



**New Jersey Institute of Technology
University Policies and Procedures**

**Number: 12-08
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Subject: TRAVEL AND BUSINESS EXPENSE

A OVERVIEW

The university will reimburse travelers for reasonable, necessary, appropriate and approved travel and business expenses incurred in the performance of university business consistent with full compliance of applicable Federal and State regulations, grant and contractual obligations, and university policies, including but not limited to the New Jersey Conflicts of Interest Law and other State ethics laws and regulations.

Except when acting in a scholarly capacity, all travelers must complete and have approved the State Ethics Commission Request for Approval for Attendance at Events form prior to traveling and attending events away from the workplace sponsored by a non-State source. This form can be found on the Human Resources Department's Ethics Webpage at <http://ethics.njit.edu/>.

Expenses reimbursed and later found not to be in compliance with university policy must be refunded to the university.

B PURPOSE

The purpose of this policy is to make travelers and approvers aware of their respective roles and responsibilities relative to submitting and approving travel and business-related expenses. Travelers are expected to be prudent when incurring travel or business expenses.

This policy defines the conditions under which the university will reimburse travelers for travel expenses incurred. It also defines how business expenses incurred will be treated.

Unless otherwise provided in this policy, exceptions to any provision of this Travel and Business Expense Policy will require written approval from the appropriate area vice president or his/her designee.

This policy is also necessary to ensure travel and business reimbursements made to the traveler will not be considered taxable income. Pursuant to the Internal Revenue Code, travel and business expenses reimbursed to travelers are excluded from gross income only if they meet the conditions set forth in this policy.

C DEFINITIONS

Appropriate	An expense consistent with the objectives of the program, project or task. Appropriate also means the expense is allowable under the terms and conditions of the underlying funding source and/or policies.
Approver	An individual with the responsibility to review expenses for reasonableness, necessity, and appropriateness to allow reimbursement, and who does not report to the traveler. The approver may be the traveler's supervisor, the principal investigator, the index/fund responsible person or their designee. Under no circumstances may an individual approve his or her own Travel Expense Form.
Business Day	Any day on which the university is open for business or on which a traveler is in travel status.
Business Expense	Reasonable, appropriate, and necessary expense incurred while carrying out university business
Conference	A conference is a formal scheduled meeting of a recognized organization in which the university or department has an active area of interest.
Necessary	An expense required to achieve the expected goals or outcomes of the program, project or task.
Proof Of Payment	Documentation (e.g., receipt, credit card charge slip, hotel folio, copy of front and back of cancelled check) that indicates the individual has settled the bill in full with the service provider.
Reasonable	The cost of the good(s) or service(s) is not excessive.
Receipt	An original document itemizing the good(s) or service(s) purchased. The receipt must include a named payee and transaction date whenever possible.
Scholarly Capacity	Any pedagogical, academic, artistic, educational, or scholarly activity performed by an NJIT employee or student on behalf of NJIT.
Travel Expense	Reasonable, appropriate, and necessary expense incurred while traveling on university business.
Travel Status	Travel lasting longer than 10 hours to a destination more than 100 miles from the traveler's work site or place of residence, whichever is less, to perform official university business.
Traveler	Any person who travels on official university business. A traveler may or may not be on travel status.
Work Site	This is the official university location to which the employee normally reports.

D TRAVEL AUTHORIZATIONS AND ARRANGEMENTS

The traveler's approver, in accordance with this policy and the procedures established within his or her school, division, or department, must authorize all official business travel. It is recommended the travel be pre-approved and the pre-authorization be documented via the Travel Expense Form. The traveler and respective supervisor, PI, index/fund responsible person or their designee, are responsible for ensuring travel is appropriate, reasonable and necessary. The index/fund responsible person or their designee is responsible to ensure the correct accounting distribution is used and sufficient funds are available to cover the total expenses. Under no circumstances may an individual approve his or her own travel and business expenses. The traveler's supervisor, PI, index/fund responsible person or their designee who does not report to the traveler must approve the reimbursement.

E TRAVEL UNDER SPONSORED PROGRAMS

University regulations apply to all grant or contract travel unless there is a special restriction or guidance from the sponsor.

F NON-UNIVERSITY TRAVELERS

Reimbursement of travel expenses made to non-NJIT travelers is subject to the provisions of this policy. It is the responsibility of the employee coordinating with the non-NJIT traveler to ensure he or she is aware of the provisions of this policy. Reimbursements to non-NJIT travelers must be requested via the Purchasing System.

G TAX-EXEMPT STATUS

The university is a tax-exempt entity and consequently is not subject to New Jersey sales taxes. Travelers should request sales taxes not be collected. This request can be supported by a copy of the university's tax exemption letter, which can be obtained from the Accounts Payable Department. As a general rule, sales taxes are not reimbursable expenses. The university recognizes airlines, hotels, car rental agencies, restaurants, and other travel industry providers often refuse to recognize the university's tax exempt status and insist the traveler pay sales taxes. In these limited instances, sales taxes will be reimbursed.

H MAKING TRAVEL ARRANGEMENTS

Travelers are expected to make their own travel arrangements. The Purchasing Department can recommend travel agencies that can be used if the traveler wants to charge transportation or lodging costs directly to the university via the Purchasing System. To the maximum extent possible, travelers should plan ahead, explore multiple transportation and lodging options, and complete their arrangements in the most cost effective manner as far in advance as possible.

I FORMS OF PAYMENT FOR TRAVEL AND BUSINESS EXPENSES

1. Personal Funds

Travelers may make approved travel-related purchases using personal funds and submit a Travel Expense Form to obtain a reimbursement after all travel is completed.

If the only acceptable form of payment of conference fees is via credit card prior to attendance, reimbursement can be requested via the Travel Expense Form.

2. Purchase Order Option

Travelers may use a purchase requisition made payable to the vendor to charge the purchase of transportation, lodging, and/or conference fees directly to their university account.

J REIMBURSABLE TRAVEL EXPENSES

1. Registration Fees

The university will reimburse employees for approved conference or professional meeting registration fees. A receipted bill or registration confirmation with the fee noted and a copy of the fee sheet or brochure detailing the conference itinerary are required to substantiate the business purpose, the time period of the trip and the amenities (e.g., meals) provided by the conference or meeting.

2. Commercial Air

The university will reimburse only coach class tickets aboard a regularly scheduled commercial carrier. Travelers must use U.S. airlines when booking flights. The university complies with the Fly America Act.

For reimbursement of airline ticket purchases, the airline ticket receipt and boarding pass must be submitted with the Travel Expense Form. If an electronic ticket was used, a detailed invoice/itinerary (which may also be identified by the air carrier as a receipt), as long as it shows all times of departure, flight numbers, class of service, fare basis, ticket or confirmation number, and cost of ticket, along with proof of payment (e.g., credit card being charged) will also be accepted as an original receipt.

Travel by chartered or private aircraft is prohibited.

3. Commercial Bus/Rail Fares

The university will reimburse the most cost effective class of bus and rail travel. A ticket stub showing the fare or a detailed receipt showing the fare must be submitted with the Travel Expense Form.

4. Ground Transportation

Reimbursement may be requested for ground transportation (taxis and car services) from the traveler's home or work site to the airport, bus, or train station as well as from the airport/train station to the hotel and/or location of business visit. Receipts showing the amount and the date of service must be attached to the Travel Expense Form for reimbursement.

5. Car Rental

The university will reimburse for a rental car when there is a business justification or when there is no other means of comparable transportation. Car rentals may be used when the overall cost of the rental is less than the cost of other means of transportation (e.g., taxis, limousines, airfare). Reimbursement for car rental is limited up to

intermediate size classifications for individual travelers. Full size vehicles or vans are allowed for groups of travelers. Original receipts for car rentals and the rental contract must be attached to the Travel Expense Form to support the expense.

All authorized drivers must be listed on the car rental contract. The university's insurance policy provides collision and liability coverage for domestic rentals. Accordingly, for domestic vehicle rentals, insurance coverage offered by the rental agency is not required and will not be reimbursed. For international automobile rentals, all insurance coverages must be taken.

For additional information and operating requirements, see the university's policy on Use of NJIT Owned, Leased or Rental Vehicles.

6. Privately Owned Vehicles

The university will reimburse travelers who use private automobiles on university business at the State's mileage reimbursement rate in effect at the time of travel (31 cents per mile as of September 30, 2011), plus parking and toll charges. Proof of mileage in the form of a web-generated mileage calculator (e.g., MapQuest or Google) must be submitted.

When driving on university business, travelers must carry a valid driver's license, vehicle registration, and proof of automobile insurance. Motorcycles will not be used on university business.

In the event of an accident involving injuries or damages to other persons or property while operating a privately owned vehicle on university business, the traveler must notify the Associate Treasurer of the incident in order to provide for any potential involvement of the university. The financial loss for damage to a privately owned vehicle used on business is not reimbursable by the university.

7. Lodging

The university will reimburse lodging for travelers on travel status. Only expenses for standard room accommodations will be reimbursed. The original receipted hotel, motel, or other bill must substantiate lodging expenses. The bill must specify rate, date(s) of stay, and evidence of payment and must be attached to the Travel Expense Form. Express checkout itemized receipts are acceptable for reimbursement, but the receipt must show the credit card being charged. Credit card slips/receipts alone are not adequate support.

Specific exceptions for travel within a 100-mile radius of campus may be authorized by the approver (e.g., multiple-day conferences where commuting is inappropriate, such as for early start or late end times, or multiple-day field assignments for which overnight lodging is deemed appropriate). An explanation of the exception must be included in the reimbursement request and attached to the Travel Expense Form.

8. Meal Expenses

The university will reimburse travelers for meals while in travel status under the following options.

- A reimbursement at a rate of \$60 per day. This per diem must be prorated if any meals are provided at a conference, by the hotel or by any other source,

or if a traveler begins or ends his/her travel after the start or prior to the end of the business day. The following percentages should be used to deduct the meal provided from the total per diem:

<u>Meal</u>	<u>% of meal per diem rate</u>
Breakfast	20% or \$12.00
Lunch	20% or \$12.00
Dinner	60% or \$36.00

If the per diem option is selected, receipts are not required.

- A reimbursement for actual expenses. Travelers must submit itemized original receipts with proof of payment for all meals to be reimbursed in an amount greater than the above-stated per diem rate. Meal receipts must include the provider's name and date and the name(s) of any other person(s) included on the bill. Also, a statement must be included that no alcohol is included in the receipt. If any charges for alcoholic beverages are included, they must be deducted from the receipt. Travelers should not seek reimbursement for a meal included in some aspect of the travel such as a conference registration.

9. Telephone Calls

The university will reimburse travelers for telephone calls, faxes, and internet modem hookups specifically for university business. Any of these items not appearing on the hotel/motel bill must have a detailed receipt attached. The traveler must indicate on the Travel Expense Form the date, cost of call, and the business purpose of the call. One personal phone call for each day of travel and of reasonable duration is also reimbursable.

10. Passports/Visas

Reimbursement may be allowed for passport application and visa fees for travel outside the United States on university business.

11. Miscellaneous Expenses

Requests for reimbursement of other expenses (e.g., the rental of meeting rooms or storage space, or the purchase of special transportation) must be accompanied by receipts and a detailed explanation. Prior approval should be obtained when possible.

K BUSINESS EXPENSES (NON-TRAVEL)

1. Meal Expenses

The university will reimburse a business meal expense when it is deemed to be necessary, reasonable, and appropriate by an immediate supervisor, PI, index/fund responsible person or their designee. Reimbursement of meals will occur when they are an integral part of the business meeting or activity, not as a matter of personal convenience. The receipts must be original and itemized and include the provider's name and date, the name(s) of any other person included on the bill, and the purpose

of the meeting. The receipt must indicate the bill was paid. Credit card receipts alone are not acceptable. To determine whether a business meal expense is appropriate, the individual seeking reimbursement should first consult with his or her approver.

2. Grant-Funded Meals/Food Purchase/Entertainment

University regulations apply to all grant or contract meal and food purchases unless there is a restriction or guidance from the sponsor. Generally, meal and food purchases are not an allowable expense on grant funds. In those cases in which meal and/or food purchases are an integral part of the grant purpose, the need for such costs should be specifically identified in the proposal and explicitly provided for in the budget. Entertainment expenses are not allowable on grant/contract funding.

3. The approver should exercise professional judgment in determining whether:

- The topic of discussion or the activity of the meeting warrants the use of university funds for the meal expense.
- The benefit derived from incurring the expense is the most effective, efficient, and productive way to use university resources.
- The funds are available.

L NON-REIMBURSABLE EXPENSES

Although this is not a complete list, the following are some examples of expenses that will not be reimbursed by the university.

1. Personally purchased travel, accident or life insurance for a business-related trip. The university provides this coverage for all its employees. Travelers 70 years of age and over must contact the Associate Treasurer in order to be specifically scheduled with the University's insurance carriers.
2. Fees incurred for changing reservations unless there is a business justification and a cost savings to the university.
3. Expenses and/or fees associated with social or non-mandatory activities at conferences, such as tours, sports activities, golf outings, fun runs, movies, theater tickets, in-room movies, in-flight movies, etc.
4. Unreasonably expensive meals and lodging.
5. Expenses that are not university business-related.
6. Meals included in the cost of conference/meeting fees.
7. All expenses related to the personal negligence of the traveler (parking tickets and fines, towing, traffic violations, damage to personal vehicles, clothing, or other items).
8. Repairs of personal vehicles used on university business.
9. Laundry for business stays less than five consecutive business days.
10. Spouse's/family member's travel costs.
11. Lost/stolen cash or personal property.
12. Personal items and services (e.g., shoe shines, haircuts, manicures, saunas, massages, pet care costs, souvenirs or personal gifts, child care costs, and personal reading

materials).

13. Late payment penalties and interest on personal credit cards.
14. Alcoholic beverages.
15. Frequent flyer or club membership (air or rail) fees.
16. Gifts.
17. Entertainment, lobbying or the acquisition of goods or services for personal use.

M TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT

1. Travel and business expense reimbursement may be requested by submitting an approved Travel Expense Form and Request for Approval for Attendance at Events Form, as appropriate, to the Accounts Payable Office. Forms can be found at: http://www.njit.edu/finance/docs/banner_travel_expense_form_july_7_2009.xls and <http://nj.gov/ethics/docs/ethics/attndform.pdf>). Under no circumstances may an individual approve his or her own Travel Expense Form. The traveler's supervisor, the principal investigator, the index/fund responsible person or their designee who does not report to the traveler must approve the Travel Expense Form.
2. Travelers shall not seek reimbursement for goods or services (including transportation, lodging, etc.) provided free of charge, paid for by another source or not related to university business. Costs to be reimbursed from a non-university source will not be included in the Travel Expense Form. Any reimbursement received by a university traveler from another source for the same costs reimbursed by the university shall be deposited into the university accounting distribution initially charged.
3. Transportation to temporary official work stations or sites shall be reimbursed on the basis of the total travel cost from home to the temporary work site, less the total normal travel costs from home to the university.
4. Travelers must submit their Travel Expense Forms within 45 days after their return to the university. Both the approver and the next higher-level approver must approve Travel Expense Forms submitted beyond the 45-day time period. Travel Expense Forms submitted beyond one year after the date(s) of travel will only be reimbursed with a vice president's approval.
5. Travelers must itemize all expenses on the Travel Expense Form and attach the appropriate receipts showing proof of payment.
6. For any receipts that have been lost, the traveler must seek a duplicate of a missing original receipt from the billing agency. When submitting a Travel Expense Form, include the duplicate showing proof of payment and a statement that:
 - No original receipt is available.
 - The expense was on behalf of the university.
 - The item and amount of the expense are accurate.
 - No other reimbursement of expense has been or will be sought or accepted from any source.

7. In those cases when all attempts have failed to yield an acceptable receipt, an explanation must also be included in the memorandum to attest to the efforts made. This statement must be signed by the traveler's supervisor, PI, index/fund responsible person, or their designee.
8. The traveler is responsible to provide an English translation/explanation for all receipts written in a foreign language. The translation/explanation should provide an identification of the type of expense (e.g., meals, transportation, etc.) and a general description of the items included on the receipt (e.g., lunch for traveler). Travelers are encouraged to use credit cards for payment and submit the credit card statement that facilitates and validates the conversion process. If a copy of the traveler's credit card statement is included with receipts, reimbursement will be for the amount shown for the item on the statement as well as the related bank transaction fees. If the traveler converts US dollars into foreign currency, the currency exchange receipts or bank statement detailing the transaction can be used to calculate the US dollar equivalent for expenses reported. For those individuals not using credit cards or lacking currency exchange receipts, receipts submitted in foreign currency must be converted to US Dollars as of the date of the expenditure using the Oanda currency converter at <http://www.oanda.com/convert/classic>. A copy of the conversion must be attached to the Travel Expense Form.
9. When expenses are being shared with either individuals or external organizations, a duplicate copy of the receipts will suffice with a detailed explanation that includes the names of the individuals or organizations that paid the balance of the expenses.
10. Questions regarding the Travel and Business Expense policy should be directed to Accounts Payable at extension 3170.

Review:

Holly C. Stee 10/17/11
General Counsel Date

[Signature] 10/18/11
President Date

Approval:

Theodore Johnson 10/17/11
Vice President for Human Resources Date

[Signature] 10/17/11
Senior Vice President Administration and Treasurer Date

Tom Galley 10/19/11
Provost and Senior Vice President

For Academic Affairs Date

[Signature] 10/18/11
Senior Vice President for

Research and Development Date