

NC STATE UNIVERSITY

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August 9, 2007

MEMORANDUM

To: Dean, Directors, and Department Heads

From: Cliff Flood *CF*
University Controller

Subject: Revised State Travel Regulations

The Office of State Budget and Management recently revised the State Budget Manual effective July 1, 2007. This memo highlights the changes to the travel rules and regulations.

General Requirements

Employees are now required to file travel reimbursements within 30 days after the travel period for which the reimbursement is being requested. This is a requirement of G.S. 138-6 (c) and is applicable to all university funds.

Use of Private Vehicles

Transportation by personal vehicle is now allowed at the business standard rate of 48.5 cents per mile for all state business travel when the round trip does not exceed 100 miles or when a state-owned vehicle is not available. Prior to this change, the University allowed reimbursement at the business standard rate when travel was within a 30-mile radius of the duty station or when a state-owned vehicle was not available.

Conferences / Meetings

The external conferences regulation has been changed to allow the University to pay for meals provided as part of an external sponsored conference (see definition in PRR Manual - <http://www.ncsu.edu/policies/finance/travel/REG07.65.6.php>) even though there is no overnight travel. Prior to this change, conference meals were not allowable unless a conference registration fee was charged. This change is effective only for meal costs paid from trust funds that have documented provisions for conference meals.

The maximum rate for providing refreshments for "coffee breaks," provided there are twenty or more participants, was increased from \$4.00 to \$4.50 per participant per day where allowed in the travel policies.

A new regulation prohibits the use of registration fees from a university sponsored conference or the use of state funds for the purchase of promotional or gift items that are distributed at conferences.

Subsistence Allowances – Third Party Lodging

The regulation regarding reimbursement for lodging rented from other than a commercial lodging establishment (hotel, motel, bed/breakfast) must receive advance approval from the State Budget Office. The advance approval request must be made through Travel Audit in the University Controller's Office. The request must provide evidence of savings to the state or otherwise provide justification to support the necessity for the lodging. Details regarding the arrangement, including the amount to be charged, the length of stay and contract information must be presented when the approval request is made. If approved, a signed rental agreement must accompany the reimbursement request.

Other Travel Expenses

The new regulations provide clarification of "reasonable" amounts for tips and gratuities. A reasonable tip is defined as being one that a prudent person would give if traveling or conducting personal business and expending personal funds. Guidance was added for calculating a tip as follows:

- Airports: Baggage Handling/Skycaps – no more than \$2 per bag; Shuttle Drivers – no more than \$2 per bag.
- Parking/Auto Related: Valets - \$2 per car when collecting the car; Taxi Drivers – 15% of the fare and \$1-\$2 a bag.

The regulations were also clarified to provide more information about reimbursement of reasonable parking expenses. Parking expenses considered excessive and only for the convenience of the employee are not reimbursable. The use of an airport's hourly parking lot for an overnight trip, for example, is considered excessive under this rule.

Non-State Employee Travel Expenses - Students

A regulation was added to clarify student travel expenses. Students at state institutions who travel on official state business are reimbursed to the same extent as state employees. Other than employee related travel, student travel expenses must be paid from non-state funds. A student traveling for the purpose of presenting at a conference or meeting and officially representing the university during the travel is treated as a non-employee related travel expense and if reimbursed, must be properly approved and paid from non-state funds.

Please contact Kim Kelley, Assistant Controller for Accounts Payable, at 515-7132 or Kim_Kelley@ncsu.edu with any questions regarding the changes.

cc: Ernest Murphrey
University Business Officers