

# NMC Travel Reimbursement Policy

*Research Administration Office* contacts: [research@newmexicoconsortium.org](mailto:research@newmexicoconsortium.org) or 505-412-4200.

## GENERAL

The NMC employees and other NMC-supported travelers are reimbursed in accordance with this policy for reasonable and allowable costs incurred when traveling on official NMC business. Travelers whose expenses are reimbursed by outside sources may be subject to more restrictive reimbursement regulations than found in this policy. In such cases, NMC may use unrestricted funds to reimburse the traveler for the difference between a more restrictive regulation and this policy.

## ACCOUNTABLE PLAN

Under the IRS's regulations, reimbursements and payments for ordinary and necessary business-related expenses that are not lavish or extravagant are excluded from taxable compensation when made under an "accountable plan" policy. Otherwise, the reimbursements or payments that travelers receive for allowable expenditures may be considered part of their taxable compensation. Ordinary is defined as "common in a field of trade, business or profession" and necessary as "helpful and appropriate for a business." To qualify as business expenses, expenditures must be directly related to or associated with the NMC's mission. In addition, in order to qualify as an accountable plan, travel reimbursement and payment requests must be submitted and appropriately substantiated within sixty (60) calendar days after the expenses were paid or incurred. Requests not submitted and appropriately substantiated within sixty (60) calendar days after the expenses were paid or incurred, and those without a valid NMC business purpose, will be treated as taxable income and reported to the IRS and the payee on the applicable IRS form.

## PRE-APPROVAL

Travelers are expected to make travel arrangements after pre-approvals are in place. Pre-approvals must be attached to reimbursement requests.

**Travel charged to sponsored research agreements** must be approved by the NMC RA in advance. Reimbursement is subject to the conditions of the pre-approval. To initiate a pre-approval, send your travel request to [research@newmexicoconsortium.org](mailto:research@newmexicoconsortium.org) or contact [RA](#).

- **Justification.** All pre-approval requests must include a written justification that explains why the travel is necessary and how it will provide direct benefit to the sponsor that funds the travel.
- **Funding.** If you are a PI of a sponsored project, you have to verify availability of funds, allowable expense categories, and other travel restrictions for your project with the RA prior to making travel arrangements. If you are not a PI, ask your PI to email a list of allowable travel expenses (e.g., hotel, meal per diem, transportation, etc.) to RA prior to travel for review and approval.
- **LANL Funding.** If your project is funded by LANL, any domestic travel not included in the approved project budget must be pre-approved by LANL. Contact NMC RA to initiate pre-approval.

NOTE: On LANL-funded projects, foreign travel must be approved by DOE in advance even if the cost is included in the project budget.

**Travel not funded by sponsored research agreements** must be pre-approved by traveler's supervisor.

**Foreign travel.** Travelers are required to comply with all export control laws and regulations while traveling internationally. When traveling internationally with NMC-owned equipment or NMC-owned information, please complete the [International Travel Form](#) and email it to RA to initiate approval. Health and accident insurance for international travel is considered an optional, personal expense, and therefore cannot be paid with NMC funds, including grant funds.

## ALLOWED TRAVEL REIMBURSEMENT RATES

All travel costs are reimbursed per sponsor's policy or at [current GSA rates](#). Exceptions to sponsor's policies or GSA rates must be approved in writing by RA prior to travel.

## ALLOWED TRAVEL REIMBURSEMENT CATEGORIES

### **Airfare and In-flight Expenses**

Only economy, non-refundable airfares are reimbursable; upgrades are not. Additional flight insurance is not a reimbursable expense. The reimbursement of in-flight charges for access to the Internet, to a phone, and similar charges is not allowed. Reasonable charges for checked luggage are allowed.

For any Federally funded projects, travelers are to follow the "Fly America Act" which requires the use of United States air carrier service for all air travel. For exceptions, contact RA prior to travel.

Travelers must provide receipts.

### **Rental Car**

The traveler should investigate the use of alternative transportation (i.e., airport shuttle, bus, taxi, etc.) before deciding to rent a car.

Size. NMC reimburses the base rate plus taxes for mid-size or smaller cars. If two or more travelers choose to share a car, the renter may upgrade to a full-size car. A list of travelers must be submitted with reimbursement request.

Optional Equipment. Fees for optional equipment or upgrades are not reimbursable.

Insurance. Car rental insurance is not reimbursable for NMC employees; NMC group insurance provides coverage for non-owned and hired automobile liability and liability for damage to hired or leased automobiles (insurance carrier: Lloyd's of London, contact NMC HR for details). Non-employees traveling on NMC business should consult NMC RA to determine whether the car rental insurance is reimbursable. In the event a traveler has an accident, the following procedures should be followed:

- Contact local police authorities immediately and file an accident report.
- If another party is involved, obtain the appropriate information such as driver's license number, vehicle registration number, and insurance information.
- Notify the local car rental office from which the car was rented and fill out a car rental accident form.
- Upon your return, forward a copy of the police report, car rental accident report, and rental agreement to HR ([hr@newmexicoconsortium.org](mailto:hr@newmexicoconsortium.org)). If there are injuries involved, contact your insurance provider and NMC HR at 505-412-4198.

Discounts. A corporate discount is provided for Enterprise/National/Alamo and Hertz rental cars. Please use the following codes when making your reservations: L34D207 for Enterprise/National/Alamo and 72120 for Hertz.

Fines. Fines incurred due to parking, speeding or other violations of the law are NOT reimbursable.

Fuel. Travelers are to decline all fuel option purchases and return the car with a full tank of gas. If circumstances prevent the refueling of the car, a detailed explanation must be included on the reimbursement request.

Travelers must provide receipts for car rent and gas.

### **Privately Owned Vehicle (POV)**

Use of a POV for official NMC business may be reimbursed up to the [IRS standard mileage rate](#) in effect for the time of travel. The rate is intended to cover all costs associated with owning the automobile, including gasoline, maintenance and repairs, and insurance.

Travelers may be reimbursed only for miles actually driven while conducting NMC business. NMC reimburses for the distance between the home institution and the institution you are visiting unless other arrangements are described in your agreement with the NMC.

For travel of 400 miles or less one-way, mileage reimbursement is calculated at the [current applicable mileage rate](#). Privately Owned Vehicle (POV) Mileage Reimbursement Rates may be found at <http://www.gsa.gov/mileage>.

When one-way travel by POV is more than 400 miles, reimbursement for expenses incurred may not exceed the cost the traveler would have otherwise incurred if the traveler had flown. If travelers drive due to personal preference, they must provide documentation of what the total costs would have been had they flown. This documentation should include at least three (3) airline quotes (include Southwest Airlines when applicable) for the actual travel dates, the lowest of which should be used in the comparison, as well as documentation showing what the most economical local transportation would have cost. The reimbursement amount allowed will be the lower of the total air travel costs, or the cost of mileage reimbursement. If the traveler fails to provide the required comparison information, the NMC reimbursement administrator will calculate the comparison and determine the allowable reimbursement based on [GSA airfare rates](#), a reasonable quote for round-trip transportation to the departure airport, and a reasonable quote for ground transportation at the destination.

Mileage from/to airport is calculated

- between the airport and home institution if you drive from your home institution or
- between the airport and home if you drive from home and the distance between your home and airport is less than the distance between the airport and your home institution.

Attending or organizing a meeting/conference locally: if the distance between the conference site and your home is less than your everyday commute, no mileage is paid.

Employees whose job description requires occasional use of their POV for work-related travel must submit individual mileage logs (available from HR) to be reimbursed for mileage. Such employees are expected to inform their vehicle insurance carrier of the work-related vehicle use and carry a rider that covers use of the vehicle for occasional work-related travel.

No receipts are required for mileage reimbursement.

### **Other Ground Transportation**

Transportation by bus, train, or other public transport is reimbursed at standard economy fares. No receipts are required for expenses under \$75.

### **Lodging and Meals**

Travelers may be reimbursed for expenses for lodging and meals, subject to the limitations of this section.

Meals. Use the per diem rate for the location where the business event occurred. NMC reimburses meal expenses at the [GSA rates](#).

A “conference meal” is defined as a meal that is offered for separate purchase by the conference or is provided by the conference. When travelers incur expenses for conference meals in excess of the per diem allowances set forth above, the NMC will reimburse the actual meal expense upon presentation of the appropriate receipt; the per diem must also be proportionately reduced. When meals are included in conference fees, or otherwise provided, the per diem meal reimbursement must be reduced by the appropriate GSA rate allocation for each meal provided.

Continental breakfast provided at a hotel, or by a conference, does not require a reduction in per diem. A reduction is not required when conference or hotel materials clearly indicate a “continental” breakfast is provided.

No receipts are required to receive meals per diem at the GHS rates or lower.

Lodging. Lodging costs are reimbursed at the [GSA lodging per diem rates](#) or lower. The GSA per diem rates cover incidental expenses defined by the IRS to include fees and tips for persons who provide services such as luggage handling, laundry, cleaning, and pressing of clothing. Therefore, individuals being paid per diem cannot also separately claim reimbursement for these incidental expenses. Taxes, which are also reimbursable, are not included in the listed rates. Internet use fees are reimbursable. Rooms at rates in excess of government rate may be reimbursed with appropriate documentation and prior approval by RA. Other lodging charges in excess of GSA rates will not be reimbursed.

Reimbursement for conference lodging costs which exceed the cost of lodging as advertised for the conference must be explained. In order to determine the advertised lodging rate and whether any meals are included in the conference fee, travelers must provide a copy of conference materials that provide this information, with the travel reimbursement request.

Lodging costs are reimbursed after the travel and only with receipts from the lodging facility.

#### **Conference Fees**

Receipts are required.

#### **Parking**

Receipts are required for expenses exceeding \$75.

### **EXAMPLES OF NON-REIMBURSABLE TRAVEL EXPENSES**

- Health and accident insurance for international travel
- Boarding fees for pets
- Registered-Traveler Identification Programs
- Airline preferred seat assignments/upgrades
- Airline preferred boarding
- Airline early boarding
- Airline club membership fees
- Flight insurance
- In-flight charges for access to the Internet, to a phone, and similar charges
- Transportation between home and office on regular workdays
- Traffic or parking tickets
- Frequent Traveler Program fees
- Additional travel or car rental insurance costs for NMC employees
- GPS systems, satellite radio, prepaid fuel or fuel option (FPO) in rental cars
- In-room movies
- Hotel room service
- Charges for alcohol.
- Any personal items lost, stolen or damaged while traveling on NMC business
- Medications and recurring prescriptions (see your health coverage Plan for reimbursement)
- Transportation, duties, taxes and other fees associated with the shipment of personal effects
- Costs associated with obtaining a passport or visa for international travel

### **PAID TRAVEL TIME**

Travel time that is considered paid time for nonexempt employees:

1. Time spent in travel as part of an employee's principal job activity (e.g., travel between job sites);
2. Time spent traveling to and returning from a one-day required assignment in another city or town regardless of whether employee is the driver or the passenger, and regardless of whether the travel cuts across the normal work schedule;
3. Time spent at a required conference, meeting, etc.;
4. Performing authorized work-related errands while commuting from home to work or from work to home;

5. Transporting or delivering materials or equipment to a job site prior to the start of the work day or returning materials or equipment after the end of the work day;
6. Transporting other employees to work sites, to the office, or to their homes either before or after the workday at management request.

## **COMBINING BUSINESS AND PERSONAL TRAVEL**

Occasionally an employee may take a trip that includes both personal and business travel or the trip may originate from another location because of personal reasons. A combination trip does benefit the traveler to some extent, therefore, travelers should exercise special care not to seek reimbursement for expenses that could be construed as personal.

When combined personal and business travel occurs, the following rules apply.

Funding. For sponsored research, NMC must follow the sponsoring organizations rules. Contact RA to review your sponsored research agreement. For NMC funds that are not restricted (such as Overhead or Director's funds), NMC will cover only the costs associated with official business.

Airfare and Ground Transportation. A cost comparison is required when the airfare includes overnight stays at destinations not required for the business travel. If nonbusiness-related destinations are included on the ticket, the amount reimbursed will be the economy/coach fare directly related to the business destination(s). The traveler must pro-rate rental car costs based on the number of personal days versus business days. Parking, taxi and shuttle expenses during personal days are not reimbursable.

Lodging. Additional days of lodging beyond the business dates are considered personal and are not reimbursable.

Meals. Meal per diem is not paid for personal days.

Additional Expenses. If the number of personal days added to a business trip exceeds the number of business days by more than one day, the personal travel must be pre-approved by CEO. Additional expenses resulting from the added time, i.e., parking, lodging, fixed meals, etc., are not reimbursable.

## **REIMBURSEMENT PROCEDURE**

To request a reimbursement, use the [Reimbursement Request Form](#). Submit your reimbursement request and supporting documentation no later than 60 days after an expense was paid.

Examples of receipts acceptable for travel reimbursement:

- Receipts for lodging from the lodging facilities
- Receipts for rental car from the rental car company (Rental Agreement).
- Receipts for gas for rental car
- Receipts for airline tickets from airlines.
- Receipts for conference registration fees.
- Parking receipts over \$75.

Federal regulations require itemized receipts for flights, hotels and car rentals. For that reason, for travelers supported by Federal funds, we do not recommend using third party travel websites such as **Expedia, Orbitz, or Priceline** to pay for flight, lodging or car rentals because receipts provided by these websites often do not provide enough detail to meet Federal requirements for reimbursement. In addition, travel sites may charge fees that are not reimbursable. **Receipts provided by such websites can be accepted for reimbursement only if they are clearly itemized. NMC may disallow reimbursement for expenses if properly itemized receipts are not provided.**

**Airbnb.** Some sponsors do not reimburse Airbnb expenses. If you consider use Airbnb for lodging, discuss you plans with the RA at the time of pre-approval. NMC does not guarantee reimbursement of Airbnb expenses.

Allowable individual expenses less than \$75 can be reimbursed without receipts (except for hotels, rental car and gas, or flights).

When travelers request reimbursement for expenses paid in foreign currency, the reimbursement calculations will be based on currency exchange rate in effect for the payment date.

#### **REFUNDS OR CREDITS**

Refunds or credits issued to individuals for NMC business travel must be returned to NMC. Contact RA for assistance.

#### **EXCEPTIONS**

Any exceptions to this policy must be approved, in advance and in writing, by the CEO.