

DATE: June 24, 2002

TO: University Community

FROM: Business Services

RE: Changes in APL #26 – Travel and Expense Reporting

**Major revisions** have been made to Administrative Practice Letter (APL) #26. The current revision is dated 6/13/02. All travelers should acquaint themselves with it prior to traveling. Failure to do so may jeopardize reimbursement requests and put the traveler in violation of University policy and/or IRS regulations.

Some of the changes and additions are outlined below. Please refer to <http://maine.maine.edu/~oft/apl26.pdf> for a copy of APL #26. All APL's may be accessed via the Business Services web site at:

<http://www.usm.maine.edu/bus/>

#### APPROVAL OF TRAVEL

An individual must obtain their **supervisor's** approval for travel prior to a trip.

#### USE OF CREDIT CARDS

“The University has agreements with American Express to provide no-annual fee card service to university employees. Each card account is established in the employee's name and monthly statements are mailed to the cardholder's billing address. These are personal liability cards whereby charges are billed to the employee and must be paid to the employee. These cards are intended for official business use only and the University will reimburse such charges to the employee by the *Travel Expense Voucher*... balances on the American Express card are not reported on personal credit records.”

Some other advantages of using the corporate American Express Card are:

- Car rental loss & damage for a flat fee of \$4.00 (currently paid by Business Services),
- Business travel accident insurance,
- Baggage insurance, and
- Check cashing service.

The American Express card provided by the university is a personal credit card, but it should **ONLY** be used for business purposes.

#### USE OF PURCHASING CARDS

“Purchasing Cards can be used for various types of purchases. At the discretion of the chief financial officer at each university, charges may include travel. Responsibility for payment is different for the Purchasing Card than it is for the American Express card. While both cards are to be used for **business purposes only**, charges to the American Express cards are an individual's liability and the Purchasing Card is the University's liability.

## MEALS – (Greater detail in APL #26)

### Per Diems

Travelers may request reimbursement for certain expense using an allowable per diem rate. Per diem for meals is \$30/day. Travelers **MUST** document date, location, and business purpose of the travel on the *Travel Expense Voucher*. Once selected, the per diem method must be used for the entire travel period (i.e., a traveler may not use the per diem method one day and the actual expense method another day.) Note: there is a deduction for partial days of travel and for meals provided by others. The schedule is in APL #26, page 5.

### Actual

The University will reimburse travelers **up to a limit of \$40 per day** per person. Travelers must submit an **original receipt for ALL meal expenses**. Restaurant tear slips will not be accepted. The University requires travelers to submit an **itemized receipt** when one is available. Tips are reimbursable up to 15% rounded up to the next dollar. If there is a case in which the restaurant requires a tip greater than 15%, the traveler may pay the required amount. Meals are reimbursable when an **employee is on business** and away from home **overnight**. Otherwise, meal expenses of employees are generally a personal responsibility. Exceptions to this rule are:

- Meals at conferences or workshops
- Meals at luncheon meeting to carry out business
- Meals incurred when a search committee member hosts a candidate for a position
- Meals incurred when hosting a visitor

### LODGING

All lodging expenses should be listed on the *Travel Expense Voucher*. If a guest is occupying the room with the traveler, the single rate occupancy will be the reimbursable amount.

### AIR TRAVEL

The University will reimburse travelers for economy fares only. The University will not reimburse travelers for the purchase of travel life or accident insurance.

### GROUND TRANSPORTATION

Travelers will not be reimbursed for any fines incurred when using rental, personal or university cars. Fines become part of the driver's record and are not the responsibility of the University. Fees for bridges, highway tolls, ferries, parking etc., incurred while conducting university business are reimbursable and should be recorded on the *Travel Expense Voucher*.

### USE OF UNIVERSITY CARS/CAR RENTAL

Liability insurance coverage is provided on all university owned and leased vehicles.

Cars should be rented based on a demonstrated need (i.e., no other form of transportation can be provided – pool car, public transportation, etc.). Physical damage insurance coverage should be obtained using the least expensive option. Liability insurance coverage is provided by the System for rental cars rent and used for university purposes.

## USE OF PERSONAL CAR

The University provides no physical damage insurance coverage and no liability insurance coverage for person cars. It is the responsibility of the driver and the university will not reimburse a traveler or the insurance company for any deductible, liability claim, or damage to the vehicle.

## PHONE USE

University travelers are encouraged to use the lowest cost practical for making business related toll calls.

## TRAVEL ADVANCES

Employees are allowed travel advances of **\$500 maximum** for any domestic trip and **\$1000 for international trips**. One cash advance is permitted per trip and will be no sooner than 5 business days prior to the trip. There is a revised Travel Advance Request/Receipt form at: <http://usm.maine.edu/bus/trvladv.pdf>

## EXPENSE ACCOUNTING

All expense of the trip should be included on the *Travel Expense Voucher*. Amounts paid by the traveler should be detailed under the Expenses Incurred by Traveler section. Amounts paid by the University, via a purchase order or the University Purchasing Card, should be detailed under the **Expenses Paid by University** section and also entered in the appropriate expenditure column.

Meals, tips, room service, parking, and local telephone calls charged on **the lodging bill** must be separately reported on the *Travel Expense Voucher* – **itemized by day**.

The traveler is to complete the *Travel Expense Voucher* and submit it to the approving authority/**employees supervisor within 5 business days** upon returning from a trip if a travel advance was issued to the traveler. If there was not travel advance, a traveler is expected to submit reimbursement requests **within 30 days**.

An exception to the 30 day requirement may be made when the total expenses have not exceeded \$125. Such expenses should still, however, be submitted for reimbursement **within 90 days**.

A quick summary:

- Approval to travel from **employee's supervisor**
- **Original receipts** required to be submitted with the *Travel Expense Voucher* (USM requires a copy if payment is made by a Purchasing Card)
- Expenses **itemized by day** on the *Travel Expense Voucher*
- **Receipt required for ALL meals** – Total for meals not to exceed **\$40 per day** (Per Diem currently \$30/day – no receipts required)
- **Overnight stay required** for meal reimbursement (exceptions apply)
- Include all **Expenses Paid by University** on the *Travel Expense Voucher* and categorize them.
- The *Travel Expense Voucher*, in MS Excel format: <http://www.usm.maine.edu/bus/usmtevinst.htm>
- The *Travel Expense Voucher*: Approved by the **employees supervisor** or his/her designee
- The revised *Travel Advance Request/Receipt* form is at: <http://usm.maine.edu/bus/trvladv.xls> or <http://usm.maine.edu/bus/trvladv.pdf>

And of course, all *Travel Expense Vouchers* are subject to audit by internal and external auditors.