

# The Ledger

*A Newsletter of the University Controller's Organization*

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## Travel Regulation Changes Effective July 1, 2004

The Commonwealth of Virginia has revised the state travel regulations effective with travel expenditures incurred on and after July 1, 2004. Changes have been incorporated into the university's travel procedures found on the Controller's Office web page [www.controller.vt.edu](http://www.controller.vt.edu). The new and old Lodging and Meal and Incidental Expense (M&IE) tables will be available on the web site until September 2004.

The general premise for the changes in the travel procedures supports the concept that the travelers must take time to plan their travel in an effort to reduce the overall cost. The traveler must be able to demonstrate, with documentation, that a reasonable effort was made to secure the most cost beneficial means of travel for the university and the Commonwealth. The department head or designee is now responsible for reviewing and approving the traveler's reason for exceeding the published lodging rate when they exceed the limit for the area. Changes are described below:

### Travel Approval Changes

- 1) When the total cost of an overnight trip is estimated to be less than \$500, the traveler is not required to attach a Travel Estimate and Approval Form to the reimbursement voucher. The total cost of the overnight travel, including airfare and registration, must be noted on the last page of the voucher. This is not required for non-overnight travel.
- 2) When the total cost of the overnight trip is estimated to exceed \$500, the Travel Estimate and Approval Form is required for ALL travelers, including presenters, students, visitors, and other business associates whose travel expenses are to be charged to university public funds. The department head or designee is required to approve **ALL** travel **before** expenditures occur.
- 3) The Travel Estimate and Approval Form must be attached to all vendor payment invoices, including registration and hotel payments.
- 4) When the traveler's lodging exceeds the guideline amount for the destination, the traveler must provide documentation on the Travel Estimate and Approval Form to justify the excess lodging. The department head or designee must review and approve the excess lodging rate **in advance** of the trip.

### Internet Purchases

- 1) 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.
- 2) When procuring services via the Internet, the traveler must provide

- a. the hardcopy final page from Internet site showing total cost and confirmed service for hotel and airline services, and
- b. 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.

## **Lodging**

- 1) Numerous rates have been changed and added in accordance with federal travel per diem guidelines. Revised lodging limits are available on the Controller's web site.
- 2) 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, they must thoroughly document their efforts to secure lower cost accommodations. Additionally, they must seek advance approval from their department head for lodging rates exceeding the guideline. The Travel Estimate and Approval Form has been modified to provide space for this request. Reimbursements exceeding the allowable rate for the area will not be made unless the traveler is granted an exception for the higher lodging rate. This new approval procedure applies to all lodging, **including conference hotels** that exceed the applicable rate by less than 50%.
- 3) Lodging rates exceeding 50% of the published rate must be approved by the department head as discussed in item number 2 above and then by the Controller's Office before it is forwarded to the state Comptroller's Office with a recommendation for approval. Before the Controller's Office will forward a request for a lodging rate exception to the state, the traveler must provide sufficient documentation showing alternative cost comparisons justifying the exception. Details of required information are in the lodging travel procedures on the Controller's web page.

## **Meals and Incidental Expenses (M&IE)**

- 1) Meal rates have been changed in accordance with federal travel per diem guidelines.
- 2) The M&IE table has been expanded from 5 to 6 dollar levels ranging from \$31 - \$51.
- 3) Incidental Expense: In accordance with changes to the federal travel per diem guidelines, the incidentals rate has been increased from \$2 to \$3 per day.
- 4) The incidentals amount is no longer prorated on the first and last days of travel when overnight travel is involved. The updated M&IE procedure provides the details for calculating first and last day travel M&IE and the correct M&IE when certain meals are provided at no cost to the traveler. Note that the M&IE is now in whole dollars – no more cents to deal with!
- 5) Business Meals: A special rate for the Blacksburg area has been provided for business luncheons. The business lunch limit increased from \$9 to \$12 for the Blacksburg area.
- 6) Overtime Meals: An overtime meal may be charged to public funds only when the Department Head (not designee) provides a separate letter explaining why the employee was required to work past their normal work day. The department head 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. Generally, a person would not be eligible for an overtime meal until they had out of necessity been on duty for 10½ hours during the day. The on-line M&IE procedure provides more details regarding overtime meals.

## Original Voucher

The travel voucher bearing the original signature of the traveler and the approver is now required. Faxed signatures from the traveler certifying the accuracy of the requested expenses can no longer be accepted. For travelers who are not available to sign the voucher, the voucher must be mailed to the traveler for their review and signature. Travelers are totally responsible for all entries on the travel voucher and by their formal signature, certify the expenses are accurate and should be reimbursed from public funds.

## Daily Commute Mileage (DCM) Deduction

Business mileage is reimbursable **ONLY** to the extent it exceeds the employee's normal daily roundtrip commuting mileage. The traveler is now required to deduct their normal commute mileage from any business mileage incurred because they cannot be reimbursed for mileage until they have exceeded their normal commute mileage. The mechanics of making this happen are quite complex and we determined that the most efficient means of documenting this personal mileage is to start counting total mileage from the employee's residence on any day the employee incurs business mileage, whether or not the employee first went to the office or traveled to an overnight destination.

When a traveler uses their personal vehicle for business travel, they are required to enter their total travel AND their normal roundtrip commute miles to document their reimbursable official business mileage. Two detailed examples follow, one for daily business travel and one for overnight business travel.

### Daily business mileage

Example 1): An employee whose base point is Blacksburg lives near Christiansburg has a normal roundtrip commute of 30 miles. On a scheduled workday, he travels from his residence to Radford to work on a project, then travels to Blacksburg to work in his office. In the afternoon, he travels to Giles County to work and then returns home to Christiansburg at the end of the day. He travels a total of 65 miles from the time he left his residence in Christiansburg until he returned home in the evening. His reimbursable mileage is 35 miles. Total miles driven less normal daily commute miles equals reimbursable business miles ( $65 - 30 = 35$ ).

This employee should show the mileage on his travel voucher as follows:

Depart home, travel in and about Montgomery and Giles Co less DCM  
(65 Total miles – 30 DCM = 35 business miles)                      35 @ \$0.325 = \$11.38

When travelers use their personal vehicle on an overnight trip, they still calculate their mileage from home and deduct one-way daily commute mileage on the departure day mileage and one-way daily commute mileage on the return day.

### Overnight business mileage

Example 2): An employee whose base point is Blacksburg lives in Blacksburg and has a normal roundtrip commute of 4 miles. There is no state car available and she uses her personal vehicle to travel 83 miles from her residence to Lexington, VA to meet with a group of faculty from VMI. She stays overnight and travels 84 miles to her office the next day before traveling the 2 miles home that evening. Her

reimbursable business mileage is 165 miles. Total miles driven less the normal daily commute miles equals reimbursable business miles (83+84+2-4=165).

This employee should show the mileage on her travel voucher as follows:

Day 1) Depart home via personal vehicle, travel to Lexington, VA  
(83 Total miles – 2 One-way DCM = 81 business miles)      81 @ \$0.325 = \$26.33

Day 2) Return to office and then home)  
(86 Total miles – 2 One-way DCM = 84 business miles)      84 @ \$0.325 = \$27.30

## **Group Travel Procurement**

Group travel purchases are governed by the Virginia Public Procurement Act (VPPA). Effective July 1, 2004, the university will not make deposits to travel agencies or reimburse faculty for group travel procured personally when they have not followed the requirements of the VPPA. All group travel, including study abroad trips and team travel, must be purchased using the university travel contracts or, when appropriate, a Requisition for Purchase form. An example for the use of a requisition would be when a national organization has organized a trip that includes airfare, lodging, inter/intra-country travel. Please contact the Purchasing Department well in advance of the trip if you are considering using a non-contract organization for travel services.

## **Revised On-line Travel Voucher**

The Controller's Office has revised the on-line travel voucher to provide direct links to the lodging rates, the M&IE rates, and the Excess Lodging Calculator. Additionally, there is now a field for recording the name of the approver so it will be printed on the voucher. Many signatures are difficult to read and this additional information is needed to help reviewers know who actually approved the disbursement of public funds. The revised voucher is Version 7.0 of the on-line form. We ask that you discard older versions of the form and begin using Version 7.0 that is now available on the web site. We will no longer accept travel vouchers printed on versions older than Version 6.0 because the new forms have addressed internal control weaknesses found with the old forms, i.e. some forms carried the amounts down with three decimal places and we could easily accidentally overpay the traveler. Please use the new version of the form so we do not have to delay the traveler's reimbursement by returning the document for you to re-enter it on the current version of the form.

## **Questions Regarding Travel Changes**

The following individuals work in travel processing in the Controller's Office. If you have questions, please contact one of them regarding the proper means of documenting the required information on travel expenditures.

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