

## **Economics Department Frequently Used Policies and Procedures**

### **TRAVEL**

The Governor's Office requested increased oversight and accountability for travel costs as a result of the questionable judgment exercised by some state officials. The Governor's Office sent a memorandum to all agency heads that informed them that "state funds should never be expended to accommodate the personal comfort, convenience, or taste of the traveler." In October 2002, the state Comptroller's Office revised the travel policies for the agencies of the Commonwealth. In all cases, employees must comply with the State Travel Regulations.

Most of the changes to the travel procedures relate to advance approvals for travel and related expenses. The following procedures itemize the requirements. The word **requirement** is emphasized because if these procedures are not followed, in some cases, **the traveler will be required to bear the expense personally.**

***Remember that travel is broken down into 4 steps. The steps are listed below:***

1. A Travel Estimate and Approval Form must be submitted ***before*** travel arrangements are made, even if no overnight travel is incurred
2. Make travel arrangements (air, state car, etc.)
  - A. If traveling by car, a Fleet Services vehicle ***must*** be used. If not, then you will be reimbursed at the Fleet Services rate only. This will be the daily rental rate of a full-size car with an estimate for gas. Please note that a Fleet Services vehicle is charged directly to the department and you are given a gas credit card to use.
3. Take trip
4. Submit form for reimbursement

#### **Frequent Questions**

1. **What do I need to do for Domestic Travel, which includes Hawaii, Puerto Rico and the Virgin Islands?**

**You will need to fill out a Travel Estimate and Approval Form**

The reason for this requirement is:

- A. That a written approval form provides documentation of approved travel in case of accident, worker's compensation, or other liability issues.
- B. The form is used internally to encumber the funds from the traveler's sub-account.
- C. The form is used internally to provide estimates of pending expense.

The form must be completed and presented to Lynn *prior* to incurring expenses for the trip even if there is no overnight travel associated with the trip. Lynn will get the Department Head's approval, as well as the amount of the approved funding. Lynn will email you to let you know the approval status and amount.

Be sure to use the current form, which can be found on the Economics web site under Faculty, see <http://www.econ.vt.edu/faculty/facultyinfo.htm> .

Per Controller's Office Procedure 20335a – Travel Overview, section 1.0 Approvals, the guidelines for *three or more* employees attending the same seminar are:

- A. Where more than three individuals from the *same* department are requesting to travel to a conference, seminar, or training workshop:

Justification for this expense will need to be made to the Department Head. A letter of justification stating the business necessity for all of the individuals to attend must be submitted for approval to the Department Head.

- B. The guidelines that will be followed when more than three individuals wish to attend the same function but are from *separate* departments are listed below:

“When departments have knowledge that employees from other departments plan to attend the same event, it is incumbent upon the departments to present their documentation supporting the business necessity of all attendees to their Department Head for review and approval.”

## 2. What do I need to do for International Travel?

**You will need to fill out an International Travel Supplemental Grant (ITSG) Conference Application form a minimum of 30 days before your departure date**

The reason for this requirement is:

- A. You can obtain additional funding from the Office of the Vice President of Research and from the College of Science as well as from the department
- B. A written approval form provides documentation of approved travel in case of accident, worker's compensation, or other liability issues.
- C. The form is used internally to encumber the funds from the traveler's sub-account.
- D. The form is used internally to provide estimates of pending expense.

The form must be completed and presented to Lynn. She will fill in the Overhead Fund # and send this to complete the forward it to the Office of the Vice President of Research. You will receive notification from the Office of the Vice President of Research regarding your award approval and related funding.

Be sure to use the current form, which can be found on the Research at Virginia Tech web site under International Travel Supplemental Grants, see <http://www.research.vt.edu/international-travel-supplemental-grants>.

Communications Network Services (CNS) should review an individual's plan to acquire telecommunications services while traveling abroad. This should be done PRIOR to the trip. All individuals should not be expecting to get reimbursed for these expenses if they do not go through the proper channels of first getting all services approved before the trip. CNS may recommend a certain approach, or provide a solution based on their experiences. CNS is also charged with the responsibility to make sure telecommunications services are procured correctly. The Travel Estimate and Approval Form will be used to get this approval from them.

Also, all international travel, regardless of funding, must be routed through the Office of Export and Secure Research. Also, if using Sponsored Programs funds for International Travel, the Travel Estimate and Approval Form must be routed through their office before traveling too. All other procedures apply for International Travel that apply for domestic travel as listed above.

### 3. **How much can I get reimbursed for meals while traveling?**

Individual meal guideline amounts for each respective daily meal are presented in guideline tables which can be found at <http://www.co.vt.edu/Procedures/p20335r.html>.

Please note that this is now listed as CONUS (Continental United States). These individual meal amounts are also used to determine the maximum meal reimbursement amounts. If the city is not specifically listed in this table, the daily meal and incidental expense limits including taxes and surcharges is the standard rate which is listed at the top (\$46).

**Departure and Return Days** - The guideline tables show the reimbursable amount for departure and return travel days, which is 75 percent of the appropriate per diem explained below.

**Which M&IE rate?** - For all travel, domestic or non-domestic, the M&IE rate is calculated based on the lodging location, except for the last day of travel. The M&IE for the last day of travel is based on where the traveler spent the previous night.

**Examples** - I travel to Virginia Beach, VA, on 4/1-4/3, I would look on the table to see that the M&IE rate is \$56.

4/1 Travel Day Calculation –

$[(\text{Allowed Rate} - \text{Incidental Rate}) * 75\%] + \text{Incidental Rate}$

$[(\$56 - \$5) * 75\%] + \$5 = \$43.25$

4/2 Day Calculation – Total amount minus any meals provided

If breakfast or lunch were provided, then they should be subtracted from the reimbursement. The percentages for each meal are:

Breakfast:	17%
Lunch:	27%
Dinner:	56%

In Virginia Beach the totals by percentage are:

Breakfast:	\$ 9.56
Lunch:	\$15.02
Dinner:	\$31.41

If lunch was provided the total would be:  $\$9.56 + \$0 + \$31.41 = \$40.97$

4/3 Travel Day Calculation –

$[(\text{Allowed Rate} - \text{Incidental Rate}) * 75\%] + \text{Incidental Rate}$

$[(\$56 - \$5) * 75\%] + \$5 = \$43.25$

**Day Trips** - Note that meal expenses *not* involving an overnight stay are not reimbursable unless the meals are taken during overtime work periods (must leave home out of necessity before 6:30 a.m. for breakfast and return after 7:30 p.m. for dinner). Generally, an employee would not be eligible for an overtime meal until they had out of necessity been on duty for 10 1/2 hours during the day. Meals taken at the home base after the traveler arrives cannot be reimbursed. The lunch meal expenses are not reimbursable under the provisions of the overtime meal reimbursement policy. An overtime meal may be charged only when the department head provides a “separate letter” explaining why the employee was required to work past their normal work day. The documentation must describe the circumstances involving the overtime and note that the overtime was essential to the department. The letter must include the employee’s normal work schedule for the day and the overtime start and end times. The meal is not reimbursable if taken at the end of the overtime period.

**Out-of-Country Meal Guidelines** - You may obtain out-of-country, now listed as OCONUS (Non-Domestic) lodging and M&IE limits by going to the following web sites and making a copy of the page that reflects the rate for the area traveled. The rates change each month so be sure to look at the month in which the travel occurred.

Non-U.S. Held Territories: [http://aoprals.state.gov/web920/per\\_diem.asp](http://aoprals.state.gov/web920/per_diem.asp).

U.S. Held Territories: <http://www.defensetravel.dod.mil/site/perdiemCalc.cfm>

#### 4. How much can I get reimbursed for lodging?

Lodging is a bit more complicated. Use the same web site <http://www.co.vt.edu/Procedures/p20335r.html> for CONUS to get the basic rate. For OCONUS use [http://aoprals.state.gov/web920/per\\_diem.asp](http://aoprals.state.gov/web920/per_diem.asp). Travelers must make a good faith effort to secure lodging within the published guideline rates before requesting exceptions. When they are unable to find suitable lodging within the guideline established for the area, lodging rates **up to** 100% above published limits are now allowable and can be approved at the departmental level. HOWEVER, justification must be provided and put on the travel voucher. In order to do this, traveler's must fill out the "Lodging Exception Request" block that is on the "Travel Estimate and Approval Form" and give it to Doris BEFORE traveling. Lodging rates **over** 100% may be reimbursed only if it is a Conference hotel. Once again, justification must be provided on the travel voucher and in order to do this, you must fill out the "Lodging Exception Request" block that is on the Travel Estimate and Approval Form" and give it to Lynn BEFORE traveling.

#### 5. How do I get reimbursed?

**Method 1:** Submit all receipts to Lynn. She will fill out the Travel Voucher and let you know when it is ready for your signature.

**Method 2:** Prepare them yourself and turn them into Lynn.

On the Econ web site, you will find the Travel Reimbursement Expenses Form. You should fill out the form and then attach ALL original receipts.

**Requirements:** ITEMIZED receipts (not just a credit card statement) are required for tolls, parking, taxi, shuttle vans, and other forms of transportation if the individual claim exceeds \$25. For these types of expenses named above, under \$25, no receipt is needed. Remember that airlines are starting to charge baggage fees for additional luggage. These can be reimbursed if the proper documentation is provided. You must provide Lynn with both an explanation of the legitimate business purpose and a receipt for these expenses if you wish to claim these fees. For internet usage, use must list the business purpose (e.g., checking e-mail, getting information for presentation, etc.) so that you can be reimbursed. Before traveling, you should print out the reimbursement sheet to see what receipts will be required to get reimbursed.

Please remember that travelers should submit the Travel Reimbursement Expense Form within 30 working days after completion of the trip. In the case of continuous travel, the traveler must submit the voucher to Lynn within 30 working days of the

last day of travel for which reimbursement is requested. However, any travel reimbursement received in the Controller's Office 90 days after completion of the trip must be accompanied by a justification of why the reimbursement is late.

All signatures on the Travel and Meal Expense Voucher must be an original signature for a faculty or student's reimbursement. The Controller will not accept a fax copy of the form from either of these. They will accept fax copies from non-employees.

The Appropriations Act of the Commonwealth of Virginia requires the University to reimburse travelers through direct deposit when an employee has more than two reimbursements within a year. Travelers may sign up for the direct deposit by completing the Accounts Payable Direct Deposit Authorization Form found at <http://www.bursar.vt.edu/forms> found on the Bursar's web site. If you would prefer to sign up for direct deposit online please use the following steps:

1. Go to [www.vt.edu](http://www.vt.edu)
2. Click on "My VT" at top of page
3. Log-in using your PID and password
4. Once logged-in, click on "Personal Info" tab
5. Scroll down to "University Account" segment and click "Enroll in – View Direct Deposit"
6. Register for direct deposit for all payments.

## **6. How do I reserve a Fleet Services Vehicle?**

You must first have a profile set up on the Fleet Services Fleet Commander system. In order, to set up your profile, go to the following website: <https://www.fs.vt.edu/fleetcommander/Login.asp>. Once there, click on "My Profile" on the left side of the screen to set up your user profile using your Virginia Tech PID and Hokie Spa password. Please leave the banner fund number blank and insert the following: Lynn Rader for Fund Manager; 540-231-9635 for Fund Manager's phone number; and [ldrader@vt.edu](mailto:ldrader@vt.edu) for Fund Manager's e-mail. Please ensure all information populated is CORRECT before submitting for approval. Once you have received the e-mail that your profile has been set up then send Lynn the e-mail with the following information:

1. Whose name the vehicle should be reserved under
2. Account number to be charged (CIL, Research, CEUT, HONORS, etc.)
3. Pick-up date and time
4. Return date and time
5. Destination
6. Vehicle size [Economy car, Hybrid, Full-size car, Mini-van (driver +6), Large van (driver +11), Cargo van or Truck (2 passengers)]
7. Do you want a GPS unit? (extra charge for this)
8. Other drivers

Any other drivers will also need to set up a Fleet Services profile. All drivers will need to show Fleet Services their driver's license when picking up the vehicle. Once the approval comes back from Fleet Services, you will be asked to sign the **Proper Use of State Vehicles Form** if we do not currently have one on file for you. This is a mandatory form and must be filled out before using the Fleet Services vehicle. Please try to give Lynn at least two days notice for these requests.

Remember that there is a \$5 refueling surcharge added to the reservation if the vehicle is returned but not refueled.

For any damage as a result of abuse, neglect, or from taking a vehicle off state maintained roads, will be charged to the departmental fund used for the reservation, and may result in the Department Head asking that the individual reimburse the department back for these charges.

## 7. Can I rent a car instead of going through Fleet Services?

You should not rent a car unless there are no Fleet Services vehicles available. When traveling, your options are always to either use your personal vehicle (if more cost effective) or use a Fleet Services vehicle, if available. If no Fleet Services vehicle is available, Fleet Services will provide a statement saying that no vehicle was available. This statement is to be attached to the reimbursement voucher so that the Controller's Office will reimburse you for the rental expense.

There are two advantages to you of going through Fleet Services instead of renting:

1. The vehicle is charged directly to the department
2. They provide you with cards for gas and roadside assistance

When completing a contract to rent a car, employees should decline all additional insurance offered on the rented vehicle (except when on international travel, in which case you should purchase the additional coverage). Virginia Tech carries insurance coverage for domestic travel. The University Controller's Office **will not** reimburse employees for insurance purchased when traveling inside the territorial United States, in Canada, or in Puerto Rico. If you encounter problems with a rental company in the United States, you can contact Risk Management at 231-7439

## 8. How do I make air transportation arrangements?

The university departments may purchase airline tickets for individual business travel by any one of the following methods.

1. Process Travel Agency Authorizations through HokieMart;
2. Travel Authorization (TA) sent to one of the travel agencies on contract (only for Virginia Tech Foundation Accounts);

3. Traveler's Corporate (BOA) VISA Travel Card;
4. Departmental Purchasing Card;
5. Personal funds.

The requirements for use of each option are explained below. There are pros and cons associated with each method of airline ticket purchase so the traveler should become familiar with those advantages and disadvantages before determining the means of purchasing the airline tickets. It is imperative that the correct procedures be followed for the purchase of airline tickets.

Travelers may purchase individual business airline tickets from the travel agencies on university contract, from other travel agencies, from the airlines directly, or through the Internet. The cost/benefit analysis documentation for purchasing airfare and lodging over the Internet is no longer required. Travelers are responsible for keeping documentation in department files that a reasonable effort was made to secure the most cost beneficial travel services. (You can give this documentation to Lynn to file with your reimbursement or you can be responsible for keeping the documentation in your office.)

If international travel is being charged to a federal grant or contract, then the “Fly America Act” applies. This act states that all federal contractors who receive funding assistance for travel shall comply with the Fly America Act and will only use US Flag air carriers when traveling. If you have questions regarding the Fly America Act, please contact the program administrator for the federal grant/contract.

Airline tickets can only be purchased up to 90 days before the travel occurs unless it can be documented that there are substantial savings made by purchasing the ticket earlier or if there is reason to believe the seats could become unavailable. You must get this savings in writing from one of our contracted travel agencies and have them forward it to Lynn so she can forward it to the Travel Supervisor to see if a 90-day limit exception will be approved.

Charges for changes to tickets/reservations to accommodate personal comfort, convenience, and taste are not reimbursable. All change fees must be explained on the Travel Reimbursement Voucher.

### **Process Travel Agency Authorizations through HokieMart**

The University recently entered into agreements with five travel agencies to provide travel services for university business travel. The agencies have the latest equipment to notify them when scheduled flights are changed or cancelled. The five agencies and their contacts are listed below. Ticketing fees range from nothing to \$40 and are subject to change. You need to check with the travel agent at the time of booking for any fees charged by the agency.



Payments are made to the Travel Agencies through the HokieMart system with a Purchase Order. Please send Lynn the travel itinerary or have the Travel Agency to fax or e-mail the itinerary so the HokieMart order can be prepared. Once the Purchase Order is prepared, the Travel Agency then sends Lynn your itinerary electronically for you to print off and take to the airport to pick up your tickets.

Martin Travel, Inc.  
1344 South Main Street  
Blacksburg VA 24060  
Phone: 951-7854 FAX: 540/951-5043  
Statewide/National Access: 1-800/817-1227  
Web Page: <http://www.martintravel.com>  
Email: [Tammy@martintravel.com](mailto:Tammy@martintravel.com) or [Trish@martintravel.com](mailto:Trish@martintravel.com) or [Sandyore@martintravel.com](mailto:Sandyore@martintravel.com)

Ulti-Max Travel  
696 Pine St.  
Herndon, VA 20170  
Phone: 703-707-0200 Fax: 703-707-1981  
Statewide/National Access" 1-866/629-8728  
Web page: <http://www.ultimaxtravel.com>  
E-mail: [VT@ultimaxtravel.com](mailto:VT@ultimaxtravel.com)

Covington Travel  
4401 Dominion Blvd, Ste. 110  
Glen Allen, VA 23060  
Statewide/National Access: 888-747-7077  
FAX: 804-273-0009  
Web Page: <http://www.covingtontravel.com>  
Email: [vatech@covtrav.com](mailto:vatech@covtrav.com)

Generally, airline travel cannot exceed the rates charged for tourist/coach fare. ***Reimbursement for first class travel is prohibited.*** Travelers purchasing airline tickets with first class codes will not be reimbursed for the expense from public funds.

When warranted, the Controller's Office may grant permission for **business class** travel when it meets one of the following conditions:

1. When it does not cost more than the lowest available tourist/coach fare.
2. For travel to Western Europe for a meeting starting within 3 hours of landing.
3. Transoceanic, intercontinental trips of more than eight hours.
4. If the traveler pays the difference.

When an indirect travel route or unusual travel itinerary is selected there must be an overall net cost savings to the University. This net cost savings must be conveyed

through a cost comparison, **which must be prepared and approved prior to the travel.** A cost comparison should summarize the various travel methods to support the cost benefit to the University, and should include supporting documentation such as Internet travel search engine (such as Travelocity, Expedia, Orbitz, Kayak, etc.), costs for the specific travel dates, etc. You can also contact one of our contract travel agencies to obtain help on getting airfare quotes. Send the cost comparison to Lynn. She will then forward it to the Travel Supervisor or Manager of Accounts Payable, who will let her know if the cost comparison is approved. Remember, the approval must take place BEFORE the trip. Below is an example of an “indirect” flight.

Let’s say you have a conference in New York. Your flight schedule should look like this:

3/13 Roanoke to Charlotte (changing planes)  
Charlotte to New York  
3/14 New York to Charlotte (changing planes)  
Charlotte to Roanoke

**IT SHOULD NOT LOOK LIKE THIS. THIS WOULD BE AN INDIRECT OR THREE-LEGGED FLIGHT**

3/13 Roanoke to Charlotte (changing planes)  
Charlotte to BOSTON (Staying overnight)  
3/14 Boston to New York  
3/15 New York to Charlotte (changing planes)  
Charlotte to Roanoke

An example of **Unusual Travel** would be:

Same conference in New York. However, you want to take some personal travel combined with this trip.

3/13 Roanoke to Charlotte (changing planes)  
Charlotte to New York  
3/14 New York to Charlotte (changing planes)  
Charlotte to Pittsburgh (personal travel)  
3/16 Pittsburgh to Roanoke

For this trip, you need to:

1. Get a quote for just the **business** portion:

3/13 Roanoke to Charlotte (changing planes)  
Charlotte to New York  
3/14 New York to Charlotte (changing planes)  
Charlotte to Roanoke

2. Get a quote of your **actual** travel with personal combined.

- 3/13    Roanoke to Charlotte (changing planes)  
          Charlotte to New York
- 3/14    New York to Charlotte (changing planes)  
          Charlotte to Pittsburgh (personal travel)
- 3/16    Pittsburgh to Roanoke

3. If the **actual** travel is higher, Lynn will contact the Controller's Office:

- a. Travel Agency Option – For permission to purchase the ticket from a contracted travel agency and that you will be allowed to pay the difference by writing out a check made payable to “Treasurer, VA Tech.”
- b. User Purchase Option – That the department be allowed to reimburse you up to the quote of the business portion only.

4. If the actual travel is lower, the Controller's Office should have no problem approving the travel but Lynn will still have to get the approval **BEFORE** the trip.

### **Travel Agency Authorizations (TA)**

The same procedures as processing travel agency authorizations through Hokiemark apply using this process. The TA is only used for Foundation charges which cannot be entered in HokieMart.

### **Travel Card**

Travelers may use their Corporate BOA VISA American Express travel card (green card) for charging travel when they purchase through the internet or directly from the airlines. The travelers receive \$500,000 in business travel accident insurance and \$5,000 in baggage insurance when they use their BOA VISA Corporate travel card to purchase airline tickets. The traveler **CANNOT** be reimbursed for the cost of the ticket until **AFTER** the trip occurs. The ticket receipt and a copy of the itinerary must be attached to the Travel Reimbursement Voucher Request Form.

### **Departmental Purchasing Card**

**This is the preferred method when available.** Travelers should contact one of our contracted travel agencies and have them send Lynn the agreed upon itinerary. She will then contact the travel agency with the Purchasing Card number to pay for the tickets. Once the tickets have been issued the travel agency will send electronically the itinerary for the traveler to print off and take to the airport to pick up their tickets.

## Personal Funds

Travelers may use their personal funds or credit cards to make payments for business airline tickets. The traveler **CANNOT** be reimbursed for the cost of the ticket until **AFTER** the trip occurs. When procuring services via the Internet, remember that the following is needed:

1. The hard copy final page from the internet site showing total cost and itinerary.
2. The airline confirmation (either ticket or boarding pass) of the type of ticket **purchased**, i.e. coach, business when this information is not shown on the final page from the Internet.
3. The copy of payment (credit card or cancelled check, front & back) if this is not shown on the final page from the Internet site.

Internet travel users must be careful when procuring airline tickets. The Internet sites often list only a class code and the user should know the following code designations.

- Coach/Tourist - B H K L Q T U V W Y
- Business Class - C J
- First Class - A D E F J P

## Group Travel

Any of the five travel agencies on university contract may provide services for group travel. All group travel, including study abroad trips and team travel, may not make commitments for this purchase without first attempting to purchase the services from one of the contract agencies. **IF** the travel agencies on contract are unable to provide the services, it should be documented of the efforts and we may then purchase services from another source. Group travel needs to be purchased through the HokieMart system with a Purchase Order.

### 9. Can I drive to my designation instead of flying?

A traveler (and the burden does rest on the traveler) must provide justification that driving was more cost effective than flying. Cost comparisons are to be done prior to travel and must be attached to your travel reimbursement when submitted to the Controller's Office. If travel via air is less expensive than travel via personal car, a disallowance will be necessary. If travel via personal car is less expensive, no disallowance is necessary; *however*, the cost comparison must be done in order to justify the use of your personal vehicle. Once you have the cost comparison completed, please e-mail the answers to the questions below to Lynn to hold with your Travel Approval Form until reimbursement is claimed. Lynn will need the written quote as well.

The following instructions should be helpful when a cost comparison is required as part of your travel reimbursement request.

### **Instructions for Preparing a Travel Cost Comparison**

The telephone and fax numbers of our three contract travel agencies are listed here for your convenience. ***If you choose to research other sources for airfare prices, please document what sources you use such as internet vendors, or other travel agents. You should obtain "written" quotes for these fares - such as faxes from agents showing the airfare costs, or print the information from websites.***

1. Martin Travel: Office phone is 540-951-7854; FAX @ 540-951-504
2. Ulti-Max Travel: Office phone 703-707-0200; FAX @ 703-707-1981
3. Covington Travel: Office Phone 888-747-7077; FAX@ 804-273-0009

Ask the agent for a price quote of the least expensive airfare for the dates you will be traveling. This quote should be in writing (on letterhead), or, you may have them fax you a quote. The cost comparison should always be done **before** the travel occurs.

The actual cost comparison should encompass the following items.

#### **Travel via Personal Vehicle:**

- Round trip mileage between your base (most often Blacksburg) or your home (whichever is the lesser mileage), and your destination.
- Meals and incidental expenses (M & IE) on the days en route TO the destination and on the day's en route home FROM the destination.
- Lodging incurred on the day en route TO the destination and on the day en route home FROM the destination. Only one day of expenses is allowed on each end of the trip.
- Any tolls or parking charges incurred en route TO and FROM the destination.

***TOTAL FOR PERSONAL TRAVEL:*** Compare this cost with the air travel as follows

#### **Travel via Air:**

- Cost of the least expensive airfare available for the dates of your travel.
- Round trip mileage between your base or your home (whichever is the lesser amount) and the airport.
- Airport parking for the number of days that you would be out of town (any personal days must be deducted).
- Costs of shuttle, other ground transportation, and/or rental car at your destination.

- Any extra M & IE and lodging costs which would be incurred due to obtaining a lower airfare (in some instances, this may be a viable justification for using your personal car.

***TOTAL FOR AIRFARE TRAVEL***

**10. Can I rent an apartment instead of staying in a hotel?**

If a rental unit is needed for extended-stay lodging, prior written permission must be obtained from the University Controller. This request must include a cost justification for the traveler to use the rental unit in lieu of other hotel/motel accommodations. The cost comparison statement should show the total cost for using the alternate accommodations and the length of the contract, the cost of usual accommodations, and the net savings. The office of Real Estate Management does not review lease requests when the lease is in the name of the traveler. All of this information should be sent in an e-mail to Lynn for her to forward to the Controller's Office to get the pre-approval **BEFORE** the trip occurs. Once the approval has been received, the traveler pays the lease and submits the receipt for rent payment when he/she returns from their trip. A lease in the name of the University, however, will need to be reviewed and approved by Real Estate Management.

## **BUSINESS MEALS**

### **Requirements for reimbursement for business meals:**

Lynn must receive two things for meal reimbursement:

1. The credit card receipt
2. The itemized receipt (showing what was actually consumed)

These are required for reimbursement of business meal expenses for any meals that are paid out of state accounts. All of our local restaurants should be providing these.

Expenses not reimbursable from state funds:

- Alcohol is not a reimbursable expense
- University employees' spouses involved with an interview
- Meetings for University faculty or staff
- Meals at which all members are part of the same department or college
- Meals/meetings between students and faculty
- Departmental receptions
- Events social in nature

### **Procedures for business meals:**

Official business meals must involve substantive and bona fide business discussions and must be recommended for payment by the Chair and approved by the Office of the Controller. Allowable business meal functions cannot consist entirely of university employees from one department or college and they normally include non-Virginia Tech employees. Therefore, departmental committee meetings, etc., cannot be charged to state accounts. Such activity is considered to be an entertainment cost and not an appropriate charge to public funds. A foundation account must be used for these types of reimbursements.

Authorized official business meals may be reimbursed up to 50% more per individual based on the allowable amount shown for the applicable meal in the M&IE Rate Table. The M&IE rate used shall correspond to the location in which the official business meal was taken.

For Blacksburg the rate calculations are as follows:

- Breakfast:  $(\$7 * 50\%) + \$7 = \$10.50$
- Lunch:  $(\$11 * 50\%) + \$11 = \$16.50$
- Dinner:  $(\$23 * 50\%) + \$23 = \$34.50$

Meal per diem rates on the individual meal rate table are to be applied to all business meal functions including entertaining University visitors or recruiting new

employees. Itemized receipts (showing what was actually consumed) plus credit card receipts (if applicable) are required for reimbursement of business meal expenses. The business purpose for the meal and the names and association of all attendees must be included with the documentation to help show the business necessity of the event. Initials of the representatives are not sufficient to document the attendees at the meeting.

**Note:** On another note, while in travel status, one traveler cannot claim the meal for another traveler when the two of them meet together whether it is to discuss business or to dine together while on travel status. They must both use the M&IE allowance on their respective travel vouchers.



## HONORARIUM PAYMENTS AND GUEST REIMBURSEMENT

### Procedures for Honorariums:

One of the frequent payments processed is an honorarium payment for events involved with a speaker being invited to the Virginia Tech campus. These payments require several pieces of paperwork to be processed and if not followed correctly, will be denied payment by the Controller's Office. Please follow the steps below for these payments. Let Lynn know if you have questions.

1. Fax or mail W-9 form to the individual involved to see if the individual is a U.S. citizen or not before honorarium is discussed.
2. Once the form is either returned by mail or fax, bring Lynn the form to look over. If the individual is not a U.S. citizen, then we can:
  - a. Offer, in lieu of an honorarium, payment for travel expenses which IRS imposes less complex rules in paying than honoraria
  - OR**
  - b. Will send the individual an e-mail with information to contact the university's International Specialist Janet Kunz, who after looking at the documentation can start the process which will determine if we can make an honorarium payment to the individual.
3. If the individual can be paid an honorarium, send them an e-mail or a letter stating what they will receive an honorarium for and the amount that will be given (this is needed for the Letter of Invitation).
4. If you need a hotel reservation for the individual, please contact Lynn. She will need to process a HokieMart order.

Guest speakers usually present on Friday afternoon, therefore they normally arrive Thursday and check-out on Saturday. Department Head approval is needed if they plan on staying longer.

Please remember that when the department pays for a guest at The Inn, we ONLY pay for lodging and breakfast at the restaurant. No other meals or room service is included. This is for all guest speakers, individuals here for interviews, etc. This is due to the fact that, unfortunately, The Inn charges above the M&IE rates for the meals. The state will not pay for this overage and then the department has to charge our Virginia Tech Foundation account to cover the overage. We usually take our guests out to lunch and dinner, so that should not be a problem.

Once status is confirmed, and if Lynn is to prepare an honorarium, she needs the following:

- A. Reimbursement Expenses in addition to the Honorarium:

Let Lynn know if the individual is getting any other reimbursement expenses other than the honorarium. If so, she must prepare the Travel Reimbursement Form to give to the individual while they are on campus.

B. Letter of invitation stating honorarium amount. (This can be e-mail, etc.)

C. Paper Work

1. U. S. Citizen

1. W-9 (Lynn should already have because this is step #1)

2. Non-Resident Alien

1. W-8 Honorarium Form

2. Foreign National Data Form

3. Copies:

i. Passport - First page of the passport and the unexpired passport expiration date

ii. Visa

iii. I-94 or I-94W card

iv. SSN or ITIN if applicable

4. Tax treaty documents, if applicable

5. Employee/Independent Contractor Evaluation Form (20 Questions) – Lynn will prepare this

D. If honorarium amount is over \$500, you must have justification why it is over \$500, (E.g., expert in field, etc.). Put this in a memo form from you to the Controller's Office for Lynn to send with the other paperwork.

6. If you want to hold a reception for this event, remember that the reception must be PRE-APPROVED by the Department Head before state funds can be disbursed. The following information is needed and needs to be sent to Amy ([astanfor@vt.edu](mailto:astanfor@vt.edu)) at least one week in advance of the event.

A. Name of speaker

B. Date, place, time speaking, to whom, title of presentation, etc.

C. Who is invited to reception? (Public, University Community, or department only)

D. Date, place, time of reception

E. Cost of event

7. If you are intend to claim reimbursement for any meals with the individual, please see the "Business Meals" section of these procedures.

8. All visitors will be given a Request for Travel Reimbursement Form in which they should indicate where the form can be faxed, e-mailed, or mailed to them to verify, sign, and return back to Lynn to forward to the Controller's Office.

**Procedures for Guest Reimbursement:**

Many of the procedures for guest reimbursement are the same for processing honorariums.

1. Send Lynn information about the guest
  - a. Name
  - b. Visit Dates
  - c. Email address
  - d. Whether hotel reservations are needed
    - i. Guest speakers usually present on Friday afternoon, therefore they normally arrive Thursday and check-out on Saturday. Department Head approval is needed if they plan on staying longer.
    - ii. Please remember that when the department pays for a guest at The Inn, we ONLY pay for lodging and breakfast at the restaurant. No other meals or room service is included. This is for all guest speakers, individuals here for interviews, etc. This is due to the fact that, unfortunately, The Inn charges above the M&IE rates for the meals. The state will not pay for this overage and then the department has to charge our Virginia Tech Foundation account to cover the overage. We usually take our guests out to lunch and dinner, so that should not be a problem.
2. Lynn will contact the guest and send them paperwork
  - a. U.S. Citizen
    - i. W-9
  - b. Non-Resident Alien
    - i. W-8 BEN Form
    - ii. Foreign National Data Form
    - iii. Copies:
      1. Passport - First page of the passport and the unexpired passport expiration date
      2. Visa
      3. I-94 or I-94W card
      4. SSN or ITIN if applicable
      5. Tax treaty documents, if applicable
3. If you want to hold a reception for this event, remember that the reception must be PRE-APPROVED by the Department Head before state funds can be

disbursed. The following information is needed and needs to be sent to Amy ([astanfor@vt.edu](mailto:astanfor@vt.edu)) at least one week in advance of the event.

- a. Name of speaker
  - b. Date, place, time speaking, to whom, title of presentation, etc.
  - c. Who is invited to reception? (Public, University Community, or department only)
  - d. Date, place, time of reception
  - e. Cost of even
4. If you are intending to claim reimbursement for any meals with the individual, please see the "Business Meals" section of these procedures.
  5. All visitors will be given a Request for Travel Reimbursement Form in which they should indicate where the form can be faxed, e-mailed, or mailed to them to verify, sign, and return back to Lynn to forward to the Controller's Office.

## STATE PURCHASES

All items purchased with state funds are the property of Virginia Tech, regardless of cost. If the department is audited any of these items may need to be produced and shown to the auditors. This also means that upon separation from the University, the items should be returned to the department. Let Lynn know if you have any questions.

According to Audit and Management Services, there are several recurring problem areas that Audit Services had found when they went into the departments to conduct an audit. These are many items purchased by or for faculty members for class use.

1. Books - You may want to write a note "Property of Economics Department" to help you remember that this was purchased with state funds.
2. Equipment - All equipment costing \$500 or more is automatically tagged. However if you purchased small equipment, such as microphones, headsets, tape recorders or other equipment for research or class usage, you will need to remember the item was purchased with state and not personal funds and must be accounted for.

## SIGNATURES ON GRANTS/AWARDS

Remember that in an effort to keep better bookkeeping records, any Department Head's signature required on grants/awards must come through Lynn to receive the Department Head's signature. This way Lynn will be able to make the necessary departmental copy that is needed. Lynn will get the necessary signature and return the grant/award to the faculty member. If there is a deadline to turn in the grant/award, please note this on the proposal when you turn it in for a signature. Once you have received a notification letter (rejection or acceptance), please provide Lynn with a copy. This will prompt Lynn to give you the proper paperwork (Travel Approval Form for travel, or to get with you to arrange salary/wage payments if necessary). This policy is for all grants, including CEUT, Diversity, CIL, VFH, Writing Center, Millennium, International Travel Supplemental Grant, Minority Artists and Scholars, to name a few. Also, the OSP Policy states that proposal submission forms will require only two signatures, that of the PI and the respective Dean. The policy further states that where the individual unit requires it, additional signatures may be needed.

## OFFICE SUPPLY PURCHASES

The Department purchases most of its supplies either through Guy Brown on HokieMart or locally through Taylor Office Supply. One of their catalogs is in the mailroom for your perusal. Supplies are ordered regularly, please let Lynn know what you need and when it is needed by. Please realize that every effort will be given to get the item here by then, but most vendors require a one to two day turn-around time.

**Note:** Furniture is not office supplies, regardless of the price. Please let Lynn know what you need and she will get any approvals necessary.

## OTHER POLICIES

### **Interdepartmental Service Requests and Interdepartmental Printing Requests -**

Please give at least a 24-hour notice to type these up. Again, emergencies come up and these can't be helped. We are more than willing to help you out in these circumstances. Please send the information below to Lynn in an e-mail or you can put a hard copy request in her box. This will prevent any miscommunication.

Please provide:

1. Who is the form going to: Copy Center I, Copy Center II, Printing Services, VBS, etc?
2. What fund is to be charged?
3. Description of the work to be performed. Include in this the number of copies you are requesting, if applicable.
4. Cost of service. This is now required in HokieMart. Please contact the service center to get a price quote before sending the information to Lynn to have the HokieMart order typed up.

**Book Store Orders -** Please contact Sara at [satickle@vt.edu](mailto:satickle@vt.edu) and provide:

1. What fund is to be charged?
2. You will need to know in advance the estimate on the price of the goods to purchase because no blank forms can be issued in HokieMart. You can call the Bookstore at 231-5991 ext. 154 for help in obtaining a quote. No purchase orders can be issued for "Various office supplies." or "books." The Controller will not allow these types of purchases. For your convenience, you can let the Bookstore prepare your order in advance and have it ready and waiting for you to pick up. Just call 231-5991 and let them know this is what you want to do. You will need to let Sara know that you have done this option too and which location you are picking it up from (University

- Bookstore or Volume Two) by marking this on the order form so that she can mark it on the HokieMart order.
3. Once the HokieMart order has been created, you will receive a PO to take to the Bookstore to receive your goods. You must show a Hokie Passport ID when purchasing your items.
  4. Once your goods have been picked up you return the copy of the form showing the exact amount charged to our account.

**Meeting Facilities** – Any meetings or events will need to be pre-approved by the Department Head. After approval please contact Amy and provide the following:

1. Reason for the event
2. Reservation date(s)
3. Approval amount for rental and/or catering
4. Account to be charged

Please remember that when the department pays for a guest at The Inn, we ONLY pay for lodging. No meals are included. This is for all guest speakers, individuals here for interviews, etc. This is due to the fact that, unfortunately, The Inn charges above the M&IE rates for the meals. The state will not pay for this overage and then the department has to charge a Virginia Tech Foundation account to cover the overage. Many of these events have no Foundation funding attached to them. When you turn in a Travel Approval Form for the guest, you should figure in these costs under the estimated expenses. Then, the guest should claim M&IE on their reimbursement form (which Lynn will give to the host) when they send it back to Lynn.

**Key costs** – Each faculty member, staff member and graduate student is issued a set of keys upon arrival. If a key(s) are lost or misplaced, it will be the responsibility of that individual to pay for the costs to get the key(s) duplicated.

**90-day/One-year limitations** – The Controller’s Office has a policy that the following items can’t be paid more than 90-days/one-year in advance.

**90-day limitation:**

1. Organization Membership – can’t be prepaid more than 90 days prior to the expiration of the previous year’s membership.
2. Publication Subscriptions – can’t be prepared more than 90 days prior to the expiration of the previous year’s subscription.
3. Convention and Educational Services – limited to advance registration fees for conventions, conferences, seminars, and employee workshops.
4. Travel Public Carriers – includes pre-payments for travel by aircraft, train, and bus.
5. Mail Order Purchases – where payments must be included with the order.
6. Human Subject Payments – expenses for advance payments to individuals for experimental research, engineering projects, and medical projects.

7. U.S. Postal Service Purchases – limited to postage purchased from the U.S. Postal Services.
8. Hotel/Motel Deposits – limited on one night’s deposits for direct bill payments on hotel/motel rooms for employees who travel on behalf of the Commonwealth.
9. Film acquisitions or rentals – limited to payments for the acquisition or rental of educational or training and development films.
10. Advertising Expenses – limited to prepayments for newspaper, magazine, journal, and periodical advertisements.

**One-year limitation:**

1. Media Services – limited to payments for radio and television advertising. May also include expenses paid to advertising firms for these services.
2. Computer Hardware and Software Maintenance Contracts – limited to payments for services provided to repair and maintain computer hardware and software. Excludes computer hardware and software purchases.

**Contracts** – Most service units on campus such as The Inn and Personal Touch Catering, to name a couple, require a signed contract once the arrangements have been made for their services. The “Organization Authorized Signature” refers to the individual that is committing the funds to the function. At this time, the only individuals that are authorized to sign for Economics are: Nic Tideman, Sheryl Ball, Amy Sanford and Lynn Rader. Therefore, when a contract is received for services to be performed, please follow the procedures below:

1. The individual requesting the service should look over the contract to insure that the date, time, place, agreed upon arrangements, and price agreement are all correct. If this is correct, then please initial and date the contract.
2. The contract should then be given to Lynn to sign, copy for our files, and fax back to the service unit. If Lynn is out, one of the other designated individuals will sign. The requesting individual should then make a copy for Lynn for the departmental files and fax the form back. Please allow ample time for this procedure to be completed. If at all possible, no same day request.

**Alcohol on Campus** – Anytime alcohol is served on campus we must get prior approval from the Virginia Tech Police Department. This includes receptions, regardless of the funding source. The policy is in effect regardless if students are present or not. If you plan to serve alcohol at a departmental function on campus, you must complete this form BEFORE the function. The Police Department would prefer a 30-day notice. You can request copies of the form from Lynn and return them to Lynn so she can make a copy and forward.