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NMC Travel Reimbursement Policy

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GENERAL

NMC staff and other individuals whose travel is funded by NMC are reimbursed in accordance with this policy for eligible and reasonable expenses 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 consider using unrestricted funds to reimburse the traveler for the difference between a more restrictive regulation and this policy.

ACCOUNTABLE PLAN

Per IRS guidelines, 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. To comply with the requirements of an accountable plan, travel reimbursement and payment requests must be submitted and properly substantiated within sixty (60) calendar days of when the expenses were incurred or paid. Requests not submitted or properly documented within sixty (60) calendar days after the expenses were paid or incurred, and those without a valid NMC business purpose, will be taxed and reported to the IRS and the payee on the applicable IRS form.

PRE-APPROVAL

NMC reserves the right to withhold reimbursement for expenses that were not properly pre-approved. Travel arrangements and payments should only be made once pre-approvals are in place. Reimbursement requests may be submitted once an expense has been incurred (e.g., after purchasing a flight). Note: simply booking a hotel room without pre-payment does not qualify as an incurred expense. All reimbursement requests must include the corresponding pre-approval documentation.

Travel charged to sponsored research agreements must be approved by the NMC Research Admin (RA) in advance. Reimbursement is subject to the conditions of the pre-approval. To initiate a pre-approval, contact your RA at research@newmexicoconsortium.org. Note: pre-approval can take up to two weeks, plan accordingly.

- 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 must 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 pre-approved travel expenses (e.g., hotel, meal per diem, transportation, etc.) to the RA prior to travel for review and approval.
- LANL Funding. If your project is sponsored by LANL, sponsor's prior approvals are required for:
    - any domestic travel not included in the pre-approved project budget
    - any foreign travel

- lodging expenses exceeding on a daily basis the maximum lodging rates in effect at the time, as set forth in the Federal Travel Regulation, prescribed by the General Services Administration (GSA) for the location (https://www.gsa.gov/travel/plan-book/per-diem-rates?gsaredirect=perdiem).

- Contact your NMC RA to initiate the pre-approval. Note: LANL pre-approval will take additional time, plan accordingly.

Travel funded by other sources (e.g., Overhead funds) must be pre-approved by the 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

Fly America Act. 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.

Exploration of Multicity Fares. When a traveler is visiting multiple business locations during a single trip, they are encouraged—but not required—to explore multicity airfare options. This may provide cost savings and itinerary efficiency.

Allowable costs. 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.

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 (contact NMC HR for details). Non-employees traveling on NMC business should consult NMC RA or HR 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. If there are injuries involved, contact your insurance provider and NMC HR.

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 covers all costs associated with owning the automobile, including gasoline, maintenance and repairs, and insurance.

Mileage reimbursement is based on the distance between the destination and traveler's home or regular workplace as determined in their

- Work-from-Home Agreement,
- Employment Agreement (Offer Letter),
- Job Description, or
- other approved agreement.

Mileage is reimbursable:

1. **from traveler's home to destination** if,
   - the traveler is scheduled to work from home on the day of travel or
   - traveler's home is their designated regular workplace
2. only for the portion **exceeding the normal commute** if
   - the traveler is scheduled to report to his/her regular workplace on the day of travel and
   - the distance from traveler's home to destination is longer than traveler's usual commute to the regular workplace.

Mileage is non-reimbursable on a day the employee is scheduled to report to the regular workplace

1. for normal commuting
2. if travel destination is closer to traveler's home than the traveler's regular workplace.

Examples (regular commute to workplace is 20 miles round trip):

Travel From/To	Scheduled to work from Home	Regular Commute	Distance to Destination	Reimbursable Miles
Home to regular workplace	No	20 miles	-	None
Home to regular workplace	Yes	0 miles	20 miles	20 miles
Home to destination (15 miles round trip)	No	20 miles	15 miles	None
Home to destination (15 miles round trip)	Yes	0 miles	15 miles	15 miles
Home to destination (25 miles round trip)	No	20 miles	25 miles	5 miles
Home to destination (25 miles round trip)	Yes	0 miles	25 miles	25 miles
Regular workplace to destination (5 miles round trip)	No	20 miles	5 miles	5 miles

For travel of 400 miles or less one-way, mileage reimbursement is calculated at the current applicable mileage rate. 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.

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.

Cost of normal commute (from home to regular workplace) is not reimbursable. The cost of travel to a temporary assignment site in excess of the cost of normal commute is reimbursable.

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 justified. 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. Justification for staying at the conference hotel when its rate exceeds the GSA lodging rate must include a cost comparison between the conference hotel and a GSA-rate hotel, factoring in additional expenses (e.g., transportation) that would be incurred by staying off-site.

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

- Cost of normal commute from home to regular workplace
- 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, phone, and similar charges
- 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 a traveler 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.

Quote for business-only travel. Travelers are required to provide a fare quote showing the cost of business-only travel.

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 non-business-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.

Multicity Itineraries. If a multicity itinerary includes both business and personal travel segments, reimbursement will be limited to the cost of an equivalent economy/coach fare from the traveler's place of residence (for those working from home) or work location to the business destination(s) only. The traveler must provide a fare quote **obtained at the time of booking**, showing the cost of a business-only itinerary (e.g., round-trip or multicity fare that excludes personal segments). Any incremental cost associated with the inclusion of personal travel will be the traveler's responsibility.

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 using 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, CREDITS, AND EXCESS REIMBURSEMENTS

Travelers are responsible for notifying NMC of any canceled travel and must reimburse the organization for any unused, prepaid expenses such as airfare, lodging, or other travel-related costs previously covered. Any refunds or credits issued to the traveler for NMC-funded travel must be returned to NMC. For assistance, please contact your RA.

EXCEPTIONS

All exceptions to this policy must receive prior approval from the CEO and be supported by a clear written justification and appropriate documentation. For assistance, please contact your RA.