I. Policy/Procedure

This policy outlines the reimbursement guidelines for persons traveling on college business.

II. Scope

This policy applies to faculty, staff, students and others at Luther College whose travel expenses will be reimbursed by college funds.

III. Terms and Definitions

The travel expense report is the form used to request reimbursement for travel expenses. This form is available at http://financialservices.luther.edu/forms.html

IV. Procedures and Guidelines

A. General

- The Internal Revenue Service is very particular about travel expense reimbursements. The IRS’s assumption is that improperly documented travel expense reimbursements are compensation payments that must be reported and taxed as income.
- Whenever possible, avoid paying sales tax by using a college credit card or by having charges billed directly to Luther College. Refer to the Sales Tax Exemption Policy for additional information.
- Personal expenses are not reimbursable.
- If purchases made with a college credit card are included on the travel expense report (for the purpose of accounting for the complete cost of the trip), then:
  - The College credit card expenses should be marked in some manner to distinguish them from expenses which are to be reimbursed.
  - The total of the College credit card expenditures needs to be deducted from the total cost of the trip at the appropriate place on the travel expense report to arrive at the amount to be reimbursed.
  - Original receipts for these College credit card expenditures should not be attached to the travel expense report since these receipts are needed for the Monthly Credit Card Report.

B. Travel Expense Report

- Upon returning from a trip, a travel expense report should be completed within 30 days with the following information:
  - a brief explanation as to business purpose of the trip.
  - dates of the trip.
• destination.
• a day-by-day listing of the expenses incurred.
• Receipts for all expenditures should be stapled to the travel expense report. The receipts need to be original receipts, not copies. The receipts also need to be itemized, listing the details of what was purchased. Summarized credit card receipts, for example, are not acceptable. Expenses without receipts will not be reimbursed.
• The completed travel expense report needs to be approved by the appropriate budget center director(s).
• After being approved by the appropriate budget center director(s), the travel expense report should be sent to the Office for Financial Services for processing.
• A check for the reimbursement amount will be sent via intra-campus mail within five business days after the travel expense report has been received by Financial Services.

C. Transportation
• A college vehicle instead of a personal vehicle should be used whenever possible. Refer to the “Fleet Vehicle and Auto Use Policy” or the “Vehicle Use Procedure for Fleet and Personal Vehicles” for additional information.
• Airfare should be charged on the traveler’s college credit card if he/she has been issued one, instead of a personal credit card. All employees are expected to travel coach or economy class and reservations should be made well in advance to secure the lowest rates possible.

D. Lodging
• Accommodations should be reasonable and appropriate
• Personal expenses such as room service, movie rentals and personal telephone calls will not be reimbursed.

E. Meals
• Alcohol will not be reimbursed unless the employee is entertaining a guest of the College. All meals with alcohol must be approved by the appropriate vice president.
• When meals for guests in addition to the traveler are included on the travel expense report, the following information should be included along with the receipt for the meal:
  o a list names of guests.
  o a brief explanation as to the business reason for the meal.

V. Confidentiality and Record

All records related to this policy will be maintained by the appropriate offices.