

Travel Requirements for University Employees

1. Authorization to Travel

1.1 General

Employees traveling on University business must have written prior approval from the department head or his /her designee to qualify for reimbursement of overnight travel costs or meal cost when not overnight. Department Heads or others that authorize travel must have their travel authorized similarly by their supervisor or his/her designee. Items that require specific written prior approval by the department head include overnight travel including lodging and meals, excess lodging rates, excess meals for out-of-country travel, business class fare for international overseas flights, vehicle rentals, use of a private vehicle, non-lunch meals when not overnight, and attendants for handicapped employees.

For overnight travel, employees and departments must use the Travel Center or, if related to a travel advance, the combined Employee Travel Authorization (AP102) and the Employee Travel Advance and Reconciliation (AP103) forms on the University Controller's Office website. For persons that have frequent and routine travel activities, the departments may consider providing blanket travel authorizations as discussed in 1.2 rather than use the Travel Center.

For meals associated with day trips, departments may use the Travel Center or use other options including email, letters, departmental forms, etc., for documenting the required approval.

For insurance/liability purposes, employees should always make sure that they can support their travel activities as being for official university business as authorized by the department even for day trips. It is recommended for verification purposes that employees document their communication of the travel plans and the business purpose of day trips with their supervisor or his/her designee prior to the trip by email, memo, letter or other departmental form.

1.2 Blanket Travel Authorizations

Except for travel outside the United States or travel by a non-resident foreign national, employees may be granted a blanket travel authorization for travel that is either:

1. on a routine and repeating basis and generally for similar activities that make it impracticable to obtain specific trip approvals, or
2. in response to emergency situations or immediate and time sensitive duties that make it impracticable to plan travel times.

Blanket travel authorizations must:

1. be completed using the Travel Center travel authorization process;
2. include a business purpose/description , specified travel period, and estimated maximum amount per trip for the subject travel;
3. include specific authorizations as required by the Travel Center; and
4. be approved by the appropriate department head, or designee, prior to travel beginning.

Blanket travel authorizations may not exceed a period of one year. Blanket authorizations may be renewed on an annual basis. It is the department's responsibility to ensure blanket travel authorization approvals are complete prior to travel beginning.

Employees traveling on blanket travel authorizations with approval of excess lodging expense must maintain documented evidence to substantiate that the excess lodging rate claimed is within the prevailing rate for reasonable

accommodation and otherwise in accordance with the requirements of 2.3.2 of these standards. If the excess daily lodging rate claimed is more than \$300, documented evidence should be attached to the travel expense reimbursement request to support that the rate claimed is within the prevailing rate for reasonable accommodation.

1.3 Non-Resident Alien Travel Authorization

Employees that are non-resident aliens must use the Travel Center to authorize travel. The travel authorization will route to the Controller's Office Tax Specialist for review and determination of any taxable issue with the travel authorization request. The tax specialist may need to discuss certain matters with the employee prior to completing the review which may be done via e-mail or telephone. If no problem, the tax specialist will approve the travel authorization and the authorization is then made available to the department approvers for review and approval. Questions regarding employee non-resident alien travel may be addressed to the Controller's Tax Specialist at 919-515-2866.

1.4 Alternatives to Travel

Before requesting and approving a travel request, options to travel such as teleconferencing and carpooling should be considered to minimize costs. For example, contact could be made with the University ComTech office or campus operator at 515-2011 for information on operator assisted calls such as a "meet me call" or a "conference call."

1.5 Foreign Currency Conversion

When traveling out-of-country, travel expenses paid in a foreign currency must be converted to US dollars before creating the travel reimbursement, small purchase voucher, or travel advance reconciliation. Foreign currency should be converted according to the currency exchange rate in effect at the time of travel. The foreign currency rate and US dollar equivalent can be obtained from currency conversion websites, such as <http://www.oanda.com/currency/converter/>. The rate can also be determined by the credit card receipts, credit card statement, or ATM transaction receipts of the traveler. Documentation must be added as supporting documentation to the travel reimbursement to verify the claimed conversion rate of each expense.

If cash is converted for use during the trip, save the original currency exchange receipt and use the receipted exchange rate when recording cash purchases made during the trip. If additional money is exchanged, use the new exchange rate for the new cash transactions.

When exchanging currency, the best exchange rate should be sought. In most cases, ATM withdrawals will garner the best exchange rate, while currency exchanges at airports will garner the least desirably rate.

1.6 Filing for Reimbursement of Expenses

NC General Statute 138-6(c) requires that all travel reimbursement requests must be filed for approval within 30 days after the travel period for which reimbursement is being requested. Travel reimbursement requests filed 60 or more days after the travel end date must have a documented valid justification.

2. Subsistence Expenses

2.1 Subsistence Allowance Rates

Subsistence is an allowance for lodging and meal costs (including gratuities). To be eligible for allowances while in travel status, the employee must be acting in an official capacity as required by his/her work activities and the travel destination must be at least 35 miles from the employee's duty station or home, whichever is less. Travel reimbursement calculations must involve the starting address of the employee's regularly assigned duty station or home, whichever is less, to the final travel destination.

A University employee who is authorized by the department head or designee to incur lodging and meals costs (including gratuities) while in travel status should use the following schedule for reporting allowable subsistence expenses:

The Subsistence Allowance Rates are as follows:

	In-State	Out-of-State	Out-of-Country
Breakfast	\$8.40	\$8.40	\$8.40
Lunch	\$11.00	\$11.00	\$11.00
Dinner	\$18.90	\$21.60	\$21.60
Lodging	\$71.20	\$84.10	\$84.10
Daily Total	\$109.50	\$125.10	\$125.10

In-State travel rates apply to travel within the State of North Carolina or when employees use hotel and meal facilities located in North Carolina immediately prior to and returning from out-of-state or out-of-country travel during the same travel period.

Out-of-State travel rates apply to travel within the United States except North Carolina or when employees use hotel and meal facilities located outside North Carolina but within the United States immediately prior to and returning from out-of-country travel during the same travel period.

Out-of-Country travel rates apply to travel outside the United States and remains in effect until the employee returns to the country.

Federal per diem rates may be available for out-of-country travel on a Contracts and Grants account if the Federal contract authorizes the per diem rate, and the Office of Contracts and Grants and the Controller's Office approves the use of this rate prior to the travel occurring. The Controller's Office approval is contingent on approval from the Office of State Budget and Management. If approved, the reimbursable rate is the prevailing Federal per diem rate at the time of travel.

2.2 Meal Expenses

2.2.2 Meal Allowances When Traveling Overnight

University employees when in overnight travel status are eligible to receive reimbursement for meals (including lunches) for full days of travel and for partial days (less than 24 hour period) when the partial day is the day of departure or the day of return and the partial day involves an overnight stay. The following applies to be eligible for meals on partial travel days:

1. Breakfast - Depart duty station prior to 6:00 A.M.
2. Lunch - Depart duty station prior to Noon (day of departure) or return to duty station after 2:00 P.M. (day of return).
3. Dinner - Depart duty station prior to 5:00 P.M. (day of departure) or return to duty station after 8:00 P.M. (day of return).

2.2.3 Determining Reimbursement for Travel Meals

Each employee is responsible for his or her own request for travel reimbursement. The subsistence rate for meals is inclusive of gratuities. Meal reimbursements are subject to the number of meals allowed for the travel period reduced by any meals that are included in other reimbursable expenses such as meals included in conference fees. The employee may receive the meal subsistence rate regardless of the actual amount incurred for meals.

Meal reimbursements are calculated by the Travel Center based on the subsistence allowances shown in 2.1 above "*Subsistence Allowance Rates*". Times of departure and arrival must be recorded on the travel reimbursement to calculate the meal reimbursement. The costs of meals included in other related activities (registration fees, conference costs, hotel registration, airfare, etc.) that are predetermined and not optional, may not be duplicated in the reimbursement request.

If claimed, an employee may be reimbursed for breakfast even if their lodging establishment offers a free continental breakfast.

2.2.4 Excess Travel Meals

As required by NC General Statute 138-6 and the Office of State Budget and Management, no excess reimbursement for travel meals is allowed to employees from state agencies or institutions unless (1) there are predetermined charges, (2) excess meals are prior approved for out-of-country travel, or (3) the Office of State Budget and Management has approved the reimbursement for excess meals (for example, if the use of a Federal per diem is approved by the Office of Contract and Grants, the Office of State Budget and Management must prior approve the use of the federal per diem rate).

The department head or his/her designee may grant excess subsistence for meals for out-of-country travel. Approval must be documented and must be granted as part of the prior authorization process. Itemized original receipts are required for all excess meal reimbursements.

2.2.4 Entertainment Meals

Entertainment meals are different than travel meals in purpose, scope and amounts, and for gift development and recruitment purposes are considered a customary and usual business expense. Entertainment meals for purposes such as gift development, faculty/staff recruitment, or other approved purposes are considered non-travel meals, when additional travel expenses are not claimed. If employees are traveling and incur expenses for an entertainment meal at a

business meeting for purposes of gift development, faculty/staff recruitment, or other prior approved purpose, they should request reimbursement when filing their travel reimbursement request.

If travel expenses are not involved, entertainment meal expenses paid to an employee must be charged to account number 53991, following the requirements under the "Internal Conferences and Meeting Expenses" guidelines, section 1 "Non-Travel Meals Authorization and Expense Form" and section 4 "Business Meetings with University Guests and Other Individuals External to the University, and paid from exempt non-State appropriated trust funds that are available for such purposes. Employees may not request duplicate reimbursements for meals.

The department head or his/her designee must approve all entertainment meals. Approval must be documented and must be granted as part of the prior authorization process. Itemized original receipts are required for all entertainment meal reimbursements.

2.2.6 Meal Tips

As noted below in 9.4, meal tips incurred by the traveler are included in the established meal subsistence allowances rates in 2.1. Meal tips are not separately reimbursable unless excess travel meals have been approved as discussed in 2.2.4.

2.3 Lodging Expenses

2.3.1 Reimbursement for Lodging Expenses

In order to qualify for reimbursement for overnight stays, the travel must involve a travel destination located at least 35 miles from the employee's duty station or home, whichever is less, to the final travel destination.

Employee lodging expenses that are paid for or reimbursable by an entity outside NC State University may not be charged to the university.

Reimbursement for lodging is limited to actual cost, up to the applicable subsistence rate discussed in 2.1 above. (See discussion below on *Excess Lodging* for exceptions to this reimbursement limitation.) The payment of sales tax, lodging tax, local tax, or service fee applied to the cost of lodging is allowed in addition to the lodging rate and is to be paid as a lodging expense.

Reimbursement of lodging costs, whether in-state, out-of-state, or out-of-country, must be documented by an original receipt of actual lodging expenses from a commercial lodging establishment. The original receipt must provide evidence of:

1. the claimant as the traveler,
2. the travel dates,
3. the room rate and taxes,
4. a final itemized billing of the lodging expenses incurred, and
5. the name and address of the lodging establishment.

To the extent possible, PCards should be used to pay for lodging costs. When using the PCard, the employee should ensure that only business expenses are charged to the PCard. Expenses such as food, laundry, movie or game rentals charged to the room must be paid for personally and not charged to the university issued PCard.

2.3.2 Excess Lodging

Excess lodging authorization for in state, out-of-state, and out-of-country travel must be obtained in advance from the department head or his/her designee. The allowance for lodging may be exceeded without the department head or his/her designee's approval as long as the maximum allowed daily subsistence as discussed in 2.1 above is not exceeded.

Excess lodging is not allowed from state, federal or F&A funds for travel related to internal conferences.

Excess lodging is allowed when the employee is in a high cost area and unable to secure lodging within the current allowance, or when the employee submits in writing an opinion that his/her personal safety or security is unattainable within the current allowance. Excess lodging authorization is not allowed for reason of convenience.

Employees traveling on authorizations with excess lodging expense should maintain documented evidence to substantiate that the excess lodging rate claimed is within the prevailing rate for reasonable accommodation and otherwise in accordance with the requirements of this standard. If the excess daily lodging rate claimed is more than \$300, documented evidence should be attached to the travel expense reimbursement request to support that the rate claimed is within the prevailing rate for reasonable accommodation.

2.3.3 Lodging in Non-Commercial Lodging Establishments

Reimbursement for lodging in an establishment that is being rented out by a third party or an establishment treated as an apartment building by state or local law or regulation is not allowed unless approved in advance by the University Controller's Office, as delegated by the Office of State Budget and Management (OSBM). Requests for third party lodging must provide evidence of savings to the state. An exception may be granted for requests that do not show savings with sufficient justification to support the necessity for third party lodging.

If an employee desires to stay in an establishment other than a commercial lodging establishment, while in travel status, the employee / travel coordinator should obtain prior approval from his/her department head and then contact the University Controller's Office to obtain the required prior approval. In each case where third party lodging is being considered, the traveler/ travel coordinator (applicant) must provide the University Controller's Office with all details regarding the arrangement, including the amount to be charged, the length of stay, projected cost savings compared to standard lodging rates, and contact information. If approved by the University Controller's Office, a signed rental agreement or a reservation receipt must be presented to receive reimbursement.

2.3.4 Lodging Shared by Employees

Employees traveling may share room/lodging accommodations. When doing so, the employee paying for the lodging expenses must be the employee filing for expense reimbursement. When submitting the reimbursement claim, each employee should indicate in the comment section of the reimbursement claim that the room was shared with (indicate the person's name that the room was shared with) and which employee paid for the lodging expense. Only the person incurring the expense is eligible for reimbursement. The allowance rate for shared lodging is the same as noted above in 2.3.1 to 2.3.3.

2.3.5 Tips Provided to Hotel Employees

Reimbursable gratuity or tips must be considered reasonable for items that are not already covered under subsistence. Excessive tips will not be reimbursed. A reasonable tip would be one that a prudent person would give if traveling or conducting personal business and expending personal funds. Housekeeping tips are not allowed.

As noted below in 9.4, tips for handling baggage when arriving at or departing from the place of lodging can be claimed separately and must be itemized under the "Other Expense" section of the travel reimbursement form. Tips to a hotel employee for baggage handling or baggage checking should not exceed \$2 per bag.

3. Transportation Expenses When Traveling By Air

3.1.1 Transportation by Commercial Airlines

Transportation by commercial airlines is limited to actual coach fare, substantiated by receipt. Special charges by commercial airlines including baggage fees, seating accommodations within the coach class section, or airport service charge are allowable charges and may be paid/reimbursed as part of air transportation expenses. However the number of bags should be reasonable in relation to the business purpose. For example, if the number of bags checked exceeds 2, the purpose of the trip should justify the additional bags.

Employees traveling internationally on overseas flights may be reimbursed actual business class fare (substantiated by receipt) with prior approval of the department head or designee.

Coupons or certificates for reduced air fare if acquired by a state employee while traveling on state business at State expense are the property of the State and should be used, to the extent possible, by the State employee on future State business trips.

As noted below in 9.5, flight and/or traveler's insurance including life and/or medical insurance is not reimbursable.

3.1.2 Travel to/from Airport at Employee's Duty Station

Reimbursement for travel between the employee's duty station or home (whichever is less) and the nearest airline terminal (or train/bus station if applicable) and for appropriate parking may be made under the following circumstances.

1. Taxi, car service, mobile phone ordered car service, or Airport Shuttle - Actual costs with original receipts.
2. Private car - The business standard mileage rate set by the Internal Revenue Service for a maximum of two round trips with no parking charge, or for one round trip with parking charges. For employees working at the main campus, the maximum mileage for one round trip is 30 miles and for two is 60 miles. Original receipts are required for airport parking claims.
3. Use of Public Transportation - In lieu of using a taxi or airport shuttle, employees can be reimbursed without original receipts \$5 for each one-way trip either from or to the airport and the duty station or home (whichever is less). Original receipt required if cost is greater than \$5.00.

3.1.3 Travel to/from Airport at Employee's Destination

Reimbursement for travel to and from the airline terminal (or train/bus station if applicable) at the employee's destination may be made where travel is via the most economical mode available as listed below:

1. Taxi, car service, mobile phone ordered car service, or Airport Shuttle service - Actual costs with original receipts
2. Rental Vehicles - may be used with the prior approval of department head or his or her designee. Original receipt is required. Insurance on rental vehicle is not reimbursable from University funds when travel is in-state or out-of-state.
3. Use of Public Transportation - In lieu of using a taxi or airport shuttle, employees can be reimbursed without receipts \$5 for each one-way trip either from the airport to hotel/meeting or from the hotel meeting to the airport. Original receipt required if cost is greater than \$5.00.

3.2 Transportation by Chartered Aircraft

The use of charter aircraft must be approved by the department head or his/her designee provided the following is substantiated and put in writing:

1. A state aircraft is not available or not appropriate for the size of the party traveling or the destination airport.
2. The use of a charter flight is more economical than a commercial flight.
3. The use of a charter flight is necessary because of unusual travel circumstances.

4. Transportation Expenses When Traveling by Ground

4.1 Transportation by Passenger Vehicle

University travel shall be conducted in the most efficient manner and at the lowest and most reasonable cost to the university. With regard to passenger vehicle travel, whether in-state or out-of-state, university departments shall:

- Maximize the utilization of university-owned vehicles,
- Make use of State term contracts for short-term rentals ([State Term Contract 975B Vehicle Rental Service](#)), and
- Reimburse for use of personal vehicles on a limited basis in situations when the use of state owned vehicles or state term contract rental vehicles are not readily available

4.2.1 Taxi and Shuttle Service - Travel Involving Trips Other Than To/From the Airport

The actual cost of taxi and shuttle service fares is reimbursable when required for travel on official state or university business. Service cost exceeding \$5.00 must be documented with an original receipt.

4.2.2 Rail or Bus

The actual cost of coach fare for rail and bus service on state or university business is reimbursable. Service cost exceeding \$5.00 must be documented with an original receipt.

4.3 Rental Vehicles

Rental vehicles may be used with the prior approval of the department head or his/her designee. Rental vehicles are not authorized for personal use.

For both in-state and out-of-state travel, rental vehicles shall be obtained through the State Term Contract 975B when available. Unless prior approval has been obtained from the department head or his or her designee, the employee shall bear the difference in cost when renting a vehicle from a class that exceeds the cost of a standard vehicle on State Term Contract 975B for short-term vehicle rentals. Contract details and rate information may be obtained by visiting <http://www.doa.nc.gov/pandc/975b.pdf>.

Travelers may rent a vehicle covered under State Term Contract 975B through any of the following means:

1. Reservation by phone

Option A. Hertz	Domestic (800) 654-3131 International: (800) 654-3001
Option B. Enterprise	1-800-RENT-A-CAR
Option C. National Car Rental	1-800-CAR-RENT

2. Online reservations

Option A. Hertz:	https://www.hertz.com/rentacar/reservation
Option B. Enterprise & National:	https://partner.rentalcar.com/stateofnorthcarolina/#/ ***Important - Access necessary instructions, by visiting Enterprise/National Rental Car Booking Instructions

3. Reservations at a local branch

Option A. Reservations can also be made in person at your local branch locations for both Vendors.

4. If further reservation guidance is needed, please contact the Vendor directly. If you have questions on NC State's procedures, please contact Terressa R. Yeakle Best at tryeakle@ncsu.edu.

An original itemized receipt is required for reimbursement to the employee or for support of a PCard payment. To the extent possible, the PCard should be used. However, when the rental vehicle is used for both university business and non-university functions, the employee may not be reimbursed for the non-university portion or charge the non-university portion to a PCard. Direct payments to rental car companies must adhere to the rental rates in the State's term contract.

4.3.1 Refueling Rental Vehicles

Travelers should choose the most economical means of refueling the rental vehicle, including self-refueling the rental vehicle before returning it to the rental agency. Prepaying for fuel as part of the rental contract when a substantial number of miles will be driven (well in excess of 100 miles) is acceptable when self-refueling the vehicle is not a viable solution due to time or safety constraints. Returning the vehicle with less than the required fuel and having the rental agency refuel the car will only be reimbursed on a special exception basis. This is not a normal business practice and will require both acknowledgement of the excess charges by the department head or employee's manager and approval by the Controller's Office. Gas receipts for refueling the rental vehicle from a commercial gas station or rental agency are required for reimbursement.

Note: Most rental car agencies charge higher than market rates for a gallon of gasoline to refuel their vehicles. Acronyms for this service may be FSO or GSO (fuel service option/ gas service option).

4.3.2 Insurance for Rental Vehicles

Travelers renting vehicles should be knowledgeable of the University's PRR on Motor Vehicle Insurance and Risk Management at <http://policies.ncsu.edu/regulation/reg-07-35-03>. When proof of insurance is needed, travelers should obtain a rental car insurance card from their department or by contacting the University's Insurance and Risk Management Office at Campus Box 7521, Environmental Health & Safety Center or by calling 919-515-6135.

The State of North Carolina Motor Vehicle Insurance policy insures private passenger rental vehicles up to \$40,000 per value and rental trucks up to a value of \$60,000 without specifically having to report and add such vehicles to the State of North Carolina Motor Vehicle Insurance policy. However, for any private passenger rental vehicle over \$40,000 in value, for any rental truck with a value over \$60,000, for any vehicle over 10,000 GVW (gross vehicle weight)/or for any rental of 30 days or more, the Traveler should contact Insurance and Risk Management to add coverage for the rental vehicle in advance of the planned rental. A "Rental Vehicle Certificate Insurance Request" form can be found on the [Insurance & Risk Management](#) website. This form should be completed and sent to Insurance & Risk Management for insuring assistance.

COVERAGE TERRITORY The State of North Carolina's motor vehicle insurance policy covers leased vehicles for physical damage in the United States, Canada, Puerto Rico, the United States Virgin Islands, and other territories / possessions of the United States of America.

Refer to Insurance & Risk Management website for additional motor vehicle insurance guidance <http://irm.ehps.ncsu.edu/motor-vehicle-insurance/>.

The following travel expenses related to car rentals are not reimbursable to the traveler by the University:

1. Collision Damage Waiver/Loss Damage Waiver - Since the State of North Carolina Motor Vehicle Insurance Policy provides rental physical damage coverage as noted above, this insurance coverage is not required for state employees. The University will not reimburse a traveler choosing to pay for this type coverage.
EXCEPTION - When traveling outside the State of North Carolina Motor Vehicle Insurance Policy Coverage

Territory (see COVERAGE TERRITORY ABOVE), the employee may purchase this coverage and departments may reimburse the traveler for the cost of this insurance coverage.

If the traveler is involved in an accident with a rental car, and the possibility of a collision damage claim exists, he or she should contact Insurance and Risk Management at 919-515-6124.

2. Personal Accident Insurance - Acceptance of this insurance by the traveler will result in an additional fee or surcharge and is considered personal insurance. The University will not reimburse travelers choosing to pay for this coverage

4.4 Parking Expenses

Parking expenses are reimbursable while in the course of conducting official university business as long as such expenses are determined reasonable and clearly show that there was care taken to keep the costs to the state as low as possible.

5. Traveling When Using a State Vehicle

5.1 Laws and Regulations on Use

When traveling by car, a state vehicle may be used if determined available. If a state vehicle is available and not used, the employee may only receive reimbursement for miles driven according to the policy for personal vehicle use. Procedures for obtaining and using University Motor Pool cars can be obtained by calling the University Motor Pool Office at extension 5-9884 or visiting <https://fleetservices.ncsu.edu/reservation-request/>.

The following laws and regulations apply to the use of all state cars:

1. State-owned cars shall be driven only by state employees and used for official state business only. G.S. 14-247 states, "It shall be unlawful for any officer, agent, or employee of the State of North Carolina, or of any county or of any institution or agency of the State, to use for any private purpose whatsoever any motor vehicle of any type or description whatsoever belonging to the State, or to any county, or to any institution or agency of the State."
2. The assigned driver is responsible for any towing fees resulting from improper parking and for all motor vehicle violations and/or fines while the vehicle is under his/her control.
3. State vehicles shall not be used by an employee while in vacation status.
4. To the extent it is practical, carpooling should be arranged when several state employees are traveling, by state vehicle, to the same destination.

Credit cards are usually available in state vehicles. If unavailable or unable to use, receipts for expenses should be submitted to Motor Pool or Motor Fleet.

5.2 Liability Insurance for State-Owned Vehicles

G.S. 58-194.1, "liability insurance required for State-owned vehicles", states that "Every department, agency, or institution of the State shall acquire motor vehicle liability insurance on all State-owned motor vehicles under its control." To achieve economy in providing insurance coverage for State-owned vehicles, blanket policies have been obtained. These premiums are paid by the University on a departmental basis. The maximum motor vehicle liability insurance coverage limits for each accident are \$1,000,000 per person for bodily injury and property damage; and \$10,000,000 for all bodily injury and property damage claims per accident. Any employee desiring additional protection may purchase it as a "Drive Other Car" or non-owned vehicle endorsement on his or her personal automobile liability insurance policy.

The department may, at its option, purchase collision and comprehensive insurance (known as physical damage insurance) for departmental owned vehicles through the University's Insurance and Risk Management Office. More information regarding vehicle insurance on state-owned vehicles can be found at the University's Insurance and Risk Management web site at <http://irm.ehps.ncsu.edu/>.

5.3 Use of State Vehicles at Employee's Destination

At the employee's destination, state cars may be used prudently for travel to obtain meals and for de-minimis personal purposes. Examples of de-minimis personal travel would include stopping for lunch, picking up a prescription at a pharmacy and related errands.

5.4 Reimbursable Expenses While Driving a State Vehicle

When a state-owned car is used for official travel, parking and storage fees, tolls, and required repairs are legitimate charges to the state, provided necessary receipts are obtained. Receipts are required for all tolls or parking fees.

Reimbursement requests for gas or repairs of Motor Pool Vehicles are to be submitted to Motor Pool Services. No common carrier or public transportation fares are reimbursable on a trip in which an employee uses a state car unless it is shown that such transportation was more economical in a particular situation.

5.5 Hitchhikers

Hitchhikers are not permitted to ride in state-owned vehicles.

5.6 Non-State Employee Riders

Non-state employees may accompany university employees driving state vehicles when their presence is related to state business. Non-state employees are not allowed to drive a state-owned vehicle. University students may be passengers in state vehicles to attend athletic events and other activities officially sanctioned by the University. In such cases, reimbursement from the student activity fund involved must be made to the account incurring the expense. Spouses and children of state employees may accompany them in state-owned vehicles, if ample space is available and all travel is strictly for official state business.

6. Traveling When Using a Personal Vehicle

6.1 Authorization to Use

When traveling on university business, travelers are generally allowed to choose between using a state car or personal car. However, departments may, at their discretion, require travelers to use a state car. Travelers must confirm with their travel coordinator as to any departmental restriction as to the use of personal cars. Travelers with assigned state cars must use the cars assigned to them unless:

1. justification is presented and approval is given by the department to use a personal car, or
2. the use of a personal car does not increase the cost of travel to the state.

6.2 Mileage Reimbursements

Reimbursement requests for use of a personal vehicle should be made through the Travel Center unless a travel advance is being applied.

Actual mileage is reimbursable for business miles only. Mileage is measured from the closer of duty station or point of departure to destination (and return). When an employee is in travel status, miles may be reimbursed to the employee for the prudent use of a private vehicle to obtain meals and other necessities. Miles driven for personal purposes are not reimbursable.

Specific detail of the miles driven is required to support the mileage reimbursement request including the date, travel from and to locations, who visited (company, organization or individual) purpose of the trip, time of departure and arrival, and number of miles driven. The purpose of the trip should be explained in enough detail so that a reasonable third party person would understand the benefit of the trip to the university funds charged. Departments should adopt standard forms for this purpose and ensure that they are completed and certified by the employee prior to approval of the mileage reimbursement request.

6.3 Mileage Rates

6.3.2 IRS Business Standard Rate

An employee may be reimbursed at the IRS business standard rate of 54.5 cents a mile on and after January 1, 2018 when round trip business mileage does not exceed 100 miles per trip. If the round trip mileage exceeds 100 miles per trip, the employee will be reimbursed 33 cents per mile for all business miles. Personal vehicle mileage is measured from the closer of the employee's duty station, or point of departure, to the business destination(s) and return. Examples of policy application to various business scenarios are below.

Example of Mileage Calculation – Higher Rate

Jane Doe traveled to Chapel Hill, NC to attend a meeting on January 2nd. The actual mileage was 76 round trip miles. The mileage reimbursement policy allows 54.5 cents per mile when the trip does not exceed 100 miles per trip.

Mileage Reimbursement:

$$76 \times .545 = \$41.42$$

Example of Mileage Calculation – Lower Rate

Mark Doe traveled to Washington, DC to attend a conference. Mark left on January 1st and returned on January

3rd. The actual mileage was 300 round trip miles. The mileage reimbursement policy allows 33 cents per mile for all miles traveled when the trip exceeds 100 miles.

Mileage Reimbursement:

$$300 \times .33 = \$99.00$$

Example of Mileage Calculation – One day of travel with multiple destinations involving two separate trips

On January 2nd, Jane Doe traveled from her office on campus to Wilson, NC and returned to the office (100 round trip miles). The same day after lunch, she traveled to Hillsborough, NC to attend a meeting and returned to the office (88 round trip miles). Mileage must be entered on separate mileage rows on the travel reimbursement.

Mileage Reimbursement:

$$\text{Trip 1 } 100 \times .545 = \$54.50$$

$$\text{Trip 2 } 88 \times .545 = \$47.96$$

Example of Mileage Calculation – One day of travel with multiple destinations involving one trip

On January 5th, Jane Doe traveled from her office on campus to Greensboro, NC (76 miles) and then to Winston-Salem (28 miles) and return to Raleigh (100 miles). Jane's travel is defined as one trip; therefore, with exception, she will receive 54.5 cents for all miles traveled.

Mileage Reimbursement:

$$204 \times .545 = \$111.18$$

The mileage reimbursement rate covers all private car expenses incurred except parking fees, tolls, and storage fees. Receipts are required for these fees.

6.3.3 Rate Exceptions

When it is in the best interest of the university to do so and/or because of budgetary considerations, the department may reimburse travelers at a rate lower than those allowed by these rules and regulations. In circumstances where the rate is lower than the IRS rate, the traveler should claim mileage on the travel reimbursement under the Alternate Mileage Rate expense category rather than the Mileage category.

6.3.4 Mileage Policy Exceptions

Internal department exceptions to this policy can be granted by the agency head, or designee, if a department has a unique clearly documented business need that is not directly addressed by this policy. These exceptions are public records and shall be made available upon request by OSBM staff, auditors or interested third parties. Exceptions to the mileage policy may be granted by the agency head, or their designee, if an agency has a clearly documented business need that is not addressed by the policy. Other mileage rate exceptions can be requested by completing the [Mileage Policy Exception Request](#) form and submitting it to the University Controller's Office prior to traveling and/or incurring travel related expenses. Approval of the exception will be communicated to the requestor.

6.4 Non-Reimbursable Mileage

No reimbursement shall be made to a University employee for the use of a personal vehicle in commuting from an employee's home to his/her duty station. No mileage reimbursement is allowed to employees on "call-back" status. For the state's policy on compensation to employees on "Call- back" status, see the State Personnel Manual.

6.5 Routine and Repeating Mileage Expenses

When economically possible, departmental vehicles should be used for routine and repeating university travel. Personal cars used for routine and repeating university related activities, where a departmental vehicle is not available and the mileage reimbursement rate paid is above the state motor pool rate, increases the operational cost of the related activity to the department. In these cases and to ensure that the expenditure of university funds is prudent and effective, the department head should evaluate the options available for routine and repeating university travel and approve the option that is in the best interest of the university. The option chosen should not be based on the convenience of the employee but rather on the specific program and economic benefits to the university.

6.6 Local Mileage Expenses

Personal mileage reimbursements to an employee from university funds for business mileage within or between campus departments or between state / federal / local agencies in the same locality as the employee's work station are only available as follows:

1. For EPA and SPA employees, when the round trip exceeds 20 miles, or
2. For SPA employees, when the employee is asked to drive their personal vehicle in an activity that is a routine and reoccurring part of the employee's work assignment.

7. Use of Courtesy/Lease Vehicles and Vehicle Allowances

7.1 Authorization to Use

The use of assigned courtesy/lease vehicles or vehicle allowances is covered by Board of Trustees POL 05.15.3: “Non-Salary and Deferred Compensation.” Only employees authorized in accordance with this Board policy may receive courtesy/lease vehicles or vehicle allowances.

7.2 Expense Reimbursements for Use of Courtesy/Lease Vehicles or for those receiving a vehicle allowance.

Employees assigned courtesy/lease vehicles must keep detailed records on the use of the related vehicle for business and personal travel and must certify this record to the department business office on a monthly basis.

All reimbursement requests for business expenses related to the use of a courtesy/lease vehicle or for those receiving a vehicle allowance should be made through the Travel Center. Mileage is measured from the closer of duty station or point of departure to destination (and return). Commuting miles between home and the duty station are considered personal miles and not business. When an employee is in overnight travel status, miles may be reimbursed to the employee for the prudent use of a courtesy/lease vehicle to obtain meals and other necessities. Miles driven for personal purposes are not reimbursable.

Specific detail of the miles driven is required to support the business mileage reimbursement request including the date, travel from and to locations, purpose of the trip, time of departure and arrival, and number of miles driven. The purpose of the trip should be explained in enough detail so that a reasonable third party person would understand the benefit of the trip to the university funds charged. Employees must use the Travel Center for reporting and requesting reimbursement for business miles. In addition to the business miles, total miles driven for the month or quarter must be reported to the departments and certified by the employee. The difference between the total miles driven and business miles reported on the travel reimbursement is the basis for determining the personal miles for reporting to payroll.

7.2.1 For those employees authorized by BOT Pol 05.15.3, sec 4.4.1 to receive a courtesy or leased vehicle, reimbursement is allowed for the payment of vehicle insurance, taxes and campus parking permits. In addition, the employee may be reimbursed for business mileage at 18 cents a mile on or after January 1, 2018 (the IRS variable rate component).

7.2.2 For those employees authorized by BOT Pol 05.15.3 sec 4.4.2 to receive a courtesy or leased vehicle, reimbursement is allowed only for business related travel at a mileage rate of 29.5 cents on or after January 1, 2018.

7.3 Vehicle Allowances

Vehicle allowances are provided to employees, as authorized by the Board of Trustees, on a monthly basis in lieu of providing a courtesy or leased vehicle. There will be no accounting for the business versus personal use of a car associated with the allowance due to the 100% taxable nature of the payment. Vehicle allowances are fully taxable as non-salary compensation to the employee.

Employees under a vehicle allowance arrangement may receive reimbursement for actual business mileage or other vehicle expenses as allowed under state regulations or under NC State policies and guidelines. The mileage rate for reimbursement for the business use of a vehicle when the employee has a vehicle allowance is 29.5 cents on or after January 1, 2018. This rate includes all costs of operating a vehicle except for depreciation. The rate is based on the IRS standard business mileage rate (54.5 cents on or after January 1, 2018) less the amount included for depreciation

(25 cents on or and after January 1, 2018). Vehicle allowances may only be paid from exempt non-state appropriated funds.

7.5 Reporting Personal Use of a Courtesy/Lease Vehicle or Payment of a Vehicle Allowance

The department business office will calculate the personal use of the courtesy/lease car and/or the amount paid for vehicle allowances and report such amount to and as directed by the University Payroll Office for tax withholding and reporting purposes no later than the December payroll cutoff each year.

8. Mobile Communication Devices (MCDs)

8.1 Overview

The following procedure sets forth the rules for business use of Mobile Communication Devices (MCD) by permanent employees who are required to carry such a device to fulfill their job responsibilities. For the purpose of this procedure, the term 'MCD' includes cell phones and telecommunication devices. The procedure applies to two categories of MCD:

- Employee-owned MCD used for university business
- University-owned MCD used for university business

For employees who meet the eligibility criteria listed below, departments/units may provide an MCD allowance to subsidize the business use of the individual's personal device, in lieu of assigning a university-owned device. Effective, January 1, 2014, all employees requesting or re-certifying an MCD allowance will be required to document their monthly cost to maintain the device. In addition, if the MCD allowance exceeds the employee's monthly cost, the allowance must be reduced.

8.2 Eligibility for MCD Allowance

Only NC State University FLSA-exempt employees who are in full-time, twelve-month appointments can receive the allowance. FLSA-subject staff (those for whom hourly time records must be kept) as well as temporary, part-time, and student workers are not eligible. The determination and approval of the MCD decision will be the responsibility of the respective dean, director, or department head. Specific guidelines for the MCDs are determined as follows:

1. Eligible senior-level employees include the chancellor, executive officers, deans, and other JCAT 100-level positions designated by the Chancellor or appropriate Vice Chancellor.
2. Faculty and non-faculty professionals who must be available 24/7 or during non-business hours to meet service needs such as life/safety issues and/or critical system and operational support.
3. Faculty and non-faculty professionals who must be routinely accessible during business hours but are primarily in travel status or "in the field" a significant amount of the time due to the nature of job duties (job requirement to be away from a standard office). Review of the most efficient and cost effective means of communication should be considered before authorizing employees in this classification.

8.3 Requirements and Instructions

Both university-owned and employee-owned "allowanced" MCDs are subject to the following requirements:

- Initial approval (when started) and annual re-justification of the business need for the device is required and must be documented by **December 31** each year using the [Mobile Communication Device Allowance Request Form](#) and the [Allowance Template](#). For employee-owned "allowanced" MCDs, both forms must be completed and e-mailed to cell_phone_forms@ncsu.edu as a part of the employee's permanent record by December 31, 2015.
- For university-owned devices, only the Mobile Communication Device Allowance Request Form must be completed and e-mailed to cell_phone_forms@ncsu.edu as a part of the employee's permanent record by December 31, 2015.
- Employees receiving an MCD allowance must attach a copy of their annual contract or monthly billing statement to the MCD justification form. Only the relevant pages showing the cost need to be scanned and e-mailed to cell_phone_forms@ncsu.edu along with the two required forms referenced above. The monthly billing statement should be current – within the last month or two. The monthly cost of the employee-

owned device must be documented. The MCD allowance requested cannot exceed the employee's monthly cost for the service on the device used for university business.

- The decision must be based solely on the business requirements of the university.
- Employees are responsible for the protection and retention of business data conducted on the device in accordance with the University Records and Retention regulation.
- Records of business use are subject to the Public Records Act (N.C. General Statute §132, *et. seq.*), as well as other subpoena powers of the federal and State judiciaries.
- Employees are required to have their device with them, charged and operational at all times, and respond timely to university-related communications.

8.3.1 Allowances for Employee-owned MCDs

- Allowances apply only to employee-owned MCDs and must be less than the employee's monthly cost to maintain the device.
- NC State University is only authorized to provide MCD allowances if the department's cost of providing the allowance is less expensive than providing a university-owned MCD.
- **The MCD allowance will be entered into the Financial System by the Controller's Office; this allowance will be paid at month end on a monthly basis.**
- Federal grants and/or sponsored projects do not permit paying allowances for an MCD due to the inability to assign costs with accuracy and efficiency (OMB Circular A-21 Section D.1).
- These payments are not considered base pay and are not subject to retirement or benefits. This allowance has been designated by the Internal Revenue Service as a non-taxable if the required documentation and substantiation of business need is met.
- The University will not purchase, repair, or replace the equipment for employees receiving an allowance.
- Anyone receiving the allowance must notify their respective dean, director or department head when they discontinue mobile communication services. Failure to do so will result in immediate termination of the MCD allowance and may lead to disciplinary action and repayment. A MCD Allowance Request form must be completed to terminate the allowance. The form should be sent to email cell_phone_forms@ncsu.edu.

The maximum MCD allowances are:

1. ***Voice: \$20/month***
2. ***Data: \$20/month***
3. ***Both Voice and Data: \$40/month***
4. ***Adjusted Amount (less than the above rates)***

8.3.2 University-owned MCD used for university business:

- Departments may provide university-owned MCDs to eligible employees in lieu of the allowance; however, the dean, director or department head must approve the purchase and contract of an MCD for business use.

- The department is responsible for contracting with the provider, selecting the initial plan, purchasing the MCD and accessories, and turning in all MCDs and accessories when the service(s) ends. Departments are required to use statewide term contracts when devices and plans are cost effective and meet departmental needs.
- MCDs purchased with university funds are the property of the university and ownership cannot be transferred to the employee.
- Use of the device for email and data should follow the [Computer Use Regulation](#).
- Only University-related business calls are allowed on a University-owned device.
- Departments are responsible for reviewing the need of a university-owned MCD at least annually and are responsible for terminating or making any changes to the service accordingly.

9. Other Travel Expenses

9.1 Fees and Service Charges

With sufficient justification and documentation and with approval of the department head or his/her designee, university employees can be reimbursed for usual, customary, and reasonable fees and service charges imposed by travel agents for assistance in making travel arrangements.

9.2 Passports

Reimbursement for “non-personal costs” incurred in obtaining or renewing a passport may be allowed to an employee who, in the regular course of his duties, is required to travel overseas in the furtherance of official state business. Passport expenses are chargeable to the same fund that supports the employee's trip.

9.3 Telephone Calls

9.3.1 Long Distance Telephone Calls

Employees are not allowed to charge long distance phone calls to the University for calls made of a personal nature, except as stated below. All long distance calls that are to be paid by the University are those made pursuant to the employee conducting official state business.

Long distance calls made and paid by University employees pursuant to conducting official University business are reimbursable to the employee under "Other Expenses". Individual calls over five dollars (\$5.00) must be identified as to point of origin and destination.

9.3.2 Telephone Access Fees

Telephone access fees for business calls are considered a miscellaneous expense. Telephone access fees for personal calls are not reimbursable.

9.3.3 Allowable Personal Telephone Calls

An employee who is in travel status for two or more consecutive nights in a week is allowed one personal long distance telephone call for each two nights, for which reimbursement to the employee may not exceed \$3.00 for each in-state call or \$5.00 for each out-of-state call. Documentation of actual telephone expense is required.

Employees may also be reimbursed for a personal long distance call(s) if such call(s) is/are of an emergency nature as determined by the University department. An example may be a call made when an employee calls home to inform someone that the travel period has been extended beyond original plans due to unforeseen reasons.

9.3.4 Mobile Communication Devices (MCD)

See section 8 above for guidelines on the use of MCDs. MCD calls made to conduct official state business while in travel status must follow the requirements as provided for in section 8. If an employee uses a personal MCD that is not approved by the University, reimbursement for business use of the MCD is not permitted.

9.3.5 Internet Access Purchased While in Travel Status

Employees traveling on official state business needing to transmit data, including e-mail, via their computers should use

the most efficient manner available. Internet charges while in travel status are reimbursable if approved by the department. Original receipt is required for reimbursement.

9.3.6 Employee Reimbursement of Personal Calls

Use of university owned telephones (including cell phones) for personal reasons that cause additional charges to be incurred by the university are strictly prohibited. Should a University employee charge to the University a personal long distance or cell phone call not covered as described in 9.3.3, the employee should immediately notify his or her supervisor and make arrangements to reimburse the University.

9.4 Tips

Meal tips incurred by the traveler are included in the subsistence allowances. Tips for handling baggage at common carrier terminals and tips for the handling of baggage when arriving at or departing from the place of lodging can be claimed separately and must be itemized under the "Other Expense" section of the travel reimbursement form.

Reimbursable gratuity or tips must be considered reasonable for items that are not already covered under subsistence. Excessive tips will not be reimbursed. A reasonable tip would be one that a prudent person would give if traveling or conducting personal business and expending personal funds.

For further guidance, the following information is provided when calculating a tip:

1. Airports: Baggage Handling/Skycaps – no more than \$2 per bag; Shuttle Drivers – no more than \$2 per bag.
2. Parking/Auto Related: Valets - \$2 per car when collecting the car; Taxi Drivers – 15% of the fare and \$1-\$2 a bag.
3. Housekeeping tips are not allowed.

9.5 Flight and/or Traveler's Insurance

Flight and/or traveler's insurance including life and/or medical insurance is not reimbursable with State appropriated funds. Flight and/or traveler's insurance may be purchased for out-of-country travel with non-state appropriated or grant funds, if the grant specifically allows the expense. Business Traveler Insurance, including MedEvac/Repatriation coverage, may be purchased through Insurance & Risk Management for a fee. Visit <http://irm.ehps.ncsu.edu/forms/> for more details.