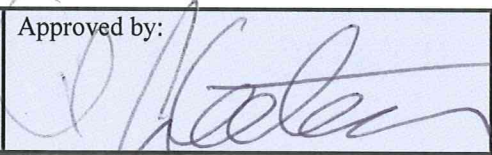


Applicable Employee Classes:	Revised Date: February 5, 2010	Approved by: 
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Travel and Business Expense Policy

Policy

It is the policy of Florida Tech to reimburse employees for allowable and properly documented expenses incurred when authorized to travel on official university business. This policy applies to authorized travel and other reimbursable business expenses. Terms of any grant or contract take precedence if they are more restrictive. Federally funded projects are subject to the guidelines in OMB circular A-21 – *Cost Principles for Educational Institutions*.

To remain an accountable plan under IRS rules and avoid taxation of reimbursements made to all employees, Florida Tech is required to ensure that all travel has a business purpose and is substantiated in a reasonable period of time subsequent to the travel and/or expenditure.

Employees are encouraged to use their university procurement card whenever possible to pay for travel expenses. Travel advances are available for those employees who do not have a procurement card, personal credit card, or personal cash. The amount of the travel advance requested should be reasonable. Employees are also encouraged to request a copy of the Consumer's Certificate of Exemption from the Controller's office. Presentation of this form should exempt the university from payment of sales tax.

Travel Authorization

All employees must have their travel approved by their immediate supervisor by completing a Travel Itinerary Form in advance of travel. A supervisor may delegate authority to review and approve expenditures on a temporary basis (for example, vacations) to an appropriate manager or supervisor. Travel to be charged to sponsored research grants must have advance approval from the Principal Investigator and the Office of Sponsored Programs.

Mode of Transportation

The department head must approve the mode of transportation and such mode must be economically compatible with and best serve the purpose of the trip. When a travel class other than the most economical is used, an explanation must be attached to the expense report. In the absence of an explanatory statement, reimbursement will be reduced to the coach or standard fare for the service used.

Personal Automobile

The mileage allowance for private automobiles is based on the current rate per mile published by the IRS. The mileage rate is to cover all expenses incurred for using the privately owned vehicle except parking fees and tolls. An exception may be a grant that authorizes less than the IRS standard mileage rate. Receipts must be obtained and submitted for any such individual expenses that exceed \$25.00. The traveler must have appropriate personal automobile insurance because private automobiles are not covered by the university's insurance even when being used for business purposes. The insurance must meet liability insurance requirements of the motor vehicle financial responsibility laws of the state in which the employee lives.

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Automobile Rental

Reimbursable automobile rental costs include the daily rental fee, mileage fee, gasoline charges and tolls. If the traveler rents a car from a car rental agency, the university's blanket auto insurance policy automatically covers these rentals and it is not necessary to purchase additional insurance. If the filing of an insurance claim becomes necessary, the signed rental agreement must be filed with the office of the Vice President of Financial Affairs.

Meals and Lodging

Meal expenses are reimbursable if incurred in the course of traveling away from home overnight on university business, or engaging in business-related entertainment. No additional reimbursement will be made for a meal that is provided at a conference as part of the registration fees. No reimbursement will be made for overnight lodging closer than fifty miles from the traveler's home except in unusual circumstances as described in a statement of explanation accompanying the travel itinerary.

Miscellaneous Travel Expenses

Travel expenses such as airline baggage fees, baggage handling and storage, required clerical services (such as internet rental, fax service), laundry expenses necessitated by prolonged travel, reasonable tips for porter, bellhops, etc. are eligible for reimbursement.

International Travel

All requirements in this policy apply equally to international travel. International currency spent must be converted to U.S. dollars for the expense report and the exchange rate used must be provided under explanatory notes. Fluctuating exchange rates make reimbursement for foreign travel somewhat complex. Hotel and dining bills paid with a credit card will be charged in the foreign country's currency, and the credit company will convert the bill to U.S. dollars before billing the traveler. To insure accurate, fair reimbursement, a copy of the credit card bill in dollars should be submitted with the request for reimbursement, in addition to the original charge slip in the foreign country. If waiting for the bill in dollars from the credit card company would delay accounting for an advance, travelers should account for all other expenses within 15 days of return, but may request reimbursement for charged items at a later time.

Non-Reimbursable Travel Expenses

Travel expenses not normally reimbursable:

- Costs incurred by unreasonable failure to cancel transportation or hotel reservations;
- Fines;
- Parking and speeding tickets;
- Lost or stolen tickets, cash, or property;
- Accident insurance premiums;

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- Membership in AAA or airline clubs (exception may be made upon department approval for those who do substantial travel on university business);
- Other personal expenses such as “pay per view” movies, health and grooming services or supplies; hotel mini-bars;
- The portion of rental car, hotel or other travel expense unrelated to university business;
- Excessive tips;
- Expenses not directly related to, or necessary for, the performance of the travel assignment.

Expense Documentation

The traveler is responsible for all expenses and is required to submit an expense report, with all required approvals to the Controller’s Office within 10 business days after the completion of travel. The original approved itinerary should accompany the expense report. Allowable travel expenses less than \$50.00 may be reimbursed to the employee through petty cash in the Office of Student Accounting. All other reimbursements will be paid via Accounts Payable. The employee must immediately return to the Office of Student Accounting funds advanced that cannot be supported as allowable expenses by receipts, per diem, or other acceptable documentation. Per diems may used and may be less, but must never be more than the Federal per diems which can be found at the following websites:

- Domestic Per Diem: www.gsa.gov/perdiem
- Foreign Per Diem: http://aoprals.state.gov/web920/per_diem.asp
- Following the Federal per diem guidelines, all travel days will be paid at 75%.

Per IRS regulations, business travel completed without an overnight stay is not eligible for a per diem meal reimbursement. The employee must be on travel status for a reasonable period after the per diem meal times. Unless a pre-approved per diem is used, all receipts are required for expenses greater than \$25. The only exception to this rule would be very small items where receipts are not possible such as automated tolls, vending, and tips. The IRS further requires that receipts be provided for all lodging charges, regardless of amount.

If a receipt is lost, the supervisor may attach a memo that includes what was purchased and the business purpose if the charge is under \$75.00. For needs beyond this limit, duplicate receipts may usually be obtained from the vendor, assuming timely application is made.

Expenses directly included with a conference or special meeting, such as registration fees and banquets, are reimbursable, without regard to the standard per diem limitations, providing they are reasonable and supported by original receipts.

All expenses, including those paid with the procurement card, should be listed on the expense report. The total amount paid with the procurement card should be subtracted from the total expenses on the bottom of the expense reimbursement form to determine the amount to be reimbursed to the employee.