

## Travel Policy and Procedures Update – July 23, 2019

On March 7, 2019, the USNH Finance Executive Council (FINEC) approved several changes to our travel policy and procedures that took effect on July 1, 2019. The changes were in response to an Internal Audit report on the review of travel reimbursements across USNH. USNH Financial Services, in collaboration with the campus Finance Offices, updated the travel policies to make them clearer, and provide examples to help travelers comply with IRS travel expenditures guidance and the federal Uniform Guidance rules.

The new travel policies can be found by following the link below:

[www.usnh.edu/usnh-financial-services-policies-and-procedures/07-travel](http://www.usnh.edu/usnh-financial-services-policies-and-procedures/07-travel)

While all employees are expected to stay abreast of all USNH/PSU policies, several key items worth noting are highlighted below:

### **Prudent Spending:**

USNH has chosen open competition as the method of obtaining the lowest applicable airfare and hotel rates. USNH policy is to reimburse reasonable and necessary travel expenses incurred for authorized USNH business travel.

### **Taxability of travel reimbursements under IRS' accountable plan rules:**

Travelers are required to substantiate all expenses within a reasonable amount of time. The revised policy adopts the IRS' definition of reasonable time which is within 60 days from the date of completion of the travel. Reimbursement requests submitted later than 60 days after the end of the related travel are not guaranteed, and if paid such amounts must be treated as taxable income.

### **Sponsored projects travel:**

This section now includes guidance for foreign travel and the Fly America Act, as well as handling of changes, cancellations and unused tickets charged to sponsored projects. Note: PSU will be providing additional guidance related to domestic travel.

### **Authority to approve exceptions to a standard policy:**

This clarifies when a traveler should request an exception to an existing policy and who should provide the approval. The campus Chief Financial Officer or other designee has the last say in such matters. For PSU, these individuals are Laurie Wilcox, Assoc. VP for Finance and Administration (primary) and Tracy Claybaugh, VP for Finance and Administration (secondary).

### **Mixing business travel with personal trips:**

This requires the submission of documentation that supports the cost of the business portion of the trip each time vacation or any other personal conveniences are included. Note: At no time should any personal expense be charged to a PSU PCard, even if the traveler intends to reimburse the institution.

### **Documenting Business Purpose:**

This section clarifies what constitutes an adequate business purpose and provides examples.

### **Per-diem adjustments for first and last days of travel:**

This section reflects USNH's adoption of the federal formula for the first and last day of travel, which is 75% of the daily per-diem regardless of when the trip started or ended.

### **Commuting vs. Business Mileage:**

Transportation expenses of getting from one workplace to another within the general area of your tax home are reimbursable by USNH while commuting expenses (the cost of getting from your residence to your main or regular work location) are not reimbursable. See policy for examples.

### **Requesting per diem on behalf of others:**

Requests for travel reimbursement including per diem requests for another traveler will no longer be honored unless related to travel of volunteers or groups of students.