

UW System Administrative Policy 405 (formerly 1200 (ANS))

# Travel and Expense – General Travel & Expense Policy

Policy

Guidance

**Original Issuance Date:** March 9, 2015

**Last Revision Date:** November 11, 2022

**Effective Date:** July 1, 2020

## 1. Policy Purpose

The purpose of this policy is to establish the general parameters for conducting university-sponsored travel and accounting for expenses.

University travel policies are designed to ensure:

- “University sponsored travel” (<https://uw.foxworldtravel.com/glossary/university-sponsored-travel/>) and related activities are appropriately planned, approved, purchased and paid in accordance with policy
- Budget or funding is available prior to incurring expenses
- Productivity and safety of those traveling on University business
- Fair and equitable compensation for all who travel on University business. Travelers neither personally gain nor lose funds as a result of University business travel
- Compliance with external and internal requirements
- Use of required contracts to consolidate purchasing volume, contain travel costs, achieve best pricing and offer the highest degree of services
- Prudent and efficient use of University resources
- Collection of data to support University decisions for future enhancements & efficiencies

## 2. Responsible UW System Officer

Vice President for Finance and Administration

## 3. Scope

This policy applies to the general operations of University sponsored travel, including the procurement and payment of travel sponsored by the University, regardless of traveler affiliation or funding source.

## 4. Background

This policy has been issued under the authority of the Board of Regents as it relates to the governance of university travel and expense policies created under *Wis. Stat. s. 36.11(56)* ([http://docs.legis.wisconsin.gov/document/statutes/36.11\(56\)](http://docs.legis.wisconsin.gov/document/statutes/36.11(56))).

## 5. Definitions

**University Sponsored Travel:** Travel that is:

- paid for in full or in part by the University;
- paid directly or indirectly by the University;
- organized by the University with participants or sponsors paying;
- organized by others outside the University and paid for by the University;  
and/or
- sponsored by the University in the form of name, organization, communication, management, staffing, transportation, or space provision.

## 6. Policy Statement

The University expects travelers to use UW funds and resources prudently, understand and follow the travel policies and submit timely travel reporting to ensure the University meets all applicable compliance requirements. Business travel expenses will be promptly reimbursed by the University when they are reasonable, necessary and meet policy and compliance requirements.

University travel policies are established through the system wide travel governance process and have been designed to meet the business objectives as defined above. Policies apply to all faculty, staff, visitors, students, guests and other non-University personnel, including consultants/contractors traveling or using funds and/or resources administered by UW System Institutions. As such, all travel policies and operational standards must be consistently applied at each UW System institution.

For travel expenses funded by sponsored programs (e.g. grants or contracts), the terms of the applicable grant or contract will take precedence if more restrictive than University travel policies.

NCAA funded travel has specific requirements, some of which may be less restrictive than University policies or rates. NCAA funded travel will be governed by NCAA policy.

UW Sponsored Events and hospitality are an integral part of the University's business but may or may not have a travel component associated with it. The *Headquarters City & UW System Sponsored Events Policy* (<https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/>) covers requirements and rate maximums for University sponsored events, hospitality and hosted meals. This policy must be consulted prior to the purchase and payment for related goods and services.

## A. Pre-Trip Approval

Prior to making travel arrangements, travelers must obtain approval for business travel from the traveler's designated approving authority. Pre-trip approval requirements vary by institution and often by division/department. It is the traveler's responsibility to follow all internal travel approval procedures prior to making trip reservations. Travel reimbursement prior to employment, following employment contract end, or while on extended leaves (e.g. Leaves with or without pay, sabbatical, research, etc.) is not guaranteed and will need to be approved in advance of incurring costs. Institutions have the authority to approve or deny travel during leaves or during periods of non-employment in accordance with the need for the traveler to represent the institution. Each case will be evaluated by the institution and must be approved at the division level or higher.

## B. Special Considerations for International Travel

While critical in meeting the University's mission, international travel presents certain inherent risks to the University and those that travel on behalf of the University.

Special identification, passport, visa, customs, insurance, and other University, travel industry or government imposed requirements may apply to international travel, whether traveling individually or as a group. Travelers and those departments that arrange travel are responsible for determining what documentation and other special circumstances apply to international travel for the specific destination(s).

Travelers must ensure that any federally funded travel adheres to the Fly American Act/Open Skies Agreement. Other Sponsored Program restrictions, policies, and procedures may apply.

## C. Determining the Appropriate Mode of Transportation

The approving authority has responsibility to determine the most appropriate and cost-effective means of transportation consistent with the authorized business purpose of the trip, and considering all associated costs (e.g. employee work time, overnight lodging, meals, mileage).

For determining if vehicle transportation makes the most economic sense, *MapQuest* (<http://www.mapquest.com/>) or *Google Maps* (<https://maps.google.com/>) are the standard applications for calculating time and distance.

## D. Exceptions to Policy for Reasonable Accommodation Needs

The University understands the need to accommodate travelers with health issues or physical limitations in accordance with state and federal disability accommodation laws. Accommodating the specific need(s) may result in incurring expenses that are normally outside of policy or rate limitations. Reasonable accommodations can take various forms such as additional payments for porter/Skycap assistance, extra service fees imposed by a vendor to make necessary accommodations, etc. Each institution's Travel Office should consult with their respective institution department (i.e. Human Resources, Affirmative Action, etc.) to obtain approval for reasonable accommodation requests.

## E. University Maximum Travel Rates

The University's maximum travel rates and eligibility requirements are based upon the federal government's rate tables which vary by location & date of expense. Rates are established and periodically reviewed by the University's system wide travel governance committee and are applicable for all travel and related activities when University funds (regardless of source) and resources are used.

University travel policies, process standards and rates have been designed to fairly and uniformly compensate travelers conducting business for the University with minimal administration. Travel payments and reimbursements must conform to policy, including documentation requirements, ensuring compliance with IRS requirements. Payments made or costs reimbursed in accordance with University travel policies and operational standards are not considered tax reportable income unless specifically notated.

The University travel rates will be uniformly and consistently applied for all who travel on University sponsored business, including non-employees and students. System institutions, schools, colleges, divisions or departments that desire more restrictive financial controls cannot limit or change prescribed travel rates but may limit the overall University support for a trip or related business activity.

In rare circumstances when travel must be purchased or paid for in accordance with external sponsor(s) requirements, documentation supporting these exceptional requirements must be approved as an exception provided prior to payment.

## F. Non-Employees Under Contract or Agreement

For non-employees providing services under agreement or contract with the University, related travel expenses must conform to University travel policies, rate maximums and receipt requirements. Travel expenses that do not conform to University requirements will not be paid as travel, but will be paid as fee for service. Institutional staff responsible for

arranging non-employee services are responsible for informing the non-employees of University travel policies and payment or reimbursement requirements. It is strongly recommended that the institutional Purchasing Office be consulted on agreements and contracts ensuring that they meet the travel policy requirements.

## G. Expenses of Chancellor's or President's Spouse/Partner

University funds may be used for travel and related expenses of the chancellor's or president's spouse/partner when the spouse/partner is required to appear as an official representative of the University. Payment or reimbursement for travel and related expenses of the spouse or partner must be documented by providing a formal announcement of program or event, or business agenda along with an explanation specifying the official business capacity in which the spouse or partner was acting as the reason s/he was required to attend the function.

Travel and related expenses of the chancellor's or president's spouse/partner must be approved by the institution's Chief Business Officer.

## H. University Requirements for Accountable Plan

For travel reimbursements and payments to be considered non-taxable income, the University's travel policies and operational standards must comply with the IRS Accountable Plan Rules. To be considered an "Accountable Plan," an employer's business expense reimbursement arrangement must meet the following conditions:

- Reimbursements and advances provided to travelers under the plan must be for business related expenses only.
- Advance payments must be reconciled within 30 days of the end of the business trip.
- To be eligible for reimbursement:
  - Travel related expenses must be submitted with the required supporting documentation within 90 days from the end of the business trip.
  - Non-travel related expenses must be submitted with the required supporting documentation within 90 days of the date the expense was incurred.
  - Tuition Reimbursement must be submitted with the required supporting documentation within 90 days from the course end date.

Deans, Divisional Dean's Office Directors, or Divisional Business Office Leadership have the authority to grant exceptions for employees to allow for expense reimbursement, under the Accountable Plan, when the above requirements are not met. All exceptions to the Accountable Plan granted for employees must meet the following requirements:

- Completion of an [Accountable Plan Exception Request Form](https://businessservices.wisc.edu/documents/accountable-plan-exception-request-form/) (<https://businessservices.wisc.edu/documents/accountable-plan-exception-request-form/>) detailing the reason why the 90-day timeframe was not met and the Dean's, Divisional Dean's Office Director's or Divisional Business Office Leadership's approval.

- The completed Accountable Plan Exception Request Form (<https://businessservices.wisc.edu/documents/accountable-plan-exception-request-form/>) must be electronically attached to the expense report at the time the report is submitted.

These exceptions will be considered tax reportable to the employee unless extenuating circumstances apply. Extenuating circumstances for employees are defined as a serious illness or other unforeseen emergency out of the control of the employee. Employee negligence and busy schedule/workload are not considered extenuating circumstances.

No exceptions will be granted for non-employees for either travel or non-travel related expense reports submitted in excess of the 90 day requirements of the Accountable Plan. Instead, non-employee reimbursement requests submitted in excess of the 90 day requirements of the Accountable Plan must be submitted to Accounts Payable using a Payment to Individual Report (PIR) ([https://coetools.engr.wisc.edu/uw\\_pay\\_request/](https://coetools.engr.wisc.edu/uw_pay_request/)) and charged to Account Code 2620 (Services-Professional).

Expense reimbursements **not** in compliance with the above accountable plan requirements will be reported as taxable income for the individual reimbursed.

## I. Ethics

As employees of a public University, accepting items of value for personal benefit obtained during the course of University business is not allowed. Unless specifically stated, University travelers cannot personally benefit from travel related contracts, utilize negotiated discount rates or receive tax exemption for personal travel.

Benefits or services from supplier rewards programs (airline frequent flier, hotel stay programs, etc.) earned from University paid travel must be applied toward future business travel. Any benefits or services earned as a result of personal travel must be used for future personal travel and should not be applied to University business travel. Travelers will not be compensated for use of travel program rewards.

## J. Accounting for Travel and Related Expenses

Regardless of payment method, all claimed travel related expenses are to be substantiated in a timely manner, fully supported on a travel expense report, and documented with an official University business purpose. Required documentation may include items, such as agendas and itineraries, to support dates, times, and purposes of claimed expenses. Total accounting of all trip expenses is preferred.

Some institutions utilize the purchasing card log as part of this accounting, so travelers must use their institution's process to account for both purchase card prepayments and reimbursements. For travelers with pre-paid transactions on another person's purchasing card, at minimum the cardholder's name must be included on the expense report and the expenses recorded as prepaid on the travel expense report for record keeping purposes.

Expenses recorded on a travel expense report must be recorded by travel expense type, location of expense, supplier (if required for the expense type), date expense was incurred, payment method (i.e. University pre-paid/ Purchasing Card, corporate travel card, personal forms of payment, personally paid expenses and/or cash advance). Accounting for trip expenses in this manner satisfies IRS requirements for business travel record keeping.

Travelers may not claim travel or related expenses for other travelers. When traveling together, each traveler must pay for their own travel expenses. To reduce out-of-pocket expenses and related reimbursements, if allowed by the institution, use of the department's Purchasing Travel Card is recommended for prepayment of airfare, lodging and/or required deposits and registration fees.

## K. General Receipt and Supporting Documentation Requirements

In most cases supplier provided original, itemized receipts must be submitted for business travel expenses if the individual expense is greater than \$25. Review *receipt level requirements by expense type* (<https://www.wisconsin.edu/travel/reimbursement/receipt-requirements/>), as in some cases, receipts are required regardless of amount. Receipts and/or other supporting documentation in foreign currency must be converted to U.S. dollars for documentation purposes. See *Currency exchange requirements* ([https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-and-expense-general-travel-expense-policy/#CurrencyExchange\(InternationalTravel\)\)](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-and-expense-general-travel-expense-policy/#CurrencyExchange(InternationalTravel)))) for foreign conversion of receipts. Documentation and receipts in foreign language must be translated prior to submitting. *Google Translate* (<https://translate.google.com/>) is the standard for completing this requirement.

Registration fees that often include other types of expenditures must include the following information on the receipt:

- Dates of conference, convention, seminar, etc.
- Location and title of event
- Amount of fee and a breakdown of specific costs (meals, etc.) covered in the fee.

**Note:** This may require obtaining both a payment receipt and a copy of the applicable page from the registration website, registration form, brochure, application etc.

## L. Purchase of Travel Services

Under the direction of *Board of Regent Policy 21-5* (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>), the University has adopted a travel supplier consolidation methodology for all University sponsored travel.

The University's travel management company and other strategic travel partners have been selected to assist in the administration of the University's travel program by providing the lowest cost options for business travel with the highest degree of services including; University dedicated account management and support, consulting services, data reporting, communications, traveler tracking, alert notifications, after hours and emergency assistance.

Each expense-based travel policy identifies required contracts and process standards for utilizing contracts.

## M. Sales Tax Exemption

Purchases by Wisconsin governmental units, including the University of Wisconsin System, are generally exempt from Wisconsin sales and use tax. Those that travel or arrange travel for others are expected to request and receive Wisconsin sales tax exemption for travel related services. The University also has sales tax exemption in other states and travelers should make a reasonable attempt to obtain sales tax exemption according to the tax authority's requirements.

## N. Travel Preferences and Related Costs

To ensure prudent use of travel funds, the University cannot pay or reimburse any additional costs resulting from traveler preferences, including:

- Travel prior to or subsequent to the required business travel dates
- Using transportation methods that are not the most efficient or cost-effective (i.e. electing to drive versus fly when flying would be the most efficient and cost-effective option.)
- Electing to combine business and personal travel
- Electing to take a travel companion(s) along on business trips

In cases where adding additional days to the trip (i.e. staying over a Saturday or flying on a particular day) proves most cost-effective, expenses for lodging and meals for the minimum necessary additional days may be University-paid if the total costs of the trip, including lost work time, are less than the cost of the business only portion of the trip.

Additional travel costs related to attending optional excursions or other outings which were not included as a business necessity with the payment of the registration or program fee will be considered personal and will not be paid or reimbursed by the University.

## O. Payment of Travel Costs

Approved payment methods for University travel and related costs are University Purchasing Cards approved for travel, institutional or individual liability Corporate Travel Cards. These card products reduce or eliminate out-of-pocket costs and generate rebates for the institutions, increasing travel savings and efficiency. Per cardholder agreements, only policy compliant expenses are allowed to be pre-paid using University Purchasing Cards.



## P. Currency Exchange (International Travel)

Internationally incurred expenses paid and receipted in foreign currency must be submitted for payment or reimbursement in U.S. dollars using the exchange rate in effect on the date of payment. Include documentation indicating what exchange rate was used to make the conversions (i.e. credit card statement, bank receipt etc.). For cash conversions, currency exchange rates can be found at OANDA (<http://www.oanda.com/currency/converter/>), the University's standard application for conversion. When converting cash, choose the +/- 0 (zero) interbank rate for the conversion. If purchases were made via credit card, use the exchange rate provided on the credit card statement.

## Q. Pre-Paid Expenses

The following policy compliant expenses are allowed to be pre-paid or pre-reimbursed (at institution discretion) using University issued cards:

- Airline tickets and related charges
- Conference & Meeting Registrations, including any pre or post events for business purposes
- Lodging deposit when documented as a requirement by the supplier (to hold reservations)
- Lodging and Vehicle Rental guarantees (to hold reservations)

Lodging costs may be paid using University Purchasing Cards upon completion of the stay but cannot be paid in advance.

All other travel related expenses will be reimbursed after trip completion upon timely and accurate filing of a travel expense report.

## R. Non-Reimbursable/Payable Expenses

The following is not intended to be an all-inclusive list, but includes typical expenses that will not be paid or reimbursed by University funding sources:

- Expenses which are not UW business related
- Expenses not filed within the 90 day requirements, or not resubmitted within 90 days of being sent back
- Expenses paid or reimbursed from outside sources
- Alcoholic beverages
- Spouse, family member's or travel companion costs (Chancellor's and President's spouse/partner may be allowable under separate policy)
- Any expenses incurred as a result of voluntary cancellation of travel reservations (air, car, hotel, etc.) or supplier assessed penalties unless formally justified as exception.

- Domestic phone calls
- Lost/stolen cash or personal property
- Personal items and services, e.g., toiletries, luggage, clothes, haircuts, etc.
- Expenses for social events or non-business related activities, such as sightseeing tours, sport outings, excursions, etc.
- Real IDs
- Traffic citations, parking tickets and other fines
- Additional charges incurred for personal reasons involving vehicle rentals
- Locksmith charges for personal vehicles
- Repairs, towing service, lubrication, etc. for personal vehicles
- Excess cost of circuitous or side trips for personal reasons
- Parking costs at the assigned headquarters
- Meals included in business meetings, conference registrations, etc.
- Pay for view movies in hotel/motel room
- Personal entertainment
- Additional costs for extra person(s)
- Charges incurred for late lodging checkout
- Lodging costs incurred at unlicensed facilities
- Lodging within 50 miles of the home or headquarters city
- Flight insurance
- Trip Insurance
- Extra baggage charges for personal items, such as golf clubs, skis, etc.
- Airline, car, hotel, corporate club or other membership dues
- Childcare costs
- Kennel fees
- Late payment penalties and interest on corporate card
- Greeting cards
- Flowers
- Gifts
- Any incidental expenses included in the per diem

## S. Roles & Responsibilities

### **TRAVELER:**

A traveler on official University business is responsible for the following:

- Understanding and complying with University travel procurement and payment policies.
- Understanding and complying with the travel rate maximum(s) for the location(s) and date(s) of travel.
- Securing pre-trip approval or authorization prior to embarking on travel and/or incurring travel expenses.
- Utilizing contracted suppliers when required
- Providing required travel information, including emergency contacts, prior to entering travel status.
- Exercising the same care in incurring expenses and accomplishing the purposes of the travel that a prudent person would exercise for a personal trip.
- Not incurring excess or avoidable costs including but not limited to extending business trips for leisure; use of circuitous routes; altering travel plans for personal convenience etc.
- Personally paying any excess costs and/or additional expenses incurred for personal preference, convenience and/or additional expenses outside of University policies.
- Accurate and timely filing of travel expense reports, including appropriate receipts and supporting documentation, as required by University travel policy and operational standards.
- Timely accounting for cash advances and prompt repayment of any excess advance.
- Returning promptly to either the headquarters or home when University business is completed.
- Obtaining and retaining receipts and/or other supporting documentation, including those prepaid from purchasing card transactions
- Compliance with the above if traveler chooses to delegate travel arrangements and expense report preparation to another

## **TRAVEL ARRANGER:**

A travel arranger is responsible for the following:

- Understanding and complying with University travel procurement and payment policies.
- Understanding and complying with the travel rate maximum(s) for the location(s) and date(s) of travel.
- Utilizing contracted suppliers when required
- Advising students and non-employees of required purchasing methods, policies, and rate maximums.
- Making reservations, travel purchases and payments in accordance with travel policies and rate maximums.
- Collecting and providing traveler information as required by policy.
- Ensuring receipts and other supporting documentation are provided to traveler to document the use of University issued purchasing cards.

## **TRAVELER'S SUPERVISOR AND/OR DELEGATED APPROVING AUTHORITY:**

The traveler's supervisor or the delegated approving authority for the traveler is responsible for:

- Reviewing proposed trip expenses, appropriateness of dates of travel, and business purpose of the trip.
- Ensuring that travelers have provided required information prior to entering travel status.
- Verifying budgeted funds are available, or identifying the level to which costs will be covered for the intended trip.
- Reviewing expenses incurred and submitted for reimbursement for consistency with pre-approved travel plans, and that they are reasonable, necessary and in compliance with University Travel and Expense policy.
- Verifying that the travel was procured and paid for in accordance with the University Travel and Expense policies.
- Denying reimbursement if the expense was not approved, appropriate, is extravagant or not in compliance with the policy.

**Note:** These responsibilities apply to all University payment methods

## **INSTITUTION CHIEF BUSINESS OFFICER:**

The Chief Business Officer holds ultimate responsibility for designing formal processes and internal controls to appropriately meet the audit and approval requirements at their institution which include:

- Ensuring that travel purchases have been made in accordance with University purchasing policies
- Ensuring expenses pre-paid on purchasing cards, advanced, or submitted for reimbursement have been timely accounted for in accordance with accountable plan rules, approved, substantiated with the appropriate receipts or other required documentation, are in compliance with budget requirements and the University Travel and
- Expense policies.
- Ensuring that internal controls are in place that prevent duplicate or fraudulent payments
- Establishing a formal process for documentation and approvals at appropriate levels for any exceptions to policies. This process must afford consistency.
- Establishing a formal process in which to collect funds from travelers for travel expenses pre-paid or reimbursed in advance by the University when found not to be in accordance with policy.

## **T. Non-Compliance**

**Any travel related purchase that is not made in accordance with this policy will be deemed unauthorized and will not be reimbursed.**

Travel expenses pre-paid by the University, but subsequently deemed unauthorized, will be recoverable from the traveler. This may include deduction from the employee's payroll check or working with General Counsel to recover costs from students or non-employees. The institution's Chief Business Officer will have responsibility for implementing processes to recover funds from travelers when travel expenses were pre-paid by the University but later determined to be unauthorized.

## U. Procedural Standards

Specific travel expense related policies in addition to standard operating procedures are integral to meeting the business objectives of this general travel policy. Adherence ensures the effective management of the University's travel program.

## 7. Related Documents

- *Regent Policy Document 21-5 University Travel Policies*  
(<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)
- *UW System Administrative Policy 336 (SYS 336), Sales & Use Tax* (<https://www.wisconsin.edu/uw-policies/docs/sales-use-tax/>) (formerly F2)
- *UW System Administrative Policy 312(SYS 312), Official Functions* (<https://www.wisconsin.edu/uw-policies/docs/official-functions/>)(formerly F6)
- *UW System Administrative Policy 240 (SYS 240), Relocation (Household Moves) and Temporary or Indefinite Work Assignments* (<https://www.wisconsin.edu/uw-policies/docs/relocation-household-moves-and-temporary-or-indefinite-work-assignments/>) (formerly G9)
- *UW System Administrative Policy 171 (SYS 171), Recruitment/Retention of Students*  
(<https://www.wisconsin.edu/uw-policies/docs/recruitmentretention-of-students/>) (formerly F26)
- *UW System Administrative Policy 825 (SYS 825), Special Course Fees* (<https://www.wisconsin.edu/uw-policies/docs/special-course-fees/>) (formerly G29)
- *UW System Administrative Policy 235 (SYS 235), Personal Services Payments*  
(<https://www.wisconsin.edu/uw-policies/docs/personal-services-payments/>) (formerly F31)
- *UW System Administrative Policy 820 (SYS 820), Segregated University Fees*  
(<https://www.wisconsin.edu/uw-policies/docs/segregated-university-fees/>) (formerly F50)
- *UW System Administrative Policy 435 (SYS 435), Headquarters City & UW System-Sponsored Events Policy* (<https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/>)
- *University System Purchasing Card Policies* (<https://www.wisconsin.edu/financial-administration/special-topics/purchasing-cards/>)
- *IRS Publication 463* (<http://www.irs.gov/publications/p463/>)
- *IRS Publication 15-B* (<http://www.irs.gov/uac/About-Publication-15B>)

## 8. Policy History

Revision 3: November 11, 2022

Revision 2: June 9, 2020

Revision 1: January 11, 2018

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## 9. Scheduled Review

January 2023

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UW System Administrative Policy 410 (*formerly 1201 (ANS)*)

# Purchase & Payment of Business Air Travel

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**Original Issuance Date:** December 8, 2014

**Last Revision Date:** November 11, 2022

**Effective Date:** July 1, 2020

## 1. Policy Purpose

The objectives of this policy are as follows:

- Define “lowest logical airfare” and standards for the purchase and payment of airfare, including utilization of UW System airline contracts.
- Identify Concur as the contracted self-booking tool and Travel Incorporated and Fox World Travel as the contracted required agencies for university sponsored air reservations excluding Athletic travel as noted below.
- Identify exemptions to the required reservation methods and use of contracts.
- Reduce or contain UW System travel costs and increase service standards by:
  - Reducing ancillary airline fees (checked baggage, priority boarding, coach seat assignments, etc.) by utilizing contract airline carriers.
  - Obtaining process efficiency in making travel reservations.
  - Consolidating spending with contract airline carriers to achieve discounts, soft dollar savings, penalty waivers, additional carrier services and additional travel support.
  - Identifying those in travel status and providing “Duty of Care” notification and assistance in event of airline cancellation/delay or more significant emergencies.
  - Tracking and salvaging unused airline ticket values to prevent loss of university funds.
  - Increasing administrative efficiency and reducing expenses by standardizing administrative processes and enhancing data collection for airfare purchases and payment.
  - Clarifying airfare and related expenses that can be paid with university funds.

- Identifying consequences to travelers, travel arrangers or departments who purchase airfare through alternative means.

## 2. Responsible UW System Officer

Vice President for Finance and Administration

## 3. Scope

This policy applies to faculty, staff, students, and nonemployees traveling for university sponsored purposes.

## 4. Background

This policy has been issued under the authority of the Board of Regents as it relates to the governance of university travel policies created under s. 36.11(56), Wis. Stats (<https://docs.legis.wisconsin.gov/statutes/statutes/36/11/56>).

## 5. Definitions

**University sponsored travel:** University sponsored travel is defined by one or more of the following criteria:

- paid for in full or in part by the university;
- paid directly or indirectly by the university;
- organized by the university with participants or sponsors paying;
- organized by others outside the university and paid for by the university; and/or
- sponsored by the university in the form of name, organization, communication, management, staffing, transportation, or space provision.

**Independent study abroad:** Programs provided wholly by international institutions of higher education or third-party affiliates.

## 6. Policy Statement

### A. Purchasing Airfare

All travelers and those that arrange travel for others are required to make air reservations using business travel dates, schedules, direct routing and air carriers that will produce the most economical fare for the trip. When additional travel days are added because the traveler elects to combine personal days with business travel, the traveler is responsible for



any additional costs resulting from adding nonbusiness travel days. A cost comparison must be done at the time of booking and attached to expense reports.

All airline tickets must be purchased at the “lowest logical airfare” available at the time of booking. The university’s definition of “lowest logical airfare” is the least expensive fare, plus or minus a minimum of one hour of the requested departure time, within the university’s price tolerance of \$150, for a nonrefundable coach/economy ticket, as offered by the UW System’s contracted travel management company. Premium Economy tickets are allowed for international flights with 8 hours or more of total flight time.

The required methods for making any UW System sponsored airline reservation are with the UW System’s contracted travel management company agents or when utilizing the self-booking tool.

*Note: While basic economy fares tickets are typically lower in price than economy fares, the highly restrictive nature of a basic economy fare often makes them an ill-advised choice for purchase. Please be sure to thoroughly review restrictions that come with a basic economy fare prior to booking.*

*Most tickets purchased within the university’s travel program can be cancelled and voided without airline administrative processes or penalties up until 5:00 p.m. the next business day following purchase confirmation.*

## B. Exemptions to Policy

The following are exemptions to the required reservations methods and/or use of contracts:

- **NCAA Official Tournament Travel:** Athletic travel for official NCAA Tournaments must be arranged through designated NCAA travel agency.
- **Athletics:** Under ongoing delegation from UW System Administration, UW-Madison has contracted with Anthony Travel to provide services, processes and requirements similar to the rest of UW System, which has contracted with Shorts Travel Management.
- **International Flights That Can Not Be Booked with Designated Travel Management Company or are Purchased Abroad (Outside the United States) for a Lower Cost:** Though rare, some international airline tickets cannot be purchased with our contracted travel management company. For example, some remote international carriers must be purchased in-country. If purchasing airfare abroad, the origin and destination must both be to international locations.
- **Independent Study Abroad:** UW System students traveling for independent study abroad, as defined by this policy, are exempt and may make their own travel arrangements.
- **University Organized or Faculty Led Programs:** When UW System students are traveling for the primary purpose of participating in a university organized or faculty-led program, UW institutions may authorize exemptions, thereby allowing students to travel on their own and first meet as a group at an international location, if all of the following are in place and documented:
  - The UW institution has formal internal guidelines that:
    1. identify a risk/opportunity threshold for participation or travel to specific destinations and

2. provide a process by which the program leader can seek a waiver to the threshold from the institutional chancellor or vice chancellor, on behalf of all program participants.

- A cross-functional committee is charged to oversee and implement the travel guidelines; review and formulate positions on related issues; and make recommendations or decisions on requests for groups to meet at international locations and requests for waiver to the guidelines. Waivers must be documented on a per program basis.

- **International Student Recruitment Tours, International Collaborative Projects and Diplomatic/Trade Missions:** When recruitment tours, collaborative projects or diplomatic/trade missions are organized by a third-party provider or by another state or federal agency and that provider or agency is comprehensively making arrangements (air, ground transportation, lodging, meals, language support). All flights to the location where the tour, project or mission begins and all flights after the tour, project or mission concludes must be made within the UW System's managed travel program. However, the UW System's contracted travel management companies are not required for in-country or in-region travel services during the tour, project or mission.

## C. Application of Policy

When reserving air, travelers will be offered the lowest logical fares at the time of reservation and when a more costly flight is selected the fare difference will be recorded and reported as an exception. Exception reports are provided to the institution's travel office on a monthly basis.

## D. Policy of Non-compliance

Any airfare that is purchased outside of this policy will not be paid or reimbursed by the university.

## E. Payable or Reimbursable Expenses

The following air related expenditures will be paid or reimbursed with university funds:

- Agency fees and self-booking fees when travel is booked within the UW System managed travel program
- All federal excise taxes
- Advance coach/economy class seat assignment fees
- Premium economy airfare when total international flight time is greater than 8 hours
- Charges for overhead bin storage of carry-on bag
- One piece of checked baggage – additional costs for extra or overweight baggage require justification of the added expense
- Penalties or additional costs assessed for cancellations or changes outside the employee's control with adequate justification. Some examples of allowable circumstances are:

- cancelled conference/meeting or date changes
- airline cancelled flight
- serious unexpected illness or death of an immediate family member
- traveler's unexpected illness which did not allow the business trip to be taken or continued as planned

All airfare changes and cancellations must be made with the UW contract travel management companies.

## F. Non-Payable or Reimbursable Expenses

The following expenditures will not be paid or reimbursed with university funds:

- Any airfare that is not purchased in accordance with this policy
- Individual travel packages that combine airfare, lodging and/or car rental in any combination, not purchased through contracted Travel Management Companies
- Business or First Class airfare
- Additional costs for priority boarding
- Additional costs for personal travel/side trips in conjunction with business travel
- Additional costs for travel companions
- Expenses for memberships and/or entry fees for airline club use
- Expenses for flight insurance
- TSA PreCheck, Clear or Global Entry membership programs
- Any value of certificates or frequent flyer/rewards points

## G. Receipt Requirements

Receipts are required for all airfare purchases, including airline advance seat assignments and any penalties for changes and cancellations. Airline baggage fees must be receipted when over \$30. Airfare receipts must contain the following information:

- Traveler name
- Ticket Number (typically 13-digit number)
- Dates and times of flight
- Flight itinerary
- Class of travel (must be coach/economy)
- Total cost, including any additional service or related fees, federal excise tax
- Confirmation of payment

## H. Unused Tickets

For those tickets purchased that will not be utilized, travelers or travel arrangers are responsible for cancelling the ticket in the self-booking tool or by contacting an agent. These tickets may not be cancelled or converted with the airline directly. Any non-refundable ticket values that result from a canceled trip will be applied to a future business trip when taken by the same traveler on the same airline. If the original airfare was paid by the university, the value of an unused ticket must be applied towards a future business trip to mitigate any financial loss to the university funding source. The unused ticket value cannot be applied towards a personal trip. In most cases, the traveler has a year in which to apply the unused ticket value to a future business trip.

## I. Airline Benefits

All airfare purchasing decisions should be made based on business needs and policy compliance. Employees will be reimbursed based on fare paid and will not be compensated for business use of any vouchers, or certificates of frequent flyer miles redeemed. Benefits as a result of bumping can be retained by the employee, provided the alternative travel resulting from the bumping does not involve any lost work time or incur additional university travel costs.

## J. Fly America Act/Open Skies Agreement

The Fly America Act/Open Skies Agreement requires that Americans who fly internationally on federal funds (grants) use a U.S. flag carrier, with few exceptions. Exceptions to Fly America Act:

- When there is no nonstop or direct service offered by a U.S. carrier
- When travel solely outside the U.S. increases the number of aircraft changes en route to more than two
- When the passenger's travel time is extended by at least 6 hours
- When the connecting time is 4 hours or more at an overseas interchange point

Travelers using federal grant funds are responsible for understanding the requirements of the [Fly America Act/Open Skies Agreement](https://www.gsa.gov/policy-regulations/policy/travel-management-policy/fly-america-act) (<https://www.gsa.gov/policy-regulations/policy/travel-management-policy/fly-america-act>) prior to making international air reservations.

## K. Procedural Standards

Procedural standards for the purchase and payment of individual and group airfare are integral to the application of this policy. Travelers and arrangers are responsible for reviewing required procedures prior to making reservations.

## 7. Related Documents

[Regent Policy Document 21-5, University Travel Policies](https://www.wisconsin.edu/regents/policies/university-travel-policies/) (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)

[UW System Administrative Policy 405, Travel Expense – General Travel & Expense Policy](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-and-expense-general-travel-expense-policy/) (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-and-expense-general-travel-expense-policy/>)

[Airfare Purchase and Payment Procedures](https://www.wisconsin.edu/travel/reimbursement/receipt-requirements/) (<https://www.wisconsin.edu/travel/reimbursement/receipt-requirements/>), *Individual Reservations*

[Airfare Purchase and Payment Procedures](https://www.wisconsin.edu/travel/reimbursement/receipt-requirements/) (<https://www.wisconsin.edu/travel/reimbursement/receipt-requirements/>), *Group Reservations*

## 8. Policy History

Revision 3: November 11, 2022

Revision 2: June 4, 2020

Revision 1: June 21, 2019

First approved: December 8, 2014

## 9. Scheduled Review

June 2022

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 **Policy Under Review**

UW System Administrative Policy 425 (formerly 1204 (ANS))

# Use of Personal Vehicles, Rental Cars and Fleet for Business Transportation

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**Original Issuance Date:** October 5, 2015

**Last Revision Date:** November 11, 2022

**Effective Date:** July 1, 2020

## 1. Policy Purpose

The objectives of this policy are as follows:

- Prescribe the mileage reimbursement rate
- Prescribe requirements for using contract vehicle rental vendors
- Communicate driver authorization requirements
- Define responsibility for determining the most appropriate mode of transportation
- Define vehicle expenses that can be paid with University funds
- Define business mileage and calculation of miles for reimbursement
- Define responsibilities for institutions that operate a fleet

## 2. Responsible UW System Officer

Vice President for Finance and Administration

## 3. Scope

This policy applies to all University payments for the use of personal, rental, or fleet vehicles. This policy applies to all non-employees (job interview candidates, invited speakers, consultants/contractors, etc.) traveling on University business when the University will be reimbursing mileage or rental vehicle costs.

## 4. Background

This policy has been issued under the authority of the Board of Regents as it relates to the governance of university travel and expense policies created under Wis. Stat. s. 36.11(56). (<http://docs.legis.wisconsin.gov/statutes/statutes/36/11/56>) The Board of Regents delegated authority for management and operation of the travel program to the UW System President in Regent Policy Document 21-5, *University Travel Policies* (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>).

## 5. Definitions

None listed.

## 6. Policy Statement

### A. Overview

Use of personal vehicles for University business is allowed when the use is less costly than alternative means of transportation or when there are conveniences or safety issues that justify the additional costs, as determined by the approving authority. The approving authority must also consider other options including; rental vehicles, business car share and use of central fleet when considering cost for ground transportation.

Reimbursement of business mileage or other vehicle related costs will not be made for normal commuting from home to regularly assigned headquarters. The “Headquarter” location is where your main place of business or work is located, regardless of where you maintain your home.

### **BUSINESS VERSUS COMMUTING MILES**

- **From Regularly Assigned Headquarters:**

Reimbursement for business mileage from regularly assigned headquarters will be based on miles traveled from assigned headquarters to temporary worksite(s) during the work day and return mileage to home or headquarters, whichever is less.

- **From Home or Temporary Headquarters:**

If mileage is incurred by traveling directly to a temporary worksite from home and then to the regularly assigned headquarters, business mileage will be based on miles from home or headquarters to the temporary worksite, whichever is less, and then from the temporary worksite to headquarters. If the traveler returns home rather than going to headquarters, mileage is based on home or headquarters, whichever is less.

- **Multiple Worksites:**

For those employees with multiple worksites, the appointing authority must determine which business location constitutes the clear majority (i.e. must determine which worksite qualifies as the headquarters) for reimbursement of business mileage. For those who regularly work from more than one worksite, mileage reimbursement will be based upon the majority site being treated as their regularly assigned headquarter location (typically the campus or administrative office).

- **Non-workday travel:**

When employees are not scheduled to be at work, but are required to drive to a temporary worksite or an airport for further travel, mileage from home will be permitted.

When two or more employees from the same institution are traveling to the same destination, it is expected that every attempt will be made to travel together reducing the cost of the trip. Approving authorities may require coordination of travelers for this purpose, and limit mileage reimbursement to one driver.

## B. Risk Management – Driver Authorization

Employees and students who are required to drive on University sponsored business must be authorized to drive in accordance with SYS 615, *Vehicle Use and Driver Authorization* (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/vehicle-use-and-driver-authorization/>), prior to using personal vehicles, rental vehicles or fleet services. While it is not expected that non-employees will be authorized to drive by Risk Management, institutions reserve the right to include this requirement for non-employees traveling on University business.

Note: In addition to receiving driver authorization, successful completion and certification of Van Training is required prior to renting 12-15 passenger vans. Certification is required to be presented when renting a 12-15 passenger van.

## C. Accident Reporting

In the event of an accident it is the responsibility of the driver to immediately report the accident to the following:

- Police
- University Supervisor/Manager/Host
- Fleet Services or Rental Vehicle Supplier

Additional procedures can be found at UW System Risk Management (<https://www.wisconsin.edu/risk-management/>).



## D. Personal Mileage Reimbursement Rates and Application

Business mileage will be reimbursed at the IRS authorized mileage rate in effect on date of travel using the most direct route. Institutions may not pay a different mileage rate than stated in policy but may place limits on the trip or overall expense reimbursement. To be eligible for mileage reimbursement travelers must list the point to point (departing origin and destination location and distance traveled) mileage on the expense report. MapQuest or Google Maps are the official tools for determining the most direct route. Deviations from the most direct route must be explained on the expense report.

The reimbursement rate for personal vehicle mileage covers all costs related to the operation of the vehicle, including service, maintenance, insurance, depreciation, and gas. When two or more persons traveling on University business share transportation in a personal vehicle, only the driver may claim reimbursement for mileage.

Business miles will also be reimbursed for the following scenarios:

- Miles traveled to pick up additional passengers when traveling together on business;
- Mileage to and from airport, train station, etc. when traveling on business.
  - Two round trips will be permitted if the traveler is being dropped off and picked up rather than incurring parking costs. Airport choice for ticket price comparisons must consider mileage costs as additional costs when not selecting the closest airport.

One-way mileage associated with employee relocation (see [SYS 240, Relocation \(Household Moves\) and Temporary or Indefinite Work Assignments](#) (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/relocation-household-moves-and-temporary-or-indefinite-work-assignments-3/>)) regarding relocation and temporary or indefinite work assignments).

## E. Fleet Vehicles

Not all University institutions maintain a fleet of vehicles for traveler use. As such, requirements for mandatory use of fleet vehicles will be determined by the institution's Appointing Authority or designee. Institutions that operate a fleet will be responsible for determining the method for verifying availability of fleet vehicles for the purposes of assigning the appropriate reimbursement rate. Institutions will determine the "breakeven" mileage threshold for requiring fleet use and any documentation requirement for reimbursement. When fleet vehicles are not available, the standard rate for the mode of transportation will be paid to the traveler for business mileage incurred.

## F. Reimbursement Rates

Individuals are reimbursed for use of personal vehicles (including motorcycles) in accordance with [reimbursement rates published by the Office of Finance and Administration](#) (<https://www.wisconsin.edu/uw-policies/sys-425-attachment-a-reimbursement-rates/>).

## G. Use of Vehicles in lieu of Air Travel

A traveler may request mileage or rental vehicle reimbursement or payment of a fleet vehicle for personal reasons when air travel would be the most appropriate means of transportation given time and distance. The approving authority can approve the request if the costs do not exceed the cost of coach/economy airfare, taking into consideration the extra time to drive versus fly. Mileage to and from the destination will be based on the most direct route. See Determining Mode of Transportation (<https://www.wisconsin.edu/travel/planning/planning-individual-travel/determining-the-appropriate-mode-of-transportation/>) for required comparison documentation.

## H. Rental Vehicles and Contract Use Requirements

When it is determined that a rental vehicle is the most cost effective means of transportation, use of the contracted rental vehicle suppliers is required. The University participates in the Big Ten Alliance contract with Enterprise and National Car Rental. Eligible business renters are classified as all University authorized drivers age 18 and over. Authorized drivers 18-20 are restricted to domestic rentals only.

Renters may add additional authorized drivers to the rental agreement for business travel providing they are eligible to drive for University business and meet the other requirements of this policy. The addition of any authorized driver(s) must be done at the rental outlet upon vehicle pickup.

Employees are encouraged to rent compact/standard/intermediate vehicle classes. Claims for reimbursement beyond standard/intermediate SUV vehicle classes (i.e. trucks, full size SUVs, etc.) for reasons such as transporting extra passengers, carrying cargo or bulky equipment, etc., must be explained on the expense report.

Vehicle rental reimbursement is limited to the amount directly related to University business. If the traveler opts for a weekly rate because the total cost is less than if rented at the daily rate for the number of business days, the weekly rate amount will be reimbursed. If the traveler extends the rental for personal reasons, the weekly rate will be pro-rated and only the amount directly related to University business will be reimbursed.

When Enterprise or National do not serve the location of travel or when vehicles are not available, Hertz, under the State of Wisconsin (WSCA) contract, may be used.

## I. Insurance Provisions

The Big Ten Alliance contracts include collision (CDW) and liability (LDW) insurance coverage for U.S. originating rentals. The Big Ten agreement offers rates and some insurance coverage for international rentals, but travelers are advised that rates and coverages vary by rental location. Travelers and those that arrange travel for others must review the rental vehicle contracts for rates, surcharges and included coverages prior to renting a vehicle.

(<https://www.wisconsin.edu/travel/policies/ground-transportation/>) Employees must verify that the Big Ten or WSCA (State of

Wisconsin) contract ID number is referenced on the rental agreement to assure contract coverage, appropriate terms and rates. Other or extra types of insurances are not reimbursable and must be declined. The Hertz contract with the State of Wisconsin also includes the necessary CDW/LDW insurances.

Vehicle rental CDW and LDW insurances must be purchased when renting from non-contract suppliers. Non U.S. originating rentals from contract suppliers may also require the purchase of CDW and/or LDW. Review the vehicle rental contracts to determine when standard CDW/LDW insurances are provided for the non-U.S. location. Required CDW/LDW insurance coverages must be purchased at vehicle pickup and cannot be included during the reservation process. Travelers will be reimbursed the cost of standard CDW and LDW insurances under these circumstances. Drivers that reserve and pay for a non-contract rental vehicle with the University Corporate Travel Card (<https://www.wisconsin.edu/financial-administration/us-bank-travel-card/>) have insurance benefits that will cover this insurance requirement. Refer to your benefit guide that came with your card.

## J. Rental Vehicle Reservation Options

Utilizing Concur for reservations or booking with our contracted travel agencies is preferred as it enables the contract booking ID to be automatically applied ensuring that all reservations are under contract and appropriately insured. Employees and students must be prepared to provide UW identification and the University's tax exempt wallet card to receive contracted rates and tax exemption on qualifying rentals (i.e. rentals originating in Wisconsin or participating States).

## K. Driver Refueling

Drivers are responsible for refueling vehicles prior to return with the same level of fuel that they received at time of rental. The University will not reimburse vendor refueling or prepay fuel packages and these options should be declined by the renter at vehicle pickup. Receipts for gas are required to support reimbursement claims.

## L. Payment

Approved payment methods for University vehicle rental reservations and guarantees are University Purchasing Cards approved for travel, institutional or individual liability Corporate Travel Cards. Payment for the rental is due upon return of the vehicle and must be paid with a charge card in the driver's name.

## M. Reimbursement & Receipt Requirements

For mileage reimbursement, record required details: date, business purpose of trip, "point to point" locations and mileage incurred. A 10% tolerance above "point to point" map mileage may be used to cover detours, incidental miles between lodging and event location, etc.

Rental vehicles require the rental agreement and receipt as provided upon vehicle return and any additional receipts for gas.

Use of fleet must be indicated on the expense report if fleet or a department assigned vehicle was used.

## N. Related Reimbursable Expenses

The following vehicle related expenses are reimbursable:

- Toll costs incurred while traveling for business. Advance deposits placed on an individual's toll pass account are not reimbursable, only the pass dollars used to cover the business tolls for the trip will be reimbursed.
- Parking while traveling for business purposes, including headquarter city.
- Short term parking costs incurred by driver when traveler is being picked up/dropped off at airport terminal, etc.

See [SYS 430, Travel & Expense – Purchase & Payment Miscellaneous Travel Expenses](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-expense-purchase-payment-miscellaneous-travel-expenses/), (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-expense-purchase-payment-miscellaneous-travel-expenses/>) for more information and receipt requirements.

## O. Non-Reimbursable Expenses

The following is a non-inclusive list of vehicle related expenses that will not be paid or reimbursed by University funding sources:

Personal Vehicles	Rental Vehicles
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- 
- Gas
  - Depreciation
  - Personal vehicle insurance
  - Maintenance and repair costs
  - Traffic citations, parking tickets and other traffic violations
  - Roadside services/towing
  - GPS
  - Satellite radio
  - Any excessive mileage over the tolerance not supported by justification
  - Parking at headquarter office location
  - Personal toll pass deposits
  - CDW/LDW insurance from contract suppliers for U.S. originating rentals
  - Insurances beyond CDW/LDW
  - Maintenance and repair costs
  - Traffic citations, parking tickets and other traffic violations
  - Roadside services/towing
  - GPS
  - Satellite radio
  - Rental vehicle pre-paid fuel or refueling packages
  - Rental days/hours not supported by business purpose
  - Parking at headquarter location
- 

## P. Procedural Standards

Procedures and Operational Standards for vehicle options are integral to the application of this policy. Review procedural requirements (<https://uw.foxworldtravel.com/policies-and-procedures/>), for vehicle rentals contracts prior to renting.

## 7. Related Documents

Determining the Appropriate Mode of Transportation (<https://www.wisconsin.edu/travel/planning/planning-individual-travel/determining-the-appropriate-mode-of-transportation/>)

IRS Publication 463 (<https://www.irs.gov/publications/p463>).

Regent Policy Document 21-5, *University Travel Policies* (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)

Reimbursement Rates (<https://www.wisconsin.edu/uw-policies/sys-425-attachment-a-reimbursement-rates/>).

SYS 240 (formerly F19), *Relocation (Household Moves) and Temporary or Indefinite Work Assignments* (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/relocation-household-moves-and-temporary-or-indefinite-work-assignments-3/>)

SYS 336 (formerly F2), *Sales and Use Tax* (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/sales-use-tax/>)

SYS 405 (formerly 1200 (ANS)), *Travel & Expense – General Travel & Expense Policy* (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/travel-and-expense-general-travel-expense-policy/>)

SYS 615, *Vehicle Use and Driver Authorization* (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/vehicle-use-and-driver-authorization/>)

University System Purchasing Card Policies (<https://www.wisconsin.edu/financial-administration/special-topics/purchasing-cards/>)

## 8. Policy History

Revision 6: November 11, 2022

Revision 5: June 9, 2020

Revision 4: January 13, 2020

Revision 3: January 9, 2019

Revision 2: December 27, 2017

Revision 1: January 13, 2017

First approved: October 5, 2015\*

\*Previously information regarding travel was consolidated in section IX of Financial Policy and Procedure Paper (FAPP)

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## 9. Scheduled Review

December 2021

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UW System Administrative Policy 415 (*formerly 1202 (ANS)*)

# Purchase & Payment of Lodging

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**Original Issuance Date:** October 5, 2015

**Last Revision Date:** November 11, 2022

**Effective Date:** July 1, 2020

## 1. Policy Purpose

The objectives of this policy are as follows:

- Consolidate travel dollars spent for lodging and hotel based meeting & events needs with select UW System contracted or partnership lodging properties located in top travel destinations for the purposes of obtaining optimal rates with greater availability, enhanced services, favorable terms, and included amenities for top travel destinations.
- Designate Concur or use contracted travel agencies as the preferred methods for making individual lodging reservations to achieve the following benefits:
  - Efficiency in process for making reservations,
  - Provide a platform for data collection between the UW System and contracted lodging properties to identify volume usage for contracted rates and terms,
  - Provide users a single source for access to live rates and availability directly from the lodging industry, including exclusive contract rates, promotional rates, and government rates not available on other sites,
  - Ability to determine traveler location based upon reservation data and use that information to provide duty of care notification and outreach services in emergency situations.
- Define options for payment
- Clarify allowable lodging expenses
- Prescribe maximum rates for lodging
- Define receipt and expense reporting requirements in accordance with applicable tax laws

- To provide an exception process for the procurement and payment of lodging when traveling to locations that lack lodging availability within policy constraints.

## 2. Responsible UW System Officer

Vice President for Finance and Administration

## 3. Scope

This policy applies to all UW System sponsored lodging for employees, students, contractors, invited guests, other non-employees.

## 4. Background

This policy has been issued under the authority of the UW System Board of Regents as it relates to the governance of university travel and expense policies created under s. 36.11(56) ([http://docs.legis.wisconsin.gov/document/statutes/36.11\(56\)](http://docs.legis.wisconsin.gov/document/statutes/36.11(56))), Wis. Stats. The Board of Regents delegated authority for management and operation of the travel program to the UW System President in Regent Policy Document 21-5, (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>) *University Travel Policies*.

## 5. Definitions

None listed.

## 6. Policy Statement

### A. Overview

This policy and any related procedures apply to all individuals, including employees, students, consultants, contractors, and other non-employees, traveling on behalf of the UW System and requesting payment or reimbursement of lodging. The UW System will pay or reimburse actual lodging costs, within the stated maximum rates for the location, when the business trip requires an overnight stay. The UW System will not pay lodging costs when a traveler is within 50 miles of their home or headquarter city unless the travel is for a multi-day event with an evening program, meeting, or other business related activity that makes returning to the employee's home each evening impractical.



## B. Maximum Lodging Rates

The UW System lodging rate maximums are based upon the federal rates in use by most higher education peers, granting agencies, and the corporate sector. The rate methodology was recommended and approved by the systemwide travel governance committee. The maximum rate is for a single/standard sleeping room **per person** or single occupancy.

Rates are established by the federal government (General Services Administration (GSA), Departments of State & Defense). Rates are reviewed and updated by the GSA annually, on a federal fiscal year basis (October 1). Foreign rates are reviewed and updated monthly by the Departments of State & Defense.

The UW System utilizes the rate sources as indicated below with an adjustment for Continental U.S. locations.

The official source of calculating lodging rates for the location and date of expense is the [UW TravelWise Calculator](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL) ([https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW\\_EX\\_CUSTOM.UW\\_EX\\_PDCALC.GBL](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)).

Location of Lodging	Rate Source and Payment/Reimbursement Amount
In-state – Within Wisconsin	Actual cost not to exceed the federal location rate established by the GSA. Maximum rate excludes tax and travelers are responsible for obtaining tax exemption.
Out-of-state – U.S. excluding Alaska & Hawaii	Actual cost not to exceed 125% of the federal GSA rate for the location. Maximum rate excludes tax.
Alaska and Hawaii	Actual cost not to exceed the maximum federal (Department of Defense) established rate for the location. Maximum rate excludes tax.
U.S. Territories, Trans-border and all foreign locations.	Actual cost not to exceed the maximum federal (Department of Defense and Department of State) established rate for the location. Maximum rate includes tax.
Externally designated conference lodging, regardless of location	Actual Cost as documented by external organizer
University arranged lodging for sponsored conference, meeting or event	Cost not to exceed the maximum rate for the location.

## C. Reservation Options and Use of UW System Contract and Partnership Lodging Properties

The UW System continues to contract with frequently used lodging properties that are located in the UW System's top travel destinations, including Wisconsin and those locations served by UW System institutions. UW System contract rates are negotiated within the UW System maximums for the location and incorporate state government rates whenever offered by the lodging property. The UW System has also partnered via agreement with other organizations (Big Ten Alliance, General Services Administration, and National Association of State Procurement Officers) to offer "partnership properties" with either state government or negotiated rates that are within UW System policy and rate limits for top UW System travel locations.

Access to UW System contract and partnership property rates are offered within Concur or with the UW Contracted Travel Agencies. The direct benefits of utilizing UW System contract or partnership properties are to receive optimal rates for quality accommodations close to the business need, obtaining greater room availability, flexibility in waived deposits and cancellation terms, and greater efficiency in making lodging reservations, including automated tax exemption where allowable. The University recognizes that there may be savings by booking directly with a hotel or with Airbnb, and is allowable. Employees should carefully review cancellation policies, note if rooms are refundable, and carefully review all terms and conditions. Note that Airbnb cancellation policies and other terms and conditions vary from traditional hotels, and should be carefully reviewed before reserved.

- *Note: Use of internet based lodging "brokers" or third party sites (Expedia, Kayak, Priceline, Hotwire, etc.) is prohibited and will not be reimbursed. Use of these sites often does not offer the appropriate level of receipt information and, in general, does not meet the business objectives of the UW System's managed travel program.*

### The Lodging and Meal Per Diem Calculator

([https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW\\_EX\\_CUSTOM.UW\\_EX\\_PDCALC.GBL](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)) should always be consulted for the maximum rate for the location(s) of travel prior to making reservations and users are advised to follow the UW System lodging policy when selecting rooms as payment/reimbursement will be limited to the maximum for the location. When reserving Airbnb, all cleaning fees must be factored into the maximum daily reimbursement rate per person.

Concur is a live source for air, car and hotel rates therefore availability of rooms and rates change frequently. Based on dates of stay and room availability, a State Government rate, hotel promotion or membership (Triple A, AARP, etc.) rate may be less at a UW System contracted or partnership property than the UW System's contracted or partnership rate. In these instances, the user should compare the lower rate, room inclusions and terms to determine if the lower rate is a better **value** than taking the UW System rate. If the same or better, the lower rate may be reserved. Travelers are advised to always make reservations well in advance for best pricing and availability. The Concur Mobile app is available for download and can be used for making last minute reservations or when "on the road".

UW System contracted and partner hotels are clearly defined by rate access code name within [the UW System Hotel Directory](https://www.wisconsin.edu/travel/policies/lodging/uw-system-hotel-directory/) (<https://www.wisconsin.edu/travel/policies/lodging/uw-system-hotel-directory/>) and these properties will display first as “Most Preferred” within Concur search when available in the location of travel.

**For rate maximum or availability exceptions:** When a UW System traveler cannot obtain a room within the UW System’s maximum rate for the required location Concur will be utilized for the reservation and the user may reserve the lowest available rate for the lodging supplier closest to the business location. The reimbursement must contain an explanation for this exception.

**External Conference property reservations as specified under subsection 6.H of this policy** will be made directly with the lodging property or utilizing the reservation process and/or rate code provided by the organizer. Travelers are strongly encouraged to search Concur for their conference hotel(s) as often there are rates available that are less than the conference rate.

## D. Travel Packages

Lodging that is bundled with other components (air, car, etc.) and purchased as a “package” is not allowable. The components are not contracted for and/or priced individually, receipted in accordance with policy, or in some cases divert from use of required contracts.

An exception to this rule is allowed when the travel package is purchased through a UW Contracted Travel Agency.

## E. Room Selection

Lodging payment/reimbursement is limited to the maximum single/standard room rate for the location per business traveler.

## F. Terms and Conditions

Travelers are responsible for knowing and complying with the lodging property’s terms and conditions, including but not limited to no-show or cancellation policies and check-in/out hours. Travelers may be held personally responsible for charges incurred for non-compliance with lodging terms and conditions. See also subsection 6.O of this policy, *Room Deposits and Guarantees*.

## G. Shared Lodging

When sharing a room with another UW System business traveler, the expense of a double occupancy room may be incurred, but may not exceed the total cost of a single/standard room rate for the location for each business traveler.

## H. Externally Sponsored Conference/Event Lodging Exception

The UW System understands the benefits associated with staying at a conference or other organized event site as it typically eliminates extra transportation costs and travelers can benefit from professional networking with other attendees. Based on these additional benefits, lodging for travelers attending externally sponsored conferences or other business events will be paid or reimbursed at the actual cost for staying at a conference-site or conference designated hotel(s) when the nightly rate exceeds the location maximum.

When the conference or event organizer offers a choice in lodging properties, travelers should select the least costly option that meets the business needs. All lodging paid under this exception must include documentation supporting that the choice of lodging was either the actual conference or event-site or the conference/event designated hotel(s).

Travelers not staying at facilities designated by the conference or event materials (i.e. brochure and/or registration form as documentation) are limited to lodging costs within the rate maximum for the location.

Travelers are strongly encouraged to search Concur for their conference hotel(s) as often there are rates available that are less than the conference rate.

## I. UW System Sponsored Conferences, Meetings, or Events

When sleeping rooms are required for a UW System arranged conference, meeting or event, lodging will be reserved at no more than the maximum rate for the location. Agreements for group sleeping rooms or group room blocks must be submitted to the institutional purchasing office for review and approval. When it is determined by the organizer that use of a hotel is needed for sleeping rooms and/or other conference, meeting or event needs, a UW System contract or partnership property will be utilized whenever available at the business location.

## J. Group Lodging

Agreements and contracts for group room arrangements or group room blocks must be submitted to the institutional purchasing office for review and approval.

## K. Use of Non-Licensed Facilities

Other than Airbnb for Work, use of non-licensed facilities for lodging presents an increased liability risk to the UW System and are prohibited. Exceptions may be granted by the approving authority after the evaluation of risk in circumstances where there is a lack of commercial lodging facilities near the business site or when the business purpose precludes use of a commercial lodging facility (e.g. remote location research assignment). When exceptions are approved, the other provisions of the policy apply and costs must be receipted to the level of detail specified.

## L. Use of Campgrounds

The use of campgrounds as an alternative to hotels when no hotel facility is available or when the purpose of travel requires the use of a campground, is allowed and is a reimbursable expense. Payment or reimbursement for campground use must be supported by a receipt, received directly from the campground provider.

Understanding that some campgrounds are non-attended, which limits the receipt detail, the highest form of receipt from the campground is acceptable, provided any missing information is explained by the traveler on the payment/reimbursement request.

## M. Extended/Long Term Lodging (Greater than 30 Days)

When the UW System requires that the traveler remain in travel status for an extended period of time (i.e. 30 days or longer), the employee is expected to find lodging at reasonable weekly/monthly rates. Extended stay hotels or lease of residential space (i.e. apartments, condos) obtained through a property management company or rental service should be considered as affordable options. The institution's Risk Management office must be contacted before residential lease arrangements are made to ensure appropriate insurance applies. When accommodations are leased, costs for normal utilities, (e.g. heat and electricity) are reimbursable. Any required security deposits are the financial responsibility of the traveler and will not be paid or reimbursed with UW System funds.

The payment/reimbursement of lodging for travelers on extended leave (e.g. leave with or without pay, sabbatical, research, etc.) is not guaranteed. Each situation must be evaluated for UW System cost benefit, and payment/reimbursement approval must be obtained from the approving authority prior to incurring lodging expenses.

## N. Lodging Provided In-Kind

The UW System will not pay or reimburse any lodging that is furnished in-kind or at no cost, including electing to stay with family or friends during business travel.

## O. Room Deposits or Guarantees

As a standard, lodging properties address room deposits and guarantees in their terms and conditions and employees are responsible for understanding these prior to making any reservation.

If the traveler prepays a deposit and subsequently does not travel, reimbursement for the deposit is dependent upon approval by the institution's approving authority with explanation as to why the travel did not occur as planned and why University funds should be used. Use of a UW System contract hotel with waived deposit requirements and/or reduced cancellation penalties generally eliminate this risk.

Group reservation deposits or guarantees are contingent upon contractual requirements of the lodging establishment and will be prepaid as required by agreement or contract after institutional purchasing office approval of the agreement or contract. A purchase order alone does not suffice for an approved agreement or contract.

## P. Payment Methods

The approved payment methods for lodging purchases are University Purchasing Cards approved for travel or institutional or individual liability Corporate Travel Cards.

For departments that elect to pay costs with a central purchasing card, the property must be contacted for the hotel's specific authorization for payment form. Property contact information is available within both the UW System Hotel Directory and Concur for reference.

Group lodging, contractual long-term lodging or leased lodging and any required deposits or scheduled payments may require purchase orders with payment by check or wire. These will not be paid by the UW System without the institutional Purchasing Office's approved agreement or contract. Consult with the institution's travel office (<https://uw.foxworldtravel.com/uw-travel-manager-contacts/>) regarding any questions on these requirements.

## Q. Payment of Taxes and Other Fees

The UW System is exempt from the payment of Wisconsin sales tax for lodging. UW System travelers and travel arrangers are responsible for ensuring tax exemption is obtained prior to check-out as Wisconsin sales tax will not be paid or reimbursed. The UW System also has sales tax exemption in several other states; refer to procedures (<https://www.wisconsin.edu/travel/policies/lodging/lodging-reservations-and-payment-procedures/>) for sales tax exemption requirements and forms.

## R. Receipt Requirements

All payments/reimbursements will be made in accordance with the location rate maximums and documentation requirements. All deposits and pre-payments should be noted and proof of payment submitted for reimbursement.

All lodging expenses paid or reimbursed, upon checkout, must be supported by an itemized receipt received directly from the lodging supplier and containing the following required information:

- Name and address of lodging supplier
- Name of Traveler(s) sleeping in room
- Dates of stay
- Number of people in room
- Daily sleeping room rate
- Room type

- Taxes and other fees for each day of stay
- Itemization of other costs (i.e. parking, internet, room service, etc.)
- Proof of payment

Incidental or miscellaneous costs associated with lodging must have itemized receipts to be reimbursed. Typically this will include parking at hotel, internet services in hotel room if required for business use, etc. Tips for hotel personnel services are included in the Meals and Incidental Expenses (M&IE) per diem allowance and are not reimbursed separately. Costs specifically not allowed are listed in [UW System Administrative Policy 405, \*Travel and Expense – General Travel & Expense Policy\*](https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/), (<https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/>) under Non-Payable or Reimbursable Expenses.

## S. Procedural Standards

Procedures and Operational Standards for Purchase and payment of Lodging are integral to the application of this policy. Review [procedural requirements](https://www.wisconsin.edu/travel/policies/lodging/lodging-reservations-and-payment-procedures/) (<https://www.wisconsin.edu/travel/policies/lodging/lodging-reservations-and-payment-procedures/>).

## 7. Related Documents

[Regent Policy Document 21-5, \*University Travel Policies\*](https://www.wisconsin.edu/regents/policies/university-travel-policies/) (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)

[UW System Administrative Policy 405 \(formerly 1200 \(ANS\), \*Travel and Expense – General Travel & Expense Policy\*](https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/) (<https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/>)

[UW System Administrative Policy 435, \*Headquarters City & UW System-Sponsored Events Policy\*](https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/) (<https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/>)

[University System Purchasing Card Policies](https://www.wisconsin.edu/financial-administration/special-topics/purchasing-cards/) (<https://www.wisconsin.edu/financial-administration/special-topics/purchasing-cards/>)

[UW System Administrative Policy 336 \(formerly F2\), \*Sales and Use Tax\*](https://www.wisconsin.edu/uw-policies/docs/sales-use-tax/) (<https://www.wisconsin.edu/uw-policies/docs/sales-use-tax/>)

[IRS Publication 463](https://www.irs.gov/publications/p463/ch06.html) (<https://www.irs.gov/publications/p463/ch06.html>)

## 8. Policy History

Revision 3:	November 11, 2022
Revision 2:	June 9, 2020
Revision 1:	January 13, 2017
First approved:	October 5, 2015*

\* Previously information regarding travel was consolidated in section XL of Financial Policy and Procedure Paper (FAPP) 36 (now superseded by the travel policies in the 400 series of the UW System Administrative policies).

## 9. Scheduled Review

February 2021

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UW System Administrative Policy 420 (formerly 1203 (ANS))

# Travel & Expense – Meal and Incidental Expense (M&IE) Per Diem Allowance Reimbursements

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**Original Issuance Date:** October 5, 2015

**Last Revision Date:** June 9, 2020

**Effective Date:** July 1, 2020

This policy applies to all individual reimbursements for meal and incidental expense (M&IE) per diem allowances, including those paid to non-employees and students.

## Introduction

This policy has been issued under the authority of the Board of Regents as it relates to the governance of university travel and expense policies created under Wis. Stat. s. 36.11(56) ([http://docs.legis.wisconsin.gov/document/statutes/36.11\(56\)](http://docs.legis.wisconsin.gov/document/statutes/36.11(56))).

## References and Constraints

Regent Policy Document 21-5 University Travel Policies (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)

UW System Administrative Policy 405 (SYS 405), *Travel & Expense – General Travel & Expense Policy* (<https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/>) (formerly 1200 (ANS))

UW System Administrative Policy 435 (SYS 435), *Headquarter City & UW Sponsored Event Policy* (<https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/>)

IRS Publication 463 (<http://www.irs.gov/publications/p463/ch06.html>)

# Definitions

None listed.

## Business Objectives of Policy

- Define rate maximums and standards for payment of meal and incidental expense (M&IE) per diem reimbursement for individual travelers
- Clarify meal and incidental expenses that can be paid with University funds under the M&IE per diem allowance
- Prescribe required deductions for provided meals
- Prescribe a day trip meal allowance for those travelers that do not qualify for M&IE per diem allowance
- Differentiate individual M&IE per diem allowance payments from group, hospitality, event, or conference provided meals
- Define incidental expenses included in M&IE per diem
- Offer flexibility to travelers in how they allocated the M&IE per diem allowance when in travel status
- Leverage efficiencies in the reimbursement process

## Policy Statement

This policy and any related procedures apply to all individuals, including employees, students, and non-employees traveling on behalf of the University.

When the University traveler is expected to incur costs for meals and incidentals for overnight business travel, the University will reimburse meal and incidental expenses (M&IE) under a per diem allowance. The maximum M&IE per diem allowance will be at the rate established by the Federal Government for the location of each full day's (24 hours) travel. The M&IE per diem allowance will only be paid when the traveler is expected to incur costs for meals and incidentals; business travel requires an overnight stay outside the traveler's headquarters and when the travel is supported by a University business purpose.

For Continental U.S. locations, the incidental portion of the M&IE per diem allowance is \$5.00. For Non-Continental U.S. and foreign locations the incidental portion of the M&IE per diem varies by the location.

## Applicability to Non-Employees

This policy applies to all non-employees (students, job interview candidates, invited speakers, consultants/contractors, etc.) traveling on University business when meals or incidentals are directly paid by the non-employee.

University hosted meals are covered under the [SYS 435 \(https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/\)](https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/), *Headquarter City & UW System Sponsored Events Policy* and are not part of the M&IE per diem allowance policy. The M&IE per diem allowance is not used for the payment of meals associated with sponsored events or hosting.

## First and Last Days of Travel

The M&IE per diem for the location is reimbursed for each full day (24 hours) of travel. First and last days of travel qualify for a 75% proportional M&IE per diem based on the location where the traveler spends the night.

For trips that have multiple destinations, the first day's M&IE per diem is based on the rate for the traveler's destination – the location where the traveler will be spending the night. Subsequent full travel days are based on the location where the traveler will spend the night for that day of travel. The return day is determined by the location where the traveler spent the night before returning home or to University headquarters.

The [UW TravelWise Rate Calculator](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)

([https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW\\_EX\\_CUSTOM.UW\\_EX\\_PDCALC.GBL](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)) is the official source for obtaining lodging and M&IE Per Diem rates prior to travel. The calculator is updated on a monthly basis with any changes passed by the federal government.

## Day Trip Meal Allowance

Travel that does not include an overnight stay will be limited to a tax reportable day trip meal allowance of \$15 per day when the approving authority expects the traveler to incur meal expenses.

## Provided Meals Impact on M&IE Per Diem Allowance

If a conference or event provided meal occurs on a day when M&IE per diem is allowed, including first/last days of travel, the meal portion of the per diem is prorated (20% breakfast, 30% lunch, 50% dinner) to exclude any provided meal.

Non-employees and students traveling on University business must have the same deductions applied to M&IE per diems for any provided meal.

Exception: Hotel breakfast included in the hotel/lodging reservation price or international airfare meals provided as part of the airline ticket price for longer flights will not require a deduction from the M&IE per diem allowance.

See the [UW TravelWise Calculator](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)

([https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW\\_EX\\_CUSTOM.UW\\_EX\\_PDCALC.GBL](https://portal.sfs.wisconsin.edu/psc/sfs/EMPLOYEE/SFS/c/UW_EX_CUSTOM.UW_EX_PDCALC.GBL)) to automatically prorate the M&IE per diem for accurate accounting of provided meals.

# Reimbursement Eligibility

The M&IE per diem must be paid directly to the traveler. Travelers cannot claim an M&IE per diem on behalf of another person. Individual business travelers dining together will each be paid their respective per diem allowance. The applicable M&IE per diem, or proration for first and last day, is payable to the traveler without itemization of expense or receipts. Reimbursement requests for actual expenses that exceed the M&IE per diem will not be reimbursed by the University.

The following reimbursement policies apply:

- The business purpose of the travel and overnight stay location must be documented on the expense report.
- The M&IE per diem allowance must correspond to the location specified for overnight lodging.
- Leave and return times are not required
- The University will not pre-pay M&IE per diems
- Meals purchased at the hotel and added to lodging receipts or folios (i.e. room service) will be deducted from the M&IE per diem allowance.
- Reimbursement claims in excess of the M&IE per diem for the location will be reduced to the M&IE per diem for the location.
- Any provided meals will be deducted from the M&IE per diem for that day, including the proportional first or last day M&IE per diem.

## Calculating M&IE Per Diem Allowance – Domestic, Continental U.S. Locations (Excluding Alaska & Hawaii)

Daily meal and incidental expense per diems (including all related taxes and tips) are prescribed by the General Service Administration (GSA) for the location of expense. If the expense location is not listed, the standard rate for the location will apply unless you are in a high cost county (high cost city rates extend to all locations within the county). Current domestic per diem rates range from \$46 (standard rate) to \$71 depending on the location of the expense.

Regardless of destination, the M&IE rate for the location includes \$5 to cover incidental expenses. The incidental portion of the per diem includes the following expenses:

- Fees and tips given to restaurant wait staff, porters, baggage handlers, hotel housekeeping or other service staff, valet, train or ship service staff
- Transportation between places of lodging or business to obtain meals when not obtainable within the immediate vicinity
- Phone calls
- Laundry, dry cleaning, and pressing of clothing

- Mailing and other expenses associated with filing expense reports

## Calculating M&IE Per Diem Allowance – All Non-Continental U.S. and Foreign Locations (Including Alaska, Hawaii, Trans-Border, U.S. Territories & Possessions)

Daily meal and incidental expense per diems for all foreign locations (including all related taxes and tips) are prescribed by the U.S. Department of State and Department of Defense. The combination of foreign “local meals” and “local incidentals” equal the total M&IE per diem for the location. Foreign location rates are updated on a monthly basis. If the location of travel is not listed, the “Other” rate will apply.

For foreign travel, the incidental portion of the per diem varies by location. The incidental portion of the per diem includes the following expenses:

- Fees and tips given to restaurant wait staff, porters, baggage handlers, hotel housekeeping or other service staff, valet, train or ship service staff
- Transportation between places of lodging or business to obtain meals when not obtainable within the immediate vicinity
- Phone calls
- Laundry, dry cleaning, and pressing of clothing
- Bottled water
- Mailing and other expenses associated with filing expense reports

## Receipt Requirements

Receipts must not be submitted for meal and incidental per diem reimbursements. Travelers may not submit receipts for actual meal reimbursement in lieu of claiming the M&IE per diem.

## Meals Related to Hosting, Candidate Recruitments, Business Meetings, and University Sponsored Events

The M&IE per diem allowance policy does not apply to hosting, hospitality, business meals, and meals provided as part of an official function, conference or other University sponsored event.

Any meals related to these business activities must be arranged, purchased, documented and paid for in accordance with the [SYS 435 \(https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/\)](https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/), [Headquarter City & UW System Sponsored Events Policy \(https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/headquarter-city-uw-system-sponsored-events-policy/\)](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/headquarter-city-uw-system-sponsored-events-policy/), and rate maximums.

# Procedural Standards

Procedures and Operational Standards for the payment of M&IE per diem or day trip allowances are integral to the application of this policy. Refer to the [UW TravelWise Rate Calculator \(https://uw.foxworldtravel.com/rate-calculator/\)](https://uw.foxworldtravel.com/rate-calculator/) on the topic.

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UW System Administrative Policy 430 (formerly 1205 (ANS))

# Travel & Expense – Purchase & Payment Miscellaneous Travel Expenses

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**Effective:** October 05, 2015

**Revised:** August 20, 2015

This policy applies to any miscellaneous travel expenses paid on behalf of or reimbursed to employees, students, contractors, invited guests, other non-employees with University funds.

## Introduction

This policy has been issued under the authority of the Board of Regents as it relates to the governance of university travel and expense policies created under Wis. Stat. s. 36.11(56) ([http://docs.legis.wisconsin.gov/document/statutes/36.11\(56\)](http://docs.legis.wisconsin.gov/document/statutes/36.11(56))).

## References and Constraints

Regent Policy Document 21-5 University Travel Policies (<https://www.wisconsin.edu/regents/policies/university-travel-policies/>)

UW System Administrative Policy 405 (SYS 405), *Travel & Expense – General Policies* (<https://www.wisconsin.edu/uw-policies/docs/travel-and-expense-general-travel-expense-policy/>) (formerly 1200 (ANS))

UW System Administrative Policy 435 (SYS 435), *Headquarters City & UW System-Sponsored Events Policy* (<https://www.wisconsin.edu/uw-policies/docs/headquarter-city-uw-system-sponsored-events-policy/>)

University System Purchasing Card Policies (<https://www.wisconsin.edu/financial-administration/special-topics/purchasing-cards/>)

UW System Administrative Policy 336 (SYS 336), *Sales and Use Tax* (<https://www.wisconsin.edu/uw-policies/docs/sales-use-tax/>) (formerly F2)

IRS Publication 463 (<http://www.irs.gov/publications/p463/ch06.html>)

# Definitions

Please review keyword definitions (<https://uw.foxworldtravel.com/definitions/>) in relation to the above policy.

## Business Objectives of Policy

- Define miscellaneous travel expenses
- Define purchase and payment requirements
- Prescribe receipt and expense reporting requirements in accordance with applicable tax laws

## Policy Statement

This policy and any related procedures apply to all individuals, including employees, students, consultants/contractors and other non-employees, traveling on behalf of the University and requesting payment or reimbursement of miscellaneous travel expenses.

Miscellaneous travel expenses are defined as those costs not considered primary means of transportation, lodging related or included under the University's meal and incidental per diem allowance.

Where miscellaneous transportation is expected to be the primary transportation, comparison of cost must be made to the most reasonable form of other public transportation, typically airfare. See UW System Administrative Policy 410 (SYS 410), *Purchase & Payment of Business Air Travel* (<https://www.wisconsin.edu/uw-policies/docs/purchase-payment-of-business-air-travel/>) for comparison and receipting requirements.

## Miscellaneous Travel Expenses

### TRAIN TRAVEL

- Travel by train is limited to coach unless overnight, where accommodations are limited to a roomette. The payment or reimbursement for intercity train travel will not exceed the lowest cost of the most reasonable form of other public transportation.
- The origin starting point, destination and business purpose must be indicated on the reimbursement request.
- Receipts are required for all train travel regardless of cost.

### BUS

- Reimbursement shall not exceed lowest cost of the most reasonable form of other public or commercial transportation options.



- The origin starting point, destination and business purpose must be indicated on the reimbursement request.
- Receipts must be provided if the one-way or round-trip fare, or bus pass for extended use, exceeds \$25.

## **TAXI/SHUTTLE/AIRPORT LIMO/CAR SERVICE**

- Reasonable and necessary charges for taxi, shuttle, airline limousine, or car service (i.e. Uber, Lyft etc.) including tips, up to a maximum of 20% of the fare, is reimbursable when other modes of travel are not available or practical.
- To avoid unnecessary taxi or car service expenses, travelers should utilize regularly scheduled airport bus or shuttle service between terminal facilities and hotels. Many of these options are complimentary or obtainable at minimal cost.
- The origin starting point, destination and business purpose must be indicated on the reimbursement request.
- Receipts must be provided if the one-way or round-trip fare exceeds \$25.

## **REGISTRATION FEES**

- Registration fees for conferences, conventions, training, seminars, meetings, events or other programs may be centrally paid or reimbursed.
- Documentation must include the business purpose, event dates, location, title of the event, the amount of the registration fee and the breakdown of specific costs (meals, materials, etc.) included in the fee.
- Adequate documentation often requires obtaining both a payment receipt and a copy of the applicable page from the brochure, application or registration form.
- Expenses for spouse, other family members, and non-business related activities, such as sightseeing tours, golf, etc. are not payable or reimbursable by the University.
- Receipts are required for all registration fees regardless of cost.

## **TOLLS**

- Toll costs incurred while traveling for business are reimbursable.
- Advance deposits placed on individual toll pass accounts are not reimbursable, only the pass dollars used to cover the business tolls for the trip will be reimbursed.

## **PARKING**

- Parking charges incurred for University business will be reimbursed as follows:
  - Parking when traveling outside the headquarter city.
  - Short term parking costs incurred by driver when traveler is being picked up/dropped off at a transportation station or terminal etc.

- Parking charges incurred within headquarter city, but not at the employee's worksite, such as those incurred for dropping off or picking up documents, supplies, etc. Parking charges at the headquarter worksite (office, etc.) are not reimbursable.
- Receipts must be provided for any parking over \$25.

## **VEHICLE RENTAL GAS**

- Receipts are required for all gas purchases related to vehicle rentals regardless of cost.

## **HOTEL, AIR INTERNET USE OR OTHER BUSINESS COMMUNICATION NEEDS**

- Reasonable costs for required business use of the internet or wireless network incurred at the lodging site, during air travel, etc. will be reimbursed.
- Travelers must provide a business purpose as explanation for the cost.
- Receipts are required for any costs over \$25.

## **FOREIGN/INTERNATIONAL**

- Costs associated with Foreign/International travel will be reimbursed as follows:
  - travel visas
  - required inoculations/vaccinations
  - foreign transaction fees incurred on corporate cards
  - business communications, including international calling plans when accompanied by business justification (individual phone calls are part of the M&IE per diem allowance)
- Receipts are required for all of the above regardless of cost.

# **Payment or Reimbursement of Miscellaneous Travel Costs**

Approved payment methods for University travel and related costs are University Purchasing Cards approved for travel, institutional or individual liability Corporate Travel Cards. With the exception of registration fees and intercity transportation that maybe pre-paid by the University, all miscellaneous travel expenses will be handled as post-travel reimbursements.

## **Non-Compliance**

The University will not reimburse any miscellaneous travel expenses that are non-compliant with travel policy.

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UW System Administrative Policy 435

# Headquarter City & UW System Sponsored Events Policy

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**Original Issuance Date:** October 2015

**Last Revision Date:** January 23, 2023

**Effective Date:** July 1, 2022

## 1. Policy Purpose

The purpose of this policy is to establish the parameters for reimbursement of costs associated with hosting UW sponsored business events.

## 2. Responsible UW System Officer

Vice President for Finance and Administration

## 3. Scope and Institutional Responsibilities

Institutions must adhere to this UW System policy. They may not tailor the policy to their institutions.

## 4. Background

Costs associated with UW- sponsored business events, some of which may occur at the headquarters location, may generally be reimbursed if they are actual, reasonable and necessarily incurred in the discharge of official duties.

Subsections 6.A – C outline specific requirements involving refreshment break, meal and reception expenses in connection with UW- sponsored events. Subsections 6.D- F outline policy based on the composition of attendees.

## 5. Definitions

**Reception:** A gathering of individuals associated with a UW- sponsored event that provides the opportunity for interaction in a setting that is not purely social in nature. Unlike a business meeting, a reception may not have a specific agenda or time frame. Like a business meeting, the purpose must be related to or promote the mission of the hosting department.

## 6. Policy Statement

An individual traveler's personal meal & incidental expense (M&IE) per diem allowance cannot be used to pay for items related to University Sponsored Events or any other related business entertainment activity that includes meals, food or beverages whether the expense is incurred in travel status or at the headquarter location. Likewise, Headquarter City, UW Sponsored Event and Hosted Meals are not reimbursed to travelers as individual meals.

University funds may be used to provide meals, break items or non-alcoholic beverage refreshments at a University Sponsored Event or other business function that gathers individuals associated with the University in a setting that is not purely social in nature provided the expense meets the requirements of the existing policy.

Examples of business functions that fall under the definition of University Sponsored Events and rate limits are:

- Conferences
- Seminars
- Retreats/Workshops
- Training Sessions
- Academic Colloquiums
- Receptions
- Orientations
- University Official Functions (<https://www.wisconsin.edu/uw-policies/docs/official-functions/>), specific to events hosted by the President, Chancellor or Center Dean
- Board of Regents meetings
- Business meetings including external stakeholder and business partners of the University
- Hospitality or hosted meals between University hosts and job interview candidates or recruits
- Departmental meetings

Effective with arrangements for food & beverages made July 1, 2022 and after the maximum rate table below will apply to specific allowed expenditures within this policy and replaces the previous meal/break limits specified in this policy.

Maximum rates by location and meal expense type are:

<b>Expense</b>	<b>Within Wisconsin</b>	<b>All Other Continental US</b>	<b>All Other Locations – Including International</b>
<b>Breakfast</b>	\$20	\$23	\$35
<b>Lunch</b>	\$21	\$24	\$40
<b>Dinner</b>	\$35	\$43	\$60
<b>Refreshments/Break</b>	\$12	\$15	\$20

Note: When a reception is held instead of a meal, the reception costs must be within the meal maximums for the particular time of day the reception is held.

Maximum rates are based on actual expenses incurred and are inclusive of gratuity and service charges. Purchase of food, beverages and related costs must have an itemized receipt from the supplier. Credit card receipts alone will not suffice for University payment.

## A. Refreshment Break Expenses

### I. When Allowable

Refreshment break expenses are allowable only in association with a business meeting that meets one of the following criteria:

- a. facilities are not available within the building or immediate area of the meeting where attendees could obtain and consume normal break items within a typical break period (10 to 20 minutes);
- b. having the attendees leave the meeting room would have an adverse effect on the continuity of the meeting, meaning it is expected that break items be consumed while the business meeting or program continues; or
- c. the majority of attendees are not UW/State employees. For purposes of applying this provision, board members are not considered employees.

### II. Allowable Expenses

Refreshment break expenses must be limited to one break each morning and afternoon. The break may consist of nonalcoholic beverages such as coffee, tea or soft drinks, and at the discretion of each institution, a small food item may be included. The total cost must be reasonable and should not exceed the maximum rate.

### III. Approval Level

Director or Department head level or above.

### IV. Documentation Requirements

The following documentation must accompany the request for payment:

- a. The name, purpose, number in attendance, date and time (beginning/ending) of the meeting. A meeting agenda which includes all the required information is preferred.
- b. A statement indicating which of the criteria outlined in 6.A.I. was/were met. If the refreshment break is allowed the number of UW/State employees and non-employees must be provided.
- c. Original invoices/receipts showing the amount to be paid or reimbursed.

## B. Meal Expenses

### I. When Allowable

If the meeting is held at the headquarters location of the majority of the attendees, a provided meal is acceptable only if the business could not be effectively conducted in such a manner so as to avoid the necessity of the meal. It is not appropriate for payment of meal costs at an employee's headquarters location unless a mealtime speaker is scheduled, business is actually conducted during the meal, or facilities are not available near the meeting location for the attendees to eat at their own cost.

### II. Allowable Expenses

Meal expenses, including tax and tip, for UW/State employees included in the payment are allowable only up to the amounts specified in the table above.

### III. Approval Level

Director or Department head level or above.

### IV. Documentation Requirements

The following documentation must accompany the request for payment to a vendor or reimbursement to the employee:

The name, purpose, date and time (beginning/ending) of the meeting. A meeting agenda which includes all the required information is preferred.

A list of meeting participants for whom expenses are to be covered, indicating name and affiliation, i.e., institution, state agency, business, etc.

Original invoices/receipts itemizing the cost per meal and showing the total amount to be paid or reimbursed.

Justification for holding the meeting over the meal period

# C. Reception Expenses

## I. Allowable Expenses

Food and beverage costs, reception room cost, service charges and gratuity may be paid. Even though it may not be possible to determine in advance how many will actually attend, a reasonable effort should be made to minimize expenses resulting from overestimated attendance. The hosting department should be prepared to justify the cost of the event to the news media and to political and private interests. Refreshments cannot include alcoholic beverages.

Expenses are not allowable for receptions that are solely for social or entertainment purposes, except as provided in other UW System policies as referenced in this policy.

Examples in 6.C.I.V describe receptions for which expenses paid by UW administered funds would be allowable.

## II. Approval Level

Director, Department head level or above.

## III. Documentation Requirements

The following documentation must accompany the request for payment:

- a. Approval as indicated above.
- b. A statement or document which substantiates the official business relatedness of the reception.
- c. Original invoices/receipts showing the amount to be paid or reimbursed.
- d. When it is anticipated that the reception will be attended primarily by UW/State employees, the provisions of 6.D.1 and 6.F.1 below shall apply.

## IV. Examples of Allowable Receptions

1. A department of a UW System institution hosts a reception in a hospitality room at an out-of-town conference site hotel.
2. Alumni from the area and conference participants are invited for the purposes of faculty recruitment, fundraising and interaction with UW alumni regarding current UW issues.
3. A college of a UW System institution hosts a reception in conjunction with a guest speaker at an arts and lecture series to provide the participants an opportunity to discuss the topic of the speaker.
4. The art gallery hosts a reception for the opening of an art exhibit to provide the participants an opportunity to discuss the exhibit with the artists and other participants.
5. Critic teachers are requested to attend a business meeting from 4 to 6:00 p.m., followed by a reception, but not dinner, and informal discussions relating to the instruction of student teachers.

## V. Social or Entertainment Related Receptions



SYS 312, Official Functions (<https://www.wisconsin.edu/uw-policies/docs/official-functions/>), SYS 171, Recruitment/Retention of Students (<https://www.wisconsin.edu/uw-policies/docs/recruitmentretention-of-students/>), and SYS 820, Segregated University Fees (<https://www.wisconsin.edu/uw-policies/docs/segregated-university-fees/>), delineate situations where social or entertainment related receptions are allowable.

## D. Events Attended Primarily by UW Employees

Meetings, conferences and training sessions for participation primarily by UW employees (this includes employees from all UW institutions) are subject to the following:

1. Meetings in non-UW facilities are not allowable if additional expenses are incurred by the UW which would not have been incurred if the meetings were held in a UW facility. The only exception is when an adequate UW facility is not available. Justification for not using a UW facility where additional expenses are incurred requires approval of the institution controller.
2. Registration fees must not include items which are not allowable under UW regulations.
3. The brochure or registration form must be attached to the TER, PCard or invoice billed direct to the UW and should indicate the itemized costs, i.e., meals, breaks, etc., included in the fee, regardless of the dollar amount.
4. All registration fees must be paid to the institution and deposited in the State Treasury.
5. The names of the participants and the institution to which they are headquartered must be provided for all meal and lodging expenditures.
6. Meal and refreshment break expenses are allowable under the restrictions outlined in Section B. and Section C., above. Lodging expenses shall not exceed the maximums as referenced in section 6.B of UW System Administrative Policy 415, Purchase & Payment of Lodging. (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/purchase-payment-of-lodging/>).

## E. Events Attended Primarily by the General Public—Meetings, Conferences, Camps and Training Sessions Sponsored by the UW or where the UW acts as the Fiscal Agent for Participation of the General Public and Professional Groups are Subject to the Following:

1. Event should be planned and located in such a way that convenience and accessibility for the participants is maximized and costs to them and the UW are minimized. Utilization of campus facilities is encouraged. The services of a UW meeting planning department should also be considered.
2. The brochure or registration form should indicate the costs, i.e., meals, beverages, breaks, etc., included in the fee. Wine/beer to be served with a meal included at the conference are the only alcoholic beverages which may be

included in the conference fee. Registration fees must be charged for meals, beverages, lodging and other non-program related costs. An accounting of the event registration fees collected and expense incurred must be completed and made available upon request.

3. All registration fees must be paid to the institution and deposited in the State Treasury.

## F. Off Campus Meetings, Training Sessions, Etc. Held Primarily or Exclusively for Employees of the Same Institution:

1. It is recommended that meetings and training sessions held primarily or exclusively for participation of employees from the same institution (generally a department or sub-unit of a department), be held in UW facilities. Refreshment break and meal costs in connection with these meetings are subject to subsection 6.A and 6.B rules above.
2. Prior approval of the Institution Business Representative is required for transportation (mileage, fleet car costs) or meeting room costs associated with a meeting held off -campus.
3. Related lodging costs are not allowable.

## 7. Related Documents

[SYS 171, \*Recruitment/Retention of Students\*](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/recruitmentretention-of-students/) (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/recruitmentretention-of-students/>)

[SYS 312, \*Official Functions\*](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/official-functions-2/) (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/official-functions-2/>)

[SYS 820, \*Segregated University Fees\*](https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/segregated-university-fees/) (<https://www.wisconsin.edu/uw-policies/uw-system-administrative-policies/segregated-university-fees/>)

## 8. Policy History

Revision 4: January 23, 2023

Revision 3: November 11, 2022

Revision 2: June 30, 2022

Revision 1: August 2020

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## 9. Scheduled Review

September 2027

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