



## TRAVEL POLICY

### General

Southwestern University will ensure that University travel expenditures and reimbursement policies are carried out in accordance with the definition of an accountable plan given in Section 62 of the Internal Revenue Code of 1986 as amended. If necessary, periodic modification will be made to this travel policy to ensure that favorable tax treatment is obtained in accordance with the Code. The IRS requires the collection and retention of original receipts for employee expense reimbursements.

**Per IRS regulations, all expense reimbursement requests must be submitted to the Business Office within 60 days of the trip end date.** Failure to do so will result in these expenses being treated as personal income. Any expenses turned in for reimbursement after 60 days must be approved for payment by the appropriate member of the President's Staff and will be added to the employee's W-2 with the appropriate federal taxes withheld.

All travel expenses should be paid for using one of the University purchasing channels (SU corporate card, check requisition, or purchase order). Expenses paid via credit card must be paid with an SU corporate card. Reimbursements for business expenses on employees' personal credit cards will not be made without approval from their Senior Staff representative.

### Definition of Travel

For purposes of this policy statement, travel is considered to be any trip requiring overnight stay or trip requiring travel via an airline.

### Allowable Expenses

- Southwestern University provides for reimbursement of all reasonable business-related expenses for authorized business travel in accordance with the guidelines set forth in this policy.
- The University does not use a per-diem allowance for travel expenses; rather receipts for actual expenditures must be submitted.
- The employee should use good business judgment in expending University funds to minimize the cost of travel to the University. Expenditures determined to be extravagant or not of a business nature will be reported to the traveler and the traveler's supervisor for corrective action and/or repayment. Frequent abuse of the reasonableness provision of this policy could result in disciplinary action against the employee, up to and including termination of employment.
- Purchases of alcohol are only allowed in limited instances:
  - Donor relations, business dinners with external constituents and consultants are a few examples.



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- All alcohol purchases should be reasonable in nature and must be authorized by the appropriate member of Senior Staff.
- Alcohol is not allowed when employees are dining alone or only with other Southwestern employees.
- In some instances (e.g. faculty development and student travel awards), allowable business travel expenses (e.g. meals, mileage, etc...) may be limited to a maximum amount according to the award guidelines given to the recipient by the University in advance of the trip.
- Out of pocket expenses must be accompanied by proper substantiating receipts to qualify for reimbursement. Expenses submitted without an accompanying receipt will NOT be reimbursed regardless of the amount.
- In order to receive a mileage reimbursement for business usage of a personal vehicle, the employee must **either** document the beginning and ending odometer readings of the vehicle or submit a google/apple map printout that shows the route and total miles driven. See more information in the *Use of Personal Vehicles* section below.
- Out of pocket and mileage reimbursements may be submitted through Concur **OR** through the normal AP process using the excel expense report found [here](#).

### Personal Expenses not Allowed

- The following expenses are deemed to be personal and thus not allowed to be paid for with University funds.
  - in-room movies at hotel
  - laundry services
  - personal internet access
  - cash tips with no substantiation
  - excessive tips in excess of 20%
  - valet parking if parking at no charge is available
- Daily travel from home to work and from work to home is considered to be an employee's commute and therefore, not reimbursable.
- Without prior approval by the appropriate member of Senior Staff no meal reimbursements are allowed for spouses/partners at business meals.
- Employees accompanied on official business travel by family or friends should separate business and personal expenses.
  - Travel accommodations that include family or friends at no additional cost to the University (e.g. double-occupancy room rates which are the same as single-occupancy room rates) will be reimbursed as valid business expenses.
  - Where a marginal cost is added for a family member or friend, the marginal cost will normally be considered a personal expense and not reimbursed.
    - If this charge was paid on an employee's SU corporate card, then the employee must reimburse SU for the amount of the marginal cost within 60 days. If the cost is not reimbursed, then the amount will be added as taxable compensation



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to the employee's W-2 and appropriate federal taxes withheld from the next paycheck.

- Certain expenses may require allocation between personal and business purposes. In this case, the employee should use a systematic and rational allocation method that fairly states the business portion of the expense. The allocation methodology should be documented and submitted in Concur along with the receipt.

### Travel Advance

- An employee should request a travel advance as soon as possible but no later than noon on Monday prior to the Friday on which the employee needs the advance. A request should be submitted to Accounts Payable through Adobe Sign on a [check request form](#) with appropriate signatures and backup documentation.
- Advances greater than \$1,000, with the exception of routine athletic team travel advances, must be approved by either the AVP for Finance & Administration or Controller prior to turning in a Check Request.
- Any unspent funds from a travel advance must be returned to the University immediately upon return from the trip.
- Substantiating original receipts which document the business use of the advance must be turned in to the Business Office within 60 days of the trip's end date.
  - **Note:** Failure to comply with this requirement will result in the unsubstantiated advance being added to the employee's taxable compensation and reportable IRS W-2 income, and appropriate federal taxes withheld, in accordance with the IRS Accountable Plan rules.

### Report of Business Expenses (RBE)

- **Note: All faculty & staff departments have transitioned to Concur. Reports of business expenses are no longer required for corporate card travel expenses.** For guidance on preparing a Concur report, please follow this [link to the Concur user guide](#).
- Student travel expenses, however, should still be submitted for reimbursement using the [RBE](#).

### Receipts and Required Documentation

- The IRS requires original receipts which include at least the following information: name and address of the payee, the date of expenditure, the dollar amount, and a description of the purchase.
- Expenses incurred for entertainment purposes must meet the IRS requirements for receipts listed above and document the following:
  - The name of the person(s) entertained



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- The business purpose of the entertainment (e.g. fundraising visit, faculty candidate dinner).
- The following items **by themselves** are not considered valid original receipts according to the IRS:
  - cancelled checks (which typically fail to provide sufficient information)
  - personal credit card monthly statements
  - Nonitemized credit card receipts (which typically fail to provide sufficient information as noted above)
  - order confirmations that do not show payment information
  - travel itineraries that do not show payment information

### Use of Personal Vehicles

- The University will reimburse the employee for business usage of personal vehicles at the IRS rate in effect for the date of travel. The rate is updated as the IRS rates changes and can be found on the [Business Office website](#).
- When departing for business travel from the employee's home, reimbursement for mileage should be calculated as the shorter of the distance from home to the destination or SU to the destination in accordance with IRS regulations.
  - For example, an employee living in Austin near the airport, departing from home directly to the airport, should claim mileage from the home to the airport and not from SU to the airport.
- The employee must substantiate their mileage by EITHER documenting the beginning and ending odometer readings OR submitting a google map printout that shows all waypoints and total number of miles driven, as required by the IRS. The mileage reimbursement request can be entered into Concur or submitted to Accounts Payable on a Report of Business Expense report form.
- The employee should use prudent judgment in selecting the use of personal vehicle or air travel so as to minimize expenses to the University.
  - The University may limit reimbursement for personal mileage to the cost of airline tickets where excessive mileage reimbursement is requested.
- The University does not reimburse gas expenses when a personal vehicle is used, since the IRS mileage reimbursement rate is set to cover gas, maintenance, and other vehicle expenses.

### Foreign Travel

- Expenses incurred in connection with travel to a foreign country should be charged to object code **55190** (faculty foreign travel), **55175** (staff foreign travel) or **53575** (services performed in a foreign country) when possible.
  - One exception is when the expense is being charged to a name specific account (an account in which the last five digits are tied to the faculty member's name such as a



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Faculty Professional Development account or Competitive Faculty Development Award account).

- Payment by SU credit card is the preferred method of payment for foreign transactions.
- Any foreign expenses that cannot be paid using an SU credit card should be supported with the following:
  - Original receipt showing date of purchase and amount paid in the foreign currency
  - A printout from [Oanda](#) currency converter website showing the appropriate foreign currency exchange rate based on the date of the receipt.