. If the trip is from 6 to 12 hours, it is allowable to claim In-State per diem. Trips less than 6 hours do not qualify for reimbursement.

When traveling internationally, the per diem rates used will come from the U.S. Department of State website, found here https://aoprals.state.gov/web920/per_diem.asp.

Travel-related expenses other than meals and incidental expenses require a receipt for reimbursement of actual expenses.

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Departure and Return. An individual traveling under this section will be allowed to depart work base one day before the event for which the individual is traveling begins and return to work base one day after the event concludes, regardless of the event start time or end time if it is determined by the department head to be necessary. Department heads are expected to exercise good judgement and sound fiscal policy when approving travel departure and return dates. The University may require written justification in cases where departure and return dates appear excessive.

Social Events & Activities. Individuals traveling under this section will be allowed to participate in social events or activities that are part of the event for which the individual is traveling (i.e. a conference sightseeing activity) so long as the cost of the social event or activity is included in the overall cost of the conference registration fee. The State will not pay additional fees for a traveler to attend such events. Additionally, if the social event or activity required additional time away from work base that would not occur but for the social event or activity, the travel pre-approval must include written justification from the department head.

Baggage. For travel under this section, the state will reimburse baggage fees charged by commercial carriers work based upon the duration of travel. For trips that last two nights/three days, the state will reimburse a traveler the actual cost for one checked bag. For trips that last three nights/four days to six nights/seven days the state will reimburse a traveler the actual cost for two checked bags. For trips that last longer than seven days, the state will reimburse a traveler the actual cost for two checked bags plus the actual cost of laundry service.

A traveler will be required to submit receipts for the cost of checked baggage and laundry service if applicable, to be reimbursed.

If a traveler is entitled to reimbursement for two checked bags (i.e. if a trip lasts three nights/four days or longer) but instead chooses to check one overweight bag the state will reimburse the actual cost of the overweight fee provided that it does not exceed the cost of checking a second bag. Receipts for the cost of overweight baggage are required for reimbursement.

Tips for skycaps or baggage handlers are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Transportation. The traveler is responsible for selecting the mode of transportation, preferably the least costly to the State and obtaining approval from department head. The traveler is entitled to reimbursement for actual and necessary expenses incurred based on the authorized mode of transportation. If a travel scenario exists that is not specifically addressed in the following policies and procedures, department heads will use discretion in deciding whether to approve a mode of transportation considering the best interest of the state and sound fiscal judgment.

For short distance travel (i.e. less than 8 hours travel time via vehicle), the order of preference for mode of transportation is: 1) a university-owned vehicle; 2) the traveler's personal vehicle; and 3) a rental vehicle through UM State approved rental company. Commercial airfare may be utilized for long distance trips. Personal or rental vehicles may be utilized for long distance trips only if the mileage cost for the trip is less than the cost of a round-trip commercial airline ticket or motor pool costs to the travel destination. The *Mileage in-Lieu of Airfare Worksheet* must be completed and included with travel reimbursement form.

If a traveler has a university-owned, personal or rental vehicle at the travel site, the traveler may still be authorized by the department head to utilize local transit during the travel provided that the use of local transit is work-related, reasonable, and not excessive. For example going to

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dinner while in travel status or to an off-site conference-sponsored event will qualify for reimbursement; going to a nightclub, bar, or sightseeing will not qualify for reimbursement. In cases that qualify for reimbursement, a traveler will be expected to provide an explanation for the expenditure, provide receipts, and will be reimbursed for actual expenses incurred. This is intended to provide flexibility to travelers who are working in a location where driving or parking is particularly difficult or onerous.

The State will reimburse reasonable parking fees. A department head should only authorize self-parking unless valet parking is 1) the only option available; or 2) no more costly than self-parking; 3) medical safety or other reasons justify paying for alternative parking options. If other than self-parking is authorized, the reimbursement should contain an explanation and justification for incurring a greater expense for parking.

Tips related to transportation (shuttle, UBER, Taxi) are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Mileage Expenses. Reimbursement for mileage expenses for persons traveling in privately owned vehicles is covered by Code of Alabama § 36-7-22, as amended. Effective January 1, 2019, mileage will be reimbursed per the current IRS rate. The approved electronic map with mileage calculation must be attached. Mileage reimbursement must be approved by the department head. Mileage is to be reported in whole miles. The total number of miles is to be calculated and then multiplied by the current mileage rate for the entire travel statement.

<https://alisondb.legislature.state.al.us/alison/CodeOfAlabama/1975/36-7-22.htm>

<https://www.irs.gov/tax-professionals/standard-mileage-rates>

Lodging. A traveler should stay at the hotel that is hosting the conference or event for which travel occurred and obtain the government or conference lodging rate. A traveler may choose a less-expensive hotel provided that the choice of hotel will not substantially increase transportation costs. Incurring lodging costs that exceed the conference or government rate must be justified in writing and approved by the department head prior to travel.

Tips for bellhop and maid services are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Annual Leave or Personal Time Before or After an Official Travel Event. Individuals traveling under this section may desire to take annual leave or personal time before or after official travel. In such cases, the State will reimburse a traveler for costs incurred as if the personal time were not included. For example, a traveler attends a conference in service of the state in Scottsdale, Arizona. The conference begins on Monday and concludes on Friday. The traveler desires to spend the weekend sightseeing in Scottsdale and returns on Sunday. The State will reimburse the traveler the lesser of 1) actual costs of airfare; or 2) for the cost of a round-trip airline ticket as if the traveler departed on Sunday before the conference and returned on Saturday following the conference. The traveler will not be entitled to reimbursement for any expenses incurred following the official travel day. In the hypothetical involving travel to Scottsdale, the traveler would be entitled to reimbursement for lodging costs on Friday night and partial per diem for Saturday (the official return travel day), but no other expenses would be reimbursed. Include a photocopy of a roundtrip economy flight tickets to document the expense to your destination with your Travel Authorization form for the cost of the airline ticket if 1) returning to work base, including the extra days remaining at destination for leave purposes, and 2) cost of airline ticket if returning the day immediately following the authorized travel event destination with travel reimbursement form.

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Receipts Required. Receipts will be required for the following expenditures:

Commercial transportation (economy fare), vehicle rental (the State does not pay for rental insurance) and gasoline purchases.

Motel/hotel lodging (single rate only).

Registration fees – include itemized breakdown if applicable.

Operating expenses of university-owned vehicles such as gasoline oil and emergency repairs.

Travel related fees such as parking, toll, and/or taxi fees, and miscellaneous expenses. Receipts must be itemized. Taxi fees should be shared whenever possible during an event.

In the event of a lost receipt, please complete the ***Lost Receipt Report*** and attach to travel reimbursement form.