Travel Fundamentals

Marc Benadiba
Associate Controller, Fiscal Services
September 9, 2014
Agenda

- CSU Travel Policy and Scope
- Traveler and Approver Responsibilities
- Travel Pre-Authorization Requirements
- Travel Reimbursements
- CSU Travel Policy and Reimbursement Rates
- International Travel and Taxability with Personal Use
- General Travel Reminders
University travel is conducted in accordance with the CSU Travel Policy, released by the Chancellor’s Office in 2011
Who is subject to this Policy?

- Cal Poly – University
- Cal Poly – Corporation
- Cal Poly – Foundation
- Cal Poly – ASI

EVERYONE!

Including Students!
Traveler’s Responsibilities

- Receive documented pre-authorization to travel, which includes purpose and inclusive dates of trip
- Submitting a travel claim for reimbursement the traveler makes the following explicit certifications
  - Travel was for official university business
  - Actually spent the amount for listed expenses
  - Has verified the amount due is accurate
  - Has not and will not seek reimbursement for amounts previously reimbursed
Travel Policy

Approving Authority Responsibilities

- Reviewing and approving the business purpose and ensuring the request is in compliance with any applicable sponsored project/grant requirements
- Approving/denying payment of the travel claim in a timely manner
- Denying expenses not directly related to official University business
Travel Policy

All Travel Must be Pre-Authorized

- Source of funding does not change requirement
- Travel pre-authorization is documented via the Travel Pre-Authorization Form (1A)
- Department retains the Form 1A
- Form 1A copy is forwarded to the Travel Office prior to travel only if a Travel Advance is required
- Form 1A must accompany the Travel Claim Form when submitted to the Travel Office for processing
Meal Reimbursements for Domestic Travel

- CSU Travel Policy allows traveler to claim actual meal expenses incurred up to a $55 cap per day
- Meals do not need to be substantiated by a receipt unless the individual meal is $25 or more
- Per the CSU Travel Policy, the $55 cap shall not be treated as a per diem
  
  Example: If you spent $10/$15/$20 on breakfast/lunch/dinner, then you should only be claiming $45 in meals for the day, not $55
Travel Policy

Meal Reimbursements for Domestic Partial-Day Travel

- **Departure Day Travel**
  - If you leave prior to 8am, you can claim up to $55
  - If you leave prior to 12pm, you can claim up to two-thirds of the
    $55 maximum ($36.66)
  - If you leave prior to 6pm, you can claim up to one-third of the
    $55 maximum ($18.34)
Meal Reimbursements for Domestic Partial-Day Travel

- **Arrival Day Travel**
  - If you return after 9am, you can claim up to one-third of the $55 maximum ($18.34)
  - If you return after 2pm, you can claim up to two-thirds of the $55 maximum ($36.66)
  - If you return after 6pm, you can claim up to $55 in meals expenses
Travel Policy

Meals for < 24 Hour Travel

- If travel includes an overnight stay then meal expenses incurred may be reimbursed up to the $55 cap
- If travel does not include an overnight stay then breakfast and dinner expenses incurred may be reimbursed up to the $55 cap and will be treated as income for payroll tax purposes
- Under no circumstances will lunch expenses be reimbursed for < 24 hour travel
Travel Policy

Incidental Reimbursements for Domestic Travel

- Reimbursement for incidental expenses incurred are capped at $7 per day
- No incidental expense reimbursement for the first day of travel

Examples:
Incidentals can include tips to baggage carriers, mailing costs, hotel business center charges, etc.
Travel Policy

Lodging Reimbursements for Domestic Travel

- Actual lodging expenses may be claimed
- Expenses claimed should be reasonable
- Detailed receipts are always required
- Nightly rate, excluding taxes, cannot exceed $175 unless supported with justification and pre-approval
  - >$175 justification is documented and approved on the Travel Pre-Authorization Form
Travel Policy

Mileage Reimbursements-Domestic Travel

- Mileage is reimbursed at 56 cents per mile
- Rate includes reimbursement for fuel, insurance, registration and wear and tear
- Travelers using a private vehicle should not submit actual fuel charges for reimbursement (only allowed for rental car arrangements)
- In order to travel using a privately owned vehicle you must have an “Authorization to use Privately owned vehicle on State Business” on file in your department
Travel Policy

International Travel

- Significantly different than domestic travel
- Meals and incidentals are combined per day and claimed for amounts incurred up to the published federal government per diem
  - No receipts required
- Lodging expenses incurred are claimed up to the published federal government per diem
  - Receipts always required
- The per diem amounts should be used as a cap
- The Federal government per diems can be found at the bottom of the Travel Claim Form
Travel Policy

Meal Reimbursements for International Partial-Day Travel

- For partial days, hours should be rounded to the nearest quarter day and then applied to the applicable federal per diem rate:
  - 3 hours up to 9 hours equals 1/4 day or 25%
  - 9 hours up to 15 hours equals 1/2 day or 50%
  - 15 hours up to 21 hours equals 3/4 day or 75%
  - 21 hours up to 24 hours equals 1 day or 100%
Travel Policy

International Travel

- Authorization to travel internationally must be obtained through the Cal Poly International Center (CPIC) prior to making any arrangements.
- CPIC’s web site contains the required pre-authorization documents and walks the traveler thru the process step by step.
- Due to an elevated level of risk and higher cost, international travel must be planned well in advance.
  - See CPIC’s website for planning timeframes.
Travel Policy

International Travel Approvals

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☐ In accordance with CSU Policy, this travel serves mission-critical needs for the University.

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International Travel Requires the Following Additional Approvals:

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Travel Policy

International Business Travel Combined with Personal Travel

- Depending on the amount of personal travel days that you combine with your Cal Poly travel, some of your travel costs could be subject to income tax.

- The CSU has adopted IRS standards to determine when and if the combination of personal and business travel creates a taxable event for the traveler.
Travel Policy

According to the IRS there is a taxable event if both of the following conditions are met:

- The total period of the trip is longer than one week and
- At least 25% of the trip is personal
Travel Policy

Travel Claim Form reminders

- List any Travel Advances received
- List the time **AND** date of departure and arrival
- Submit Travel Claim Form and Travel Pre-Authorization Form within 10 days of trip return
- Include travel expenses not incurred by the traveler (aka direct bill charges):
  - Airfare through Giselle’s Travel
  - Rental car from Enterprise
  - Conference Fees paid via University ProCard
Travel Policy

Reference Materials:

- Cal Poly Travel Web Page
  http://afd.calpoly.edu/fiscalservices/travel.asp?pid=1

- Cal Poly Forms
  http://afd.calpoly.edu/fiscalservices/forms.asp

- Sample Travel Claims
  - United States Travel – SLO to San Diego
  - International Travel – SLO to UK
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AFD Business Connection

Thank you for attending!