



UNIVERSITY OF MICHIGAN STANDARD PRACTICE GUIDE

NON-CONCUR USERS

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I. INTRODUCTION

The University of Michigan reimburses faculty, staff, and others for reasonable and necessary expenses incurred in connection with approved travel or business hosting on behalf of the University. The University encourages faculty and staff to take advantage of University arranged travel discounts whenever possible. The University has retained a designated travel agency and strongly recommends that units utilize this agency when arranging travel. The designated travel agency's discounts can be accessed via phone for agent assisted transactions at 1-214-915-9473 or 1-888-252-8504.

University reimbursement is allowed only when reimbursement has not been, and will not be, received from any other source. Reimbursement is also permissible for necessary and reasonable travel and business hosting expenses of prospective faculty, staff, officers, and students. A necessary expense is one for which there exists a clear business purpose and is within University expense policy limitations. A clear business purpose contains all information necessary to substantiate the expenditure including a list of attendees and their purpose for attending, business topics discussed, or how the expenditure benefited the University.

Establishing policies and procedures for travel and business hosting expenses enables the University to effectively comply with federal and state regulations. These policies and procedures apply to reimbursements from all University funding sources. On occasion, due to sponsored research contracts or other administrative purposes, more restrictive Travel and Business Hosting Expense policies and procedures may be mandated by specific programs, schools, departments, or offices.

Faculty, staff and students whose expenses are funded by a grant or contract must adhere to the terms of that grant or contract for verification of allowable expenditures.

The University reserves the right to amend or revise policies at any time. Changes in policies and procedures will be readily distributed throughout the University community and are to be considered effective on their date of issuance unless otherwise stated. These policies are intended to be guidelines for the reimbursement of all University approved travel and business hosting expenses.

There are several key points to remember when incurring expenses on behalf of the University:

- Under no circumstances may an individual approve his/her own expense report or that of a person to whom he/she functionally or administratively reports.
- A large number of exceptions or policy violations will increase the likelihood of expense report audits.
- The University will not pay for personal expenses.
- If you need to speak directly to a Procurement representative to seek clarification, please call (734) 764-8212.



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Refer to the Procurement Services Travel and Expense website at www.procurement.umich.edu/travelexpense.html for current information regarding phone numbers, email, and other Internet addresses, cost rates and dollar limitations.

II. POLICIES APPLYING TO ALL TRAVEL AND BUSINESS HOSTING EXPENSES

A. APPROVAL AND AUTHORIZATION

A requestor's immediate supervisor or higher administrative authority must approve a Travel and Business Hosting Expense submission before reimbursement will be issued. Departments may require multiple approvers for certain expense reports; in these instances, the final approver in the submission process is held accountable. The approver should be in a higher level position of authority that is able to determine the appropriateness and reasonableness of expenses.

B. ROLE OF THE APPROVER

By approving travel and/or hosting expenses, the approver is attesting that s/he has thoroughly reviewed each transaction and the supporting documentation, and has verified that all transactions are allowable expenses. The approver is the "check" in the expense reporting process to identify potential or actual errors in expense reporting and is equally accountable for all expenditures. The approver role should be assigned to an individual who can judge the business appropriateness of each expenditure. It is recommended that approvers have the responsibility of approving expenses for no more than 25 expense submitters.

Each transaction must be consistent with departmental budgetary and project/grant guidelines. The approver must be sure the correct funding sources are charged, in keeping with proper fiscal stewardship. Under no circumstances, may an individual approve his/her own expenses or that of a person to whom he/she reports functionally or administratively. Should expenses not meet approval guidelines, the expense approver may deny the expenses. Denied expenses will be considered a personal expense to the employee, and will be processed in accordance with the policies herein as either a payroll deduction or a reduction in per diem allowance accordingly.

Upon granting approval of expense submissions, approvers are certifying:

- Appropriateness of the expenditure and reasonableness of the amount.
- Availability of funds.
- Compliance with funding agency regulations and University reimbursement policies.
- Completeness of documentation and accuracy.
- Compliance with Policy on Indirect Cost Recover Excluded (ICRX) Expenditures.
<https://www.finops.umich.edu/programs/indirectcosts/excludedexpenditures>

C. BUSINESS PURPOSE JUSTIFICATION AND EXPLANATION STATEMENTS

In cases where a submitted expense does not conform to stated University policy, or if a receipt is lost or missing, an explanation is required when submitting the expense. The individual's immediate supervisor or higher administrative authority must approve these statements. In addition, where noted in this policy, certain policy exceptions require approval by a Vice President, Dean, Chancellor, Vice –Chancellor, Major Director, or Senior University Officer.

D. SEGREGATION OF CERTAIN COSTS – POLICY ON ICRX EXPENDITURES

External sponsors are critical to the University's mission of instruction, research, and public service. Sponsors such as the federal government, state government, foundations, and corporations fund direct



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costs for the University's mission. Sponsors also reimburse the University for a portion of facilities and administrative costs (indirect costs).

Indirect costs are necessary for the general operation of the University and for the performance of sponsored projects. Most general operating expenses of the University become part of the indirect cost rate calculations. Some costs identified as Indirect Cost Recovery Excluded (ICRX) Expenditures, must be flagged to segregate the costs to ensure that they are not charged to sponsored projects as direct or indirect costs. ICRX expenditures are flagged by assigning the appropriate Class ending in X.

Refer to the University's Policy on Indirect Cost Recovery Excluded (ICRX) Expenditures) <https://www.finops.umich.edu/programs/indirectcosts/excludedexpenditures> for a thorough explanation of ICRX expenditures, examples, and what University funds to charge to ICRX expenditures.

III. TRAVEL POLICY

A. INTERNAL REVENUE SERVICE REQUIREMENTS

In order for travel advances and reimbursements of travel expenses to be excluded from a traveler's taxable income, the University's travel policies must meet the IRS requirements for an "accountable plan," therefore:

- Advances and reimbursements must be reasonable in amount, must be made for travel, and hosting only, must be in line with actual costs incurred and within policy limitations. Expenses that do not comply with policy guidelines will be the obligation of the individual that incurred the expense (See Section Q for details.)
- Travelers must submit the Travel and Business Hosting Expense Report form, substantiating the amount, date, and use and **business purpose** of expenses, ideally within ten days of the completion of the trip or date of hosted event but no later than 45 calendar days. Expenses submitted in excess of 45 calendar days will not be reimbursed. Required receipts must be attached to the expense submission as required in Section B. (Note: It is recommended that units also create the Non-PO Voucher in M-pathways in support of the Travel and Business Hosting Expense Report form so as to avoid key entry of the information by Accounts Payable staff. For information on creating a Non-PO Voucher in M-Pathways, refer to the training documentation located on MyLINC under *University Business* at <https://wolverineaccess.umich.edu>.)
- Employees must return any advance amount in excess of allowable substantiated expenses within 45 calendar days after the completion of the trip or date of hosted event.

B. DOCUMENTATION AND RECEIPT REQUIREMENTS

IRS requirements are met by the submission of approved expenses to Accounts Payable. The overall, specific business purpose of the trip should be clearly stated on expense submissions. Business purpose should include information such as:

- People involved
- University affiliation
- Business topics covered

Required receipts must be attached to the PCard statement or Travel and Business Hosting Expense Report. Receipts must contain appropriate detail, including starting and ending destinations, hotel charges, and detailed item charges. A specific business purpose for the expenditure must be noted on every expense submitted. Receipts are required for the following:

- Lodging, air, rail, all non-taxi transportation, and rental cars
- Conference registration fees
- All single expenditures greater than \$75



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For more information on receipt requirements, refer to the documents on reimbursable expenses for travel and hosting at <http://www.procurement.umich.edu/pcards.html>.

C. SPECIAL DISCOUNT RATES AND SALES TAX

When making travel arrangements, travelers should inquire about any available discount hotel rates for state government employees. Many hotels have discount rates available for University employees with appropriate identification. The University has a designated travel agency. Discounts for travel are available from this agency by arranging travel by telephone for agent assisted reservations by calling 1-214-915-9473 or 1-888-252-8504.

As a government entity, The University of Michigan is not subject to sales tax. Travelers should make every effort to avoid payment of sales tax. Many states have “reciprocal” agreements with the state of Michigan for the purpose of providing sales tax exemption; generally travelers will be requested to complete a form to be submitted by the vendor/hotel to that state on behalf of the traveler. When utilizing the University’s designated Travel Agency, the Travel Agency will make every attempt to ensure that taxes are exempted at time of booking.

D. TRAVELING BY AIR

It is highly recommended that travelers utilize the University’s designated Travel Agency for agent assisted calls (1-214-915-9473 or 1-888-252-8504). The University will reimburse for the cost of coach airfare. Travelers should always select the lowest price airfare within the bounds of the most logical schedule. All flights should be booked *at least* 14 days in advance. Flights booked with less than 14 days advanced purchase require a written explanation for the booking delay for the approver. Approvers may deny charges that result from last minute airline booking.

Federal regulations prohibit the use of federal funds for purchase of business or first class air travel for domestic flights. First class/business class is only allowable when the University traveler is accompanying a major donor or dignitary flying first/business class. Business class is reimbursable for international flights when the portion of the flight that is nonstop exceeds 8 hours in duration. Pre-trip approval from a senior University official is required. In addition, federal regulations require that U.S. carriers be used for both foreign and domestic travel, unless one is not available. In the event travelers require a flight change, explanation of flight changes that incur additional costs are required. Travelers must state business reason for the need to alter the flight reservation and the total cost of the flight should be evaluated and approved as reasonable by the approver when completing the final expense report submission.

E. TRAVELING BY RAIL

The University will reimburse the cost of train fare when it is less than the cost of coach airfare and airport transportation costs.

F. RENTAL VEHICLES

When a rental car is necessary, it is recommended that reservations be made through the University’s designated travel agency at 1-214-915-9473 or 1-888-252-8504. This will ensure that proper waivers are met and University rates are acquired. Risk Management advises that travelers should decline all collision insurance (Loss Damage Waiver or Collision Damage Waiver) on rental vehicles, because the University self-insures for commercial rental vehicle loss/damage. However, when traveling to destinations outside the Continental U.S. (OCONUS) with the exception of Canada, University Risk Management recommends that travelers accept collision insurance.



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In the event of an accident while driving a rental vehicle, contact the Risk Management Office for claim handling at <http://www.umich.edu/~riskmgmt/>.

Reimbursement will be made for reasonable charges for gasoline. Maintenance and oil changes are the responsibility of the rental company and will not be reimbursed by the University.

G. USE OF PRIVATE VEHICLES

At times, a personal vehicle may be used in order to save time, transport equipment or reduce costs when several people are traveling together. Reimbursement is calculated per-mile based on the current reimbursement rate, which can be found the Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>). This reimbursement may not exceed the maximum allowable rate for federally sponsored programs, and is limited to the amount of coach airfare. Tolls and reasonable parking charges will be reimbursed in addition to the mileage allowance. The University generally does not reimburse local in-town mileage (i.e., travel between University buildings on the same campus for meetings, or within the city of the employee's primary work location), parking/tolls or commuting costs (i.e., the costs associated with driving a car between home and the normal place of work or business); exceptions due to job requirements may be made with approval from the appropriate senior University official, and with notice to the Director, Procurement Services. An explanation and rationale for local mileage reimbursement must be submitted with the expense report.

Note that fuel costs are included in the per-mile reimbursement rate. If you request reimbursement for mileage you will not be reimbursed for fuel costs.

The University does not assume liability for damage to personal automobiles used on University Business and does not assume liability for deductibles or any other uninsured loss to the vehicle. Liability insurance protection will be provided as excess coverage only after the private owner's personal liability insurance limits are exhausted when the vehicle is used for business purposes. Cost of repairs to a vehicle, whether or not they result from the traveler's acts or not, are not reimbursable.

Under no circumstances will the University reimburse parking fines or moving violations.

H. OTHER TRANSPORTATION

The University will reimburse for shuttle or taxi fares to and from airports and railroad stations when such service is not included in air and rail fares, and where public transportation is not practical. Round trip taxi fare from Ann Arbor and Dearborn to Detroit Metro Airport or from Flint to Bishop Airport or Detroit Metro Airport is reimbursable. Taxi fares between business meetings while on travel status are reimbursable.

A small number of University owned vehicles are available to employees with valid driver's licenses for University business. The Transportation Services Department (<http://pts.umich.edu/>) can supply details and regulations related to the use of University owned vehicles.

I. OTHER TRAVEL EXPENSES

Expenses for memberships in travel/airline clubs and/or daily club use are not reimbursable. Most airlines are now charging for checked luggage and for curbside check-in. In the event there is a charge for checking luggage, the University will reimburse for a maximum of two (2) pieces of checked luggage. Baggage charges incurred for excess weight will not be reimbursed, unless an appropriate business purpose explanation is provided.



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J. PER DIEMS/TRAVEL ALLOWANCE

Travelers will be provided a per diem rate for travel days in accordance with the United States General Service Administration (GSA) rate tables (www.gsa.gov). For specific information on filing an expense report and utilizing per diems, visit the University's Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>).

Per diem rates include both the cost of meals and incidental expenses. Incidental expenses include: fees and tips given to porters, baggage carriers, bellhops, hotel housekeeping, stewards or stewardesses, and hotel staff, transportation between places of lodging or business and restaurants, and mailing cost associated with filing expense reports and reimbursements due to the University. Incidental expenses cannot be reimbursed separately as they are included in the per diem rate. As referred to in Section III-H (Other Transportation), ground transportation (e.g., taxi, shuttle) to and from airports and railroad stations, and between business meetings while on travel status, is not included in the per diem incidentals. Additionally, the Reimbursable Miscellaneous Expenses referenced in Section III-L are not included in the per diem incidentals. While it is permissible for the PCard to be used to pay for travel meals, it is not the recommended approach when collecting per diem because of the extensive accounting and reconciliation work it creates. PCard ATM withdrawals are not permitted for the use of advance payment of per diems.

Travelers are eligible for 75 percent of the total per diem rate on the first and last day of travel and on single day trips where continuous travel is equal to or greater than 12 hours. While not recommended, it is permissible for departments and units facing fiscal constraints to pay per diems which are less than the published GSA per diem rates. Visit the University's Travel and Expense web page for information regarding reimbursing at reduced rates within the University's Travel and Expense Management System. Departments and Units are not permitted to reimburse at rates higher than federal per diems for meals on travel status. Per diem meals and incidental expenses do not require receipts. For a complete listing of the GSA per diem tables visit the GSA per diem website at:

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BASIC&contentId=17943

Meal and incidental expenses in excess of the per diem are not reimbursable. For information on how to submit expenses utilizing per diems, visit the University's Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>).

K. LODGING

The University will reimburse lodging expense at a reasonable single occupancy, standard business room rate, which would be incurred routinely by a regular business traveler. The traveler should select the least expensive option available, taking into consideration proximity to the business destination and safety. The traveler or the travel arranger must inquire about the government rate available, the Big Ten consortium rate, or the conference lodging rate and select the lowest available rate. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate, if available.

L. MISCELLANEOUS EXPENSES

Reimbursable expenses include, but are not limited to the following:

- Business office expenses (copy services, postage) and business related phone calls/faxes/internet fees
- Calls home that are reasonable in duration and amount (department discretion)
- Conference fees
- Costs related to travel visas when required as part of job performance



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- Currency conversion fees
- Laundry or cleaning expenses on trips lasting seven (7) days or more
- International travel health insurance
- Flowers provided in instances of bereavement or during times of illness (designated or auxiliary funds only)

Non-reimbursable expenses include, but are not limited to the following:

- Clothing or toiletry items
- Commuting between home and campus
- Country Club dues
- Expenses related to vacation or personal days taken before, during or after a business trip
- Loss Damage Insurance when University agency is available and another auto agency is utilized
- Loss or theft of cash advance money or airline tickets
- Loss or theft of personal funds or property
- Lost baggage
- Luggage or briefcases
- Personal reading materials (magazines, newspapers, etc.)
- Medical expenses while traveling
- Movies
- Personal entertainment
- Pet care
- Recreational expenses
- Saunas, massages
- Shoe shines
- Souvenirs or personal gifts
- Travel accident insurance premiums
- Laundry, cleaning, pressing costs for trips of less than seven days
- Traffic citations (moving violations), parking tickets, court fees and other fines
- Mini-bar charges
- Airline, car, and card membership dues and club fees; travel upgrade fees (air, rail, car)
- Childcare costs
- No-show/cancellation fees or fees related to hotel late check-out

Stricter local policies may apply. Less restrictive local policies are not allowable.

M. SPOUSAL OR DEPENDENT TRAVEL AND BUSINESS HOSTING EXPENSES

Reimbursement for a spouse's or dependent's transportation, lodging or meal expenses requires approval by a Vice President, Dean, Chair, or Senior University officer explaining why an exception is warranted. Expenses that do not have a clear University business purpose are not allowable.

N. NON-EMPLOYEE TRAVEL AND BUSINESS HOSTING EXPENSES

University travel and business hosting expense policies and procedures apply to all individuals such as guest lecturers or prospective faculty or staff who are not University faculty or staff, but are to be reimbursed for University approved transportation and related costs. In order to ensure compliance, it is the department's responsibility to inform a non-employee of the University's travel and business hosting policies and procedures prior to the non-employee's visit.



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Departmental budgets and/or the terms of the contracts or grants may limit funding for non-employee travel. Whenever possible, travel and business hosting expenses of non-employees, students and University guests should be paid by University PCard and should be arranged utilizing the University's designated travel agency (1-214-915-9473 or 1-888-252-8504).

O. TRAVEL AND BUSINESS HOSTING EXPENSE ADVANCES

Employees

Employees may request an advance within a reasonable period of time before an official business trip to cover expenses that will be ultimately reimbursed by the University and that cannot reasonably be charged to the PCard. On an exception basis, employees may request a travel advance to pay for per diem expenses in advance of travel with approval from a higher administrative authority or their designated approver. The traveler/host's immediate supervisor or higher administrative authority must approve an Expense Advance or advance reimbursement. For details on how to request and route an Expense Advance for approval, refer to the University's Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>). When requesting an Expense Advance between \$5,000 and \$10,000, approval is required by 1) Department Chair, of an academic unit, or 2) Department manager, of a non-academic unit, or 3) the Senior University Officer responsible for the fund charged. Any Expense Advance over \$10,000 requires approval from a Chancellor, Vice Chancellor, Vice President, major University Director, or Senior University Officer.

Non-Employees

If an Expense Advance is necessary for a non-employee student, the student's University sponsor must approve the request. The request then requires the same approval procedures as if the University sponsor had requested the advance for him/herself. Students may receive cash from the University's Cashier's Office. If the advance is for a non-employee University guest, the approval procedures are the same as for non-employee students. However, a guest must have a University employee pick up the cash or check at the Cashier's Office.

P. EXPENSE ADVANCE RECONCILIATION

To close out an Expense Advance, travelers must submit all expenses to Accounts Payable. Any portion of an Advance that was not used must be returned to the University as soon as possible, but no later than 45 calendar days after the completion of the trip or event. In cases where the planned trip or event is canceled, any Advances must be reconciled and the funds returned as soon as possible. Amounts owed to the University after Expense Advance reconciliation will be deducted from the employee's payroll. Please refer to the Travel and Expense website for additional details (<http://www.procurement.umich.edu/travelexpense.html>).

A traveler must reconcile outstanding Expense Advances before a new one will be issued, except when another trip begins within five working days of the previous trip or when multiple advances are issued for the same trip. Reimbursement due to the traveler will be made by direct deposit or check; University employee reimbursements will occur in the same manner as do their payroll checks. Individuals who require payroll deduction for un-reconciled expense advances to collect amounts due the University will not be eligible for advances in the future.

Upon termination of employment, all employees must promptly account for and return any outstanding advances.



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Q. TRAVEL INSURANCE

As part of its benefit program, the University carries a Group Travel Accident insurance policy. This policy provides accidental death and dismemberment insurance for all University employees while traveling on University business. Accordingly, reimbursement will not be made for any supplemental insurance purchased by the traveler.

Questions regarding excluded methods of travel, definition of University business, or other aspects of this insurance should be directed to the Benefits Office (<http://benefits.umich.edu/events/travel/index.html>). For information regarding University policy surrounding international travel visit the International Travel Registry and International Travel Oversight Committee (ITOC) website (<http://www.umich.edu/~itoc/>).

R. INTERNATIONAL TRAVEL AND TRAVEL OUTSIDE THE CONTINENTAL UNITED STATES

Federal per diem for meals does not apply to international travel and when traveling to destinations outside the continental United States (OCONUS), including Hawaii and Alaska. Generally, travelers will be reimbursed for actual expenses incurred which have a valid business purpose. Meal expenses, including beverages and tips, are subject to the limits specified on the Travel and Expense website (http://www.procurement.umich.edu/files/Meals_Guidelines.pdf). In instances where schools/units and the traveler have reached another arrangement (i.e. lump sum, reimbursement levels lower than actual), expenses would be processed on an exception basis when explanation is provided.

Filing expenses within the University's Travel and Expense System provides the traveler the ability to enter expenses in foreign currency and convert the expense to U.S. dollars. Visit the travel and expense web site (<http://www.procurement.umich.edu/travelexpense.html>) for additional information on international expense submission. Use of either a University PCard or employee personal credit card is strongly encouraged when traveling abroad as the charges are automatically converted to U.S. dollars on the billing statement. If a PCard or credit card is not used, expenses will be entered into the University's travel and expense management application in the foreign currency amount and the system will provide the currency exchange rates during expense report creation. Travelers should consider that currency exchange rates fluctuate; therefore it is incumbent upon travelers to submit travel expenses expeditiously to insure currency rates are as accurate as possible.

IV. BUSINESS MEALS AND BUSINESS HOSTING POLICY

A. BUSINESS MEALS

Business meals are those taken with guests, colleagues, or donors, during which focused business discussions take place. Business meals with vague, unfocused purposes (such as "foster collaboration between departments") are not permitted.

University representatives may be reimbursed for approved, necessary, and reasonable business meal expenditures. Business meal expenses, including non-alcoholic beverages, and tips should not exceed the maximum allowances listed on the Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>). Reimbursement for alcoholic beverages is limited to \$20 per person, per event. Alcohol expense must be flagged with an "X" Class and charged to non-General, non-Federal, non-Sponsored funds or alternately may be covered with personal funds. Refer to the University's Policy on Indirect Cost Recovery Excluded (ICRX) Expenditures



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<https://www.finops.umich.edu/programs/indirectcosts/excludedexpenditures> for a thorough explanation of ICRX expenditures, examples, and what University funds to charge to ICRX expenditures.

An explanation must accompany all expense submissions for business and hosting meals. Any business meal costs that exceed the maximum allowances as stated on the Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>) must be accompanied by a detailed explanation and have approval from a supervisor or higher level administrative authority. The expenses including tips that exceed the amounts on the Travel and Expense website must be segregated and cannot be charged to General or Federal funds.

B. BUSINESS HOSTING

University representatives may be reimbursed for approved, necessary, and reasonable business hosting meal expenditures. Business hosting meal expenses, including beverages and tips, should not exceed the maximum allowances listed on the Travel and Expense website (<http://www.procurement.umich.edu/travelexpense.html>). Reimbursement for alcoholic beverages is limited to \$20 per person, per event. The University will reimburse faculty, staff, and students for approved, necessary, and reasonable business meals and other business hosting expenses if such activities are directly related to University business and are conducted for the benefit of the Individuals outside the University who are present. Alcohol expense must be flagged with an "X" Class and charged to non-General, non-Federal, non-Sponsored funds or alternately may be covered with personal funds. Refer to the University's Policy on Indirect Cost Recovery Excluded (ICRX) Expenditures (<https://www.finops.umich.edu/programs/indirectcosts/excludedexpenditures>) for a thorough explanation of ICRX expenditures, examples, and what University funds to charge to ICRX expenditures.

Events such as donor celebrations or hosted meals exceeding these limits will require approval from a senior university official. Approval memos may be attached to the PCard statement or Travel and Business Hosting Expense Report as supporting documentation. Refer to [Appendix 1](#) for limited exceptions to the policy for development activities.

It is considered acceptable for University departments to recognize the efforts of their staff members with group recognition functions. However, discretion should be used, and all events should be reviewed for appropriateness prior to the occasion.

University funds may be used to cover non-food related costs of a hosted event. Care must be taken to select the most reasonable options available when planning a hosted event. The following are representative samples of reimbursable hosting expenses, which are permitted in excess of the meal limits per guest/employee:

- Venue deposit/rental
- Linens, glassware, place settings
- Centerpieces (flowers, etc.)
- Wait staff
- Parking staff
- Staging, podium rental
- AV equipment and materials



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V. REIMBURSEMENT POLICY

A. UNIVERSITY TRAVEL AND EXPENSE SUBMISSION

Employees must submit all expenses for reimbursement and reconciliation ideally within 10 days of the completion of the event or trip but no later than 45 calendar days. In addition, all PCard expenses must be reconciled in accordance with the schedule published on the PCard website (<http://www.procurement.umich.edu/pcards.html>).

B. EXPENSE REIMBURSEMENT TIMING

In general, expense reimbursement should occur after the trip has concluded. For instances where expenses are incurred in advance of the trip (airfare, conference fees, and deposits) travelers may request reimbursement in advance of trip completion. Travelers may not request payment of per diems in advance by filing an expense report before the travel actually occurs.

C. EXPENSE REIMBURSEMENT SUBMISSION

Employees must submit their own expense reports. All PCard expenses must be reconciled in accordance with the schedule published on the PCard website (<http://www.procurement.umich.edu/pcards.html>).



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Appendix 1

Travel and Business Hosting Expense Policy Exceptions for Development Activities

Due to the nature of development activities (e.g., donors deciding locations/venues of events and meetings), the following exceptions from the general travel and business hosting policy are in effect:

Local Mileage

Development officers and staff will be reimbursed for local mileage if travel is a significant part of their job duties. Please follow Section III-G, "Use of Private Vehicles" section of the policy. This provision applies primarily to a limited number of predetermined development officers and staff (rather than those working from a single campus location who do not travel as extensively to do their work). Travel back and forth to the office from home is not reimbursed.

Development Activities Hosting Donors

- When development activities involve **hosting donors**, reimbursement for alcohol will be at the actual amount incurred. The expense must nevertheless be reasonable from a business standpoint for the type of activity taking place.
- The expense may exceed the alcohol per person limit of \$20 so long as the unit approves the alcohol expense incurred.
- **Hosted** meal limits remain at \$25 Breakfast, \$25 Lunch, and \$55 Dinner for development and alumni relations activities. If these limits are exceeded, approval from a senior University official (i.e., Director, Dean, or similar higher administrative authority) for an exception to this policy is required. The P-Card may continue to be used for all hosted activities.

Use of the P-Card on Travel Status

Employees on travel status are permitted to use the P-Card for reimbursement of meals and incidental expenses when that travel is related to development activities. Per diem limits still apply. In effect, the maximum amount reimbursed is the per diem and any charges above this amount are considered personal and subtracted from the expense reimbursement.

In general, the University recommends that the P-Card not be used for travel meals and expenses (that fall within the per diem) due to the additional administrative burden it creates. In instances when the P-Card is used, if one or more meals are provided as part of another event, the traveler must indicate "meals provided" on their expense report and a reduction in reimbursement will take place based on the meal breakdown rates on the GSA web site (www.gsa.gov). Failure to reconcile the P-Card properly and in a timely manner may lead to elimination of P-Card privileges.