



Policy-Procedure Form

Policy Number: 0026
Department: Accounting
Function: Accounts Payable
Subject: Business Travel

Last Updated: 05/11/21
Approved By: PEC (11/15/16)

Why/Policy	<p>To provide guidelines for official business travel by employees, students, or volunteers. All are expected to spend University funds prudently when traveling on University business. These policies and procedures are compliant with Federal law, Internal Revenue Service regulations, and State law governing not-for-profit entities and apply to all employees who seek reimbursement of travel expenses from the University, regardless of the source of funds.</p> <p>The University will reimburse travel expenses only when they are reasonable, appropriately documented, properly authorized, and within the guidelines of this policy.</p> <p>Accountable Plan Travel on behalf of the University meets the IRS definition of an “accountable plan.” Under an accountable plan, reimbursements of expenses must meet three requirements:</p> <ol style="list-style-type: none">1. Reimbursement of the expenses incurred and paid while performing services must have a business connection.2. Travelers must provide a statement substantiating amounts, dates, uses and business purpose of expenses within a reasonable amount of time (not to exceed 60 days following the end of travel). Original itemized receipts must be attached to the statement.3. In the rare event of an advance for travel expenses, advanced amounts in excess of substantiated expenses must be returned within a reasonable period of time (not to exceed 60 days following the end of travel). <p>All expenditures must be reasonable and business related as defined below:</p> <p>A. Reasonable: An expenditure is considered reasonable if:</p> <ol style="list-style-type: none">1. The nature of the goods or services acquired and the amount involved reflect the actions of a prudent person under the circumstances,2. The expenditure is appropriate given the purpose of the University, and3. Reimbursement for or direct payment of the expenditure is not otherwise prohibited by any University policy.
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B. Business-Related: An expenditure is considered business-related if:

1. It reflects an ordinary and necessary transaction incurred to conduct University business;
2. The underlying activity is able to bear scrutiny that it is being made to further the mission of the institution, i.e., that it is necessary to carry out the objectives of instruction, research, or public service – or the supporting administrative functions surrounding these objectives; and
3. A public purpose is served in expending institutional funds for such goods or services.

All expenditures should be properly documented so as to remove the appearance to an independent reviewer that they may be personal or non-business related.

Who All University Employees, Students, or Volunteers
When Before, during, and after traveling on official University business.

How/Procedure Complete the *Employee Travel Pre-Approval & Expense Report* and provide documentation to support all claimed expenses as follows:

Meals and Incidental Expenses
 The University will reimburse employees for meals and incidental expenses (M&IE) while traveling using the [following](#) Per Diem rate schedule. Receipts are not required to claim the Per Diem amounts. If a conference or meeting includes a meal(s) you must deduct the corresponding amount(s) for breakfast, lunch, or dinner, even if you do not consume the included meal(s). The amount(s) to be deducted are itemized, based on the type of meal(s) provided.

Total	Breakfast*	Lunch	Dinner	Incidental
\$66	\$16	\$17	\$28	\$5

* Continental breakfast is considered an “included meal”.

Lodging
 Hotel accommodations should be reserved at the least expensive room rate based on single occupancy. Discretionary personal items such as movies, gym use, spa, room service, etc. will not be reimbursed. Mandatory fees that may include certain “personal items” will be reimbursed. Provide an itemized receipt that includes the method of payment.

Air Transportation
 Reimbursement of airline tickets will only be for the actual cost of the ticket; no reimbursement will be made for frequent flyer miles utilized to obtain your ticket. Provide a receipt that includes the dates of travel, travel times, departing and arrival airports, amount, and method of payment.

If your travel includes tag-on side trips, extended stays, or any unusual travel plans, you will be responsible for the personal portion of your air travel. At the time of booking you must gather documentation to support the cost of a ticket as if you had



gone directly to your destination and submit with your Travel Preapproval & Expense Form.

Ground Transportation

When available, always use the airport/hotel shuttle service to transport you to and from the hotel and airport. Cab rides are permitted if the shuttle service is unavailable. Provide a receipt noting the date and fare paid. Luxury or personal limousine expenses are not reimbursable unless preapproved by the President.

If you choose to drive to your destination rather than fly, mileage reimbursement is limited to the cost of airfare to reach the same destination. You must gather documentation to support the cost of a ticket as if you had flown to your destination and submit with your Travel Preapproval & Expense Form. Mileage is reimbursed at the current federal rate. Provide documentation to support the number of miles driven.

Rental Car – decline additional insurance

All car rentals must be pre-approved on the Travel Preapproval & Expense Form. When it is necessary to rent a car, decline the additional insurance since the University carries an auto insurance policy specifically for this purpose. Please be reasonable with your car selection based on the number of travelers, not to exceed a mid-sized car. Do not purchase any extras or add-ons including prepayment of fuel. Provide an itemized receipt that includes the method of payment.

Insurance Coverage

Theft, loss, or damage to personal property while traveling on University business is your personal responsibility and you should check with your insurance agent prior to travel regarding your insurance coverage. MBKU is not liable for personal property losses.

International Travel

All international travel must be pre-approved by the President. Air transportation that includes a flight in excess of six hours may be reserved as Business Class.

Local Travel

Qualification for reimbursement of meals and lodging will be based on the impracticality for the traveler to use their personal resources to satisfy the need to eat or rest, as determined by the respective Dean or VP.

Resources	Required Forms: Employee Travel Expense Report Related Policies: 0027-Meals and Entertainment, 0025-Mileage Reimbursement