5.4.2 Travel Expenses

Last updated on:
11/02/2015

Formerly Known As Policy Number:
36.7

This Guide Memo outlines policy on travel undertaken for University business. It should be used in conjunction with travel procedural information, resources, and forms, which outline the application of this policy and may be found in the Travel [1] section of the Gateway to Financial Activities [2] website (Fingate).

Authority:
Approved by the Senior Associate Vice President for Finance.

Applicability:
This policy applies to employees and non-employees traveling on authorized University business, and to all travel expenses reimbursed by the University or paid for on the University Travel Card, regardless of the source of funds.

The SLAC National Accelerator Laboratory (SLAC) has travel procedures unique to the laboratory. SLAC travelers should contact the SLAC Travel Office for procedural information.

1. General Policy

The University is responsible for managing its resources prudently, while meeting the travel requirements of the University and complying with IRS rules and regulations for reimbursement of travel and entertainment expenses.

The University’s policy is to reimburse necessary and reasonable travel expenses incurred for authorized University business fairly, equitably, and consistent with federal regulations. Non-compliance with federal regulations may expose the University and the individual to financial risks and penalties.

2. Roles and Responsibilities
The following roles are responsible for complying with travel expense policies and related procedures, which may be found on the Travel [1] section of the Gateway to Financial Activities [2] website (Fingate).

a. Travelers

Individuals traveling on University business are responsible for complying with University policies in this Guide Memo, and should exercise good stewardship of university funds. Expenses should be submitted in a timely manner. Absent exceptional circumstances, expenses submitted more than 60 days after completion of travel will be reported as taxable income to the individual.

Travelers are often assisted by arrangers when making travel arrangement (i.e., individuals who make travel arrangements or reservations on the traveler’s behalf). When making arrangements on a traveler’s behalf, arrangers are also responsible for complying with University policies in this guide memo.

b. Preparers

Preparers of travel expense reports are responsible for understanding University travel policies and correctly entering travel expenses into the Expense Requests system. This includes a clear statement of business purpose, payees and beneficiaries, correct allocation of expenses (e.g., PTAs and Expenditure Types) and submitting all appropriate back up documentation.

c. Approvers

1. Travel Approvers

Authority and responsibility for approving travel by employees and guests of the University reside with the person responsible for the account (PTA) to which the expense will be charged. No person may solely approve his or her own travel, or the travel of an individual to whom he or she reports either directly or indirectly.

2. Travel Expense Approvers
Authority and responsibility for approving travel expenses incurred by employees and guests of the University reside with the person responsible for the account (PTA) to which the expense will be charged. Travel expenses are reimbursable only when all required approvals, including any necessary prior approval from government agencies or other project sponsors, are obtained before incurring the expense. Expenses incurred during sabbatical leave are payable when they are incurred for reasonable and necessary University business and must have the advance written approval of the department Chair. No person may solely approve his or her own expense reimbursement, or the expense reimbursement of an individual to whom he or she reports either directly or indirectly. See Guide Memo 3.2.1: Responsibility of University Funds [3].

3. Principles

Several principles guide travel for employees and non-employees to ensure appropriate stewardship of University resources.

a. Reasonable and Necessary Expenditures

Expenses incurred in the course of University-related business travel should be reasonable and necessary. The University will not reimburse travel expenses that are unreasonable, or are unallowable (e.g., on federally-sponsored projects), or are not required for official University travel (i.e., unnecessary) as individuals should not incur inappropriate or excessive expenses, or gain financially. On occasion expenditures may be incurred for University business that may not be appropriate to be directly charged to restricted or sponsored awards (i.e., business entertainment and alcohol). In this case these expenditures should be charged to the appropriate expenditure type on an unrestricted account.

b. Economical Transportation Required

Travelers must use the most reasonable mode of transportation in order to be reimbursed by the University. More expensive transportation may be used if the traveler pays the incremental cost. Please see the Travel section on Fingate for guidelines on travel modes.

1. Commercial Air Travel

(a) Lowest Available Airfare

All Stanford staff, faculty members, students and University visitors traveling on business are expected to travel at the lowest available airfare and are encouraged to take advantage of Stanford's negotiated fares that are available through the University's preferred travel program (Stanford Travel [4]).
Stanford reimburses fares up to:

- Coach class for domestic flights and international flights of less than eight hours total.
- Business class for international flights of eight hours or more total. This includes connecting domestic legs, provided there are no layovers.

Ancillary fees (e.g., convenient or early boarding, extended legroom, seat location, baggage, in-flight meals, wifi service) should be incurred responsibly and should not be excessive.

(b) U.S. Government Sponsor

If air travel will be paid by a federally-sponsored project, flying on a U.S. airline is usually required (Fly America Act) unless excluded per the Open Skies Agreements. In some cases, the sponsor's written prior approval may be required before each trip or each foreign trip. For more information see principle four (4) below, or for the Fly America Act, see Policy Notes: Fly America Act (U.S. Air Carrier Requirement) [5].

2. Private Automobiles

The University will pay a standard rate per mile (see Mileage Reimbursement Rates [6]) for official travel by private automobile based on the actual driving distance by the most direct route (not more than 105% of the mileage listed on Google Maps [7]).

(a) Automobile-related Expenses

In addition to the standard mileage allowance, necessary and reasonable charges for the following automobile-related expenses are allowed: tolls, ferries, parking, bridges, tunnels, and liability and physical damage insurance coverage for driving in foreign countries or Hawaii. Traffic ticket and parking ticket expenses must be paid personally, not by the University.

3. Rental Cars, Taxis, Ride Services, and Shuttles

The University will pay the traveler for the cost of renting a compact or standard size car and for the automobile-related expenses including fuel, if use of the rental vehicle is the most economical mode of transportation. As an alternative to car rental, travelers may use taxis, ride services and/or shuttles, which are often more economical than renting a car. See Overview: Ground Transportation [8] on Fingate.

4. Other Forms of Transportation

(a) Piloting a Private Plane

The University officers listed below, or their designees, may authorize faculty and employees to pilot aircraft for travel on University business, provided necessary documents are on file with Risk Management (See Risk Management Department [9] for an online form to complete):
5. Meals and Lodging

(a) Lodging Choice

University business travelers are expected to use lodging accommodations that are necessary and reasonable. Standard hotel room rates are considered reasonable.

(b) Options

Travelers may use one of four methods for reimbursement of expenses incurred in connection with official University travel of more than one day. The method selected must be used for the entire trip.

- Actual Expenses
- Actual Lodging Expenses Plus Per Diem for Meals
- Per Diem Lodging Plus Actual Expenses for Meals
- Per Diem for Lodging and Meals

Travelers are required to adhere to strict dollar limits for meals, which vary by location, as outlined on Fingate under Travel Resources: Per Diem Rates [10].

(c) Local Travel

Local travel is defined as less than 50 miles one way from Stanford or the traveler's residence, whichever is greater. Barring exceptional business reasons, local travel does not qualify for an overnight stay or payment of personal meals. If a trip exceeds the local travel limit, but the traveler chooses not to stay overnight, personal meals will be eligible for reimbursement at actual rates (see above). A meal with a business purpose is generally eligible for payment. Please see Expense Guidance for Business Meals [11] for information on business meals.

(d) Non-business Days

Weekends, holidays, and other necessary standby days may be counted as business days.
only if they fall between business travel days.

(e) U.S. Government Sponsor

Costs incurred by travelers that will be charged to federally-sponsored awards, including costs of lodging, meals, and incidental expenses, must be reasonable, allowable, necessary to the award, and consistent with University policies.

6. Limitation on Group Travel

Travel by a group of employees in the same aircraft, automobile or other means of transportation is discouraged as an accident could seriously affect the functioning of a University activity. Maximum coverage under the University’s travel insurance also limits the number of employees traveling together to five.

7. Charges to Sponsored Projects

When travel costs will be charged to a sponsored project, award terms and conditions take precedence. Some awards may require the sponsor to pre-approve trips. For more information on charging travel costs to sponsored projects, review the Overview of Research and the Regulatory Environment [12] on the DoResearch [13] website.

8. School and Department Guidelines

At their discretion, schools, departments, laboratories, and institutes may impose more restrictive guidelines for budgetary or control reasons. They may not be less restrictive than guidelines stated in this policy.

9. Travel Reimbursed from Multiple Entities

If a traveler is taking a trip reimbursable jointly by the University and another entity or entities, the University will reimburse for its share of the actual fare necessary for University business and the traveler is responsible for seeking reimbursement for expenses payable by others. Fares greater than coach fare (first class, business class, etc.) cannot be used as the basis for prorating air travel costs. When an outside organization reimburses for lodging or meals, the traveler may not claim per diem from Stanford. In no case may the amount reimbursed for the trip from all sources exceed the total expenses incurred.

10. Travel Expenses of Spouse and Others

In general, the expenses of a spouse, family member, or other person accompanying the business traveler are not reimbursable. Such expenses are only reimbursable if the accompanying person
has a position with the University and is traveling to make a significant contribution in furtherance of University business. Exceptions to this policy are rare and must be approved in advance of travel by the Provost.

11. Preferred Travel Program and Online Booking Tool

The University has a "preferred" travel program (Stanford Travel) and has negotiated contracts to provide services for Stanford employees as well as students and guests of the University. The University will reimburse travelers for the service fee charged by its preferred travel program for Stanford business travel. The University may not reimburse travel costs that exceed the cost of substantially similar travel available through its preferred travel program or negotiated contracts. Travelers and travel arrangers are strongly encouraged to use Stanford Travel for planning and booking travel. Benefits include traveler compliance and enhanced traveler safety. It also improves Stanford’s ability to negotiate rates with travel providers (as we can substantiate how much the University spends), and eliminates the need to document lowest fare. See Stanford Travel for more information.

12. University-Provided Travel Card

The University has a Travel Card Program to facilitate payment of travel-related expenses (i.e., airfare, lodging, car rental, travel meals, etc.) for University business. This program is available to regular faculty, staff and post-doctoral fellows. Individual and department cards are included in the program. Frequent travelers and travel arrangers are strongly encouraged to apply for and use the Stanford Travel Card as the preferred method of payment for all travel expenses. Benefits include streamlined expense reporting as data is automatically prepopulated in certain fields in the Expense Report.

13. Student Travel and Tax Considerations

All student reimbursement, graduate or undergraduate, which does not meet the criteria for University travel, including required documentation, will be tax reportable and should be submitted and paid through Graduate Financial Services (GFS) for graduate students and through the Financial Aid Office for undergraduates. See Student Travel information on Fingate.

14. Foreign Visitor Travel

Payments to foreign visitors, or on behalf of foreign visitors (direct payments to hotels, etc.), may be made only if the visitor enters the United States on an appropriate visa (see Guide Memo 2.4.1: Visas for and Employment of Foreign Nationals.) See Inviting and Paying Foreign Visitors on Fingate.
4. Sources of Help

a. University

Please visit the Travel [1] section on Fingate for more specific information on travel and travel-related procedures. Questions regarding travel policy and procedures may be directed to the Financial Support Center [18].

b. SLAC

SLAC travelers who have questions should contact the SLAC Travel Reimbursement Office [19].

Guidelines on requesting a memo change can be found at https://adminguide.stanford.edu/change-request-guidelines
