Third Party/Non-Commercial Lodging

Authority: Vice Chancellor for Finance and Business

History: First Issued: April 1, 2014

Additional References:
G.S. 116-30.1
State Budget Manual Section 5.1.8 - Third Party Lodging
Office of State Budget Management Memorandum
University Controller’s Website – Travel Requirements for University Employees

Contact Info: University Controller (919-515-6897)

Pursuant to G.S. 116-30.1, the Office of State Budget Management may authorize third party lodging without OSBM approval if a University develops an internal Third Party Lodging Policy. North Carolina State University will issue and update guidelines and or procedures as needed to ensure compliance with this policy and OSBM’s delegation.

1. University sanctioned travel may occasionally stipulate the use of lodging in an establishment that is being rented out by a third party (apartment or home) rather than a hotel or motel. This policy was developed as an internal method of authorizing third party lodging for University affiliates (employees and students) traveling on official University business.

2. The following is required:
   2.1. Each request for third party lodging must have documentation demonstrating evidence of savings to the State, based on approved in-state and out-of-state lodging rates. Forms and guidelines will be issued and updated as needed.
   2.2. Guidelines will be issued and updated as needed to determine the appropriate comparison hotels when requests exceed State lodging rates, but may still demonstrate evidence of savings to the State.
   2.3. Guidelines will be issued and updated as needed to standardize the criteria campus will follow when applying for an exception to this policy if the request does not provide evidence of savings to the State.
      2.3.1. If the estimated daily rate does not exceed the State approved daily rate, the traveler will provide a copy of the lease agreement and justification.
      2.3.2. If the estimated daily rate exceeds the State approved daily rate, the traveler will provide a copy of the lease agreement and three standard midrange hotels for comparison and justification.
      2.3.3. If the estimated daily rate exceeds the State approved daily rate and the standard midrange hotels, an exception may be granted based on certain criteria to include:
         - the availability of suitable lodging in the area;
         - the location of available lodging in the area;
         - the type of lodging available in the area;
         - safety consideration for travelers; and
         - other extenuating circumstances not covered by the above items.

Exceptions must be supported with adequate documentation. No excessive costs, luxury accommodations, or unnecessary services for the convenience or personal preference of the travelers will be approved.
2.4. All requests for Third-Party Lodging must gain advance approval and then provide a signed rental agreement in order to receive reimbursement.

2.5. Third Party Lodging lease agreements are prohibited among family members. Family members are the employee and family members of the employee, which includes brothers, sisters (whole or half blood), spouse, ancestors and lineal descendants. Further, a family member of the employee’s brother, sister (whole or half blood), spouse, ancestor or lineal descendant is also considered a family member for purposes of this policy. A Third Party Lodging lease agreement with other entities in which an employee or a family member has an interest is prohibited.

2.6. Third party lodging will not be considered for non-affiliates of North Carolina State University.

2.7. The Chancellor or the Chancellor’s designee must approve all requests.