



College Policy 5.06.03

Travel Management/Expense Reimbursement

Part 1. Authority

Minnesota State Colleges and Universities (MnSCU) System Procedures for Board of Trustee Policies 7.1 and Pursuant to Minnesota Statute 136F.42, Subd. 2. MCTC may adopt policies to approve and administer travel arrangements, other than reimbursement, for employees and students on campus.

Part 2. General Responsibilities

Travel Management is a great benefit to Minneapolis Community and Technical College's campus community. Procedures providing standard guidelines and processes shall be followed to fund authorized travel at state expense when such travel is necessary to conduct official business and to promptly reimburse employees for expenses incurred.

Part 3. Responsibility and Accountability

The employee is responsible for complying with MCTC's travel policy and procedures, the employee's respective bargaining agreement or compensation plan, state laws, federal laws, and IRS guidelines and for accurately completing all required forms for reimbursement of authorized official business travel expenses. The employee's supervisor is responsible for reviewing and approving all travel requests and expenses.

Board Policy 5.20, Expense Allowances for Chancellor and Presidents

Subpart A. Objective

An expense account may be established for the campus president, the amount has an annual expenditure limit.

(Expenses of center directors/campus administrators are to be included with the expenses of the president.)

Subpart B. Scope

The expense account shall be used for expenses related to the performance of duties and responsibilities for which no other reimbursement is provided. MCTC procedures on allowable expenditures from the account shall apply.

Subpart C. Accounting

Each expenditure made from this account shall be accounted for, subject to review by the accounts payable department and to periodic post-audit.

System Procedure 5.19.3, Travel Management

Subpart D. Authority

Board Policy, 7.1, Authority, delegates to the chancellor authority to develop a system procedure on travel management. College Policy 5.02, Finance & Administrative Authority, delegates to the Vice President of Finance & Operations authority to develop procedures and guidelines to implement College procedures.

Subpart E. Scope and Responsibility

This procedure applies to all employees of the MCTC Campus and any other individuals, including students, authorized to travel and be reimbursed for allowable expenses in conducting authorized MCTC business. MCTC employees, or other individuals authorized to travel including students are responsible for complying with this procedure and for the accurate completion of all required forms, including the Employee Expense Report. Students shall be compensated in accordance with local student travel rates or in the absence of local student travel rates with the Commissioner's Plan.

Subpart F. Prior Approval

All in-state travel including travel that may be used in requesting funds from Faculty Development, requires verbal prior approval and all out-of-state travel requires written prior approval by an employee who has delegated authority to approve out-of-state travel prior to any travel and the actual incurrence of expenses. Written authorizations are retained locally for audit purposes.

Authorized travel is when it can be reasonably determined that:

- the travel is primarily for the benefit of MnSCU and is related to the effective conduct of business, including the promotion of interstate cooperation;
- the cost of the travel and absence from work will be offset by benefits accruing to MnSCU, including the professional advancement of an employee; and
- the travel relates to activities which do not have as their purpose the advancement of a political party, a political candidate, or a religious denomination.

Subpart G. Exceptions to Pre-Travel Authorization Requirements

Travel without prior authorization is allowed in the following circumstances:

- emergency travel
- travel originating outside the United States

Subpart H. Spouse/Companion Travel

Travel expenses will not be reimbursed if incurred by a spouse or other individual accompanying an employee or any other individuals authorized to travel including students on business unless:

- the spouse/companion is a state employee and there is a bona fide business purpose requiring their attendance.
- such expenses are provided for in collective bargaining agreements or compensation plans.
- A spouse or other individual may accompany a state employee or any other individuals authorized to travel including students on a business trip at the expense of the employee or any other individual authorized to travel including students expense.

Subpart I. Maximum Use of Financial Resources

Travel costs should take into consideration any financial decisions made such as:

- Employee or any other individuals authorized to travel including students leaving a day early to take advantage of a lower airfare.
- Employee or any other individuals authorized to travel including students staying over a weekend at his/her own expense to obtain lower airfare. Additional expenses may be paid related to the reduced airfare providing they do not exceed the amount saved on the lower airfare.

Other unusual situations which increase or decrease the trip costs.

Travel is being paid for by an outside organization and is in compliance with ethics requirements in accordance with Minn. Stat. Section 43A.38, Code of Ethics for Employees in the Executive Branch, and Minn. Stat. Section 10A.071, Certain Gifts by Lobbyists and Principals Prohibited. If an employee or any other individual authorized to travel including students is reimbursed

by a MCTC institution for this travel and is also reimbursed for the same travel expense by an outside organization, the employee or any other individual authorized to travel including students must endorse the reimbursement check over to the MCTC institution. An employee or any other individual authorized to travel including students may be reimbursed by an outside organization for travel or meals expenses, not to exceed actual expenses incurred, which are not reimbursed by the state and which have been approved in advance by the appointing authority as part of the work assignment.

Employees or any other individuals authorized to travel including students elect to drive a personal vehicle rather than fly. Reimbursement for personal vehicle use in lieu of airfare is at the lower reimbursement rate and shall not exceed the lowest round trip coach airfare.

Subpart J. Travel Arrangements

Travel arrangements may be made through any travel agency. Use of the State's preferred vendors or targeted group and economically disadvantaged vendors is encouraged.

Fares

Lowest Fare

Inquiries on fares and reservations should be made early enough to take advantage of advance purchase discounts.

Travel Insurance

Travel insurance coverage purchased by employees is not a reimbursable expense.

Upgrades

Upgrades at the expense of MnSCU are not permitted. Upgrades are allowed at the employee's personal expense.

Free service upgrades for all domestic air travel are permissible with the lowest available rates. Employees or any other individuals authorized to travel including students shall not use their positions to seek or accept an unwarranted privilege of substantial value which is not regularly available to similarly situated individuals.

Use of Personal Aircraft

Travel in personal aircraft may be authorized by the Board Chair for Board Trustees, by the Chancellor for Office of the Chancellor staff, and by the President of MCTC when it is deemed in the best interest of MCTC. Mileage reimbursement in such cases shall be at the rate identified in the applicable collective bargaining agreement or compensation plan. Proof of adequate liability insurance is required and the pilot and aircraft must be in compliance with all Federal Aviation Administration requirements.

Lost Baggage

Personal items lost while traveling on authorized business are not a reimbursable expense.

Excess Baggage

Employees or any other individuals authorized to travel including students will be reimbursed for excess baggage charges only when the employees or any other individuals authorized to travel including students are required to have on hand equipment, books, reports, etc. which cause him/her to exceed the normal weight limitations.

Lodging

The lowest, government rate available should be secured at a reasonably priced licensed lodging facility. Staying at the private residence of a relative or friend is not a reimbursable expense.

Room charge and tax may be directly billed to the MCTC Campus. Other miscellaneous charges such as meals, dry cleaning, telephone calls, etc. must be paid by the employee or any other individual authorized to travel including students to the lodging facility at the time of check-out. Business related expenses will be reimbursed through the Employee Expense Report process.

State-owned Vehicles

State owned vehicles are to be used for official state business only.

Authorized drivers are state employees, contract employees if authorization to drive a state vehicle is specifically mentioned in their contract, students who have been given permission by MCTC administration, and an individual assisting an employee or student with a disability, if approved by the employee's supervisor, or for students the college or university administration.

Drivers shall have a valid U.S. driver's license and shall observe all ordinances and laws pertaining to the operation of motor vehicles.

Only authorized persons are permitted to ride in state-owned vehicles. Authorized persons include state employees, other persons participating in related state programs, or an individual assisting an employee or student with a disability, if approved by the employee's supervisor, or for students the college or university administration.

Personal Vehicle Usage

Employees and any other individuals authorized to travel including students may use their personal vehicle for business purposes when in compliance with state policy outlined in the Department of Finance's SEMA4 Operating Policy and Procedure Manual, Employee Travel Expenses Chapter and MCTC Student Travel procedure.

Mileage reimbursements for the use of personal vehicles will be at the allowable levels and in conformance with expense reimbursement requirements defined in the respective bargaining agreement or compensation plan of the employee or any other individual authorized to travel including students and state policy as outlined in the Department of Finance's SEMA4 Operating Policy and Procedure Manual and MCTC Student Travel Procedure.

Rental Vehicle

Rental of a vehicle by employees or any other individuals authorized to travel including students is authorized only when the type of trip or location of meetings is such that use of local transportation (taxis, airport limousines and airport shuttles, buses) is not practical or is expected to be more expensive.

Rental vehicles shall be reserved and rented at the lowest applicable discounted rate possible or available.

The use of compact or mid-size/intermediate rental vehicle categories is recommended except in cases where:

- the number of passengers is three or more
- excess baggage for official business requires a large vehicle, e.g., booth displays, slide presentations, sales items
- a larger size vehicle is provided at no extra charge above compact or midsize rate

When rental vehicles are used for travel within the United States, employees and any other individuals authorized to travel, including students, are expected to decline rental vehicle insurance because the state has provisions for insuring rental vehicles against damage through the Risk Management Division. Travelers will not be reimbursed for the cost of rental vehicle insurance for domestic travel. For international travel employees and any other individuals authorized to travel including students should accept all insurance coverage when renting vehicles in a foreign country. Insurance coverage purchased in foreign countries is reimbursable.

Airline Frequent Flyer Program

Minnesota Statute 15.435, Airline Travel Credit, requires any credits or other benefits issued by an airline to a public employee or any other individuals authorized to travel including students who uses public funds to pay for airline travel to accrue to the benefit of the public body providing the funding. Employees or any other individuals authorized to travel including students who frequently fly and have airline frequent flyer programs for their personal travel shall obtain a separate airline frequent flyer program number to record and report receipt of credits or other benefits when using state funds.

Subpart K. Travel Advances

The use of state credit cards for authorized business expenses is strongly encouraged. An employee and any other individual authorized to travel including students may be issued a travel advance subject to minimum amounts determined by his/her bargaining agreement or compensation plan. The amount of the advance should not include any expense that will be directly billed. Advances are requested using the Employee Expense Report a minimum of 14 days before departure or the advance cannot be issued. An employee or any other individuals authorized to travel including students may not have more than one outstanding travel advance at a time, the first advance must be settled before another advance may be issued. The advance must be submitted with a completed Employee Expense Report, appropriate receipts and documentation within five (5) days of returning from the trip and is the responsibility of the employee that the advance was for.

Advances not settled within 28 days of return date will be deducted in their entirety from the employee's pay check.

Subpart L. Reimbursement of Travel Expenses

Reimbursement Form

Employees, or other authorized individuals including students within applicable policies and collective bargaining agreements or compensation plans will be reimbursed for all reasonable and necessary expenses while traveling on authorized business. Request for reimbursement of travel expenses shall be submitted on an Employee Expense Report form.

Employees will only be reimbursed for their own travel expenses, the travel expenses of other individuals are not covered.

Receipts

Original itemized receipts are required for all expenses except meals, taxi services, baggage handling, and parking meters or as required in collective bargaining agreements or compensation plans. All forms of canceled checks and copies of credit card bills do not substitute for original receipts. An employee may be allowed to file an affidavit in lieu of a receipt if the original receipt is lost or a receipt is not obtained.

Direct Billing/Credit Cards

Air travel costs may be paid using a direct or central billing account, state charge/corporate credit card, or personal charge/credit card.

Miscellaneous Expenses

The following miscellaneous expenses may be reimbursed:

- Personal telephone calls - if allowed by collective bargaining agreements or compensation plans, documented personal telephone calls are reimbursable.
- Laundry and dry cleaning - employees or any other individuals authorized to travel including students in travel status in excess of one week without returning home shall be allowed actual cost not to exceed applicable collective bargaining agreements or compensation plans for laundry and dry cleaning for each week after first week.

Non-Reimbursable Expenses

Following are examples of miscellaneous expenses that employees will NOT normally be reimbursed for:

- Under no circumstances will employees or any other individuals authorized to travel including students be reimbursed for alcoholic beverages
- annual fees or interest for personal credit cards
- late payment fees or interest on state-issued corporate credit card
- expenses of traveling companions or family members
- expenses related to vacation or personal days while on a trip
- loss or theft of personal cash or property
- entertainment or amusement costs, movies, "no-show" charges, optional travel or baggage insurance, and parking or traffic

tickets

- incorrect or incomplete expense reports
- Parking if an employee who normally does not drive to work drives a personal vehicle because he/she will use the vehicle for official business during the day; the employee is NOT entitled to parking reimbursement at the work station.

Subpart M. International Travel

Definition

International travel covers all destinations outside the Continental U.S.

Authorization/Approval

The president or designee at each of the state colleges and universities shall approve/disapprove, in writing, international travel for college or university employees.

Expense Reimbursement

Because the cost-of-living varies from country to country and the rate of money exchange fluctuates, the following expenses will be reimbursed at the actual cost unless provisions for reimbursement of international travel are referenced in collective bargaining agreements or compensation plans:

- Commercial transportation
- Hotel/motel accommodations
- Meals
- Work-related long distance calls
- Dry cleaning and laundry services after one week in continued travel status. Miscellaneous expenses incurred with travel such as baggage handling and parking fees

Receipts for expenses should be attached to the Employees Expense Report. If an employee or any other individuals authorized to travel including students does not have a receipt or an affidavit of expenditures, the out-of-state reimbursement limits in collective bargaining agreements or compensation plans shall be used.

Travel Advisories

Employees or any other individuals authorized to travel including students must NOT travel to countries for which a travel advisory has been issued by the State Department of the United States of America. Contact the State Department to obtain a list of current advisories at <http://travel.state.gov/content/travel/en.html>.

Travel Vaccine Requirements

The Center for Disease Control has travel vaccine requirements, food and water precautions and other pertinent information at the following Internet address: <http://wwwnc.cdc.gov/travel/destinations/list>

Emergency Travel Assistance

In case of an emergency, contact the travel agency issuing the travel documents and itinerary.

Foreign Currency Services and Reimbursement Conversion

Foreign currency can be obtained from any of the following locations:

- banks

- airport foreign exchange counter
- major hotels in foreign countries
- currency exchange outlets

Expenses incurred and paid directly by the employee or any other individuals authorized to travel including students are converted into U.S. dollars at the actual exchange rate, supported by receipts such as a foreign currency exchange receipt or a charge/credit card billing statement. When more than one exchange of the same type of foreign currency is made during the reporting period, a weighted average exchange rate (total U.S. dollars divided by total amount of foreign currency) must be used. All expenses must be recorded in U.S. dollars, with the currency conversion rate clearly noted on the expense report and on all support receipts. If the amount claimed on the expense report is more or less than the amount of the attached receipts, a written statement explaining the differences must accompany the expense.

Subpart N. Responsibility and Accountability

The employee or any other individual authorized to travel including students is responsible for complying with state statutes, laws, regulations, policies, MCTC's travel policy and procedures, the employee's respective bargaining agreement or compensation plan, state laws, federal laws, and IRS guidelines and for accurately completing all required forms for reimbursement of authorized official business travel expenses. The employee's supervisor is responsible for reviewing and approving all travel requests and expenses. Audits of travel reimbursements shall be conducted according to the audit plan approved by the Board.

System Procedure 5.20.1, Special Expenses and Chancellor/Presidential Expense Allowances

Authority

Board Policy 7.1, Authority, delegates to the chancellor authority to develop procedures and guidelines to implement this policy.

Special Expenses

Subpart A. Definition

Special expenses are extraordinary expenses incurred in connection with work-related responsibilities or official functions not generally supported with public funds of the Minnesota State Colleges and Universities or assigned duties of system employees, which are not reimbursable through the regular expense regulations. Provisions for special expenses are also found in applicable collective bargaining agreements or compensation plans.

In addition to special expenses, the chancellor and the presidents may establish an expense account as provided for in Board policy 5.20.

Subpart B. Authorization/Approval of Special Expenses

The MCTC President delegates the authority to approve/disapprove special expense requests for MCTC's employees to the Vice Presidents and Deans through the delegation of authority process.

The chancellor delegates the authority to approve/disapprove special expense requests for employees of the state colleges and universities to the presidents. A president may delegate his/her authority to approve/disapprove special expense requests to a college/university employee(s) through the delegation of authority process.

Except in emergency situations, approval is required before any special expense is incurred and before commitments involving special expenses are made.

Employees must obtain approval of special expenses before incurring such expenses or the payment may be denied. Requests received after the event or too late to provide a proper review must include an explanation of why the request was not provided in a timely manner. Payments to reimburse or advance special expenses may be made only if the approved request to incur special expenses is attached to the Employee Expense Report.

Subpart C. Expenses Covered

The following expenses are covered where the benefits of the employee's attendance or participation will accrue primarily to the state:

1. Full cost of a meal when it is part of the structured agenda of a conference, workshop, seminar, or meeting which the chancellor or president has authorized the employee to attend, whether or not the employee is in travel status.
2. Meals and related expenses, or non-alcoholic refreshments and food served when conducting business with citizens; members of boards, commissions, task forces, or workgroups; foreign, federal, state, or local governmental officials and/or employees.
3. Registration and tuition fees for conferences, seminars, workshops, or education courses. Education courses provided through a tuition waiver are not special expenses. Prior approval is required only if the cost exceeds \$1,000 per participant.
4. Non-alcoholic refreshments and food for system, board, college or university sponsored meetings, receptions for speakers, performers, and commencements; conferences; workshops; and other similar system, board, college or university sponsored meetings or activities that have predominantly non-state employees.
5. Non-alcoholic refreshments, food and other conference costs for system, board, college or university sponsored events where registration fees are charged and the majority of the participants are non-state employees.
6. Non-alcoholic refreshments and food for meetings that consist primarily of state employees when the non-alcoholic refreshments and/food are an integral part of the event and are necessary to sustain the flow of the meeting and to retain captive audience and meet one of the following criteria:
 - a meeting with participants from many geographic locations where the majority of the participants are in travel status
 - a department-wide or division-wide annual/quarter/semester staff meeting for all employees
 - a department or division senior management planning or organizational meeting
 - a department, division, college, university, system or office of the chancellor wide meeting regarding a topic(s) with department, division, college, university, system or office of the chancellor wide impact
 - a structured training session, available to employees generally and conducted by persons outside the Minnesota State College and University System, provided it has been approved by the college, university or office of the chancellor. With the exception of Board of Trustees meetings, campus visits, and other official functions, including but not limited to committee meetings, the above meetings shall be scheduled to minimize the inclusion of meals.
7. Non-alcoholic refreshments and food may be provided during official meetings or other functions of the Board of Trustees.
8. Lodging if an employee is not in travel status:
 - when weather conditions or other unforeseen occurrences warrant lodging;
 - when college, business or contract negotiations prevent the employee from returning home; or
 - when the president authorized overnight participation in an approved event. Authorization should be based on the benefit of such participation to the Minnesota State Colleges and Universities.
9. Expense reimbursement for lodging, travel, and meals for one attendant for an employee with a disability that requires daily assistance in performing various personal tasks or who has special mobility needs.
10. Expenses as follows for employees assigned to work at the State Fair:
 - Fees and admission to the fairgrounds;
 - One meal during each shift of fewer than ten hours or two meals during each shift of ten hours or more, subject to the meal allowances for in-state travel collective bargaining agreements or compensation plans;
 - Taxi fare for employees with a disability who are unable to drive or use other means of public transportation between their normal work station and the fairgrounds.
11. Expenses as follow for individual employee and board member awards and system, board, college, and university recognition events:
 - Awards for individual or group achievements, which are limited to non-cash/non-negotiable items of nominal value as, provided for under IRS guidelines. Items of nominal value are those that have no market or retail value such as promotional or advertising items.

- Up to 100% food and non-alcoholic refreshment reimbursement for employees being recognized at annual employee recognition events. Reimbursement for travel in accordance with System Procedure 5.19.3. Reimbursement for alcoholic beverages is prohibited.

Subpart D. Expenses Not Covered

- Refreshments or meals for routine staff meetings.
- Private club memberships.
- Alcoholic beverages.
- Entertainment.
- Employee parties (including holiday parties).

Subpart E. Process

- Determine whether or not an expense is appropriate to pay as a special expense.
- Prepare requisition form and special expense approval form.
- Authorized employee must sign invoice and submit it to the Business Office for payment.

Part 4. Chancellor/Presidential Expense Allowances

Subpart A. Definition

Presidential expense allowances (previously called department head expenses) are expense accounts which permit the payment of expenses related to the duties and responsibilities of the president for which no other reimbursement is provided. All expenditures must have a public purpose and must provide benefit to MnSCU or one of its colleges or universities. Presidential expense allowances account expenditures are subject to both pre-audit and post-audit review.

Subpart B. Authorization/Approval of Chancellor/Presidential Expense Allowances

Expenditures from the expense allowances account must be approved by the chancellor for the office of the chancellor and by the presidents for colleges/universities. The annual expenditure limits are specified in Board policy 5.20.

Subpart C. Expenses Covered

The presidential expense allowances expense account may be used to pay for items including, but not limited to

- Meals and related expenses, or non-alcoholic refreshments and food served when conducting business with citizens; members of boards, commissions, task forces, or workgroups; foreign, federal, state, or local governmental officials and/or employees.
- Meals and related expenses, or non-alcoholic refreshments and food served at receptions where service awards are presented or retiring employees are honored or similar events that affect employee morale. In those instances where the individuals being recognized are accompanied by their spouses or partner, the expenses of the spouse or partner may also be covered.
- College/university membership in a private club/organization/professional association when it will be used for a public purpose.
- Individual membership in a private club/organization/professional association when it will be used for a public purpose and/or it is in support of an individual's position within the system office of the chancellor, college, or university.

Subpart D. Expenses Not Covered

The chancellor/presidential expense allowances expense account may not be used to pay for the following:

- Furniture or office supplies.
- Transportation expenses.
- Alcoholic beverages.

Subpart E. Process

- Determine whether or not an expense is appropriate to pay from the chancellor/presidential expense allowances expense account.
- Prepare a requisition form and a chancellor/presidential expense allowances expense expenditure information form.
- Authorized employee must sign invoice and submit it to the Business Office for payment.

M.S. Chapter 10A.071, Certain Gifts by Lobbyists and Principals Prohibited

Subdivision 1. Definitions

The definitions in this subdivision apply to this section.

- "Gift" means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment, that is given and received without the giver receiving consideration of equal or greater value in return.
- "Official" means a public official, an employee of the legislature, or a local official of a metropolitan governmental unit.

Subdivision. 2. Prohibition

A lobbyist or principal may not give a gift or request another to give a gift to an official. An official may not accept a gift from a lobbyist or principal.

Subdivision. 3. Exceptions

The prohibitions in this section do not apply if the gift is:

- a contribution as defined in section 10A.01, subdivision 11;
- services to assist an official in the performance of official duties, including but not limited to providing advice, consultation, information, and communication in connection with legislation, and services to constituents;
- services of insignificant monetary value;
- a plaque or similar memento recognizing individual services in a field of specialty or to a charitable cause;
- a trinket or memento of insignificant value;
- informational material of unexceptional value; or
- food or a beverage given at a reception, meal, or meeting away from the recipient's place of work by an organization before whom the recipient appears to make a speech or answer questions as part of a program.

The prohibitions in this section do not apply if the gift is given:

- because of the recipient's membership in a group, a majority of whose members are not officials, and an equivalent gift is given to the other members of the group; or
- by a lobbyist or principal who is a member of the family of the recipient, unless the gift is given on behalf of someone who is not a member of that family.

M.S. Chapter 15.435, Airline Travel Credit

15.435 Airline travel credit

- Whenever public funds are used to pay for airline travel by an elected official or public employee, any credits or other benefits issued by any airline must accrue to the benefit of the public body providing the funding. In the event the issuing airline will not honor a transfer or assignment of any credit or benefit, the individual passenger shall report receipt of the credit or benefit to the public body issuing the initial payment within 90 days of receipt.
- By July 1, 1993, the appropriate authorities in the executive, legislative, and judicial branches of the state and the governing body of each political subdivision.

Date of Adoption: 12/27/2005

Date of Implementation (if different from from adoption date):

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