



LOYOLA UNIVERSITY MARYLAND

— 1852 —

BUSINESS TRAVEL EXPENSES

DIVISION WITH PRIMARY RESPONSIBILITY: Business and Finance

OFFICE FOR ENSURING COMPLIANCE: Financial Services/Accounts Payable

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REVISION HISTORY: N/A

SCHEDULED FOR REVIEW: Annually

POLICY SUMMARY

This Business Travel Expenses Policy (Policy) provides guidelines for Loyola University Maryland's (Loyola's or University's) business related travel expenses. An allowable business travel expense is defined as necessary, reasonable, and appropriate non-compensation expense incurred for a valid business purpose to fulfill the mission of the University. These policies are necessary to ensure the proper and prudent use of Loyola's resources and compliance with federal, state and other external regulations.

REASON FOR POLICY

The purpose of this Policy is to provide specific guidelines covering the University employee's business related travel expenses. The University must follow a number of legal requirements imposed by the Internal Revenue Service (IRS) and federal and state granting agencies in reimbursing business travel expenses. All persons incurring travel expenses on behalf of the University and those who approve travel expense reimbursements are responsible for knowledge of and compliance with University business travel expense policies and procedures. Because it is not possible to anticipate all of the situations that individuals may encounter in conducting Loyola business, these policies are designed to allow for some flexibility in addressing unique circumstances.

As a general guideline, it is expected that individuals will interpret these policies in a manner that keeps expenses to a minimum and fairly assigns the costs of business travel-related activities to Loyola. Accordingly, the primary responsibility for adherence to these policies rests with the traveler as well as with department managers and supervisors who are authorizing and approving travel expenses. Department heads or deans/vice presidents may impose more restrictive guidelines within their division than those outlined here.

STATEMENT OF POLICY

A. TRAVEL

Reimbursement of travel expenses will be based on the following:

- Travel is approved by the direct supervisor of the traveler. For grant related travel, the principal investigator or the Office for Research and Sponsored Programs must also approve travel. (Prior to incurring travel-related expenses, individuals traveling under sponsored project awards are encouraged to contact the Office for Research and Sponsored Programs for guidance regarding approved travel costs.)
- The mode of travel should be the most economical and efficient means reasonably possible. (For example, traveling from Maryland to Florida via bus might be economical, but would significantly increase travel time, and, therefore, be inefficient.)
- Reimbursement for air, rail, rental vehicles, ground transportation, parking and tolls, lodging, meals and incidentals must be evidenced by original receipts or proper documentation.

1. Air and Rail Travel

Travelers are expected to book the lowest available economy class airfare, consistent with business requirements. Business class, first class or Acela Express are not ordinarily allowed and are at the discretion of the applicable vice president, academic dean or the president.

Students must travel economy class regardless of duration or length of the flight or rail travel.

In rare cases, extenuating circumstances may justify the use of business class for trips that do not meet the above conditions. Approval must be obtained in advance, in writing by the applicable vice president, academic dean or the president. Approved exceptions must be documented on the expense report.

Travelers may upgrade the level of service at personal expense or by using their frequent flyer points.

If a penalty is incurred due to a traveler violating ticketing rules, the traveler will be personally responsible for the additional cost. However, penalties for making changes to or not using non-refundable tickets can be reimbursed if the penalty was unavoidable due to business reasons or circumstances beyond the traveler's control.

If part of the business trip is leisure and requires extra bags (e.g., golf clubs), the cost is personal.

i. Domestic Air Travel

Air travel should be restricted to commercial airlines. The class of air travel is expected to be economy class. Employees are encouraged to use www.swabiz.com or a Loyola-approved travel agent to book flights for group travel. Additional information on booking flights can be found in the Travel Procedures.

ii. International Air Travel

All policies pertaining to domestic travel apply to international travel. In addition, individuals or departments traveling abroad must comply with the International Travel Policy and Procedures. Recipients of federal funds, either through federal contracts, subcontracts or federal financial assistance, are required to abide by the provisions of the Fly America Act. (Prior to incurring travel-related expenses, individuals traveling under sponsored project awards are encouraged to contact the Office for Research and Sponsored Programs for guidance.)

iii. **Frequent Flyer Plans and Amtrak Guest Rewards**

Travelers are allowed to personally retain the rewards for frequent flyer plans, Amtrak Guest Rewards and other bonuses that may accrue from business travel. However, the individual should not choose a reservation at a higher cost in order to accumulate additional plan credits. Loyola will not purchase these travel bonuses from individuals or reimburse them for tickets purchased with travel bonuses. Membership fees to join frequent flyer clubs, Amtrak Guest Rewards or the like, are considered a personal expense.

iv. **Changes or Cancellations**

Penalties for changes to an airline or rail ticket for business reasons or circumstances beyond the traveler's control will be reimbursed. If a trip must be changed or canceled, it must be canceled prior to departure to retain value. When applicable, the remaining value of the ticket (less any imposed penalties) should be applied to the next business trip.

Travelers will not be reimbursed for trips canceled, changed, or forfeited (due to failure to cancel prior to departure) for personal convenience.

Unused tickets cannot be used for personal travel.

2. Automobile

Prior to using any vehicle for business travel, please review the University's [Driver Policy](#) to ensure that you are an approved driver and understand the policy in its entirety.

i. **Use of Personal Vehicle**

The University will reimburse employees as a business expense at the [University approved rate per mile](#) when a personal vehicle is used for a business trip. Business mileage does not include the normal commute to and from work. Documentation of personal vehicle travel (mileage reimbursement) must include the reason for travel and the number of miles driven. The traveler will not be reimbursed separately for fuel expenses.

The University assumes no liability for any loss or damage to an employee's vehicle. If an accident occurs when a traveler is using his/her personal vehicle for business travel, the employee's personal automobile liability and physical damage insurance is primary.

ii. **Motor Pool Vehicles**

If travel by motor vehicle is appropriate, employees and students are encouraged to [reserve](#) University motor pool vehicles. Drivers must meet all University transportation authority requirements.

iii. **Rental Vehicles**

In adherence with the University's vehicle insurance guidelines pertaining to vehicle rentals for University business, employees are expected to follow the University Transportation Policy.

Rental vehicles should be used only if less expensive than a taxi, or if a taxi is not available, or if the total rental including fuel will be less than the cost of using a personal automobile.

A traveler is expected to rent a mid-size or smaller vehicle unless a larger car is required by the number of bags, travelers in the University group and/or medical reason. Fuel charges on a rental car will be reimbursed with submission of an original receipt and rental agreement.

Loyola has established contracts with the following rental vehicle providers which offer the University discounted rates and have Loyola's insurance information on file:

- Avis (#A563100)
- Budget (#T557400)
- Enterprise (#XZ18042)
- Hertz (#246747)
- National (##XZ18042)

When renting a vehicle for University business, these providers should always be used (second to motor pool vehicles) when available. Another provider may be used, if one of the providers indicated above is unavailable.

Loyola's insurance will cover the individual, as well as the vehicle, when the vehicle is rented for business purposes; therefore, employees must decline additional insurance coverage offered by the rental company. Employees will not be reimbursed should they select the insurance offered by the rental company.

Employees will not be reimbursed for charges incurred for upgrades such as convertibles, satellite radio, or any other upgrade that is unnecessary for business travel.

3. Ground Transportation

Travelers should use the lowest cost ground transportation consistent with business needs. Many hotels offer free airport shuttles which should be used whenever practical.

4. Public Transportation

Public transportation expenses include the cost of taxis, shuttles, airport vans (or car service), subways, buses, rail and other modes of public transportation. Employees are to use the most economical means of transportation. Loyola will reimburse the traveler for these expenses (including a reasonable tip, not to exceed 20%) while on University business when reasonable and properly documented.

5. Parking and Tolls

Travelers will be reimbursed for tolls and reasonable parking fees. Long-term or lower-cost parking must be used when available.

6. Lodging, Meals and Incidental Expenses while traveling

Travelers should choose a reasonably priced hotel with a single occupancy rate. One day travel, within 50 miles of a regular work location, is not eligible for lodging reimbursement.

a. Lodging

Employees should use standard accommodations in reasonably priced hotels.

Reimbursement requests must be documented by an original itemized hotel bill and receipt and are limited to room and tax and fixed rate internet service, if necessary to conduct University business. Tips for valet, baggage handling, housekeeping, and other services are reimbursable as long as they are reasonable for the type of service provided. To receive reimbursement, an itemized hotel receipt or statement must be submitted.

Except under extenuating circumstances, Loyola will not pay expenses due to an individual's failure to cancel guaranteed room reservations. Individuals are required to cancel reservations in a timely manner to prevent additional or unnecessary charges.

If an individual is attending a convention or conference, using the convention or conference preferred hotel is appropriate, but not required. However, if the individual elects not to stay at the convention or conference hotel, reimbursement is limited to the lower of the actual or conference/convention rate. Should the rate of a conference hotel exceed market rates for the area, travelers are encouraged to stay in a non-conference hotel.

If an employee wishes to extend their stay after business travel for personal use, the employee is responsible for the lodging fees associated with the extended stay.

b. Meals

Travelers will be reimbursed for meals, excluding alcoholic beverages, during a conference, seminar, workshop, presentation or other similar meeting when it extends through the usual mealtime(s) and meals are not provided. It is up to the employee's supervisor to determine whether a per diem rate should be used if the travel incurred includes an overnight stay. The per diem rate for each day is determined by the city in which the overnight period was spent. Employees will be compensated for meals and incidental expenses at the Meals and Incidental Expense (M&IE) rate listed on the

Federal Domestic Per Diem Rate Schedule or [Federal Foreign Per Diem Rate](#) Schedule. No receipts for meal and incidental expenses will be required for reimbursement if the traveler uses the standard per diem rate. If the traveler does not use the standard per diem rate, full documentation and all original receipts are required. As a guideline, actual meal expenses should not be greater than the per diem allowance set by the federal government for the city visited (i.e., domestic per diem per federal government and international per diem per state department). During a single trip, the traveler must use either per diem for all meals all days, or retain receipts for all meals on all days. A combination of the two is not permitted.

Per Diem Rates for Partial Days

In accordance with IRS guidelines, meal and incidental expense rates must be prorated for partial days of travel. A full day of travel is from 12:01AM to 12:00PM (midnight). On the day that a traveler begins or ends travel, one-fourth of the applicable per diem city allowance will be paid for each 6-hour quarter of the day, any portion of which the employee was traveling.

The quarters of the day are:

- 12:00AM (midnight) to 6:00AM
- 6:01AM to 12:00 Noon
- 12:01PM to 6:00PM
- 6:01PM to 12:00AM (midnight)

Travelers who wish to charge meals on their University procurement card cannot use per diem rates. When using a procurement card, all meals must be itemized with documentation submitted to Accounts Payable according to procurement card policies and procedures.

When a meal is paid for by a host or paid for by the traveler as host for a group meal, included in a conference registration fee, covered by another source or when traveling for a partial day, the per diem should be reduced as follows: 20% for breakfast, 30% for lunch, and 50% for dinner. Airline meals or continental breakfasts will not be deducted.

Travelers must use their own discretion as to how they spend their per diem; however, if meals are itemized, alcoholic beverages are not considered a reimbursable expense.

c. Incidental Expenses

- i. **Business Travelers Accompanied by Family Members and Other Companions.**
The University does not provide reimbursement for travel and entertainment expenses of family members and others who accompany University employees on business trips.
- ii. **Personal Business Conducted Before, During or After Business Travel.**

Additional costs incurred for earlier departure or later return are not reimbursable unless the savings in transportation (i.e., airfare) is equal to or greater than the total costs for lodging, meals, etc., incurred during the additional day(s) of travel.

7. Sales Tax

Certain lodging and meal expenses incurred while traveling on University business may be exempt from state sales tax provided the:

- State allows an exemption for meals and/or lodging expenses;
- University holds a state sales tax exemption certificate in the state of travel, where required; and,
- University makes payments directly to the hotel or restaurant using a University procurement card or check.

If, however, a personal credit card is used for travel and small expenses, the University will reimburse for sales tax paid. The preferred method for paying for such expenses is through a Loyola procurement card whether or not sales tax is charged and paid.

There are several [states](#) in which the University currently qualifies for travel related sales tax exemption.

8. Tips Guidelines

The following tips would be considered reasonable and appropriate:

- Skycap: \$2 per bag
- Porters/bell person: \$2 per bag upon check-in/check-out
- Housekeeping service: up to \$2 per day
- Meals: 15%-20% (if not included in the charge)
- Car Service: Tip is generally included in the negotiated rate. If using a non-contracted service, 15-20% is appropriate

B. FAILURE TO COMPLY

Failure to comply with this Policy pertaining to documentation of expenses will result in non-payment of expenses to employees and/or repayment of expenses to the University by the employee. Inappropriate use of University resources may result in other possible consequences as appropriate, up to and including, termination. Supervisors who approve procurement card statements are responsible for ensuring travel expenses are appropriate and business related.

C. SPECIAL SITUATIONS/EXCEPTIONS

Exceptions to this Policy require written approval by the applicable vice president, academic dean or the president or his/her designee.

DEFINITIONS: None

CROSS-REFERENCED POLICIES AND PROCEDURES:

- International Travel Policies and Procedures
- [Transportation Policy](#)
- [Sales Tax Exemption Certificates](#)

- [Travel Reimbursement Form](#)
- Travel Procedures