

# Buffalo State College Foundation

## Travel Policy

### Effective Date

April 8, 2020

### Purpose

The Buffalo State College Foundation (“Foundation”) reimburses most, but not necessarily all, traveler’s costs while on official business. The Foundation will reimburse ordinary and necessary travel expenses, when traveler provides adequate supporting documentation and explanations. While the intent of the travel policy is to reimburse traveler’s expenses in most cases, it is recognized that a traveler will incur expenses that cannot be reimbursed either because of Foundation limits or funding restrictions. If these excess expenses are business expenses, traveler is advised to seek counsel from his/her tax advisor on how the unreimbursed expenses may be claimed as a tax deduction. This policy is intended to provide for reasonable needs of a traveler, to control expenditures, to facilitate proper reporting, and to ensure compliance with applicable Internal Revenue Service requirements for accountable reimbursable plans. This policy applies to all travel regardless of the source of funds or account to be charged. This policy supersedes all previous Foundation travel policies.

### Travelers subject to this Policy:

1. Foundation employees
2. College staff
3. College faculty
4. College students

### Travel Function

Compliance with the Foundation’s travel policy and procedures is a function of Accounts Payable and Travel Services. Reimbursement to a traveler is processed upon review of a properly completed Travel Expense Report. Accounts Payable and Travel Services does not make travel arrangements for travelers. This is the responsibility of traveler and/or department.

## Travel Defined

Travel expenses will be reimbursed when traveler is away from the official work place on official work-related business.

The following travel expenses are allowable:

1. Transportation.
2. Lodging (allowable cost when traveling overnight).
3. Meals (allowable cost when traveling longer than an ordinary day).
4. Telephone.
5. Other ordinary and necessary expenses related to traveler's business travel (see page 11).

## Travel Authorization

### Obtaining Travel Authorization

Determine if the potential benefits of the trip justify its time and expense after considering cost effective alternatives, such as teleconferencing, in-house training, etc. Obtain appropriate departmental approval to take the trip. Approval requirements are defined at the departmental level.

### Spouse/Companion Travel

The Foundation will not reimburse travel expenses incurred by traveler's spouse or another individual accompanying traveler on business, unless:

1. There is a bona fide business purpose for taking traveler's spouse or another individual;
2. and The President or Vice President approves in writing the companion's business travel.

### Combining Personal Business with Business Travel

The Foundation will not reimburse traveler for the personal portion of the trip. Traveler must provide evidence to support the business portion of the trip and the allocation of the expenses that are business related. Obtain a quote at the time of ticketing to document incremental costs that will be treated as personal expenses and include them with traveler's travel expense documentation.

## Responsibilities

### Traveler

1. Obtains prior approval from appropriate department for a trip.
2. Responsible for most travel costs (excluding prepaying conference registration fees) out of pocket until a Travel Expense Report is completed and submitted to Accounts Payable and Travel Services Office for reimbursement. The Foundation does not allow cash advances for travel.
3. Identify the Foundation account to be charged for the travel expenses.
4. Understands any departmental requirements, restrictions, or limits.
5. Minimizes travel costs.
6. Reports all expenses accurately using the Travel Expense Report.

### Department

1. Informs all departmental employees of applicable travel-related Foundation policies.
2. Informs travelers of any special departmental requirements, restrictions, or limits.
3. Approves all travel, foreign and domestic, in advance.
4. Provides proper approvals of all travel authorizations.
5. Reviews and approves Foundation Travel Expense Report in a timely manner.

### Accounts Payable and Travel Services

1. Reimburses the traveler when required, once the correctly completed and approved Foundation Travel Expense Report is received.
2. Ensures that authorized travelers, signers, and departments are informed that they are liable for their actions.

### Conference and Registration Fees

Conference and registration fees are allowable costs. If traveler wishes the Foundation to prepay the registration fees, please complete a Foundation Payment Request Form and forward it to the Accounts Payable and Travel Services Office with the appropriate registration form at least 10 business days before the fee is due. The Accounts Payable and Travel Services Office will issue a check and mail it with the registration forms no later than (3) business days before it is due. To be reimbursed for this expense, proof of payment must accompany the Travel Expense Report.

## Meals

Meals are an allowable cost of a traveler when gone longer than an ordinary day. When on travel status, traveler may use the per diem rate for meals, or be reimbursed for the actual cost. Only one system may be used for the entire trip (if traveler wish to be reimbursed for actual costs, traveler must obtain receipts for each meal more than \$10 for the entire trip). Traveler will only be reimbursed up to the amount of receipts presented on traveler's Travel Expense Report. No per diem rates will be used if receipts are turned in for actual cost reimbursement

## Per Diem

Reimbursed for meal expenses using the Standard Meal Allowance method. The Foundation follows the Federal Code for determining meal per diem. Per diem rates are adjusted from time to time to account for change in cost.

Domestic per diem rates are on the web:

@<http://www.policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.shtml>

Foreign per diem rates on the web:

@ <http://www.state.gov/m/a/als/prdm>

## Actual Meal Expenses

For the purposes of these policies, travel begins one hour before the scheduled departure of a commercial carrier (plane, train, etc.) or, if driving, the actual time of departure. The travel status ends, for the purpose of meal reimbursements, one hour after the commercial carrier returns the traveler to his/her home base (usually, this will be arrival at the Buffalo airport). Travel by automobile ends upon arrival at the traveler's workplace or residence.

## Standard Meal Allowance

### **Partial Travel Days – Per Diem Rate**

The following guidelines will be used to determine the appropriate meal per diem:

#### **Travel days (for meal per diem purposes)**

1. Begin at 12:01AM and end at midnight.
2. Each day is further broken up into quarters:
  - 12:00 AM to 6:00 AM.
  - 6:00 AM to 12:00 PM.
  - 12:00 PM to 6:00 PM.
  - 6:00 PM to 12:00 AM.

As an example: if traveler is to board a plane at 6:30 AM, to Washington, DC (with a per diem rate of \$46 per day), traveler's travel day starts at 5:30 AM. If this trip terminates at 4:30 PM (arrival back in Buffalo), then traveler's travel day stops at 5:30 PM. Traveler's allowable per diem would be \$34.50 (three-quarters of the per diem: 12:00 AM to 6:00 AM, 6:00 AM to 12:00 PM, and 12:00 PM to 6:00 PM portions of the day). In the above example, if the trip should terminate at 6:00 PM, then the allowable per diem would be the full daily per diem cost as traveler would be traveling in a portion of all four quarters in the day. Per diem rates are adjusted from time to time to account for changes in cost.

## Actual Cost of Meals

### *Reimbursement for Actual Meal Expense Guidelines*

Each meal (breakfast, lunch, dinner) must be tracked separately. Traveler will not generally be reimbursed for a meal if it is included in a conference or meeting registration fee. If there are extenuating circumstances, traveler's supervisor must authorize the additional expense for which traveler must submit a receipt and an explanation of the business purpose of the meal.

### Receipt Documentation Requirement

Traveler must submit original detailed meal receipt (for each meal more than \$10) with Travel Expense Report for all meals that traveler is seeking reimbursement. Restaurant tear tabs and credit card receipts alone are not considered acceptable documentation for meals. If traveler does not have a detailed meal receipt, traveler must explain why.

## Lodging

Reasonable lodging expenses are an allowable cost. At the discretion of the supervisor, the Foundation allows a conference participant to stay in the "conference headquarters" hotel even if other, less expensive, hotels are available.

All lodging expenses must be substantiated with an original receipt from the lodging establishment. The receipt needs to provide sufficient detail for the Foundation to determine the cost of the room and any other charges included in the bill that are being requested for reimbursement.

When on travel status, traveler may use the per diem rate for lodging, or be reimbursed for the actual cost. Only one system may be used for the entire trip. Traveler will only be reimbursed up to the amount of receipts presented on traveler's Travel Expense Report. No per diem rates will be used if receipts are turned in for actual cost reimbursement.

The traveler can either be reimbursed using the per diem rate or actual lodging expenses:

1. Reimbursement for lodging expenses using the Standard Lodging Allowance method. The Foundation follows the Federal Code for determining lodging per diem. Per diem rates are adjusted from time to time to account for change in cost.

Domestic per diem rates are on the web:

@ <http://www.policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.shtml>.

Foreign per diem rates on the web:

@ <http://www.state.gov/m/a/als/prdm>

2. Reimbursed for the actual lodging expenses, if reasonable and documented by a receipt.

### Hotel Selection Guidelines

When applicable, traveler is encouraged to use properties that offer:

1. A state or federal business rate.
2. Senior citizen rates.
3. Special promotion/conference rates.
4. Reasonable single room rates.

### Hotel Cancellation Procedures

Traveler is responsible for canceling hotel room reservations. Traveler should request and record the cancellation number in case of billing disputes. Note: Cancellation deadlines are based on the location of the property (Pacific Standard Time when the property is in California). Cancellation fees may apply. If traveler asks to be reimbursed when traveler has failed to cancel a reservation, traveler must provide a written explanation for failure to cancel.

## *Hotel Payment Procedures*

Hotel costs should be paid using one of the following methods:

1. Personal credit card.
2. Foundation credit card (credit card must be in the name of the Foundation and the traveler).

## New York State Sales Tax Exemption

Sales tax exemption certificates are available from the Accounts Payable and Travel Services Office. Use of the Foundation credit card should make these exemptions effective. However, if a traveler chooses to use a personal credit card, traveler should still try to use applicable exemption certificates. In cases where the hotel will not accept the exemption certificate because a personal credit card is being used, sales tax will not be reimbursed by the Foundation. If traveler has any questions at all about this area, please do not hesitate to call the Accounts Payable and Travel Services Office.

## Lodging in a Private Residence

When a traveler stays in a private residence, traveler will be reimbursed for actual and reasonable expenses not to exceed the local rate of lodging. In addition, traveler must provide adequate evidence of travel status. Traveler will not be reimbursed for gifts in lieu of payment for lodging.

## Telephone

### Business Telephone Calls

A traveler can be reimbursed when using traveler's personal telephone calling cards for business phone calls that are reasonable and necessary for conducting business. When staying at a hotel, traveler should avoid making phone calls that have a surcharge. To minimize substantial additional charges added by hotels to the telephone bills, traveler should use calling cards or public phone whenever possible. Traveler must identify all calls and provide an explanation of all reimbursable calls on traveler's Travel Expense Request.

### Cellular Telephone Reimbursement

Traveler will be reimbursed for business calls made on cellular phones that are reasonable and necessary for conducting business. Attach the original bill to traveler's Travel Expense Request. When using personal cellular phones for business, traveler may be reimbursed for the incremental cost of the business calls.

## Transportation

Travelers must utilize the most economical mode of transportation and the most commonly traveled route. Expenses resulting from the extension of route for the convenience of the traveler will be borne by the traveler. Only the President or Vice President for Finance and Management may authorize the use of higher or first-class travel cost services.

### Local Transportation

Transportation expenses, including parking fees and tolls, are allowable when traveler is not traveling away from home overnight. Transportation expenses include the ordinary and necessary costs of all of the following:

1. Getting from one workplace to another in the course of traveler's job.
2. Visiting business contact.
3. Going to a business meeting away from traveler's regular workplace.
4. Getting from traveler's home to a temporary workplace when traveler has one or more regular places of work.

### Travel by Charter Aircraft

In rare and exceptional circumstances, charter flights may be reasonable and necessary (when attendance at a critical College or Foundation meeting is absolutely essential). In such situations, the President or Vice President must approve charter flights in advance and in writing.

### Unused Airline Tickets

If traveler's trip is cancelled after the ticket is issued, and it is a refundable ticket, return the ticket to the travel agency that issued the ticket to expedite refunds. If traveler's trip is cancelled after the ticket has been issued, and it is a nonrefundable ticket, apply the following procedures:

1. Return it to the Accounts Payable and Travel Services Office.
2. A travel advance account will be established for the value of the unused ticket. The value of the ticket will be maintained along with the date through which the ticket is good. If the ticket is not used before the expiration date, the Accounts Payable and Travel Services Office will write-off the account balance, but if the ticket is used, the cost will be charged against the appropriate account.

### Lost or Stolen Airline Tickets

*If traveler's ticket is lost or stolen, traveler must:*

1. Fill out a lost ticket application at the ticket counter or with traveler's travel agency.
2. Submit the carbon copy of the lost ticket application with traveler's reimbursement request.
3. Complete a police report if stolen. A copy of the report must accompany traveler's reimbursement request.

Traveler is responsible for the value of a lost ticket. Some airlines will issue a replacement at current market cost, which may be higher than the price traveler paid for the original ticket.

### Ground Transportation to and from Airports

Traveler should use the most economical mode of transportation to and from airports, and share ground transportation whenever possible. Consider the following modes of transportation:

1. Public transportation - buses, subways, and shared taxis.
2. Hotel and airport shuttle services.
3. Rental car.

Traveler is required to submit original receipts for all individual transactions. Private limousines or car services should be used only when valid business reasons preclude the use of other modes of transportation.

### Foreign Air Travel

Traveler is expected to use the lowest logical coach airfare available. On overseas flights greater than six hours, traveler can be reimbursed for flying business class when permitted by the President or Vice President.

### Foreign Travel Advisories

Traveler should not travel to countries for which the US State Department has issued a travel advisory. Traveler may access the list of current advisories through the following URL: [http://travel.state.gov/travel\\_warnings.html](http://travel.state.gov/travel_warnings.html)

## Rental Vehicles

If driving to traveler's destination is more time or cost-effective than air or rail travel, traveler should rent a car. Most car rental agencies require traveler to have a credit card in order to rent the vehicle.

## Collision Damage Waiver

Charge for collision damage waiver is an allowable charge as part of the car rental only for travelers without Foundation credit card. Charges for personal accident insurance is a personal expense and is not allowable. Authorized Foundation credit card holders (the card must be in the name of the Foundation and the traveler) are covered for primary collision/loss damage insurance if the car rental is paid using the Foundation credit card. If the traveler's name does not appear on the Foundation credit card, the traveler is not covered for collision.

## International Car Rentals

The insurance laws in each country are different. In some cases, the only insurance company is government-owned and insurance purchase is mandatory. It is traveler's responsibility to investigate obligations for insurance coverage before traveler leaves the United States.

## Rental Car Payment Procedures

Unless otherwise instructed, pay for a rental car using any of the following:

1. Foundation credit card (the credit card must be in the name of the Foundation and the traveler).
2. Personal credit card.

## Rental Car Accidents

Should a rental car accident occur, immediately contact:

1. The rental car company, in accordance with the rental car company's requirements for reporting accidents.
2. Local authorities, as required.
3. Traveler's personal insurance company.
4. Traveler's department administrator.

## Personal Vehicles

Traveler may use traveler's personal vehicle for business travel when it is less expensive or timelier than renting a car or taking a taxi or alternate transportation. It is traveler's personal responsibility to carry adequate insurance coverage for traveler and for any passengers.

## Reimbursement for Personal Vehicle Usage

Traveler will be reimbursed for business usage of personal vehicles based on the Internal Revenue Code's allowable reimbursement rate (which includes gasoline, oil, repairs, and insurance costs of operating a vehicle) plus tolls and reasonable parking rates. Traveler will not be reimbursed for travel expenses between a personal residence and a regular work location. To be reimbursed for use of traveler's personal vehicle for business, provide the following on traveler's Auto Mileage Reimbursement Request:

1. The purpose of the trip.
2. The dates of travel and destination.
3. The mileage logs.

Traveler will not be reimbursed for any repairs to traveler's personal car even if these costs result from business travel.

## Personal Vehicle Accidents

Should an accident occur, immediately contact the Accounts Payable and Travel Services Office and also contact:

1. Traveler's insurance company, since the Foundation does not have primary insurance coverage on liability claims.
2. Local authorities, as required.
3. Traveler's department administrator (by the next business day).

## Entertainment

Entertainment expenses are allowable, when approved in writing by the President or Vice President, when traveler is entertaining a business contact, only when they are ordinary and necessary, and meet the following criteria:

1. Entertainment took place in a clear business setting.
2. Main purpose of entertainment was the active conduct of business, and traveler did engage in business with the person during the entertainment period, and traveler had more than a general expectation of getting income or some other specific business benefit.

Entertainment includes any activity generally considered to provide entertainment, amusement, or recreation.

### Receipt Documentation Requirements

*Traveler must submit an original detailed receipt. In addition, the following documentation is required and must be recorded on the Travel Expense Report.*

1. Names of individuals present, their titles and college/company name.
2. Name and location of where the meal or event took place.
3. Exact amount and date of the expense.
4. Business topic discussed.

### Other Reimbursable Expenses

Traveler may be reimbursed for the following miscellaneous (not noted elsewhere in the Policy Manual) expenses for business purposes only:

1. Air freight for business purposes.
2. Currency conversion fees.
3. Faxes.
4. Laundry/dry cleaning/suit pressing for trips exceeding 5 business days.
5. Overnight delivery/postage.
6. Tips.
7. Required vaccinations for foreign travel.

### Tax Issues

Meals, lodging, car rentals, and telephone calls are common travel expenses that are often subject to sales taxes, occupancy taxes, gross receipts taxes, excise taxes, or value added taxes. Tax treatment is based on facts and circumstances and the laws in the jurisdiction where the transaction occurs. Facts vary and tax laws, regulations, and interpretations are subject to change. Therefore, there is no travel-related expense that is uniformly exempt from taxes.

### Eligibility for Exemption from New York State Sales Tax

A traveler is eligible for exemption from New York State sales tax if the following conditions are satisfied:

1. A traveler is on Foundation or College business.
2. A traveler presents a properly completed New York State and Local Sales and Use Tax Exempt Organization Certification.
3. Payment is made directly by the Foundation.

Payment by a traveler's personal credit card does not generally meet condition #3. However, most New York State vendors will accept the Foundation Credit Card that has the Foundation's name as well the traveler's name on it.

#### Eligibility for Exemption from New York City Occupancy Tax

A traveler must present the New York City Occupancy Tax Exemption Letter when checking into the establishment. Most vendors will grant the exemption when a traveler pays the bill with a Foundation credit card.

#### Exemption in Other States

Some states grant a sales tax exemption for Foundation travelers. Generally, states that grant the exemption require payment directly from the Foundation. If the state or jurisdiction grants an exemption and requires an exemption certificate, obtain a copy of the exemption certificate from Accounts Payable and Travel Services and provide it to the vendor along with the payment. Based upon laws and regulations currently in effect, travelers on Foundation or College business generally are not eligible for exemptions from foreign value added taxes.

#### Misuse of Exemption Certificates

Do not use exemption certificates for personal purchases of any kind or for purchases made through an agency account. Misuse is a serious offense that could result in the revocation of the Foundation's sales tax exemption. Disciplinary action may be taken against the traveler if he/she misuses the exemption privilege.

#### Reimbursement for Sales Taxes

If a traveler has followed all necessary procedures and the vendor still assesses the tax, the traveler will not be reimbursed for taxes in jurisdictions where the Foundation is exempt. A notation stating that the exemption was denied must be included on the traveler's Travel Expense Report. A traveler will be reimbursed for all taxes in jurisdictions where the Foundation is not exempt.