TRAVEL POLICY CHANGES SUMMARY

Meal Reimbursement:

_Previous Policy:_
For domestic travel, reimbursement was allowed up to $48/day when using actual itemized receipts, and $46/day when using per diem without receipts, with exceptions for higher reimbursement rates for travel to high cost locations (requires prior approval). For travel outside the continental US, the University reimbursed travelers for actual meal expenses up to the maximum Federal GSA Rate allowed for that location.

_Revised Policy:_
All reimbursement based on actual costs incurred, up to a maximum limit of $46 per day, for all domestic travel, regardless of the location, with no receipts required for individual meals. No exceptions will be made for high cost locations. Individual departments retain the flexibility to reduce the allowance to meet departmental budget needs. For travel outside the continental US, the University will continue to reimburse actual meal expenses up to the maximum Federal GSA Rate allowed for that location, without receipts.

_Why the Change?_  
The best practice in travel is per diem (no receipts) using Federal GSA rates. However, given the University’s fiscal outlook, we cannot justify this option. The updated policy for meals represents:

1. The best blend of the traveler benefits of “per diem” and the fiscal benefit of expensing meals “at actual” by setting a per day limit while not requiring receipts.
2. A more accurate picture of the real costs of travel which in turn provides for the ability to better budget for travel-related costs.
3. A recognition that current labor devoted to managing receipts adds significant overhead that does not pass a reasonable cost/benefit analysis.
4. Providing higher rate reimbursement for high cost locations for only restricted funds based travel violates the federal funds requirements. Therefore, the benefit needs to be available to everyone, or no one. Given the current fiscal environment, this benefit is not being offered.

Travel Cards:

_Previous Policy:_
The use of PCards was allowed for some travel expenses, though not consistently across the University.

_Revised Policy:_
Travel Cards are the preferred method of payment for travel expenses. All travelers, with CFO approval, will receive a University Liability Travel Card.

_Why the Change?_  
The Travel and Expense management system will be tied directly to the Travel Card:

1. Transactions will flow seamlessly into the travel system, thus making it extremely easy for travelers and administrative staff to associate transactions with travel and expense reports.
2. Under the previous state when the PCard was used for travel, each transaction needed to be reconciled in the PCard system AND on the travel and expense report - with the Travel Card, reconciliation happens once in the travel management system.
3. Use of the Travel Card will significantly reduce the amount of cash advances distributed, and therefore reduce the risk and administrative overhead associated with those cash advances.

Approval of Travel:

Previous Policy:
Prior written approval was required for travel-related expenses of a routine and repetitive nature for in-state travel (e.g., a blanket approval could be placed on file for up to a fiscal year), however funds were not encumbered for this routine travel - reducing budgetary visibility.

Revised Policy:
The approval for frequent instate travel will occur in the system electronically with approval and financial workflow, and the funds will be encumbered.

Why the Change?
The new Travel and Expense management system automates the pre-travel approval requirement for all travel, including blanket approval for routine repeat travel:
1. This will provide for much more effective budgetary management by encumbering the estimated cost of all the recurring routine trips in a given fiscal year.
2. The ability to manage recurring routine travel approval exceeds the technical capability of the current system and procedures.

Travel Insurance:

Previous Policy:
The University would not reimburse travelers for the purchase of travel, life or accident insurance.

Revised Policy:
The University will not reimburse travelers for the purchase of travel, life or accident insurance except in unique circumstances (e.g., travel booking in anticipation of receiving a grant) and with prior approval from the campus Chief Financial Officer.

Why the Change?
As part of the due diligence in planning for the new Travel and Expense management system, it was noted that there may be instances where the purchase of travel insurance is an effective risk management tool for the campus - this policy change accommodates these rare instances.