

Responsibilities and Best Practices for Travelers and Entertainers as stated in the Travel Policies dated May 1, 2009

Responsibilities of Travelers and Entertainers as stated in Policy 2351

Individuals traveling and entertaining on behalf of the University should exercise good judgment with respect to incurring T&E expenses and are expected to spend the University's funds prudently. The individual requesting reimbursement is responsible for ensuring that his/her incurrence of the expense and related reimbursement request complies with all applicable policies, is properly authorized, and is supported with required receipts and other documentation. The signature on the reimbursement form of the individual requesting reimbursement affirms that these responsibilities have been met.

Best Practices for Travelers

Travel is an essential part of meeting the University's objectives and represents a business expense that must be managed to meet operational needs and various compliance requirements. Travel and Entertainment expenses requested for reimbursement must be in support of University business, be reasonable, and be in accordance with established University policies and procedures.

Additionally it is important that these policies are consistently applied to all travelers. Expenditures should be sufficiently organized, documented, reviewed, and approved to ensure the traveler is being reimbursed on a timely and accurate basis. Compliance requirements include University policies and procedures (see the University of Pennsylvania Financial Policy Manual at <http://www.finance.upenn.edu/vpfinance/fpm/>), IRS accountable plan rules regarding documentation of expenses, timeliness of submission, and handling of advances, as well as specific requirements related to sponsored project funded travel.

The goal of the travel policy is to ensure that University funds are spent prudently and that properly documented, reviewed and approved T&E forms are completed prior to submission for processing.

The following best practices have been developed to help ensure compliance and consistent application of University policies and procedures:

For Travelers:

Travel Planning Process:

1. Where possible, utilize one of Penn's preferred agencies. You will find them listed on the Travel Portal. Have your BA's name and fax number available prior to making a reservation for the airline billing account requires BA approval and accounting information prior to ticketing.
2. Consult the Travel Portal for preferred vendor information to maximize use of available discounts.
3. Penn's preferred payment mechanisms should be used, whenever possible, to reduce the amount of prepaid expenses incurred by the traveler. Airline tickets can be purchased through the airline billing account when using one of Penn's preferred agencies or charged to Amex Corporate cards. Penn's purchasing card can be used for conference registration, Amtrak tickets and PhillyCarShare.
4. Be mindful of University policies related to class of travel, hotel selection, rental car selection, Amtrak fare selection, and general reimbursable and non reimbursable items. (see Travel Policies 2355 through 2365).

5. Non-standard travel arrangements such as first class airfare or deluxe hotel accommodations must be approved on a Reimbursement Justification form by the appropriate level of higher level approver prior to payment.

While Traveling:

1. Utilize the American Express Corporate Card and the Verizon calling card program to take advantage of available savings opportunities.
2. Maintain detailed receipts for all expenses incurred in excess of \$25.
3. Travelers and entertainers are expected to personally incur T&E expenses while traveling. Travel Advances are limited in scope and purpose and require an Advance Justification form as to why standard payment methods do not apply.
4. Be mindful of University policies related to expense limits, e.g. business meals should not exceed \$35 per person for lunch or \$80 per person for dinner. Exceeding these limits requires a Reimbursement Justification form completed by the traveler and approved at the designated approval level prior to payment.

When Submitting a T&E Reimbursement form for Processing:

1. **Timely Submission of Reimbursement forms.** The Travel Policy recommends that Penn travelers submit their reimbursement requests within 10 days of the trip end date to ensure compliance with IRS accountable plan requirements and avoid unfavorable tax consequences.
2. **Business Purpose.** Document the business purpose of each trip or event on the front of every travel form. Business purpose of business meals should be stated on the front of the form and listed on the C-1A form. Explanations such as "University Business" or "Business Meal" are not sufficient. Provide enough detail on the supporting pages or on the Reimbursement Justification form to ensure that an external reader would understand the business purpose of the expense.
3. **Necessary supporting documentation.** Include meeting agendas, conference registration documents, etc. to support the business purpose of trips. Include all original receipts for items of \$25 or more to support the expenses for which reimbursement is requested. Original receipts must show the nature of the expense, date of purchase, name of merchant, amount of charge, transaction details, form of payment and that payment has been made. Meal receipts must be itemized.
4. **Private information.** Be mindful of private information. Use a black marker to conceal credit card numbers, social security numbers, and other private information.
5. **Entertainment and Business Meals.** Include on C-1A forms the names and business affiliation of individuals entertained or participating in business meals. Charge all alcohol to object code 5214. Remember, meals with Penn colleagues are generally unallowable. Certain exceptions apply – refer to policy #2361. Circumstances meriting exception to this rule must be clearly documented on the Reimbursement Justification Form (C-5).
6. **Per Diems.** If requesting reimbursement for meals on a per diem basis, ensure that this method is used consistently for the entire trip. Note: Domestic per diems have lower first and last day per diem rates. If traveling locally, partial per diems apply unless the person is in travel mode for 12 hours or more.
7. **Spousal Travel.** In general, spousal travel is not a reimbursable expense. Specific IRS guidelines apply. IRS regulations require that the presence of these individuals serve a bona fide business purpose (he or she has a significant role in the proceedings or makes an important contribution to the success of an event) and is sufficiently documented (e.g. invitation requesting that the spouse attend or an explanation outlining the bona fide business purpose).

8. **Foreign currency conversions.** Provide support for foreign currency conversion calculations. Acceptable support includes credit card statements (be sure to black out personal information and card number) or print-outs of conversions calculated on Oanda.com. <http://www.oanda.com/converter/classic>
9. **Mileage Reimbursement.** Documentation of personal vehicle travel (mileage reimbursement) must include the reason for travel and the number of miles driven. Miles to and from the airport are acceptable. If an employee drives to a location other than their primary place of employment for a meeting, conference, etc. and then drives to Penn, that person will be reimbursed the difference between the total miles driven prior to arriving at Penn less their normal commuting mileage. The drive home from Penn would be considered normal commuting. ([Click here](#) for the current mileage reimbursement rates)
<http://travel.upenn.edu/travel/before-you-travel/car/mileage-reimbursement/>
10. **Sponsored Projects.** Refer to University Policy 2367 for guidance on travel charged to sponsored projects.
 - a. See also the NIH Policy for foreign travel on NIH grants for specifics regarding the [Fly America Act](http://www.fic.nih.gov/funding/grants_info/travel.htm) .(http://www.fic.nih.gov/funding/grants_info/travel.htm)
 - b. Be particularly mindful of charging local meal expenses to sponsored projects. Per University policy 2367 (see above), local meals will not be reimbursed from sponsored project funds for University employees, **unless specifically authorized by the sponsor**. Also, entertainment costs are not reimbursable under federal grants and contracts.
11. **Reimbursement Justification Form (C-5).** Explain all items not contemplated by the written policies on the Reimbursement Justification (C-5) Form. Examples of items include, but are not limited to:
 - a. Higher class of service than standard on the airlines and Amtrak
 - b. Employee use of sedan/limo service
 - c. Reimbursement submitted 182 days after last day of travel
 - d. Unnecessary fees (Amex card late fees, hotel no-show fees, lost ticket fees, etc.)
 - e. Missing/incomplete supporting documentation and/or lack of original receipts
 - f. Any expenses that require an explanation and warrant further review
 - g. Exceeding meal thresholds
 - Local meals with Penn colleagues
 - Failure to use Amex card for travel-related expenses (encouraged as “Best Practice”)
12. **Signature.** Your signature on the form certifies that the expenditures listed on the form were incurred while on official university business, comply with all applicable policies, are accurate and that you are not requesting reimbursement from any other source.
13. **Direct Deposit.** Best Practice is to sign up for direct deposit through Payroll. With direct deposit, travel reimbursements will be processed directly into your bank account and information can be obtained by clicking on “My Reimbursements” from the [U@Penn](#) website.

Approval Requirements on Travel and Entertainment forms:

Approval Review Requirements

1. **TAC Holder.** The TAC holder assists the travelers and entertainers, as well as their higher level approver, with understanding and complying with the process outlined below and ensures that all documentation requirements have been met prior to submission of reimbursement requests to the central processing organization. The TAC Holder must emboss and sign all reimbursement requests, regardless of the amount.
2. **Higher Level Approver.** The higher level approver must review and sign the reimbursement request(s) when travel and entertainment expenses related to the same

trip or event equal or exceed the aggregate amount of \$500. The higher level approver must also review and sign all Justification forms.

3. Head of the School or Center (or their designated representative). The Advance Justification form and the Reimbursement Justification form outline requests that require the head of the school or center (or their designated representative). When required, this signature must be obtained prior to submission to Individual Disbursement Services for payment.

The head of the school or center (e.g. Provost, Deans, and Vice Presidents) have ultimate responsibility for their respective organizations to ensure that anyone traveling or entertaining on behalf of the University is aware of, and will abide by, all of the University's T&E policies and procedures for completing and documenting reimbursement requests.

Each school and center must assign a hierarchy of responsibility for the preparation and approval of travel and entertainment related reimbursement or advance requests. At a minimum, when travel and entertainment expenses related to the same trip or event equal or exceed an aggregated amount of \$500, review and approval must be documented by someone at a higher level of organizational responsibility familiar with the activity on each reimbursement request submitted.