



## Travel and Business Expense Policy

In order to comply with the Internal Revenue Service Code and to maintain records that the College may be required to provide in the event of an audit, the following guidelines have been outlined for use by employees traveling on behalf of the College.

### GENERAL

Saint Mary's College reimburses expenses for administrative or academic business travel, provided that such expenses fall within budgetary limits and reasonably conform to the College's travel policy. **All travel and associated costs must be pre-approved by the appropriate unit Vice President, Dean or designated administrative party.** Reimbursable expenses are not considered taxable income and therefore, will not be included on the employee's W-2, unless receipts are not provided. Employees are responsible for carefully managing College resources by incurring moderate and economical expenses consistent with the business purpose of the travel or event.

### REPORTING

Expense Reports are used to request reimbursement of employee travel expenses, and are designed to satisfy IRS audit requirements. Receipts in foreign currency are to be converted to USD using the exchange rate on the transaction date and the USD amount should be reflected on the receipt(s).

The employee should provide an Expense Report to the Business Office within 10 days after incurring expenditures. Find the fillable Expense Report form [here](#). The Expense Report must identify the business purpose and include scanned original receipts for all expenses other than mileage, per diem, and tips for non-meal related expenses such as baggage/hotel staff. Instructions on submitting these documents can be found [here](#).

The Expense Report must be approved by an authorized signer for the GL account number being charged, and who is of higher reporting authority than the recipient of the reimbursement.

### TRANSPORTATION

The method of travel chosen must be the most economical option available. The College reserves the right to reduce a reimbursement request if it is determined a more cost effective choice was available.

#### Airline Travel

Reservations for air travel must be made at the lowest available rate. Coach or economy class accommodations should always be used and travelers are expected to take advantage of advance purchase rates. Flights should be booked using the least expensive fare via the most direct route, or other reasonable routing and timing that results in the lowest fare possible. Proof of a minimum of two fare quotes should be included with the expense report. Although the College permits accumulation of "frequent flyer" miles for personal use, reservations are not to be made with a particular airline if less expensive airfare is available from another carrier. Supplemental travel insurance is not a reimbursable expense.

The College will pay for one checked bag used to transport the traveler's personal belongings. The costs to check any baggage necessary to support the business purpose of the trip (i.e. meeting materials and equipment, etc.) are reimbursable.

### **Rental Vehicles**

Rental of an automobile is authorized when necessary while traveling. Rental arrangements should be made at the lowest available rate and at least 14 days in advance of the travel date. It is not appropriate to seek reimbursement for automobile rental expenses if less costly transportation is available or if the automobile is rented strictly for personal use. SMC's insurance policy covers all employees renting an automobile while on company business. Therefore, when renting a vehicle for College business travel, supplemental insurance coverage should be declined. It is not a reimbursable expense and, therefore, will not be reimbursed.

In order to be covered under the College's insurance policy, all SMC employees, students, and volunteers must have an approved MVR (Motor Vehicle Record) on file. This includes operating a personal vehicle, college vehicles, and rental cars while conducting company business. This also includes employees who may only occasionally drive on College business. For more information on this process and how to obtain an MVR, please visit our [website](#).

For example:

- Employees who run college or job-related errands, such as post office or store runs, picking up customers at the airport, bank deposit runs etc
- Individuals attending seminars and conferences
- Individuals who rent cars on business trips

### **LODGING**

Employees are responsible for obtaining their own hotel accommodations at the lowest rate possible for a single occupancy, standard room for the purpose of College-related travel. Corporate rates should always be requested. Acceptable rates for lodging are based on the [U.S. General Services Administration Guidelines](#), which vary by city location. For lodging, all expenses must be supported by itemized receipts.

### **MEALS**

#### **Travel Meals**

Employees traveling overnight on College business are eligible for reimbursement for their personal meal expenses via per diem allowances. The primary purpose for reimbursing a travel meal is to defray the cost of meal expenses when traveling outside of one's local area, which is defined as more than 50 miles one way from home or Saint Mary's, whichever is greater. Saint Mary's per diem rates are based on the [U.S. General Services Administration Guidelines](#). College policy allows for reimbursement of all reasonable per diem meal expenses for 2023-24 up to \$69, exclusive of tips. Meal related tips must be reflected on the receipt to which they are related.

2023-24 Maximum daily meal per diem breakdown:

\$17.00 Breakfast

\$18.00 Lunch

\$34.00 Dinner

The business purpose and departure and return dates (travel dates) must be submitted with the reimbursement request. Note that the *first* and *last* days of a trip are considered “partial” travel and the per diem rate is 75% of the applicable daily per diem rate. Per diem amounts will not be reimbursed for those meals provided by a conference or complimentary meals provided as part of standard room charges. If a meal is provided by a conference as part of the conference fees and a traveler elects to purchase a meal independent of the conference, such meals will be considered a personal expense and will not be reimbursed.

### **Business Meals**

A business meal is defined as a meal at which faculty, staff, students, and/or guests are present for the purpose of conducting College business. A business meal must have a business purpose that is connected to the College mission. This would not include routine staff meetings. The College will reimburse employees for the actual cost (no per diem allowed) of business meals incurred in hosting events for prospective donors, visitors, and other individuals who have a business relationship with the College. When meal expenses for others are paid, each attendee’s name, title or affiliation, the business purpose, and the matter discussed must be included in the Expense Report submitted.

Alcohol consumption should not take place during regular business hours. On occasion, alcohol purchases for business entertainment with guests who are not employees of the College (examples include advancement and professional recruiting activities), and for internal special events (e.g. holiday events, retirement gatherings, and/or other special events) involving College employees are permitted. These require approval by the CFO, in advance of the event. Employees will need to provide original receipts for all alcohol related expenses. Responsible and prudent use of College funds should be considered when requesting reimbursement for alcohol and should be based on sound judgment with moderate consumption and price point.

### **OTHER EXPENSES**

Other miscellaneous business related expenses (such as taxi/rideshare service or airport parking) are also reimbursable. *Non-reimbursable expenses* include: movie rentals, gym fees, and non-business related entertainment expenses. Note: \$5 tips for baggage claim/hotel staff, etc. is allowable.

### **TRAVEL REGISTRATION**

All faculty and staff traveling as part of a College-Sponsored or Supported International Travel program are required to register with the Travel Risk Assessment Committee (TRAC) prior to departing. Required travel information may include, but is not limited to, travel dates and locations, flight information, local contact information, and accommodations. Failure to submit the required information may result in delays or forfeiture of reimbursement from the College. Additionally, a failure to register may prevent the traveler from accessing college international health and insurance benefits and may result in a delay in the ability for the College to provide logistical support in the event of an emergency.

### **USE OF PERSONAL AUTOMOBILE/MILEAGE**

Mileage expenses for local travel will be reimbursed at the standard business mileage rate as set by the [IRS](#). (Refer to the back of the Expense Report form or contact the Business Office for the current rate.)

Mileage expenses are allowable as follows:

- Round trip travel between the employee’s home and College office is considered to be standard commute mileage and is therefore not allowed for reimbursement. (IRS reg. 1.262-1(b) (5)).

- When traveling on a normal working day, between home and an off campus business location, employees may claim only the mileage above and beyond the standard commute. (i.e., if driving a total of 100 miles, and the employee's standard commute is 20 miles, 80 miles may be claimed for reimbursement).
- When traveling on a non-work day directly from home to a business location, employees may claim full reimbursement for the miles driven (note: no mileage may be claimed at any time for travel directly to the College).
- When traveling between the College and an off campus business location, the employee may claim the round trip mileage from the office to the destination.

### **How to Report**

The to and from locations, along with the business purpose of the trip, must be identified on the Expense Report for reimbursement. For multiple trips use the [Mileage Reimbursement Form](#) and attach it to the back of the Expense Report Form. Employees whose positions require regular or semi-regular travel should submit requests on a monthly basis.

### **Insurance Claims**

In the event of an insurance claim while using a personal vehicle, the employee's auto insurance would be primary. (Questions regarding insurance issues should be directed to Administrative Services at extension #4571.)

### **CASH ADVANCES**

If necessary, employees may request a Cash Advance for out of pocket travel expenses, to be approved by the appropriate authorized signer. For further information, see the [Cash Advance policy](#). The fillable Cash Advance form can be found [here](#). If the amount of an advance exceeds the reimbursable expenses, payment for the amount due shall be submitted with the Expense Report within 10 days after incurring expenditures.