

The Ledger

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New Travel Procedure Changes Effective November 1, 2002

Last summer the Governor's Office requested increased oversight and accountability for travel costs as a result of the questionable judgment exercised by some state officials last year. 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 procedure changes itemize the new requirements. We emphasize the word requirement because if these procedures are not followed, in some cases, the traveler will be required to bear the expense personally. Please distribute the following information to any employee in your department who may have occasion to spend public funds on travel-related services. All changes have been made to the on-line travel procedures found on the Controller's Office web site at www.controller.vt.edu.

- 1. Estimated costs and prior approval required for overnight travel** – For overnight travel (including sponsored funds) being initiated on or after November 1, 2002, all employees must prepare an estimate of the total cost of any proposed travel. Total cost includes lodging, meals, conference registration, airfare and any other travel costs or course fees. The **Virginia Tech Travel Estimate and Approval Form** found on the Controller's Office forms page <http://www.controller.vt.edu/forms/index.html> must be completed and presented to the department head **prior** to incurring expenses for the trip. The department head is authorized to approve travel expenses for both domestic and international travel for one, two or three employees. (Travel plans made by the department head must be approved at the next higher level of administration.) **A copy of the approved form must be attached to all expenditure documents, including the travel reimbursement voucher, the registration payment voucher, the Air Travel Services Form, and the American Express purchasing card certification form.**
- 2. Senior Management Level approval required for multiple attendees** – To ensure all travel meets the test of necessity, non-sponsored programs funded travel involving more than three employees from the university to a single travel destination must be approved **in advance** by the Dean, Vice President, or Vice Provost. In addition to the **Travel Estimate and Approval Form**, when a department or departments determine it will be necessary for more than three employees to attend a conference, seminar, or training workshop, the departments must prepare documentation supporting the attendance for the group. 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 senior management for review and approval.

For **international travel** involving more than three employees, the Senior Management Approver must also forward the approved request and supporting documentation to the Executive Vice President and Chief Operating Officer who will review the documentation and will seek approval from the Secretary of Education.

3. **Staff development for five or more employees** – Where it is determined that a seminar, workshop or training program is essential to staff development for five (5) or more employees, the university must investigate the option of bringing the trainer on site instead of authorizing employees to travel to an off-site location. The department must document the comparative cost of an on-site session and retain such documentation on file with the department travel records. A copy of this cost comparison must be attached to the Virginia Tech Travel Estimate and Approval Forms submitted to Senior Management for multiple attendee approval. If approved to travel in lieu of on-site training, the travelers must attach a copy of the travel approval and the cost comparison document to each of their travel reimbursement vouchers.
4. **Advance approval required for excessive hotel expenses** – The university Controller's Office must evaluate requests **in advance** for hotel expenses in excess of 150% of the lodging guideline for the area traveled. Requests for exceptions must include sufficient documentation describing efforts made to find lower cost accommodations and showing alternative cost comparisons justifying the excess. Travelers must give the first preference to selecting lodging in the economy class. When properly justified, the university Controller's Office will approve lodging in excess of 150% for travel funded by sponsored programs or local funds. For all other lodging exceptions, the Controller's Office will examine the request for completeness and then forward it to the state Department of Accounts in Richmond for final consideration and approval. **Exceptions will not be granted AFTER travel occurs.** The state procedures now include the statement, **"Travelers who do not plan with careful consideration to these guidelines will bear the additional expense personally."**
5. **Internet usage** – Usage of the Internet to procure travel services is allowed. However, please use prudent judgment when choosing an Internet travel service site. A cost/benefit analysis **must** be performed **prior** to purchasing services via the Internet to ensure that it is cost beneficial to the university. All Internet or travel agency fees charged for cost comparison services must be included in the cost analysis. The **cost analysis** showing a savings from the Internet and a hardcopy final page from the Internet site showing total cost and confirmed service **must be attached to the travel reimbursement voucher.**
6. **Air travel** – 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:
 - When it does not cost more than the lowest available tourist/coach fare,
 - For travel to Western Europe for a meeting starting within 3 hours of landing,
 - Transoceanic, intercontinental trips of eight hours or more, or
 - If the traveler pays the difference.

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

7. **Meeting facilities** – In selecting locations for meetings, agencies shall give first preference to **State-owned facilities**. For meetings of policy, advisory, or supervisory boards, the selection of a meeting site should reflect the policy that a public body conducting public business shall take care that public funds are expended prudently. The special lodging guidelines for meetings at The Homestead, The Tides Inn, Tides Lodge, and Greenbrier Resorts have been eliminated.
8. **Procurement of conference services** – In planning for a university-sponsored conference, the Lodging and M&IE guidelines should be used as a measure of reasonableness. The department should be prudent in selecting the most cost beneficial option available to the university. The university should follow the university Department of Purchasing general procurement guidelines. Documentation supporting the procurement **must** justify any costs in excess of the guidelines based on the overall conference procurement costs (i.e., free room space or other no or low-cost amenities needed for meetings.)
9. **International travel redefined** – International travel now includes Canada, Mexico, and Puerto Rico. Domestic travel is now defined as travel within the 50 United States.

On-line Travel Voucher Revised

All individuals should access the Controller's Office web site to download the most recent version of the **Virginia Tech Travel and Meal Reimbursement Voucher**. Revisions have been made to help the user comply with one of the documentation requirements of the new travel regulations. The state authorizes the university to make some of the decisions related to the travel approvals when the travel is fully funded by sponsored programs. The form must bear the words "Sponsored Program" on the travel voucher. If the form does not include those words, the university can be cited for a documentation error when the state does their audit and review. In an attempt to limit our exposure to this requirement, the Controller's Office has modified the on-line travel form to automatically print "Sponsored Program" when the total reimbursement is entered as a charge to Banner funds beginning with 3, 4, or 5.

The most recent form also saves the user time by correctly calculating the vehicle mileage reimbursement when a person used their personal vehicle. Since the user and the Controller's Office can depend on the form to correctly calculate the mileage and the column totals, the users save time by not having to use a calculator to cross foot the totals for the various columns.

Because of these two important features, we ask that every person responsible for preparing travel vouchers download the most recent version of the travel voucher. When you download the form, you should see the version VT Travel Version 6.1 printed on the form. Please download the form at the following web site <http://www.controller.vt.edu/forms/index.html> and begin using it. Because of the potential to save time, the Controller's Office is encouraging all users to download the new form and begin using it for all new travel vouchers. For these reasons, within approximately a month,

only Version 6.1 will be accepted. If you have questions about downloading the form, please contact Bradley Scott at 231-3623 or bsscott@vt.edu.

Excess Lodging Expense Calculator

Travelers sometimes secure lodging accommodations that exceed the maximum guidelines for the area. The allowable expenses include required taxes prorated based on the maximum lodging limit for the area. The Controller's Office has developed a lodging calculator found on the forms page <http://www.controller.vt.edu/forms/index.html>. The calculator is used to determine the amount of the room and tax expense that can be charged to public funds. The calculator is to be used when a traveler stays at a hotel having room rates that exceed the lodging guidelines.

To use the lodging calculator, enter the amount charged for the room, the maximum amount allowed for the room in the area, and the associated taxes. The calculator will provide the allowable expenses for the room and taxes by prorating the room and tax charges. By using the calculator, the person preparing the travel voucher can enter the exact amount of the room expense that the traveler will be reimbursed. A printed copy of the calculation should be attached to the travel reimbursement voucher. If you have questions about the use of the form, please contact someone in the travel section of the Controller's Office <http://www.controller.vt.edu/directory.html> - travel.

Travel planners may find the calculator helpful in determining approximately how many dollars of their excess lodging expense would be disallowed or charged to private funding if excess lodging approval was not requested.

Revised Lodging Rates for Selected Cities

The following notice was previously sent to the Banner Finance User list via e-mail the end of September but serves as a reminder.

The Commonwealth of Virginia has revised the maximum allowable lodging rates for certain cities in the United States. Some of the limits were increased while others were reduced to bring the maximum lodging rate more in line with the costs of accommodations in the area. The new rates were effective October 1, 2002.

You may view the new and old travel rates by checking the Controller's web site at <http://www.controller.vt.edu/procedures/p20335r.html>. If you have questions regarding these new rates, please contact a member of the travel services section <http://www.controller.vt.edu/directory.html> - travel of the Controller's Office.

Summary of Travel Changes

- Estimated cost and prior approval required for all overnight trips.
- Senior Management approval required for more than three employees traveling.
- Cost comparison required for five or more employees traveling for training.
- Advance approval **REQUIRED** for excessive lodging rates.
- Cost comparison required for Internet purchases.
- Documentation required for university sponsored conferences.
- Version 6.1 of travel voucher required.
- Excess lodging calculator available.