

## UAMS REIMBURSEMENT MANUAL

The following instructions are consistent with UAMS Admin Guide 8.4.01, 8.4.05, and State of Arkansas Travel Regulations. These instructions are also consistent with Internal Revenue Service (IRS) regulations and generally accepted prudent business practices. It is the travel administrators' responsibility to inform travelers of specific departmental travel policy, in addition to UAMS travel policy. If receipts are not provided when requested, reimbursements will be reduced or removed.

The University complies with IRS rules on accountable plans. UAMS travel reimbursement practices comply with IRS rules on accountable plans for such reimbursements (refer to IRS Publication 463). Accountable plans require all reimbursements paid within 60 calendar days of the date the business expense was paid or incurred. Request for reimbursement beyond the 60-day period, will be subject to taxation as taxable compensation and included on the Wage and Tax Statement (Form W-2) for applicable employees.

Adequate supporting documentation will be obtained and maintained for any approved exception. This includes any requested justification forms, cost comparisons, and itemized receipts.

An approved spend authorization is required for reimbursement of out-of-state travel and international expenses in Workday.

A spend authorization in Workday is required for official functions, out-of-state travel, and international travel.

Travelers must complete the International Travel form prior to international travel. The form can be found on the UAMS International Compliance website (<https://internationalcompliance.uams.edu/international-travel/>.) International travel also requires approval from a member of the Chancellor's Cabinet.

**In accordance with IRS Publication 463, "If your trip was primarily for personal reasons, such as a vacation, the entire cost of the trip is a nondeductible personal expense. However, you can deduct any expenses you have while at your destination that are directly related to your business.**

**A trip to a resort or on a cruise ship may be a vacation even if the promoter advertises that it is primarily for business. The scheduling of incidental business activities during a trip, such as viewing videotapes or attending lectures dealing with general subjects, won't change what is really a vacation into a business trip."**

**An employee may not be reimbursed for any travel expense prior to travel occurring.**

1. **MEALS** – Meals during travel are reimbursed in accordance with the following regulations, rules, and guidelines:

- a. Meals claimed for reimbursement are to be **ACTUAL EXPENSES INCURRED**.
  - b. Meals are not to exceed the Federal Maximum Daily Allowance. This amount includes state and local sales tax and 15% tips.
  - c. Meals are not allowed without overnight travel per IRS rules and regulations, as well as State of Arkansas travel policies.
  - d. Meals are not allowed within the city of the employee's official station, to include the airport located **in** the city of their official station.
  - e. When a meal receipt has meals for more than the employee, it is the responsibility of the employee to ascertain which charges they incurred, as the State of Arkansas mandates no employee can be reimbursed for the expenses of another.
  - f. Alcoholic beverages are NOT reimbursable.
  - g. Reimbursement claims for partial days of travel must be reasonable and proportional to amounts claimed for the same items claimed for an entire day. These claims cannot exceed 75%.
  - h. Per the State of Arkansas, meals that are included in a conference registration may not be reimbursed without justification. These exemptions should be based on health limitations, religious beliefs, or scheduling conflicts. Travel Management is not requesting personal information, just minimal information to support the exception. In the event personal time is taken in conjunction with business travel, meals will only be reimbursed for actual event dates.
  - i. Meals on travel days may not exceed 75% of the maximum allowed for the destination.
  - j. (15%) Breakfast may be claimed if the employee leaves their official station prior to 6:30 am.
  - k. (35%) Lunch may be claimed if the employee leaves their official station prior to 11:30 am, and when returning to home station if they arrive after 12:30 pm.
  - l. (50%) Dinner may be claimed if the employee leaves their official station prior to 5:00 pm, and when returning, they arrive after 6:30 pm.
2. **LODGING** – Lodging is reimbursed to the employee or allowed on the departmental travel card (T-card) in accordance with the following regulations, rules, and guidelines:
- a. The rate of lodging is not to exceed the Federal Maximum Daily Allowance for the location, except under pre-approved special circumstances, such as group lodging rate provided by a conference. Lodging is normally limited to the single room rate. In situations where the lodging does exceed the maximum daily allowance, an exception note must be included in the Expense Report, detailing

the benefit for the overage. Conference documentation can no longer be accepted in lieu of a signed lodging justification letter/form. Exception forms must detail the benefit to UAMS.

- b. In situations where more than one person occupies a room, the single room rate must be listed.
  - c. When two or more travelers from UAMS split lodging costs, and seek reimbursement, the split lodging should be included in an expense report for each traveler, as one employee can only be reimbursed for their expenses.
  - d. Personal expenses should not be placed on the BTA, but if room service, video rentals, or gift shop purchases are inadvertently included in the hotel folio, these should be marked as “personal” in Workday. A personal card should be provided for incidentals.
  - e. If an employee elects to combine personal travel with business travel, UAMS is only responsible for the nights of lodging that pertain to business.
  - f. Non-traditional lodging expenses are allowed, such as AirBnB or VRBO. If this lodging is shared, we must have a comparison to show the per person cost.
3. **TRANSPORTATION** – Travel expenses are allowed in accordance with the following guidelines. Travel may be achieved by plane, train, bus, taxi, private vehicle or aircraft, rented vehicle, or state-owned vehicle. Whichever method is used, it must be the most economical to UAMS and the State of Arkansas.
- a. **Common Carriers** – Travel by commercial air shall utilize coach or economy class non-refundable tickets.
    - 1. Tickets should be purchased at least 14 days in advance, if possible. In situations where tickets were purchased less than 14 days in advance, an exception note must be included in the Expense Report, detailing the reason for the exception.
    - 2. Upgrades to airfare including, but not limited to, first class, business class, business select, economy comfort, Wanna Get Away Plus, etc. are not allowed without documenting the cost savings realized.
    - 3. Departments may make air travel reservations with the airline or travel agency of their choice. However, third party booking sites are not allowed, due to costs incurred if changes or cancellations are required.
    - 4. When an employee elects to drive rather than fly, reimbursement is limited to the most economical of coach class or the personal vehicle mileage. A flight comparison must be included with the driving versus flying form. The comparison must be created at least two weeks before the anticipated departure date.

5. If the airfare itinerary reflects first class fare, explanation of usage must be described and/or documented prior to reimbursement or payment.
  6. If a flight is cancelled, and it was purchased using the departmental travel card, please contact the airlines to request a refund to the corporate account. If the airline issues a credit, instead of a refund, please maintain a log of the credit, to be used as soon as the opportunity arises. If an opportunity does not present itself for the traveler to use the credit before it expires, please contact Travel Management with the information, including the last four digits of the card used, the name of the traveler, and the original trip number. Regardless of method of payment, the original airfare receipt is required.
- b. **Privately Owned Aircraft** – Privately owned aircraft is allowed for travel on UAMS business, with the rate of reimbursement determined by the Chief Fiscal Officer of the State of Arkansas. If a privately owned aircraft is utilized, economic feasibility versus the use of commercial aircraft shall be provided to the Travel Management Office. A comparison commercial flight will be used and the most economical mode will be reimbursed.
- c. **Privately Owned Vehicle** – Travelers may use their privately owned vehicle (POV), with the rate of reimbursement determined by the Chief Fiscal Officer of the State of Arkansas.
1. Google Maps is the UA Systems’ preferred tool for determining mileage. If traveling by POV, mileage shall be the shortest **major** highway route possible.
  2. Documentation of mileage claimed for reimbursement must include the date, starting address, ending address, official purpose, and miles driven.
  3. Travel by POV must be more economical than common carrier, for trips where economical air travel is allowed. The travelers will be reimbursed the most economical mode of travel.
  4. Employees may be reimbursed mileage to and from official station and the airport.
  5. Employees who are driving are permitted travel time of one day for each 450 miles driving to and from the event. Reimbursement of lodging expenses will be allowed **if** ground transportation and associated expenses were more economical than common carrier.
  6. When two or more employees travel on official business in the same personal vehicle, reimbursement shall be limited to the owner of the motor vehicle only.
  7. UAMS has no responsibility for any maintenance, operational costs, accidents, fines, insurance, etc., incurred by the operator of any personal vehicle used while on official business.
  8. All applicable laws and regulations must be followed in the operation of any vehicle on official business, including compliance with the UAMS Safety Program. Employees must be authorized to drive on UAMS

- business, before they can be reimbursed any driving-related expenses, such as mileage, parking, rental car fees, etc.
9. Mileage will be reimbursed from the official station as entered into Workday, unless their home address is closer, or the event is after hours.
  10. Mileage is not allowed for travel to official station.
  11. No personal vehicles, used in performance of official UAMS business, shall display any political advertising.
- d. **State-Owned Vehicle** – Travelers requesting the use of a UAMS owned vehicle must submit a vehicle requisition according to their departmental policies. Emergency repairs to UAMS vehicles are reimbursable through Procurement. An original itemized invoice and a commercial receipt are required for reimbursement. All applicable laws and regulations must be followed in the operation of any vehicle on official business, including compliance with the UAMS Safety Program.
- e. **Rental Vehicle** – If traveling by commercial rental vehicle, the state contract must be utilized.
1. Travelers are not to rent a vehicle solely for the purpose of travel to and from the airport or as convenience for meals.
  2. The use of a rental vehicle *must* be more economical than taxis or shuttles.
  3. For car rental use within the United States, its territories/possessions, Puerto Rico, and Canada, the optional collision Damage Waiver (Loss Damage Waiver) offered by car rental companies should be declined, as UAMS provides this coverage.
  4. Rental vehicles can be charged on the BTA or paid by the traveler, to be reimbursed once the trip is complete. If on the BTA, a ghost account must exist within the department. The state contract must be used if one is in effect at the time of rental.
  5. If personal time is taken in conjunction with business travel, a business rental cannot be used for the personal time. If a business rental is used for personal time, the travel card may be suspended.
  6. **PLEASE NOTE:** When renting a vehicle, **you must do a “walk around” of the vehicle before taking possession of it.** If any existing damage is noted, please annotate this on the forms. Failure to do so can create liability issues for UAMS.
4. **TRAVEL AGENCY** – The use of a travel agency is allowed. However, we do not allow the use of third-party booking sites.
5. **MISCELLANEOUS TRAVEL EXPENSES** – All miscellaneous expenses incurred in connection with travel reimbursement must be clearly identified and explained in detail on the travel expense statement. Miscellaneous travel expenses are reimbursed in accordance with the following regulations, rules, and guidelines:
- a. **Registration Fees** – Cost of conference, seminar, or event registration fees is an allowable expense, with correct documentation, clearly stating the purpose and

amount of the fee. Registration fees can be charged on the BTA or paid by the traveler, to be reimbursed once the trip is complete.

- b. **Baggage Fees** – Reimbursement of baggage fees through common carriers is limited to first standard checked bag each way. Exceptions may be allowed for oversize or additional bags, with business justification.
  - c. **Parking Fees** – Airport parking is a reimbursable expense. Parking fees must be the most economical and advantageous to UAMS. Parking fees at hotels and conferences are allowed *only* when a rental or personal vehicle is the most economical mode of transportation. If self-parking is not available, documentation supporting valet-parking must be attached. Parking in conjunction with personal time is not reimbursable.
  - d. **Toll Fees** – Toll charges are reimbursable, if the vehicle is justified.
  - e. **Ground Transportation** – Ground transportation used for official business, such as transportation to and from the airport and hotel, are allowable expenses. In many areas, there are shuttles from airport to hotel which are more economical than taxi services. Ride sharing is an allowable charge and is the preferred mode of ground transportation in cities where available. Per the State of Arkansas, ground transportation between the hours of 10:00 pm and 4:00 are not reimbursable without official business documentation. When personal time is taken in conjunction with business travel, taxi fare reimbursement will only be allowed in conjunction with the event.
    - 1. Taxi fares for meals *may* be allowed within a short radius of the hotel or event site.
    - 2. Per the State of Arkansas, tips on ground transportation are not allowed.
  - f. **Travel from Other than Official Station** All travel reimbursements will be made from the traveler's official station to destination, unless a deviation is more economical.
- 6. Communication Charges** – Communication charges, such as internet or hotel phone calls, are reimbursable with business justification which demonstrates the benefit to UAMS.
- 7. NON-TRAVEL REIMBURSEMENTS**
- a. **Licenses, certifications, and tests required for employment or continued employment are reimbursable. A spend authorization is not required for these expenses, which are reimbursable through an Expense Report.**
- 8. REQUIRED RECEIPTS** – Receipts are required for the following items. Please note that travelers should retain copies of all receipts related to business travel.
- a. **Lodging** – Receipt from a commercial lodging establishment. Receipt must be itemized and include name and address of lodging establishment. Receipt cannot show a balance due. Lodging cannot be claimed or reimbursed if traveler stayed

with relatives or friends. **A credit card or bank statement is not allowable as a receipt, nor is the reservation/confirmation.**

- b. **Commercial Airfare** – A complete itinerary with the passenger's name, fare/class, cost, and payment transaction must be attached to the trip. The original airfare receipt is required, not a “past” ticket. **A credit card or bank statement is not allowable as a receipt.**
  - c. **Meals –Meals** – Beginning October 1, 2024, itemized meal receipts must be attached to all expense reports.
  - d. **Train Fare** – A complete itinerary with the passenger's name, class, cost, and payment transaction needs to be attached to the trip. **A credit card or bank statement is not allowable as a receipt.**
  - e. **Registration Fee** – An itemized receipt showing the amount and the name of the conference or event. **A credit card or bank statement is not allowable as a receipt.**
  - f. **Rental Vehicle** – The final itemized receipt, *not* the reservation/confirmation, should be attached to the trip. The receipt should have all charges incurred and accurate mileage. **A credit card or bank statement is not allowable as a receipt.**
  - g. **Communication Charges** – Commercial receipt detailing rate of the communication charge and information as to the business purpose.
  - h. **Parking Fees** – A receipt showing the dates of parking. If parking at a hotel, a receipt showing “valet” or “self” parking is required. If valet, information showing self-parking was not available must be attached.
  - i. **Ground Transportation Fees** – Itemized receipt, showing fare, tolls, and extras. Handwritten taxi receipts are not allowed.
  - j. **Fuel – Itemized** fuel receipts are required. **Prepaid fuel receipts are not allowed. If a traveler prepays for fuel, they must obtain an itemized receipt from the vendor.**
  - k. **Incidentals** – Incidental expenses, directly related to the purpose of travel, *may* be allowed, with supporting documentation and receipts.
9. **EXPENSES NOT ALLOWED AND OTHER RESTRICTIONS** – The following are some common expenses which are not allowed, as well as restrictions to travel:
- a. Personal entertainment, valet services, flowers, alcoholic beverages, personal telephone calls, traveler’s check service charges, foreign currency conversion charges, laundry or cleaning, printing items, or any other items not considered to be official business expenses.

- b. Meals and lodging within city of official station are not allowed
- c. Claims for travel made by a traveler for the expenses of another employee traveling in their company Are not allowed.
- d. Meals which are part of a conference or event fee are not allowed.
- e. Meals for personal travel, or for family members or other guests are not allowed.
- f. Guest registration fees. These must be paid by the traveler and are not allowable charges. These are not allowed on the BTA.
- g. Preferred Seating – Preferred Seating, or any seating upgrade for a fee.
- h. Early bird check-in for flights.
- i. Memberships are not reimbursable and must be purchased with a P-card or via a Supplier Invoice Request (SINVR).
- j. Software and office supplies are not reimbursable.

**REFERENCES:**

**State of Arkansas Travel Regulations**

**UAMS Policy 8.4.01**

**UAMS Policy 8.4.04**

**UAMS Policy 8.4.05**

**IRS Publication 463**