



Domestic Travel Expense Policy

Effective Date: January, 2019

Office: Business Office

PURPOSE:

To provide guidance regarding domestic travel related expenses that may be paid for by the University.

REFERENCE DOCUMENTS/ RELATED INFORMATION: *List any other policies or information that should be cross referenced.*

[Travel Expense Voucher Form](#)

[Expense Guidance for Business Meals](#)

SCOPE:

This policy applies to employees and non-employees traveling domestically on authorized University business, and to all domestic travel expenses reimbursed by the University or paid for on University credit card, regardless of the source of the funds.

POLICY HISTORY: *Include any information about previous versions or whether this replaces an existing policy.*

1. General Policy

The University is responsible for managing its resources prudently, while meeting the travel requirements of the University and complying with IRS rules and regulations for reimbursement of travel and entertainment expenses.

The University's policy is to reimburse necessary and reasonable travel expenses incurred for authorized University business fairly, equitably, and consistent with federal regulations. Non-compliance with federal regulations may expose the University and the individual to financial risks and penalties.

2. Roles and Responsibilities

The following roles are responsible for complying with travel expense policies:

a. Travelers

Travel should be approved prior to booking any travel plans. Individuals traveling on University business are responsible for complying with this policy, and should exercise good stewardship of University funds. Expenses should be submitted in a timely manner. Absent exceptional circumstances, expenses submitted more than 30 days after completion of travel or completion of the event may be reported as taxable income to the individual.

Travelers are often assisted by arrangers when making travel arrangements (i.e., individuals who make travel arrangements or reservations on the traveler's behalf). When making arrangements on a traveler's behalf, arrangers are also responsible for complying with University policies.

b. Preparers

Preparers of travel expense reports are responsible for understanding University travel policies and correctly submitting travel expenses for reimbursement. This includes a clear statement of business purpose, payees and beneficiaries, correct allocation of expenses, and submitting all appropriate back-up documentation.

c. Approvers

1. Travel Approvers

Authority and responsibility for approving travel by employees and guests of the University reside with the person responsible for the account to which the expense will be charged. No person may solely approve the reimbursement of his or her own travel expenses, or the travel expenses of an individual to whom he or she reports either directly or indirectly, with one exception.

2. Travel Expense Approvers

Authority and responsibility for approving travel expenses incurred by employees and guests of the University reside with the person responsible for the account to which the expense will be charged. Travel expenses are reimbursable only when all required approvals, including any necessary prior approval from government agencies or other project sponsors, are obtained before incurring the expense. Expenses incurred during sabbatical leave are payable when they are incurred for reasonable and necessary University business and must have the advance written approval of the department Chair. No person may solely approve his or her own expense reimbursement, or the expense reimbursement of an individual to whom he or she reports either directly or indirectly.

3. Principles

A couple of principles guide travel for employees and non-employees to ensure appropriate stewardship of University resources:

a. Reasonable and Necessary Expenditures

Expenses incurred in the course of University-related business travel should be reasonable and necessary. The University will not reimburse travel expenses that are unreasonable, or are unallowable (e.g., on federally-sponsored projects), or are not required for official University travel (i.e., unnecessary) as individuals should not incur inappropriate or excessive expenses, or gain financially. On occasion, expenditures may be incurred for University business that may not be appropriate to be directly charged to restricted or sponsored awards (i.e., business entertainment and alcohol). In this case, these expenditures should be charged to the appropriate expenditure type on an unrestricted account.

b. Economical Transportation Required

Travelers must use the most reasonable mode of transportation in order to be reimbursed by the University. More expensive transportation may be used if the traveler pays the incremental cost, provides proper documentation and obtains approval.

4. Types of Travel Related Expenses

a. Commercial Air Travel

For travel in excess of 200 miles, commercial air travel is generally the most economical and practical method. All University staff, faculty members, students and University visitors traveling on business are expected to travel at the lowest available airfare. The traveler is strongly encouraged to make flight reservations at least three (3) weeks prior to travel to assure the greatest opportunity to obtain the lowest fare.

The University reimburses fares ("Class of Fare") up to:

- Coach class for domestic flights and flights of less than eight hours total
- Business class for flights of eight hours or more if pre-approved by the applicable supervising Cabinet member. This includes connecting domestic legs and layovers
- Other classes of travel based on documented medical needs.

Travelers are allowed, subject to appropriate approval, to choose their dates and times of travel, as well as their desired origin and destination airports. The University pays for the lowest available airfare that meets the traveler's choices as determined by the following criteria:

- The route between origin and destination is the most direct and frequently traveled (i.e., no circuitous routing)
- Departure and arrival times are within one hour in either direction of the traveler's desired travel times
- May include nonstop flights if requested by the traveler
- Does not include charter flights
- Does not require stays beyond the traveler's requested dates of travel
- Meets the University's requirements for Class of Fare
- May include ancillary fees (see below for a definition)
- Is usually a restricted coach or economy fare that may involve change penalties

- If charged to a U.S. Government contract or grant, must be booked on a U.S. carrier per the requirements of the Fly America Act and Open Skies Exceptions.

Ancillary Airline Fees: The University pays for certain airline fees, limited to pre-assigned seats, checked and carry-on baggage fees, and in-flight meals. Expenditures for these fees must be reasonable and prudent and must be properly documented. Global Entry and TSA PreCheck fees are not reimbursable.

Indirect Routes: If, for other than University business, the traveler takes an indirect route or interrupts a direct route, payment for airfare will be at either the actual charge or the charge that would have been incurred by traveling the direct route by the most economical means, whichever is less.

Change Penalties: If a ticket has to be changed for unforeseen situations, and a penalty is incurred, the traveler may request payment from the University for the penalty. When trips must be canceled, travelers are encouraged to rebook tickets for travel at a later date as soon as possible.

Unused Airline Tickets: Travelers are encouraged to rebook unused tickets whenever possible. If it is not possible to use the ticket through rebooking, it may nevertheless be reimbursed with proper documentation. An unused ticket affidavit must be completed and submitted with an expense report. Unused tickets should be charged to an unrestricted account.

Overbooking: Travelers on University business that elect to change flights due to overbooking, should receive travel vouchers in the name of the University.

b. Ground Transportation

If travel exceeds a 100-mile radius of campus, then you should rent a vehicle from our preferred vendors list, which can be found on the Purchasing Channel of MyUIndy. Exceptions to the 100-mile radius requirement must be approved and documented in writing by the applicable supervising Cabinet member. Travel by rental car, bus, shuttle service, ride service, taxi, private automobile or some combination of these are likely to be the most economical and will be reimbursed by the University per the guidelines below:

1. Rental Car Expenses (Please refer to [Vehicle Use Policy](#) for additional guidelines)

Class of Vehicle

When the use of a rental car is the most economical form of transportation, the University will pay rental fees for compact or standard size automobiles and automobile-related expenses, such as fuel, tolls and parking. Before renting a car, the traveler should consider shuttle services, ride services and taxis, particularly for transportation between airport and lodging.

Car Rental Insurance

DO NOT ELECT additional car rental insurance within the continental United States. The University self-insures against risk for all employees, visitors and students who rent a car from any agency while on University business within the continental U.S.

Travelers should DECLINE all additional insurance coverage, including:

- Loss Damage Waiver (LDW)
- Collision Damage Waiver (CDW)
- Personal Accident Insurance (PAI)
- Personal Effects Coverage
- Liability Coverage

No expense for car rental insurance will be paid by the University except when renting in a foreign country or Hawaii. Travelers should accept additional car rental insurance in foreign countries and Hawaii.

Personal Use of Rental Cars

Any portion of the cost of a rental car attributable to the personal use of that car by the traveler must be subtracted from the total rental bill before requesting reimbursement. The personal portion is calculated by prorating the total cost of the rental over the number of days for personal use and number of days for University business use.

If the traveler purchases extra insurance for a domestic, mainland car rental in order to be covered during the personal portion, the entire cost of the insurance coverage for the entire rental period will be a personal expense. However, if the rental occurs in a foreign country or Hawaii, the cost may be prorated.

If personal expenses are included in the amount charged to a University Credit Card, they will be subtracted from the total amount due for reimbursement on the traveler's expense report.

2. **Private Automobile Expenses (Please refer to [Vehicle Use Policy](#) for additional guidelines)**

Expenses Allowed

The University will pay a standard rate per mile for official travel by private automobile based on the actual driving distance by the most direct route (not more than 105% of the most direct mileage indicated by Google Maps). The standard mileage rate is in lieu of all actual automobile expenses, such as fuel and lubrication, towing charges, physical damage to the vehicle, repairs, replacements, tires, depreciation, insurance, etc. In addition to the standard mileage rate, necessary and reasonable charges for the following automobile-related expenses are allowed: tolls, ferries, parking, bridges, tunnels, and liability and physical damage insurance coverage for driving in foreign countries or Hawaii. Traffic ticket and parking ticket expenses are personal and will not be paid by the University.

Computation of Starting Point

Expense for ground transportation may be computed from the traveler's home when travel occurs during weekends, holidays or outside normal business hours (usually 8:00 a.m. to 5:00 p.m.). Expense for ground transportation must be computed from home whenever the trip does not involve a business stop at the University and the distance from home is less than the distance from the University.

Two or More People Traveling Together

Because payment for private automobile expenses is intended to reimburse the owner for use of the car, mileage and related expenses are payable only to one of the two or more persons traveling together in the same vehicle.

3. **Railroads, Non-local Buses, Commercial Vessels**

The University will pay the cost of the lowest priced railroad, non-local bus and commercial vessel transportation available for the trip. Payment will not exceed the lowest available commercial airfare that would be payable for the same trip.

4. **Automobile in Lieu of Commercial Air Travel**

The use of a rental car is authorized and the private or rented automobile is used in travel for which air is generally most appropriate and economical, payment will be made according to Use of Private Automobiles or Use of Rental Cars, but in either case, payment will not exceed the lowest available commercial airfare that would be payable for the same trip.

If two or more people travel together by automobile for a business purpose, the equivalent airfare calculation is the sum of airfare plus ground transportation costs for all of the travelers.

5. **Automobile Trips of More than One Day**

When an automobile, private or rented, is used for a trip of more than one day, the University will pay travel expenses as described above in Automobile in Lieu of Commercial Air Travel- including documentation requirements, with the addition of meals and lodging to the expenses being compared to the lowest available commercial airfare that would be payable for the same trip. For this purpose, the University will calculate an en-route per diem based on an average driving distance of 400 miles per day by the most direct route, or actual number of days taken, whichever is less. Each passenger claiming payment for meals and lodging must prepare a separate expense report.

6. **Temporary Off-Campus Assignment**

When an employee has a temporary assignment away from campus, payment will be made for the expense of ground transportation between campus and the assignment location or between home and the assignment location, whichever is less.

7. **Commuting Expenses**

The University will not pay employees for commuting expenses between home and campus.

c. **Lodging**

University business travelers are expected to use lodging accommodations that are necessary and reasonable. The cost of lodging should be kept to a minimum consistent with a reasonable level of

comfort, convenience, and security for the traveler. Standard room rates are generally the most reasonable.

Sabbatical lodging expenses are paid only if the faculty member incurs two sets of living expenses simultaneously and there is a stated University business purpose for the expenses incurred during the sabbatical. If the primary home is rented out, the faculty member may not be paid for lodging expenses at a location away from the University.

d. Travel Meal Costs

Travel meals are ordinary and necessary meal expenses incurred when traveling away from home for University business. Content on this page refers primarily to travel meals, though some guidelines and procedures apply to business meals as well. Please see **Expense Guidance for Business Meals** for more information.

Business meals are discussed in the **Business Meal and Entertainment Guidance**.

The University expects that travelers will spend no more than \$75 per day for domestic meals and incidentals, including tips for the majority of locations (maximum of \$125 per day for higher priced locations). This is the amount considered adequate to cover the daily costs of meals and incidentals; it is not a flat amount for per diem reimbursement.

Except if approved by a Cabinet member, the University does not cover the purchase of alcoholic beverages.

The University does not reimburse for meal costs when meals, including a continental breakfast, are provided through the conference registration fee.

Snacks and refreshments are not an allowed reimbursable University travel expense except as a substitute for a daily meal. Snack and refreshments in lieu of a meal should not exceed \$12.00/day.

Gratuities for meals must not exceed 20 percent of the cost of meals. Any tip expenses in excess of that amount will not be paid.

e. Conference Expenses

Cost of attendance for conferences will be reimbursed. Conferences should be pre-approved by the person responsible for the account to which the expense will be charged. The conference program or agenda should be submitted with the expense report as back-up documentation.

f. Fares, Parking Fees, & Tips

Taxi, bus, other public transportation, and other ride sharing service (ex: Uber, Lyft) fares at the destination will be reimbursed when reasonable and justifiable for business purposes.

Remote parking at the airport is required unless there is a physical or business reason to justify an exception.

The least expensive parking arrangement should be used. Valet parking is discouraged but may be reimbursed if it is the sole parking available or if the traveler is using it for a physical safety or business reason.

Reasonable tipping, which is normally 15% to 20%, will be reimbursed.

g. Telephone calls

Business telephone/fax and business internet usage fees will be reimbursed.

Personal telephone calls are an allowed, reimbursable travel expense not to exceed \$10.00 per trip. The purpose is to “check-in” with the traveler’s family.

h. Other expenses

Travel and/or expenses that are not essential for University business are not reimbursable. This exclusion does apply to personal travel which interrupts, precedes or follows a University business trip.

5. Other Travel Related Items

a. Travel Expenses of Spouse and Others

In general, the expenses of a spouse, family member, or other person accompanying the business traveler are not reimbursable. Such expenses are only reimbursable if the accompanying person is traveling to make a significant contribution in furtherance of University business. Approval of expense reimbursement for accompanying persons must be approved in advance of travel by Cabinet members.

b. Non-Business Days

Weekends, holidays and other necessary standby days may be counted as business days only if they fall between business travel days. If a traveler chooses to arrive early or to stay longer for non-business reasons, the University does not pay for expenses during additional personal days. The only exception is when travel is at a lower total cost if the traveler stays over a weekend or holiday, with department approval. The traveler must document the total cost savings in order to support the non-business-day payment.

c. Local Travel

Local travel is defined as less than 50 miles one way from the University or the traveler's residence -- whichever is greater. Barring exceptional business reasons, local travel does not qualify for an overnight stay nor does the University pay for personal meals during local travel. A bona fide business meal is generally eligible for payment.

If a trip exceeds the local travel limit but the traveler chooses not to stay overnight, personal meals will be eligible for payments.

d. U.S. Government and Other Sponsored Funds

Costs incurred by travelers that will be charged to federally-sponsored awards, including costs of lodging, meals and incidental expenses, must be reasonable, allowable, necessary to the award and consistent with University policies. The federal government has mandated that no alcohol may be charged as either a direct or indirect expense of federally sponsored projects. Consequently, alcohol should not be charged to a federal grant or contract account under any circumstances.

e. Limitation on Group Travel

Travel by a group of employees in the same aircraft, automobile or other means of transportation is discouraged as an accident could seriously affect the functioning of a University activity. Refer to the University's [Employees Traveling in Same Vessel Policy](#).

f. Charges to Sponsored Projects

When travel costs will be charged to a sponsored project, award terms and conditions take precedence. Some awards may require the sponsor to pre-approve trips.

g. School and Department Guidelines

At their discretion, schools and departments may impose more restrictive guidelines for budgetary or control reasons. They may not be less restrictive than guidelines stated in this policy.

h. Travel Reimbursed from Multiple Entities

If a traveler is taking a trip reimbursable jointly by the University and another entity or entities, the University will reimburse for its share of the actual fare necessary for University business and the traveler is responsible for seeking reimbursement for expenses payable by others. Fares greater than coach fare (first class, business class, etc.) cannot be used as the basis for prorating air travel costs. When an outside organization reimburses for lodging or meals, the traveler may not claim per diem from the University. In no case may the amount reimbursed for the trip from all sources exceed the total expenses incurred.

i. Student Travel

To be considered for reimbursement for travel, travel related expense and or conference registration, these expenses incurred by students must be officially certified (see Student Certificate for Authorized Expenses) by a faculty or staff member as:

- In direct support of a faculty or staff member's project, research or academic program
- Related to presenting at a conference or attending an event as an official University representative
- An integral part of the student's degree work
- Related directly to the student's employment at the University
- Being in support of University business

Student travel that cannot be certified as a University authorized expense cannot be reimbursed to the student.

Expenses incurred by students must comply with guidelines discussed in this policy.

Registered student organizations should refer to the [RSO Handbook](#) and or the Department of Student Affairs for guidance on travel related expenses.

j . Foreign Visitor Travel

Payments to foreign visitors, or on behalf of foreign visitors (direct payments to hotels, reimbursement of expenses, etc.), may be made only if the visitor enters the United States on an appropriate visa and meets eligibility requirements.

6. Required Documentation of Expenses

Expense reports with relevant supporting documents attached must be completed for all expenses paid by the University. For expense reports that include meals, itemized receipts for meals must be provided.

Required Documents

- **All reimbursements require dated, original itemized receipts, AND proof of payment.** Credit card payment forms or statements alone are not considered itemized receipts for transportation tickets, lodging or car rental.
- **All reimbursement requests must include statement of business purpose.**
- Examples of acceptable documents:
 - For **Airline tickets**: An itinerary receipt for airfare, showing proof of payment from a travel agency, airline or online booking tool. If the travel is funded by government contract or grant, and is to or from a foreign country, travel must be on a U.S. flag carrier and the proper airline code referenced on the ticket. Provided documentation must include dates of travel, class of fare, cost of ticket and proof of payment. Ancillary airline fees must be itemized separately and documented with appropriate receipt.
 - For **car rental**: Contract, itemizing all charges and proof of payment
 - For **lodging**: Itemized bill showing all charges and proof of payment.
 - For **meals**: Itemized receipts for meals are required. If no itemized receipt is submitted for a meal, traveler must indicate on the receipt the amount spent on alcohol or state that no alcohol was included in the meal.

Additional Required Documents for Foreign Visitors

- Copy of passport
- Copy of eligible visa from selection below:
 - * B-1 (Business Visitor)
 - * B-2 (Visitor of Pleasure)
 - * WB (Visa waiver for business)
 - * WT (Visa waiver for tourism)

- * F-1 (Student Visa)
- * J-1 (Visiting Scholar)
- Copy of I-94 (Arrival Departure Record)
- Social security number (SSN) or Individual Tax ID number (ITIN) if available.
- Completed W8-BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (must have original signature)
- Completed form 8233, Exemption from withholding on compensation for independent personal services of nonresident alien individual. This form is only required if the Foreign Visitor is requesting an exemption from federal tax withholding.
- I-20 form if for F visa, DS-2019 if for J visa

Additional Required Documents for Students

Reimbursement payments to students must be supported with a signed Student Certificate for Authorized Expenses.