

SECTION 70: Travel Policies & Procedures

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FUTURE MSU TRAVEL POLICY – SECTION 70 (effective with Concur)

I. General Business Travel Policy

Travel Policies apply to all who travel on official Michigan State University business, regardless of funding source. Examples include employees, non-employees, students, and invited guests.

MSU business travel begins and ends at business travelers' main place of business. United States Internal Revenue Service defines main place of business as the location where the majority of work takes place or business is conducted. In most cases, this will be an office owned and operated by Michigan State University.

Corrective Actions:

Violations of these policies are to be reported to the appropriate unit administrator. Anyone found to have violated these policies will be subjected to corrective action, up to and including termination, under the guidance of HR Employee Relations and Academic Human Resources.

A. Types of Travel

Definitions follow the United States General Services Administration, which administers application of lodging and meal per diems for the federal government.

1. Continental United States (CONUS)
 - a. In State – travel in which the origin and destination are within the same state including travel within the home community exclusive of on-campus travel;
 - i. On-campus and travel within 1 mile of main place of business is not reimbursable.
 - ii. Student Field Trips — see the [Manual of Business Procedures, Section 25](#)
 - b. Out of State – travel within the contiguous 48 United States in which origin and destination are not in the same state.
2. Outside Continental United States (OCONUS)

Travel in which the destination or origin is outside the continuous United States including Alaska, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands.
3. International (Foreign)
 - a. Travel in which the destination or origin is outside the United States and its territories.
 - b. Information for international travelers is provided by the [Office of International Health and Safety](#).

B. Request (formerly Pre-Trip Authorization)

1. A Request must be completed and fully approved to:
 - a. Facilitate authorization for anyone traveling on behalf of Michigan State University (on-campus travel is exempt).
 - b. Make reservations or spend funds.

- c. Submit an Expense Report for reimbursement of out of pocket expenses and/or charge prepaid expenses to an account.
 - d. To provide proof of authorized travel to allow provision of MSU Travel Accident Insurance and International Travel Insurance.
 - e. Receive permission for and access to [MSU Motor Pool Vehicles](#).
 - f. Obtain registration of international travel in MSU's Global Travel Registry.
 - g. A Request does not authorize travel related to Outside Work for Pay.
2. A Blanket Request may be created under the following circumstances:
 - a. Group Travel: A group of business travelers are departing and returning the same dates, for the same destination, and for the same business purpose. Departments should maintain emergency contact information for each traveler in the group.
 - b. Local and In State Travel: Business travelers who travel in-state and/or locally on a regular basis for the same business purpose which is within the prescribed scope of their duties or when several related local trips are to be made by the same person during a one year period.
 3. The traveler's authorized department approver and the fiscal officer of the account(s) being charged must approve Requests. Travelers may not approve their own Requests.

C. Travel Profile

1. All MSU faculty and staff, and student employees who travel or process travel, automatically have a Profile established in Concur and are responsible for updating profile information as needed by:
 - a. Completing required fields;
 - b. Selecting delegates;
 - c. Adding frequent traveler programs;
 - d. Registering for e-Receipts;
 - e. Registering for Travel App participation.

D. Reserving and Paying for MSU Business Travel

Prior to reserving and purchasing business travel, travelers must have an approved Request. See section above for full policy.

MSU's Preferred Travel Agencies are full service, offering Michigan State University business travelers and travel arrangers "[One Stop Shopping](#)". Michigan State University business travelers are able to utilize negotiated travel discounts for airfare, hotel, and car rental reservations.

Personal Travel: MSU recognizes that some travelers combine their personal travel with university business travel. When this occurs, MSU recommends travel be booked through *Travel@State* (MSU's Preferred Travel Agencies (agent assist) or Concur (online)).

Any additional costs, including out of pocket expenses associated with the addition of personal travel, will not be reimbursed. Travelers may not use MSU resources to subsidize their personal expenses.

1. University employees are responsible for travel costs and after travel is completed, may request reimbursement via the Concur Expense using itemized receipts.
2. **If there is personal airfare component to an MSU business trip**, travelers must obtain cost comparisons. For this purpose, personal airfare component means:
 - a. Personal destinations added unrelated to the business destination (indirect routing) or;
 - b. Personal days added to an international business trip, irrespective of indirect routing.
3. Travelers must obtain a cost comparison of the itinerary he/she would have taken for the business trip portion of the trip **at the same time** the ticket including the personal trip is booked. (See Section II.B for requirements.)
 - a. Cost comparisons may only be obtained through a Preferred Travel Agency or via Concur. Concur Travel may only be utilized at time of booking.
 - b. Based upon these airfare quotes, the traveler would be reimbursed the lower of the two airfares.
4. Personal expenses (e.g. lodging, meals, and transportation for extra days) may not be charged to any university account and are the employee's responsibility. Personal expenses should be identified and accounted for on the Travel Expense Report.
5. Expenses attributable to spousal travel are generally not reimbursable. Approval for specific trips or a series of trips, (in which the spouse's expenses will be reimbursed by MSU), with bona fide business purpose clearly noted must be obtained from one of the following: Provosts (including Associate and Assistant Provost), Vice-Presidents (including Associate and Assistant Vice-Presidents), Deans (including Associate and Assistant Deans), Directors (including Associate and Assistant Directors), Chairpersons (including Associate and Assistant Chairpersons), or College/MAU Budget Officer/Financial Administrator. This approval may not be delegated. These situations must comply with IRS regulations for an accountable plan in order to be approved; otherwise, taxable income may result. An accountable plan stipulates that the expenses:
 - a. Must have a business connection;
 - b. Must be adequately accounted for to MSU within 90 days of travel end date;
 - c. Excess reimbursement or advance must be returned to MSU within 120 days of travel end date.

Exception: Travel related to employee recruiting for a posted position: When directly in conjunction with interviewing and recruiting candidates for MSU employment, spouse and child travel, and other expenses related to the visit, such as lodging and meals, may be reimbursed at the hiring unit's discretion.

Note: House-hunting expenses are taxable income. Please see [MBP Section 53 – Moving Expenses](#) for details.

6. Travel reservation and payment guidelines
 - a. Prepayment of airfare and rail can be made at *Travel@State*. [Michigan Flyer](#) may be prepaid by contacting them directly.

- b. MSU faculty and staff may not be booked as “Guest Travelers” via *Travel@State*.
- c. MSU faculty and staff should utilize *Travel@State* to make travel reservations on behalf of students and guests.
- d. With the applicable department's permission, Guest Travelers may contact the Preferred Travel Agencies via telephone or e-mail to make travel reservations.
- e. The MSU Purchasing Card may not be utilized to guarantee or pay for travel expenses.

II. Transportation

A. Ground Transportation

Transportation by taxi/car service/ride share, personal car, motor pool, or rental car is authorized when supported with a business purpose.

1. General

- a. Any transportation costs incurred due to personal travel must be paid by the traveler and may not be reimbursed or paid by MSU. This policy includes transportation costs incurred by travelers to get to/from personal travel destination to business destination.
- b. Ground transportation to/from hotel or place of business and a restaurant to eat a meal or for sightseeing trips are not reimbursable.
- c. Prior to departure, travelers should evaluate whether driving their own car, utilizing MSU Vehicle Services, or renting a car through MSU's program with [Enterprise/National](#) is most cost effective. Renting, which results in a flat fee with unlimited mileage, can be a very cost effective method of transportation, especially with MSU discounted rates and insurance inclusions.
- d. For specific vehicle usage, driver responsibilities, and automobile accident reporting, go to the Guidelines for Automobile Use in [Section 35](#) of this manual or the MSU [Risk Management & Insurance website](#).
- e. Reasonable transportation costs to and from the airport are allowed. Please note that many federal agencies will NOT allow excessive (when compared to other options – car, bus, taxi for short distances) limousine fees.

2. Personal Car

- a. Mileage is reimbursed from the main place of business to the destination unless driving from home is closer to the destination.
 - i. Travel from home to point of employment is commuting and not reimbursable.
 - ii. Travel between MSU East Lansing campus and satellite offices may be reimbursed when traveling for MSU business purposes.
- b. Travelers who choose to drive their own vehicle to their travel destination are limited to a maximum mileage reimbursement of \$500.
 - i. Rule of Thumb: Approximately 440 miles each way or 880 miles round trip will surpass \$500 in mileage reimbursement.

- ii. Expenses for gasoline, repairs, towing, etc. are included in the mileage allowance. Expenses for parking, tolls and ferries are separately reimbursable.
- 3. Taxi/Car Service/Ride Share
 - a. Travelers should use licensed transportation companies when choosing to hire ground transportation services.
 - b. MSU travelers should use transportation providers that are easily identifiable through web app photos of automobile, driver, and car license, or that have the company name conspicuously displayed on their vehicle.
 - i. When on display, travelers should easily see: driver's license, printed schedule of rates, and contact telephone numbers for the transportation company.
 - ii. Travelers should be vigilant about their safety when securing any ride service.
 - c. Taxi/Car Service/Ride Share expenses are allowable for travel related to business. For example, taxi/car service/ride share between hotel and airport are allowable.
- 4. MSU Vehicle Services
See [Section 245](#) for information regarding Michigan State University's Transportation Services including Motor Pool.
- 5. Rental Vehicles
 - a. Travelers must clearly document the business purpose(s) for use of rental cars.
 - b. If frequent ground transportation is needed at destination, university travelers are encouraged to use the most cost effective means of ground transportation, inclusive of fuel and parking costs.
 - c. Rental cars should be standard size or smaller class when available. Exceptions must be clearly documented.
 - d. [Rental of 12 – 15 passenger vans is prohibited.](#) See [Section 35](#), Office of Risk Management & Insurance for further details.
- 6. Charter Bus
For approved charter bus companies and guidelines for chartering bus service, see [Section 35](#) of this manual or the [MSU Risk Management & Insurance website](#).

B. Airfare

1. Under MSU travel policy guidelines, [Preferred Travel Agencies](#) will price match when less expensive flights are found outside MSU Travel Program for same flights, origin, destination, operating airline, airfare class, dates, and times.
2. Travel must be at the lowest, logical (considering cost and time) available airfare which is defined as coach and economy class.
3. Outright purchase of or upgrade to business class is permissible when one of the following is present:
 - a. The flight duration is longer than five hours;
 - b. For domestic or international air travel, the traveler has medical requirement for upgrade.
4. Basic Economy, sometimes referred to as E-Fares, are not supported by Michigan State University as they are:

- a. Non-refundable and non-changeable;
 - b. Seat assignment not issued at booking and occurs at check in (purchase of an assigned seat is not reimbursable);
 - c. Upgrades are not available;
 - d. Travelers are last to board flights;
 - e. Outside the university's strategic airline contracts.
5. Optimal period for airfare booking is between 14 to 120 days prior to departure. Travel should not be purchased more than four months in advance.
 6. All flights charged to federally funded RC accounts must comply with the Fly America Act. Completion of the [Flight Compliance Checker](#) (as provided by MSU Office of Sponsored Programs) is required as well as submission with the expense report when a US carrier is not used.
 7. When combining personal travel with business travel, see Section I.D.
 8. Any changes in travel plans booked through MSU's Preferred Travel Agencies (PTA) that require cancellation or revision of airline tickets, should be reported to the PTA immediately so that alternate arrangements can be made.
 - a. Travelers are required to provide the business reason for revising/cancelling flight reservations.
 - b. Under special circumstances, such as hospitalization or death of traveler or immediate family member, it is important to inform the agency of the reason for cancellation because airlines may refund all or a portion of the airfare cost.
 - c. Unused tickets purchased by the University are retained for future University travel. MSU's PTAs will automatically track and apply unused tickets to future travel.

C. Train

1. When travel is by train, the fare should not exceed the lowest available airfare and most direct, expeditious route.
2. Any changes in travel plans booked through MSU's Preferred Travel Agencies (PTA) that requires cancellation or revision of train tickets, should be reported to the PTA immediately so that alternate arrangements can be made.
3. In the event travelers have to change their ticket, whether or not there is a change in fare, travelers must state the business reason for the need to alter the train reservation.

D. Charter Air Service

Charter air service may be approved in certain circumstances, including when it reduces travel costs and/or travel time. Please contact the Travel Office at 517-355-0343 for assistance.

E. Personal Operation of Aircraft

Personal operation of an aircraft is not permitted while traveling on university business. Travelers are not eligible for reimbursement when acting in any capacity other than as a passenger.

III. Lodging

A. Definition

Overnight accommodation such as hotel, motel, hostels, rental properties, and hosted lodging provided by family, friends, or colleagues.

B. Room-Sharing

When traveling on Michigan State University business, MSU faculty, academic staff, executive managers, and support staff are prohibited from sharing hotel rooms or bedrooms with a student or a group of students (including MSU graduate and undergraduate students and students from other institutions). Further, MSU faculty, academic staff, executive managers, and support staff in supervisory positions are prohibited from sharing hotel rooms or bedrooms with subordinate employees. Budgetary considerations do not take precedence over this policy, and individual rooms are to be provided without reprisal.

C. Reservation Guidelines

1. Book through *TRAVEL@STATE* for access to corporate, consortium, contract and discount pricing, traveler support, and electronic receipts (where applicable).
2. Conference lodging offers attendees value-adds; therefore, travelers may book conference hotels directly.
3. Select reasonably priced lodging at best available rates without cancellation penalties.
4. Cancellation and no show fees are responsibility of traveler, and may not be reimbursed.
5. Actual lodging expenses for destinations outside the Continental United States ([Foreign](#) and [OCONUS](#)) are reimbursed up to the published maximums as defined by the U.S. Department of State and Department of Defense according to dates of travel and lodging locale.
6. MSU Purchasing Cards may not be used to hold, guarantee, or pay for lodging.

D. Lodging Arrangements with University Housing

When a department arranges to pay for an individual's housing it is important to consider any tax withholding and reporting requirements. Please note below the difference between departmental paid housing for an MSU employee or student and other individuals. In all cases, the [Housing Assignments Office Charge Authorization Form](#) should be completed to note the business purpose and authorization of payment and be provided to Residential Housing Services' Housing Assignments Office when making arrangements for housing at a university apartment or residence hall.

1. MSU Employee or Student -
 - a. Nontaxable - There are two instances where the cost of the housing is considered nontaxable to the employee or student:

- i. When an individual meets federal tax rules and all of the following three conditions are met:
 1. The lodging is furnished on the business premises of the employer.
 2. The lodging is for the convenience of the employer.
 3. The employee must accept the lodging as a condition of employment.

Contact the Tax Services office to verify all three criteria have been met and proper documentation is on file at taxreporting@ctrl.msu.edu or 355-5029, or;

- ii. When an individual is in travel status:
 1. An individual is in travel status when away from their regular place of employment for business purposes. Most enrolled MSU students and MSU employees are, by definition, not considered to be in travel status.

In either of the two instances, the cost of the housing can be directly charged to an account on an Internal Billing e-doc.

- b. Taxable - When a contract or agreement states that housing will be provided to an individual, and the individual does not meet the nontaxable criteria noted above, the fair market value of the housing must be determined and reported to the appropriate office as follows:
 - i. Employees (anyone on the University payroll system) - Contact the Tax Services office at taxreporting@ctrl.msu.edu or 355-5029 for processing instructions. Lodging may not be provided in connection with a new employee moving or relocation, see [Moving Expenses, Section 53](#).
 - ii. Students - For graduate students under a fellowship, process as part of their fellowship award ([see Section 23 for direction](#)). For undergraduate students and graduate students covered by a scholarship, process as part of their scholarship award through the [Office of Financial Aid](#).
2. Other Guests (i.e. interviewees, collaborators, visiting researcher, visiting scholar, program participants, etc.) - As long as the individual is not an MSU employee or MSU enrolled student, a department can arrange to pay for university housing with a MSU business purpose and proper departmental approval (Fiscal Officer and Dean/Director/Chairperson). Housing arrangements should be made with the RHS Housing Assignments office and the [Housing Assignments Office Charge Authorization Form](#) should be completed.

IV. Meal & Incidental Expense Per Diem Allowance (M&IE)

A. Definition

1. MSU follows the meal and incidental expense per diem allowance (M&IE) set by the US General Services Administration to cover employee meals and incidentals during overnight business travel.

2. The meal portion is based on the costs of an average breakfast, lunch, and dinner at facilities typically used at that location, including taxes, service charges, customary tip, and transportation between places of lodging or business and places where meals are taken.

B. M&IE Allowance Determination

1. Lodging location is used to determine the applicable M&IE for each calendar day in travel status. Cities not listed for a particular state or country use the "Other" M&IE rate.
2. University travelers are allowed up to 75 percent of the M&IE on the first and last days of business travel.
 - a. For meals provided on the first and last days of business travel, the entire allocated meal cost must be deducted from the 75% M&IE rate.
 - i. Example: Traveler is provided dinner at the conference on the first day of business travel. The dinner allocation must be deducted from the 75% M&IE rate for that locale.
 - ii. The total amount of deductions should not cause travelers to receive less than the amount allowed for incidental expenses.
3. When meals are provided without charge (e.g., conference meals such as continental breakfast), M&IE must be reduced by the amount allocated for that meal.
4. If lodging receipt itemizes meals at additional cost (e.g., room service), travelers are limited to per diem and may not be reimbursed for meals charged.
5. If all meals are provided without charge, incidentals are still allowable.
6. When hosting a meal for business purposes (See [Section 45, II. Business Functions](#) for guidelines and requirements) M&IE is not applicable and actual costs may be reimbursed.
7. When travelers choose an indirect route or add personal days, M&IE is allowable only for the time it would normally take to travel by the most direct route and applicable business dates.

V. Conference Fees

- A.** Conference registration fees are to be paid in advance, when possible, using an MSU credit card.
- B.** If an MSU credit card cannot be used, conference fees may be paid via Disbursement Voucher (DV) or personally by the attendee. An explanation of why the MSU credit card was not used must be included.
- C.** If paid personally, conference fees will not be reimbursed until travel has been completed.
- D.** Supporting documentation must detail the attendee, date, and location of the conference.

VI. Travel Advances (See [Section 61](#) for Instructions)

VII. Travel Expense Reports

- A.** Travel Expense Reports cannot be submitted without a fully approved Request.

- B.** Travel Expense Reports should be submitted within 30 days of the trip's end date or June 30, whichever is sooner.
 - 1. Travelers have 90 days from the trip's end date to submit their Travel Expense Reports. After 90 days:
 - a. Out of pocket expenses are non-reimbursable.
 - b. Travel expenses paid directly by the University always require a Travel Expense Report.
 - 2. Exception: Travel Expense Reports for in-state mileage must be submitted at least on a quarterly basis.
- C.** See Reimbursement Chart for listing of reimbursable expenses, rates of reimbursement, receipt requirements, and dollar thresholds.
 - 1. MSU colleges and departments may authorize amounts less than full reimbursement.

VIII. Travel Funding

A. Travel Using Sponsored Programs Accounts

- 1. When travel is funded through a sponsored program account, reimbursement is limited to the more restrictive of MSU or the sponsoring entity/award restrictions.
- 2. International travel charged to a sponsored program account may require prior agency approval. Restrictions are typically identified in the award terms and conditions.
- 3. Air travel must be compliant with the Fly America Act, if federally funded.
- 4. Please refer to Contracts and Grant Administration website, specifically the Federal/State Cost Policy, for further information and guidance (<https://www.cga.msu.edu>).

IX. Insurance

With a fully approved Request, travelers are provided insurance coverage by MSU as outlined below:

- A. Insurance on Vehicles** — Refer to [Section 35](#), Office of Risk Management & Insurance in the Manual of Business Procedures.
- B. Travel Accident Insurance** — Refer to MSU [Human Resources Life/Accident Insurance](#).
- C. Reporting Accidents** — Refer to [Section 35](#), Office of Risk Management & Insurance in the Manual of Business Procedures.
- D. International Health Insurance** — Provided by International SOS (iSOS) and managed by the MSU Office of International Health & Safety (517.884.2174 or oihs@msu.edu).

The purchase of insurance to cover trip interruption, cancellation, baggage, or any other travel related insurance is considered a personal expense and is not reimbursable by Michigan State University.

X. University Travel Office ([Contact Information](#))