

## Travel/Business Expenses

This information outlines the general guidelines regarding travel expense reimbursement and answers the most frequently asked questions. The Business Services' Travel Clerk is available to answer your questions and provide more detailed information at 507-389-5006 or visit the travel website at: <http://www.mnsu.edu/busoff/travel/index.html>.

## Prior Approval

### Do I Need Prior Approval To Travel Out-Of-State?

Yes, the President needs to sign and approve all out-of-state travel.

## Purchasing Card

### What Business Expenses / Travel Expenses Can I Put On The Purchasing Card?

Purchases shall be permitted for items pertaining to your department/business program needs. This can include materials and supplies, memberships, subscriptions, rentals, advertising and minor repairs. With the necessary prior approval by your department, airfare, conference registration fees and actual hotel room/lodging expenses may be permitted. The Purchasing Card Coordinator is available to answer your questions and provide more detailed information at 507-389-2269 or visit the purchasing card website at: <http://www.mnsu.edu/busoff/purchasingcard/index.html>.

## Meals

### What Are The Maximum Meal Allowances?

Employees are to claim actual expenses for meals, but reimbursement, including tips, may not exceed the maximums. Maximum rates are set by labor negotiations and the Department of Employee Relations. These rates may change for any or all of the different unions each time the contracts are renegotiated. Meals exceeding these maximums require the filing of a special expense form prior to the event.

The following rates are effective for the period from July 1, 2009, through June 30, 2011:

	AFSCME	MMA, MNA, MAPE, Commissioner's Plan, Commissioner's Plan, IFO, MSUAASF, Managerial Plan, Administrators
Breakfast	\$ 7.00	\$ 7.00
Lunch	\$ 9.00	\$ 9.00
Dinner	\$14.00	\$15.00

Reimbursement Rates for High Cost Metro Areas			
	AFSCME	MMN, MNA, MAPE, Commissioner's Plan	IFO, MSUAASF, Managerial Plan, Administrators
Breakfast	\$ 7.00	\$ 8.00	\$10.00
Lunch	\$ 9.00	\$10.00	\$12.00
Dinner	\$14.00	\$17.00	\$20.00

High Cost Metro Areas	
Atlanta, GA	Baltimore, MD
Boston, MA	Chicago, IL
Cleveland, OH	Dallas/Fort Worth, TX
Denver, CO	Detroit, MI
Hartford, CT	Houston, TX
Kansas City	Los Angeles, CA
Miami, FL	New Orleans, LA
New York City	Philadelphia, PA
Portland, OR	St. Louis, MO
San Diego, CA	San Francisco, CA
Seattle, WA	Washington, D.C.
Also any location outside the contiguous 48 United States	

### When Am I Eligible For Meal Reimbursement?

- Breakfast – In travel status overnight or when the trip begins before 6:00 a.m.
- Lunch – In travel status AND more than 35 miles from work station through the normal lunch period.
- Dinner – In travel status overnight or when the trip ends after 7:00 p.m.
- Times of departure and return must be indicated on the expense report for all meal reimbursement requests.

When the University is paying the cost of commercial transportation, conference registration, or hotel lodging and a meal is included as a part of the travel/conference/lodging, employees are not eligible to be reimbursed for the same meal.

When traveling to a high cost metro area, the higher meal allowance is not allowed until you arrive at your destination city. The higher meal allowance is allowed up until your departure.

## Lodging

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### **What Are The Maximum Lodging Allowances?**

There is no rate schedule, but reimbursement is limited to the single room rate at a reasonably priced licensed lodging facility. Inquire about government rates when making reservations.

### **Are Receipts Required To Claim Lodging Reimbursement?**

The original itemized lodging receipt showing the detail of charges including room rate and tax is required.

### **What If Two Employees Share Accommodations?**

Each employee may claim one-half of the lodging expenses. You will not be reimbursed for expenses incurred by another employee even if you did pay for his/her share. Each employee is required to submit his/her expenses on his/her own expense report with receipts. When employees share accommodations, one employee submits the original receipt and the other submits a copy, each claiming half the room rate and cross-reference the name of the employee with whom the room was shared.

### **What Amount Of Lodging Reimbursement Will I Be Allowed To Claim If My Spouse Accompanies Me?**

The State of Minnesota allows reimbursement at the single rate. The employee should have the establishment certify the single rate on the receipt.

### **Will I Be Reimbursed For Lodging If I Spend The Night With Friends Or Relatives?**

No, the State of Minnesota does not allow reimbursement when lodging with friends or relatives.

## Vehicle Expenses

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### **Does Minnesota State University Mankato Have A Motor Pool?**

Yes. Employees are encouraged to utilize the Motor Pool whenever practical. Contact Facilities Services at 507-389-5466 to make a reservation or 507-389-5649 for general information. You may also make reservations online at: <http://fmp.mnsu.edu/vehicles/online.lasso>.

### **What Is The Rate of Reimbursement For Using My Personal Car On State Business?**

The following rates are effective for travel effective January 1, 2009:

- 48.0¢ per mile when the employee elects to use a personal car when a motor pool car may have been available. This rate also includes all out-of-state travel.
- 55.0¢ per mile when a motor pool vehicle was not available. A release slip from the motor pool coordinator is required.

Mileage shall be paid based on the most direct route. Minnesota State University, Mankato, cannot pay for an employee to drive to their primary work location; therefore, when traveling, please list the mileage with the most direct route whether that be from your home location or work location. Mileage from MSU to the airport is 80 miles.

When an employee elects to drive a personal vehicle rather than fly, reimbursement for personal vehicle use in lieu of airfare is at the lower reimbursement rate and shall not exceed the lowest round trip coach airfare. Employees utilizing this option must include with their expense report an airfare quote dated at least two weeks prior to the trip. Your expenses by personal car cannot exceed this quote and you will be reimbursed the lesser of the two amounts.

### **May I Claim Reimbursement For A Rental Car?**

Yes, a rental car may be considered if business travel is required and public transportation is clearly not adequate or expected to be more expensive. Rental car usage requires justification (indicating why a rental car was used instead of public transportation) on the Request for Approval of Out-of-State Travel.

If a rental car is necessary, employees must rent from the state's contract rental car vendor – Enterprise Rent-A-Car Company. The State has entered into nationwide contracts with Enterprise that have full insurance coverage built in; therefore, additional insurance should not be purchased when renting through Enterprise. The cost of any additional coverages will not be reimbursed.

- State of Minnesota Account #N25259 for business travel in Minnesota, Wisconsin, Iowa, Illinois, North Dakota and South Dakota. The contract can be found at: [http://www.mmd.admin.state.mn.us/pdf/V-33\(5\).pdf](http://www.mmd.admin.state.mn.us/pdf/V-33(5).pdf).
- National Account (outside MN) #NA19MIN for business travel other than states listed above. The contract can be found at: [http://www.mmd.admin.state.mn.us/pdf/V-38\(5\).pdf](http://www.mmd.admin.state.mn.us/pdf/V-38(5).pdf).

If a rental car is necessary, and Enterprise is not available, use of another vendor requires that the employee purchase the liability and physical damage coverage offered by the rental company. Employees will only be reimbursed for the cost of the liability and physical damage coverage. The purchase of any other operational coverages will not be reimbursed.

It is the employee's responsibility to ensure he/she is making the correct rental car arrangements. If there are questions regarding rental contracts or insurance options, the employee should check with the Department of Administration, Risk Management Division prior to making arrangements.

## Airfare Expenses

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### May I Claim Reimbursement For Airfare?

Yes, but the amount is limited to the lowest round-trip airfare available on the day the trip request was approved.

### How Do I Purchase Airline Tickets In Advance?

All commercial travel tickets for staff members traveling on official University business should be charged by utilizing the University individual or department purchasing card. If that is not possible then an electronic purchase order should be processed and the ticket will be charged through the University Purchasing Office. If your travel plans change and you are unable to go on the trip, it is your responsibility to obtain a credit memo or voucher through the travel agency. Notify the Business Services Office at 507-389-2269 with that information.

### Lowest Fare

Inquiries on fares and reservations should be made early enough to take advantage of advance purchase discounts.

### Travel Insurance

Travel insurance coverage purchased by employees is not a reimbursable expense.

### Upgrades

Upgrades at the expense of Minnesota State Colleges and Universities are not permitted.

### Excess Baggage

Travelers will be reimbursed for excess baggage charges only when the traveler is required to have on hand equipment, books, reports, etc. which cause him/her to exceed the normal weight limitations.

## International Travel

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### Are Receipts Required For Reimbursement Of International Travel Expenses?

Receipts are required for the same expenses as domestic travel. Claims should be converted to U.S. Dollars at the exchange rate in effect at the time the travel occurred. Please provide documentation verifying the exchange rate such as a foreign currency exchange receipt or a credit card billing statement. For assistance in currency conversation you may use the following website: <http://www.xe.com/tec/>.

All international travel requires approval in advance on the Request for Approval of Out-of-State Travel which can be found at the following website: <http://www.mnsu.edu/busoff/travel/forms/index.html>.

Expenses incurred and paid directly by the travelers are converted into U.S. dollars at the actual exchange rate, supported by receipts such as a foreign currency exchange receipt or a charge/credit card billing statement. When more than one exchange of the same type of foreign currency is made during the reporting period, a weighted average exchange rate must be used. All expenses must be recorded in U.S. dollars with the currency conversion rate clearly noted on the expense report and on all support receipts. If the amount claimed on the expense report is more or less than the amount on the attached receipts, a written statement explaining the difference must accompany the expense.

Employees must not travel to countries for which a travel advisory has been issued by the United States Department of State. Check for Travel Warnings at [http://travel.state.gov/travel/cis\\_pa\\_tw/cis\\_pa\\_tw\\_1168.html](http://travel.state.gov/travel/cis_pa_tw/cis_pa_tw_1168.html).

## Special Expenses

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Special expenses include, but are not limited to:

1. Meals exceeding the maximum allowance.
2. Meals within 35 miles of the workstation.
3. Conference fees in excess of \$1,000.00.
4. International travel.

Expenses NOT covered include:

1. Refreshments or meals for routine staff meetings.
2. Private club memberships.
3. Entertainment and alcoholic beverages.
4. Employee parties (including holiday parties).

Employees requesting reimbursement of special expenses must request approval on the Request to Incur Special Expense form which can be found at the following website: <http://www.mnsu.edu/busoff/travel/forms/index.html>.

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## Employee Expense Reports

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Reimbursement for business travel expenses is requested on the Employee Expense Report. It is to be authorized by the employee and the employee's supervisor.

Submit the approved original Employee Expense Report to Business Services WA236 for payment.

- Original receipts are required for all expenses except meals, parking meters, and taxi.
- Canceled checks, photocopies, and credit card receipts and statements are not acceptable receipts.

Reimbursements/Advances are included in the employee's paycheck. Because they follow the payroll cycle, please allow three to four weeks for processing.

Each employee will be reimbursed only for his/her own expenses.

The Internal Revenue Service (IRS) requires employee business expenses to be submitted for reimbursement within 60 days after the expense is incurred. If not submitted within 60 days, the reimbursement becomes taxable for federal, state, FICA and Medicare; and withholding tax must be taken. Because of this requirement, it is important that all employees submit their requests for reimbursement promptly. Not doing so is an additional cost to both the employee and the university as the university must match the FICA and Medicare taxes paid by employees. The withholding taxes can add up to nearly 40% of your reimbursement request.

At the close of the fiscal year all travel expense reports must be received in Business Services according to established due dates (usually July 15th) to be recorded with the proper fiscal year.

## Travel Advances

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### **May I Request A Travel Advance?**

Yes; however, the use of state credit cards for authorized business expenses is strongly encouraged. If your anticipated reimbursable expenses exceed \$50.00, you may request a travel advance. The amount of the advance should not include any expense that will be billed directly. An employee may have only one outstanding advance at any time.

### **How Do I Request A Travel Advance?**

Submit a completed Request for Approval of Out-of-State Travel to Business Services at least four weeks prior to departure.

### **How Do I Settle A Travel Advance?**

After your trip is completed, and within five days of your return, submit an Employee Expense Report indicating the actual expenses and include the original receipts. Any excess advance funds will be taken out of the employee's paycheck. A Travel Advance not settled within 28 days of the return date will be deducted from the employee's paycheck.

## Questions?

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Please feel free to call Tami Galema-Liebl in Business Services, 236 Wigley Administration, 507-389-5006, if you have any questions.

Please keep in mind that most regulations are the result of legislative action, and changes to those regulations are through labor negotiations and legislative process. Maximum rates are set by collective bargaining agreements and the Department of Employee Relations, and may change for any or all of the various bargaining units each time the contracts are renegotiated.