



MIDWESTERN STATE UNIVERSITY

Operating Policies & Procedures Manual

University Operating Policy/Procedure (“OP”) OP 70.05: Reimbursement of Travel Expenses

Approval Authority:	President
Policy Type:	University Operating Policy and Procedure
Policy Owner:	Vice President for Administration and Finance
Responsible Office:	Business Office
Next Scheduled Review:	09/01/2028. This OP will be reviewed September every three years, or as needed, by the University’s Vice President for Administration and Finance with recommendations forwarded to the President as needed.

I. Purpose

The purpose of this OP is to set forth the guidelines for requesting reimbursement of travel expenses for employees of Midwestern State University (“MSU” or “University”), a component institution of the Texas Tech University (“TTU”) System.

II. Definitions

Refer to MSU OP 70.01: Travel Authority and Definitions for MSU, Section II.

III. Policy/Procedure

A. Authority and Applicability

This OP outlines the travel reimbursement rules and regulations for MSU employees. All official travel must support and provide benefit to the mission of the University. It is the policy of MSU to follow travel guidelines as set forth in:

- [2 CFR Part 220](#)
- [Internal Revenue Code §§1.62-2](#)
- [General Appropriations Act \(GAA\) Article IX Part 5](#)
- The Comptroller of Public Accounts (CPA) [Textravel](#) website

B. General

1. General Policies

- a. Travel for employees must be authorized in advance using the *Request for Travel Authorization form (RTA)* to encumber funds (see MSU OP 70.02: Authorization for Official Travel). Travel expenses must be allowable according to applicable institutional, local, state and/or federal rules and regulations.
- b. All travel must follow the requirements set forth in this OP and [Textravel](#), regardless of the funding source, with the exception of limits specific to each fund group.
- c. Regardless of reimbursement received from other sources, an employee who travels in performance of official duties is entitled to claim that portion of expenses allowed under this OP from state or local funds. The total reimbursement from all sources must not exceed actual expenses.
- d. All travel vouchers submitted later than 90 days after the ending date of travel will be taxable in compliance with the IRS accountable plan rules per IRC Sec. 62 (c.). The Business Office will report the reimbursement to the Payroll Office.

2. Reimbursement for Meal and Lodging Expenses

Applicable to both Meal and Lodging Expenses

- a. An employee may receive reimbursement for his/her actual meal and lodging expenses not to exceed the maximum reimbursement rate for that location or per diem for eligible meals, but not both.
- b. Agencies must use the federal rates provided by the [General Services Administration](#) (“GSA”) for both in-state and out-of-state travel within the contiguous United States.
 - (1) If the city is not listed, but the county is listed, use the rate of the county.
 - (2) For areas not listed (city or county), the GSA standard rate must be used.
 - (3) The reimbursement limit applies without a carry-over from one day to another.
 - (4) Meal and lodging expenses are not reimbursable for any days the employee is absent from duty for personal reasons not connected with official travel duties.
 - (5) If an employee travels to more than one duty point on the same day, the maximum meal and lodging reimbursement for the day should be the rate of the locality for the overnight stay.
 - (6) An agenda must accompany the travel voucher and include any meals provided. Reimbursement of provided meals will not be allowed.

- c. Meal and lodging reimbursements for travel to Alaska and Hawaii are limited to the rates set forth by the U.S. Department of Defense.
- d. Meals and lodging reimbursement for travel outside the contiguous U.S. (other than Alaska and Hawaii) are limited to the rates set forth by the [US Department of State](#).
- e. Reimbursement for all travel services may not exceed the actual amount incurred by the traveler or the maximum GSA per diem rate. All hotel overages must be approved by the appropriate vice president or president.

C. Reimbursement for Meal Expenses

1. Per IRS guidelines, travel reimbursements to employees for meal expenses incurred while conducting state business that does not require an overnight stay will be processed through the Payroll Office.
2. Meal expenses incurred within the employee's designated headquarters are not reimbursable, unless the expenses were mandatory and connected with training, a seminar, or a conference. These expenses are reimbursed using a Direct Payment Voucher (DPV) form and require an entertainment expense form to be attached.
3. The meal allowance represents the maximum charge allowed for a day of travel that includes an overnight stay. Receipts are not required for meals, unless an employee is claiming actual meal expenses. . The supervisor is responsible for approving the reasonableness of the total meal reimbursement. If departure time from the designated headquarters (on the first day of travel) is before 8:00 a.m. and return time (on the last day of travel) is after 5:00 p.m., the employee shall receive reimbursement for a full day GSA rate. If the employee departs headquarters after 8:00am and/or returns to headquarters by 5:00pm, they will only be entitled to lunch.
4. An employee may not receive reimbursement for the purchase of an alcoholic beverage or tips and gratuities.

D. Reimbursement for Lodging Expenses

1. An employee may not receive reimbursement for a lodging expense incurred at a place that is not a commercial lodging establishment.
2. An employee is entitled to reimbursement for lodging expenses at the duty point no more than one night before official state business begins and one night after official state business ends. Exceptions are allowed when extra days are required to qualify for discount airfares or when travel to the duty point reasonably requires more than one day. Documentation of an approved exception must be attached to the RTA and travel voucher.
3. In order to receive reimbursement for lodging, not to exceed the limits noted above, the employee must attach the lodging receipt to the travel voucher. The

lodging receipt must include the name and address of the commercial establishment, the employee's name, the single room rate, a daily itemization of the lodging charges, and must indicate a zero balance.

4. When two state employees share lodging, each employee must obtain an itemized receipt for their share of the lodging. The state agency shall reimburse each employee for the employee's share of the lodging expense, not to exceed the applicable maximum lodging reimbursement rate.

When only one of the individuals is a state employee, the agency must reimburse the employee the room rate for a single occupancy or the applicable maximum lodging reimbursement rate, whichever amount is less.

5. For travel within the State of Texas, MSU employees are exempt from paying the state hotel occupancy tax, but are not exempt from paying any county or municipal hotel taxes. According to [Texttravel](#), a state agency *may not* reimburse an employee for state hotel tax if the employee fails to present a properly completed exemption certificate to the establishment.
6. The state maintains lodging contracts for many in- and out-of-state locations. Employees should review the [Comptroller's Hotel Engine](#) contract for current fiscal year contracted hotels/motels.
7. An apartment or house rental expense may be reimbursable if the purpose of the rental is to lower costs and the employee will be using the apartment or house while conducting official business throughout the term of the lease. Application fees and other mandatory costs associated with applying for rental of the apartment or house are reimbursable. A copy of the lease must be attached to the RTA and travel voucher. Preapproval must be obtained from the Business and Purchasing and Contract Management Office prior to the lease commitment.
8. Any employee requesting reimbursement for excess lodging over the State of Texas established rates for all locations must provide justification on the RTA. Hotel overages can only be paid using local funds. The Business Office will deny requests for excess lodging not approved and documented prior to traveling, unless approved by the vice president for finance and administration, subject to applicable fund restrictions.

E. Reimbursement for Mileage, Parking, and Tolls

1. Reimbursement of Mileage
 - a. With the exception of tolls and parking expenses, a mileage reimbursement is inclusive of all expenses associated with the employee's operation of a personally owned or leased vehicle. The term "all expenses" includes damage to the employee's vehicle from any cause. MSU is not liable for the employee's insurance deductible or any other cost associated with an accident or vehicle damage.

- b. When four or fewer employees travel on the same itinerary, they must coordinate travel and only one may be reimbursed for mileage (four-per-car rule). When more than four employees travel on the same itinerary, they must coordinate travel and only one out of every four may be reimbursed for mileage. ([Texas Government Code Section 660.044](#)). Supervisors must ensure that coordination of using a rental or personal vehicle occurs when two or more state employees travel on the same itinerary. Only one employee riding in the personal or rental vehicle will be reimbursed for mileage or gas and rental charges. When two or more employees are planning to attend an event, they must enter a justification on the RTA and list the names of the other travelers.
- c. The amount of mileage reimbursement may not exceed the applicable mileage rate multiplied by the number of miles traveled. The approved mileage rate is referenced on the [Business Office](#) website. The number of miles traveled shall be calculated using the on-line mapping tool, [Google Maps](#). The employee may also use odometer readings to calculate mileage. If the employee's odometer is used to determine the mileage, the employee must properly itemize the mileage on a point-to-point basis, sufficiently detailed enough for MSU to verify the calculation in order to process reimbursement. Documentation of the odometer mileage calculation must be attached to the travel voucher.
- d. An employee may receive reimbursement of mileage for travel between the employee's home and the nearest airport. If travel occurs during working hours, the amount of the reimbursement may not exceed the amount that would have been reimbursed had the employee traveled from the employee's designated headquarters to the airport. The latest time that an individual may check-in for the flight, as specified by the airline, determines whether the travel to the airport occurs during working or non-working hours.
- e. An employee may receive reimbursement for the mileage incurred by another person transporting the employee to the airport. The reimbursement may not exceed the reimbursement that would have been paid if the employee had parked at the airport.
- f. The amount of mileage reimbursement for out-of-state travel to duty points served by commercial airlines is limited to the average coach airline fare, plus the per diem necessary to complete such a flight. The amount due may also include the expenses of transportation to airports from points where commercial air transportation is not available. If the actual mileage reimbursement would be less than the cost of the average coach airline fare, the maximum that can be claimed is actual mileage.
- g. Alternate routes may be taken if employees are concerned about safety when determining mileage reimbursement. An explanation for the alternate route must be attached to the expense report.

- h. Employees whose job responsibilities customarily require travel within their designated headquarters may receive mileage reimbursement only if the appropriate supervisor approves. Justification on how the travel benefits the state and documentation of an itemized point-to-point odometer-reading log must be attached to the travel voucher.
2. Reimbursement of Parking and Toll Expenses
 - a. Parking and toll expenses incurred while an employee is on official state business are reimbursable, whether the employee is using a personally owned or leased vehicle or a rented vehicle.
 - b. Parking or toll expenses are not reimbursable if none of the other transportation expenses incurred are not reimbursable.
 - c. A parking expense incurred by an individual while dropping off or picking up a state employee at the airport is reimbursable.

F. Reimbursement for Travel by Rented or Public Conveyance

1. Commercial Airlines
 - a. The reimbursement for commercial air transportation may not exceed the cost of the lowest available airfare. First class or business class airfare will be reimbursed only at the lowest available airfare rate, unless it was the only airfare available or a medical necessity. For international travel, travelers may also consider flying with only "alliance" airlines if the airfare cost is comparable to the lowest available airfare.
 - b. When an employee combines business and personal air travel, the reimbursement may not exceed the amount of airfare that would have been charged had the employee not included personal travel. So long as the reimbursement does not exceed that limit, the employee may receive reimbursement for all airfare charges relating to the business trip.
 - c. The receipt or itinerary must include the following:
 - Name of the employee and airline;
 - Ticket number;
 - Class of transportation;
 - Travel dates;
 - Amount of the airfare and taxes;
 - Origin and destination of each flight.
 - d. Federal taxes on airfare are reimbursable and must be itemized on the receipt or itinerary.
 - e. An employee may receive reimbursement for the cost of a buy one, get one free promotion. However, the amount of reimbursement is limited to the charges shown on the ticket with the employee's name.

- f. When an employee stays extra days at a duty point to qualify for a discount airfare, the employee may be reimbursed for the travel expenses incurred, if the additional expenses plus the discount airfare are less than or equal to the average coach airfare. It must be in the best interest of the university to allow the employee to be absent for the extra days. The extra days may occur before or after the official state business.

2. Rental of Motor Vehicles

- a. Prior to renting a vehicle, employees should refer to *Authorization for Official Travel, OP 70.02(2)*.
- b. For rentals in Texas, the employee must present Form 14-305, motor vehicle verification exemption certificate, at the time of picking up the vehicle. If Form 14-305 is not presented and state taxes are charged, this amount will not be reimbursed. Please note that some locations of the contracted rental companies may not honor the State of Texas contract. If this occurs, please note it on the expense report in order to receive reimbursement.
- c. An employee may receive reimbursement for the actual cost of renting a motor vehicle. The amount of reimbursement is limited to the state contracted rates, unless a valid exemption is claimed:
 - (1) For employee travel, the personal accident insurance should not be purchased as it is not reimbursable; however, it is a requirement for students traveling in rental vehicles who are not university employees.
 - (2) If an employee does not use a contracted agency and declines the loss damage waiver, the university will not be responsible for damages in the case of an accident. The employee or his/her personal automobile insurance carrier will be responsible for any damages incurred.
 - (3) When an employee uses a rental vehicle for both personal business and state business, only the portion attributable to state business may be reimbursed. Rental expenses may not be reimbursed, if the rental was necessary only because the employee combined personal and state business.
- d. An itemized receipt must be attached to the travel voucher. The receipt must show the starting and ending dates of the rental, specify the name of the motor vehicle rental company, and the renter.
- e. When four or fewer employees travel on the same itinerary, they must coordinate travel and only one may be reimbursed for a rental vehicle (four-per-car rule). When more than four employees travel on the same itinerary, they must coordinate travel and only one out of every four may be reimbursed for a rental vehicle. ([Texas Government Code Section 660.044](#)). Supervisors must ensure that coordination of using a rental or personal vehicle occurs when two or more state employees travel on the same itinerary. Only one employee riding in the personal or rental vehicle will be reimbursed for mileage or gas and rental charges. When two or more

employees are planning to attend an event, they must enter a justification in **Chrome River** on the RTA and list the names of the other travelers.

- f. Gasoline purchased for a rental vehicle is reimbursable. Itemized receipts for fuel purchases must be attached to the travel voucher.
- g. Charges for liability insurance supplements, safe trip insurance, and personal effects insurance are not reimbursable. The charge for an additional driver is reimbursable only if it is for another state employee. A collision damage waiver or a loss damage waiver is reimbursable, unless the waiver is included in the contracted rental rates.

3. Travel by Mass Transit, Taxi or Limousine

- a. An employee may receive reimbursement for the actual cost of transportation by bus, subway, other mode of mass transit, or taxi. An employee may not receive reimbursement for the cost of transportation by a person who is not a commercial transportation company.
- b. If two or more employees share a taxi, only the employee who paid for the taxi may receive reimbursement for that expense. The other employees may receive reimbursement only for the charges imposed on an individual-by-individual basis.
- c. An employee may receive reimbursement for the actual cost of transportation by limousine only if it was the least costly transportation available, considering all relevant circumstances. Attach a written justification for using the limousine to the expense report.
- d. If public transportation is used for travel between cities, receipts are required. If receipts are not available, the destination must be stated on the expense report. The origination and destination locations of the bus, subway, mass transit, taxi, or limousine must be documented on the receipt or in the expense report.

G. Reimbursement for Internet Reservations

- 1. Internet service fees associated with reserving airfare, hotel, or rental vehicles are reimbursable only if there is an overall cost savings to the University. However, state taxes are not reimbursable and the Business Office will deduct the tax rate from the traveler's reimbursement. Travelers must provide an itemized receipt of charges incurred.
- 2. For hotel reservations booked and paid for in advance using an online booking agent, the travelers must provide an itemized receipt from the internet vendor in order to receive reimbursement on the travel voucher.

H. Registration Fees

1. Employees may receive reimbursement for registration fees for official business conferences and seminars if the employee charged the registration fee to his/her state travel card or paid the fee from personal funds. There should be a direct relationship between the duties performed by the employee and the type of conference he/she attended.
2. A receipt indicating the amount for registration fees must accompany the travel voucher or direct payment voucher. Meals included in the registration fees must be deducted from the traveler's allowable daily per diem, not to exceed actual expenses. Entertainment or other personal expense items included in the registration fee are not reimbursable. All registration fees not previously paid or claimed should be included on the travel voucher.
3. Supervisors shall make every effort to ensure traveler attendance at any seminar or conference that is paid for in advance. Cancellation charges for "no shows" because of personal reasons other than illness or emergencies are not reimbursable. One state employee may replace another employee at a conference if the attending employee attaches a statement showing the circumstances with the receipt.
4. Payments for registration fees may not occur more than six (6) weeks in advance of the seminar or conference unless the cost savings is considerable to the University or if there is a limited capacity for attendance.

I. Uncommon Travel Requirements and Exceptions

1. A cancellation or change fee is reimbursable only if the charge is incurred for a business-related reason or because of illness, adverse weather conditions, or a natural disaster. The travel voucher must state the business-related reason for the cancellation. Proof that the cancellation charge was paid, such as an unused airline ticket, must be attached to the travel voucher.
2. Charges related to transportation expenses that were paid in advance to obtain lower rates and later canceled due to an employee illness or personal emergency are reimbursable.
3. A cancellation or change fee assessed due to an employee failing to cancel in time to avoid the charge is not reimbursable. The traveler is responsible for personally paying for the fee.
4. When a package of at least two types of travel expenses (e.g., meals, lodging, transportation, incidental expenses, or registration fees) is purchased, each type is reimbursable only to the extent it would have been reimbursable had it not been included in the package. The travel voucher must separately state the cost of each type of travel arrangement.
5. If an employee on personal leave at a location outside the designated headquarters is required to travel to a duty point, the travel expenses incurred are reimbursable. The reimbursable expenses are limited to the amount of travel expenses that would have been incurred had the employee traveled from his/her headquarters directly to

the duty point. When an employee is required to return to headquarters while on personal leave, the employee may be reimbursed for the travel expenses they incurred while traveling to headquarters and then returning to the place they were staying while on personal leave. The expenses are reimbursable only if the travel to the duty point is from a location other than the employee's residence.

For a detailed listing of all allowable travel expense exceptions, please refer to the [Textravel](#) website.

IV. Related Statutes, Rules, Policies, Forms, and Websites

TTU System

[TTU System Regents' Rule 07.09](#) (Travel authorization, reimbursement, and institutional regulations)

MSU

[MSU OP 70.01: Travel Authority and Definitions](#)

[MSU OP 70.02: Authorization for Official Travel](#)

[MSU OP 70.03: University Paid Expenses](#)

[MSU OP 70.07: International Travel](#)

[MSU OP 70.08: Student Travel](#)

[Travel Voucher Form](#)

V. Responsible Office

Contact: Business Office
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VI. Revision History

_____ 2025: Approved and adopted by MSU President Stacia Haynie as Operating Policy/Procedure ("OP") 70.05: Reimbursement of Travel Expenses.

Stacia Haynie, President
Midwestern State University

Date Signed: _____