



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

Operating Policy and Procedure

HSCEP OP: 79.06, Reimbursement of Travel Expenses

PURPOSE: The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Operating Policy and Procedure (HSCEP OP) is to establish the procedure for approval of reimbursement of travel expenses for TTUHSC El Paso employees.

REVIEW: This HSCEP OP will be reviewed on December 1 of every odd-numbered year by the director of procurement services, with recommendations for revisions submitted to the chief financial officer or designee by December 15.

GENERAL PROVISIONS:

This HSCEP OP outlines the travel reimbursement rules and regulations for TTUHSC El Paso employees. All official travel must be for the use and benefit of the mission of the institution. It is the policy to follow guidelines as set forth by the State in *Textravel* (a web base resource designed by the State of Texas) and the General Appropriations Act (GAA) Article IX Part 5, except for items specifically regulated in this HSCEP OP. *Textravel* should be consulted for items not specifically covered by the HSCEP OP. It may be found in the Link Section of the Online Travel System.

1. Objectives.

- Reimbursement of travel expenses incurred by a state employee to conduct official state business may be obtained by using the Travel Voucher and Worksheet (see Attachment A) submitted through the Online Travel System
- All travel regulations set forth in *Textravel* are to be followed for all travel regardless of funding source with the exception of limits specific to each fund group or as specified by a school or department. Each institution may establish regulations more specific than those required by the State.

2. Responsibilities of the Traveler.

- The traveler should ensure that each travel arrangement is the most cost-effective considering all relevant circumstances regardless of funding source.
- A state employee is responsible for knowing the travel rules and procedures as they comply with applicable state law as set forth in *Textravel*, account restrictions, and institutional travel policies prior to traveling. The department is responsible for communicating sufficient information to each traveler in order to comply with institutional travel policies prior to the trip. If unsure of institutional policies, the traveler and/or department must seek assistance from the Travel Services Office prior to the trip.
- A state employee may not seek reimbursement for travel expenses that the employee has not actually incurred and should reasonably know are not reimbursable.
- A state agency may not seek to reimburse a state employee for expenses incurred on behalf of a private individual or another state employee except for individuals

in the custody or care of the state or as specifically provided in *Textravel*.

- A state employee shall immediately reimburse the state for an overpayment. An overpayment is an employee's receipt of a reimbursement that exceeds:
(1) the limits established by law or identified in *Textravel* or (2) the amount of travel expenses actually incurred.
- The TRAVEL VOUCHER WORKSHEET (sample shown in Attachment A) is required to **be submitted to the Travel Office in El Paso within thirty (30) days of the last date of travel** for which reimbursement is requested. **If not in compliance, the trip's encumbrance will be cancelled after 90 days without prior notice to the traveler or the department preparer.**
- In accordance with IRS regulations, any travel voucher received in the Travel Office that is over 60 days from the trip end date will be taxable to the traveler. The Travel System will calculate based on the trip end date and the taxable expense will be reported to Payroll.
- The traveler is to pay all of his/her single share of expenses while traveling and seek reimbursement on a travel voucher.
- Direct billing to departments for employee expenses of airfare, rental car, hotel, or other related travel charges is prohibited.

POLICY/PROCEDURE:

I. General Policy.

- A. The required regulations specific for each fund group must be followed when preparing a travel voucher. If expenses are to be paid for one trip from both state and local funds, follow the regulations for each type of fund.
- B. The official dates of a meeting, event, or conference are to be included within the narrative which describes the purpose of the trip. Attach the front page of the printed brochure confirming the dates of the conference and the location.
- C. State agency personnel that travel to Washington DC area for activities that involve obtaining or spending federal funds or that impact federal policies must inform the Office of State-Federal Relations (OSFR) about the trip (GAA Article IX §6.12). If an employee is traveling on state grant funds, they must fill out the *Report of State Agency Travel to Washington DC*. The form is found at the OSFR website at <http://www.osfr.state.tx.us/travelform.asp>. Vouchers and supporting documents submitted to the travel office for travel to Washington, D.C. will not be processed unless a printed copy of this form is attached. When entering the travel application through the Online Travel System, the traveler will automatically be prompted to fill out the form and submit it to the Office of State-Federal Relations.

II. Meals and Lodging.

A. Meals Without an Overnight Travel

A state employee may be reimbursed for non-overnight meal expenses. The meal is only reimbursable if the employee is outside of his or her designated headquarters for at least six consecutive hours.

Non-overnight meal reimbursements may not exceed \$36 according to the GAA, Article IX, Part 5, Section 5.05(b).

Employee reimbursement for the meals are taxable to the individual and will be reported as taxable wages on the employee's annual Form W-2. Payments of meal reimbursements to the employee should be processed through the Employee One-Time Payment System (EOPS) located at https://banapps.texastech.edu/itis/PY_employee_OTP/Welcome.aspx. The other taxable benefit (OTB) earn code should be used and scanned copies of the receipts should be attached to the EOPS. The description field should note the travel application number and "travel without an overnight stay".

B. Meals and Lodging for Overnight Travel.

An employee may be reimbursed for the actual costs of meals and lodging when the travel requires an overnight stay away from designated headquarters up to the limitations and specifications established specifically for each fund group [see (C) below] or as specified by the traveler's school or department. If traveling with state or federal grants, the tips must be allocated to a local fund. Tips, if allowed, should not be separated from meal receipts on the worksheet. Allocate the total amount of tips to the local fund. Please note that the tax and tip amount should be adjusted when alcohol is included with the meal receipt.

Reimbursement of tips should not exceed 20 percent. When lodging establishments or restaurants include a gratuity in the price, a voluntary additional tip is not reimbursable. Should a gratuity be included by an establishment that is greater than 20 percent, reimbursement will be made at the establishment's rate.

C. In-State and Out-of-State Travel When Using State or Federal Grant Funds.

- An employee must claim the actual expenses incurred for meals and lodging not to exceed the maximum allowable rate for that location. Travelers must use the federal rates provided by the U.S. General Services Administration for both in-state and out-of-state travel. The GSA *Per Diem Rates* listing may be found in the Links Section of the Online Travel System.
- For out-of-state destination cities and counties for which specific rates are not listed, the rate for the nearest city or county may be used. For in-state travel, if the city is not listed, a maximum of \$85 for lodging and \$51 for the meals must be used.
- The traveler may reduce the meal expense reimbursement rate and use the amount of the reduction to increase the lodging reimbursement rate. This is allowable for in-state and out-of-state travel.
- Actual meals and lodging expenses for travel to Alaska, Hawaii, Canada, Mexico, U.S. Possessions and foreign countries may be reimbursed according to the guidelines in the GAA, Article IX, §5.06(c). The travel expenses must be converted to U.S. dollars, if applicable.
- Schools or departments may have specific policies regarding caps on travel reimbursements.

D. Prohibited Reimbursements.

- Meals or lodging expenses deemed lavish or extravagant by the department.

- Meals or lodging expenses incurred while traveling within the designated headquarters.
- II. Meal expenses for travel without an overnight stay away from headquarters (may be reimbursed by EOPS).
- Lodging expenses incurred at a location other than a commercial lodging establishment.
 - Tips or gratuities on state appropriated funds and state and federal grant funds.
 - Alcoholic beverages on all funds.
- E. Sharing Lodging.
- When two or more employees share lodging, each employee must submit a travel voucher for his/her share of the actual lodging expense. The reimbursement to each employee may not exceed the applicable maximum lodging reimbursement rate.
 - Each traveler must obtain a lodging receipt with his/her name on the receipt or show other proof of payment, such as a charge card receipt, a credit card billing, a cancelled check, or a memo from the person named on the receipt.
- F. Receipt Requirements.
- Emailed receipts sent directly from the vendor (i.e. hotels, Airbnb etc.) should be mailed directly to the employee's institutionally provided email account..
 - Actual itemized meal receipts are required by TTUHSC El Paso. Lost or missing meal receipts may be reimbursed up to \$10 per day. Receipts must be provided for reimbursements in excess of \$10 per day.
 - Lodging receipts are required. The name of the employee, the single room rate and a daily itemization of the lodging charges must be included on the receipt. The receipt must have detail showing paid status with a zero balance.
 - If the receipt is unavailable, the supporting documentation must include the canceled check or credit card slip used to pay the meal or lodging expense, the credit card billing on which the meal or lodging charges appear or a copy of the receipt, check, slip or billing. A statement must be included declaring why the original receipt is not available and, if for a meal, a detail of items consumed must be included. The traveler should include a statement for lost meal receipts confirming if alcohol was included.
 - The state maintains lodging contracts for many in-state and out-of-state locations. The listing of the contracted lodging facilities can be found in the Links Section of the Online Travel System.
- G. Hotel Occupancy Taxes.
- A TTUHSC El Paso employee (state employee of an institution of higher

education) traveling on official state business within Texas is exempt from paying the state hotel occupancy tax but not from paying the county or local hotel occupancy tax. The exemption is claimed by providing a properly completed *Texas Hotel Occupancy Tax Exemption Certificate* to the establishment. An employee may not be reimbursed for state hotel occupancy taxes if the employee fails to present a properly completed exemption certificate to the establishment (Attachment B).

- If the hotel refuses to accept the exemption form, a statement should be made on the receipt and the employee may seek reimbursement. The Travel Services Office will notify the Texas Procurement and Support Services (TPASS) of the problem.
- An employee may be reimbursed for all hotel occupancy or similar taxes when traveling outside Texas at the maximum allowable hotel rate.
- If the hotel occupancy tax is calculated as a percentage of the lodging rate, the reimbursement may not exceed the percentage multiplied by the maximum that may be reimbursed to the employee for lodging expenses at the location. Other taxes not calculated as a percentage will be paid in full.
- Hotel taxes are not classified as a lodging expense for the purpose of determining the maximum daily reimbursement. It is considered an incidental expense.
- Prospective employees, participants and/or students are not exempt from any hotel taxes. If the lodging invoice/folio is billed directly to TTUHSC El Paso, the State hotel occupancy tax is exempt.

H. Packaged Travel Arrangements.

- When an employee purchases a package of at least two travel arrangements (i.e., meals, lodging, transportation, incidentals, and registration fees), each type is reimbursable only to the extent it would have been reimbursable had it not been included in the package. The receipt and travel voucher must separately state the cost of each type of travel arrangement.

III. Transportation.

A. General.

A TTUHSC El Paso employee may be reimbursed for transportation charges incurred while conducting state business. The employee should select the most cost-effective method of transportation available. For travel greater than 100 miles to a location, the cost-effective option should be verified (i.e., rental car vs. mileage reimbursement when using personal vehicle). The employee must have a valid driver's license to claim any mileage reimbursement and it is their responsibility to properly claim the reimbursement.

B. Mileage Incurred with Personal Vehicle.

- An employee may be reimbursed for the mileage incurred during the employee's use of a personally owned motor vehicle with the exception of those employees receiving a car allowance or an auto is provided by the institution. Mileage reimbursement covers all expenses associated with the operation of the vehicle except parking. The term "all expenses" includes damage to the employee's vehicle from any cause. The institution is not liable for the employee's insurance deductible or any other cost associated with an accident or vehicle damage.

- When a trip requires more than one day to and from a duty point, the mileage reimbursement must be equal to the actual miles traveled multiplied by the standard mileage rate. The maximum reimbursement for meal and lodging expenses incurred during a day is equal to the maximum meal reimbursement rate for the location in which lodging is obtained on that day. This type of travel arrangement should be cost-effective with consideration of all relevant circumstances.
- Employees who use their own vehicles while conducting university business should be made aware of the possibility of personal liability related to such use. Personal automobile insurance will be looked to first in the event of an accident.
- The standard mileage rate is established each year by the Texas Legislature.
- For travel greater than 100 miles to a location, a department must reduce the reimbursement for use of personal vehicles to the lesser of (1) the standard rate times miles traveled, or (2) the rental of an automobile, plus an allowance for gas. The Mileage Calculator worksheet must be completed and attached to the supporting documentation.
- Mileage must be itemized on a point-to-point basis and locations must be identified on the voucher. Point-to-point mileage may be documented by an employee's vehicle odometer reading or by the use of *MapQuest* (shortest distance).
- For trips 100 miles or less to a location, employees may summarize the trips and submit for reimbursement under one travel voucher. Attach to the voucher an *Employee Mileage Record Form* (Attachment C).
- NOTE: The fiscal year-end reimbursement for local mileage trips with dates up to August 31 should be processed by the year-end deadline published by Business Affairs.
- An employee may be reimbursed for actual mileage between the employee's residence and the nearest airport.
- Reimbursement for mileage incurred by another person while transporting the employee between the employee's residence and the nearest airport is reimbursable but is limited to the cost of one trip to and from the airport in the employee's personal vehicle plus parking at the airport.

C. Rental Vehicles.

- The state maintains rental car agency contracts, which have damage insurance included, and which should be given priority unless a lower rate is available from another agency.
- An employee may be reimbursed for the actual cost of renting a motor vehicle if the rate is under contract rate. Damage insurance is payable but only to the extent that the daily rate and insurance rate do not exceed the contracted daily rate. Charges for liability insurance supplements, personal accident insurance, safe trip insurance and personal effects insurance are not reimbursable. TTUHSC El Paso does not assume responsibility for damages to a rental vehicle.
- Rentals not under contract rate will be limited to no more than the same size car or contracted rate unless a valid exception applies (see HSCEP OP 79.01, Texas

State Travel Management Program).

- When using a vehicle larger than a contracted “standard/full size” rental vehicle, documentation specifying the purpose of this usage should be attached to the travel voucher.

D. Commercial Air Transportation.

- An employee may be reimbursed for the actual cost of commercial air transportation between the employee’s headquarters and duty point. Fully refundable tickets will be reimbursed and will give the flexibility of changing plans without penalty charges. Other options are purchasing a ticket in advance to the maximum extent possible prior to departure, use of advanced reservations programs, promotional price reductions, or any other method that achieves lowest cost and maximum time efficiency.
- Baggage charges that are related to state business are reimbursable. First charge may be processed on state, federal or local funds. The second charge (for business purpose only) must be processed on local funds only. Excess baggage charges for personal belongings are not reimbursable. If fees are incurred for checking state-owned equipment, the fees are reimbursable.
- First-class airfare, preferred seating, and main cabin fees may be reimbursed if it was the only available airfare. A statement must be made explaining the circumstances for claiming first-class airfare.
- Employees may be reimbursed for expenses incurred while qualifying for discount airfares if the extra days at a duty point plus the discount airfare is less than the average coach airfare between the employee’s designated headquarters and duty point (established and documented at the time of securing the reservation) and the employee can be absent from headquarters for the additional days.

E. Coordinating Travel (Four-Per-Car Rule).

When employees from the same agency travel on the same dates with the same itinerary, they must coordinate travel. Only one of the employees riding in the vehicle may be reimbursed for mileage to the duty point. Mileage incurred to meet at a location or pick up other employees may be reimbursed.

F. Parking and Tolls.

- Actual parking expenses may be reimbursed for personally owned, rented or leased vehicles. Itemization must be included on the voucher. Receipts are required. Airport parking reimbursements at rates other than the long-term parking rate charged at El Paso International Airport should include a statement on the voucher as to why the travel arrangement was the most effective, considering all relevant circumstances.
- Actual toll fee expenses may be reimbursed for personally owned, rented, or leased vehicles. Itemization must be included on the voucher. Receipts are required.

G. Railroad, Mass Transit, Taxi or Limousine.

- An employee may be reimbursed for the actual cost of transportation by bus,

subway or other mode of mass transit or taxi. Limousine expenses may be reimbursed only if transportation by limousine was the lowest cost transportation available considering all relevant circumstances and a statement is made on the voucher.

- Expenses must be itemized on the travel voucher by date on a trip-by-trip basis. If two or more employees share expenses, only one may be reimbursed unless a specific charge is imposed for additional passenger(s).
- An employee may be reimbursed for the actual cost of rail transportation. If the fare includes sleeping accommodations or meals, the reimbursement claims for meals or lodging expenses must be adjusted and claimed accordingly. Receipts are required.

H. Private Aircraft.

- See HSCEP OP 79.03 for specific procedures before piloting a personal or leased aircraft. The reimbursement rate is authorized in GAA Article IX § 5.05 (a) or (b).
- There will be no travel approvals awarded after the first travel date for travel by private aircraft (i.e., no after-the-fact approvals).
- If the mode of transportation in a private aircraft has not been approved in advance by the proper dean or vice-president, then all travel expenses will be denied for the trip and the traveler will be charged with vacation time.

I. Transportation Receipt Requirements.

- Official receipts from commercial transportation companies are required except when traveling by bus, subway or other mode of mass transit.
- Receipts must include the airline name, employee name, flight itinerary, ticket number, travel dates, origin and destination (for each flight/leg), airfare amount, an itemization of the charges and the class of air travel, if applicable, along with proof of payment. Use of internet services does not waive any regulations for submitting receipts.
- Emailed receipts sent directly from the vendor (i.e. Southwest, American Airlines, etc.) should be emailed directly to the employee's institutionally provided email account.
- If the receipt has been misplaced, a copy of the actual receipt must be obtained from the transportation company or the traveler will not be reimbursed. A statement must be included declaring why the original is not available.

IV. General Regulations.

A. Travel While on Personal Leave.

When an employee is required to travel to an official duty point while on personal leave, the reimbursement may not exceed the lesser of (1) the amount of the travel expenses incurred while traveling to the duty point, or (2) the amount of the travel expenses incurred from the employee's headquarters to the duty point.

Only a supervisor may authorize travel reimbursement for an employee to return to headquarters from personal or compensatory leave.

B. Medical Care of Traveling State Employees.

A state agency may reimburse the employee for travel expenses incurred while obtaining medical care if the expense is incurred outside the employee's designated headquarters while in official travel status.

C. Travel Expenses Incurred Returning to Headquarters Because of Illness or Personal Emergency.

A state agency may reimburse an employee for travel expenses incurred if returning to headquarters before official state business is completed due to illness or a personal emergency.

D. Attending Funerals.

A state agency may reimburse an employee for travel expenses incurred while attending the funeral of an individual who was a state employee, a board member, or a legislator if the agency determines that the employee's attendance is appropriate and paid to the extent of conducting official state business.

E. Cancellation.

A state agency may reimburse a state employee for a cancellation charge related to a transportation expense that was paid in advance to obtain lower rates and is incurred because the employee was unable to use the transportation because of an illness or a personal emergency which must be documented on the reimbursement voucher.

V. Registration Fees.

A. All registration fees should be paid using the department purchasing card which is the preferred method of payment (see HSCEP OP 72.03, Direct Pay Expenditures, page 7, Section m). Payment requests in TechBuy using the direct pay form – TTUHSC El Paso Registration Fees may be used for processing the payment directly to the vendor if the purchasing card is not an option. If a fee is paid by the traveler in advance or at the conference site, reimbursement may be claimed on the travel voucher when claiming all other expenses. Meal expenses that are part of a registration fee will be reimbursed. Entertainment and other personal expenses are not reimbursable.

B. If the employee requests reimbursement for a registration fee on the travel voucher, and it is after 60 days that the expense was paid or incurred, it is considered a taxable reimbursement and must be submitted through EOPS.

C. Registration cancellation charges are reimbursable if a statement which includes the official business purpose for cancellation is documented. Cancellation charges incurred for personal reasons are not reimbursable.

VI. Recruitment of Students.

Reimbursements for travel expenses incurred while recruiting students outside Texas can only be reimbursed on local funds. (GAA, Article III – 244 Section 7).

VII. Incidental Expenses.

A. Reimbursable Expenses.

The following expenses are reimbursable if they are incurred for an official state business reason for

which a statement is made on the travel voucher. Receipts are required.

- Fax and copy charges
- Freight charges to ship state-owned equipment or materials
- Gasoline charges for rental or state-owned vehicles
- GPS device on local funds only if absolutely necessary (i.e., not staying at the conference hotel)
- Miscellaneous materials/books purchased at a conference
- Official telephone calls itemized by date, purpose and amount
- Passport/visa charges, departure taxes and inoculations for foreign travel
- Repair charges when a state-owned motor vehicle is used
- Traveler's check charges only if required by the agency
- U.S. currency exchange charges for foreign currency and vice versa.

B. Non-Reimbursable Expenses.

- Alcoholic beverages on all accounts
- Baggage charges (excess) for personal belongings
- Expenses that do not relate to official state business, i.e.
 - Southwest "Business Select" flights which entail an extra fee for early boarding, extra Rapid Rewards credits and a complimentary cocktail
 - Early Bird Check-in Fee
- Expenses that are related to the operation of a personally owned vehicle, excluding parking/toll fees
- Hotel occupancy tax when the employee does not claim the exemption
- International Health and Medical Evacuation (MEDEVAC) Insurance
- Kennel expense for a pet while on official travel
- Medical supplies (i.e., aspirin, flu medication, etc.)
- Personal expenses (i.e., dry cleaning/laundry, movie rentals, etc.)
- Tips or gratuities on all accounts except local funds.
- Roadside Assistance fees added to vehicle rental.