ABC 2016 Fall Summit

Travel Fundamentals

Marc Benadiba & Suzanne LaCaro
AFD
September 2016

abc.afd.calpoly.edu
Agenda

- CSU Travel Policy and Scope
- Traveler and Approving Officials
- Travel Pre-Authorization Requirements
- Travel Advances
- Travel Reimbursements and Rates
- Personal Travel Combined with Business Travel
- International Travel and Taxability
- General Travel Reminders
Policy Overview

- 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!
Travel Policy

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
  - Verified the amount due is accurate
  - Has not and will not seek reimbursement for amounts previously reimbursed
Travel Policy

Approving Officials

- Who is considered an approving official?
  - Employees with the following employment classification or higher with chartfield authority over the funds being used:
    - Department Head
    - Department Chair
    - MPP
    - Confidential

Note: University Campus Program funds and Cal Poly Corporation Funds may have different approval protocol on file
Travel Policy

Approving Official Inquiries

- The approving official should have an understanding of the purpose of the travel in order to ensure the following:
  - Is the trip required for the individual’s job?
  - Is there any personal travel being included with the reimbursement request?
  - Is the travel being conducted in the most cost effective manner. e.g. is the trip cost going up considerably due to poor planning?
  - Is the traveler taking the most direct route?
  - Are there any upgrades included?
Travel Policy

Approving Official Responsibilities

- Reviewing business purpose for the trip
- Ensuring the request is in compliance with the CSU Travel Policy
- Ensuring funding sources used allow the types of expenses submitted
- 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
- Entity issuing travel reimbursement doesn’t change requirement. e.g. CPC, CPF, CPSU
- 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
<table>
<thead>
<tr>
<th>Employee Name:</th>
<th>Empl ID:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department:</td>
<td>Phone:</td>
</tr>
<tr>
<td>Departure/Return:</td>
<td>Date</td>
</tr>
<tr>
<td>Destination:</td>
<td></td>
</tr>
<tr>
<td>Purpose of Trip:</td>
<td></td>
</tr>
<tr>
<td>☐</td>
<td>If your travel is within California you must complete the Transient Occupancy Tax Waiver (next page)</td>
</tr>
<tr>
<td>☐</td>
<td>My per night lodging expenses will exceed $275, excluding taxes and fees. Please include justification below.</td>
</tr>
<tr>
<td>☐</td>
<td>My travel expenses submitted for reimbursement will include expenses for my spouse or registered domestic partner. Travel expense claim must include documentation to demonstrate the spouse or registered domestic partner attendance served business purpose and he/she played a significant role in the proceedings or made an important contribution to the event. Please include an event or meeting agenda or a letter of invitation requesting the spouse's or registered domestic partner's attendance.</td>
</tr>
<tr>
<td>☐</td>
<td>I am driving a private vehicle and have completed an to Use Privately Owned Vehicle Form (Form 261)</td>
</tr>
<tr>
<td>Vehicle License #:</td>
<td></td>
</tr>
</tbody>
</table>
Travel Policy

Travel Advances

- Travel Advances are requested via the Form 1A
- Advances must be requested at least 15 days prior to your departure date.
- Advances may not be requested more than 30 days prior to departure date unless the advance is being requested to secure better pricing and the funds will be spent.
  - Note: advances requested > 30 days in advance require a written justification
Travel Policy

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 cost of the meal is greater than $40
  - Applies to all travel expenses, not just meals
- Per the CSU Travel Policy, the $55 cap shall not be used 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
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)
Travel Policy

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.
Lodging Reimbursements for Domestic Travel

- Lodging expenses are claimed
- Expenses claimed should be reasonable
- Itemized hotel receipts are always required.
- Nightly rate, excluding taxes, cannot exceed $275 unless supported with justification and pre-approval
  - >$275 justification is documented and approved on the Travel Pre-Authorization Form, or on a memo attached
  - Example justification: The conference rate for the hotel attended exceeded $275
Travel Policy

Mileage Reimbursements-Domestic Travel

- Mileage is reimbursed at 54 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
<table>
<thead>
<tr>
<th>Claimant's Name</th>
<th>Residence Address (Non Employees Only)</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Traveler</td>
<td>☐ Faculty</td>
<td>☐ Staff</td>
<td>☐ Management</td>
<td>☐ Student</td>
</tr>
<tr>
<td>EmpID (not SSN)</td>
<td>Department</td>
<td>Telephone #</td>
<td>Vehicle License #</td>
<td>Mileage Rate Claimed</td>
</tr>
<tr>
<td>Travel Destination (city &amp; state, or city &amp; country)</td>
<td>Purpose of Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departure and Arrival</td>
<td>City and State or City and Country where expenses were incurred</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Time</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Travel Meals Costs</td>
<td>Domestic Meals Total</td>
<td>Domestic Travel Incidental Expenses</td>
<td>Domestic Travel Incidental Expenses</td>
<td>Lodging Cost</td>
</tr>
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<tr>
<td>TOTAL EXPENSES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STATE (CPSU, including University Campus Programs)</td>
<td>Fund</td>
<td>Dept#</td>
<td>Account</td>
<td>Program</td>
</tr>
<tr>
<td>Expenses paid by traveler’s ProCard (University Advancement only)</td>
<td>197803</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAL POLY CORPORATION (CPC)</td>
<td>Org Key</td>
<td>Object Code</td>
<td>Amount</td>
<td>CPC Advance Received</td>
</tr>
<tr>
<td>Expenses paid by traveler’s CPC ProCard</td>
<td>1989800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRAVEL EXPENSES PAID ON YOUR BEHALF - Direct Billed</td>
<td>Notes:</td>
<td>Airfare Costs</td>
<td>Conference Fees</td>
<td>Rental Car Expenses</td>
</tr>
<tr>
<td>(You are not claiming these expenses for reimbursement. They have been paid via Enterprise, Giselle’s, ProCard, etc.)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>TOTAL COST OF AUTHORIZED EXPENSES</td>
<td></td>
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</tbody>
</table>
## Miscellaneous Expenses

- Only list expenses that do not fit into another category and list all expenses separately. All Misc. Travel Expenses over $40 must have a receipt submitted.

<table>
<thead>
<tr>
<th>Date</th>
<th>Miscellaneous Expenses - only list expenses other than meals, domestic travel incidental expenses, foreign travel meals &amp; Incidental expenses, lodging and airfare costs. Dates pulled from Departure and Arrival section on page 1. List all expenses before departure on the departure date.</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/16</td>
<td></td>
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</tbody>
</table>
I hereby certify that the above is a true statement of the travel expenses incurred by me in accordance with applicable California State University procedures and that all items shown were for the official business of The California State University. If a privately owned vehicle was used, and if mileage rates exceed the minimum rate, I certify that the cost of operating the vehicle was equal to or greater than the rate claimed, and that I have met the requirements as prescribed by SAM Sections 0750, 0752, 0753 and 0754 pertaining to vehicle safety and seat belt usage.

<table>
<thead>
<tr>
<th>CLAIMANT'S SIGNATURE</th>
<th>DATE</th>
<th>APPROVING OFFICIAL SIGNATURE</th>
<th>DATE</th>
<th>PRINT NAME</th>
<th>PRINT NAME FOR APPROVING OFFICIAL</th>
<th>TITLE</th>
</tr>
</thead>
</table>

Rates for Lodging, Meals and Incidental Expenses vary depending on whether you are traveling in the U.S. or internationally

Rates for U.S. travel: See grid on the "Rates" tab

Rates for international travel: [http://aoprals.state.gov/web920/per_diem.asp](http://aoprals.state.gov/web920/per_diem.asp)

Revised 3/16/15
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 and must be approved by the Provost.

- 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.
Traveler:

________________________  ________________________  ______________
signature                  print name                   date

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

Approving Official‡

________________________  ________________________  __________________
signature                  print name                   print title           date

International Travel Requires the Following Additional Approvals:

Dean

________________________  ________________________  ______________
signature                  print name                   date

Provost

________________________  ________________________  ______________
signature                  print name                   date

‡ Must have signature authority on chartfields listed, and hold an employment classification of MPP, Dept. Head, Dept. Chair or Confidential
<table>
<thead>
<tr>
<th>Departure and Arrival</th>
<th>Domestic Travel/Metals Costs</th>
<th>Foreign Travel Meals &amp; Incidental Expenses</th>
<th>Lodging Cost</th>
<th>Airfare Cost</th>
<th>Private Car Use</th>
<th>MISC. Travel Expense (Enter on 2nd Page)</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
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<td>D</td>
<td>Total</td>
<td>Meals</td>
<td>Incidental</td>
<td>Cost</td>
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**STATE (CPSU, including University Campus Programs)**

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<thead>
<tr>
<th>Fund</th>
<th>Dept</th>
<th>Account</th>
<th>Program</th>
<th>Class</th>
<th>Project</th>
<th>Amount</th>
<th>CPSU Advance Received</th>
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</thead>
<tbody>
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</tbody>
</table>

Expenses paid by traveler’s ProCard (University Advancement only)

<table>
<thead>
<tr>
<th>Org Key</th>
<th>Object Code</th>
<th>Amount</th>
<th></th>
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</thead>
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**CAL POLY CORPORATION (CPC)**

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Expenses paid by traveler’s CPC ProCard

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</tbody>
</table>

**TRAVEL EXPENSES PAID ON YOUR BEHALF - Direct Billed**

<table>
<thead>
<tr>
<th>Notes</th>
<th>Airfare Costs</th>
<th>Conference Fees</th>
<th>Rental Car Expenses</th>
<th>Other Expenses</th>
<th>Subtotal</th>
</tr>
</thead>
<tbody>
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<td>$0.00</td>
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</table>

**TOTAL COST OF AUTHORIZED EXPENSES**

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>$0.00</td>
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Revised 3/16/15
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 on the Travel Claim Form
- 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
- Any travel expense greater than or equal to $40 requires no receipt (CPC has same standard)
- Do not submit documentation with your travel claim that is not pertinent to audit and payment. PLEASE!
Travel Processing - New Process

- Original travel documents submitted to Payment Services for processing should be scanned and submitted via email*
  - Paper submission still allowed (being phased out)
  - Departments strongly encouraged to send digitally
  - Scan and email can be done via dept. copiers
    - Make sure to have the copier send you an email and then forward the email to our email below. i.e. don’t send directly from copier to Payment Services
    - Make sure the scan is legible, i.e. open the attachment to ensure it’s readable before emailing

*sbs-payment@calpoly.edu
Travel Processing—New Process (cont.)

- One email per document being submitted i.e. if you’re sending 3 travel claims then Payment Services should be receiving 3 emails
- Department should retain original copy of emailed document until payment has been issued by Payment Services

- Communications to notify departments of missing travel documentation will be handled via email
Expediting Your Travel Reimbursement

- Travel claims submitted incorrectly to Payment Services guarantees that your reimbursement request will be delayed.
- 50% to 60% of the claims submitted are incorrect and require the Payment Services staff to follow up with the department.
- Some of the most common problems we experience:
  - Missing or non-itemized receipts
  - Hotel > $275 without authorization
  - Travel Pre-authorization not included with claim
  - Hand entered forms
  - Wrong/old form used
Travel Policy

- Reference Materials:
  - Cal Poly Travel Web Page
  - Cal Poly Forms
    [http://afd.calpoly.edu/fiscalservices/forms.asp](http://afd.calpoly.edu/fiscalservices/forms.asp)
<table>
<thead>
<tr>
<th>Name</th>
<th>Entity</th>
<th>Title</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marc Benadiba</td>
<td>University</td>
<td>Interim University Controller</td>
<td><a href="mailto:mbenadib@calpoly.edu">mbenadib@calpoly.edu</a></td>
<td>756-5864</td>
</tr>
<tr>
<td>Suzanne LaCaro</td>
<td>University</td>
<td>Strategic Business Services Director of Operations</td>
<td><a href="mailto:slacaro@calpoly.edu">slacaro@calpoly.edu</a></td>
<td>756-5190</td>
</tr>
<tr>
<td>Mariann Van Pelt</td>
<td>Cal Poly Corporation</td>
<td>Senior Accounting Manager</td>
<td><a href="mailto:mvanpelt@calpoly.edu">mvanpelt@calpoly.edu</a></td>
<td>756-6487</td>
</tr>
</tbody>
</table>
AFD Business Connection

Thank you for attending!