

## Business Purpose = the Five W's

The key to a smooth reimbursement process is a complete and clearly stated justification. Use layman's terms—approvers and auditors may not be familiar with your area of expertise.

**WHERE:** identify travel destinations--city and state (or country); when listing expenses, name the merchant and check to see that the name appears on the receipt.

**WHEN:** include dates of travel; if you are claiming per diem, note departure and arrival times on transit days; for memberships and subscriptions, list the period covered.

**WHY:** be *brief but specific* about how expenses relate to university business; spell out acronyms for professional associations and outside institutions; identify meeting topics and agendas.

**WHAT:** describe your purchase, including quantity and how items relate to your purpose.

**WHO:** if your expense includes or impacts others, identify them. If 5 or fewer, include individual names. For larger groups identify the number, category and affiliation.

### BE PROACTIVE ABOUT POTENTIAL PROBLEMS

These are a few common situations that may require extra attention. Talk to your business manager in advance when you . . .

- Will be partially reimbursed from a non-CMU entity
- Travel longer than 60 days
- Combine business & personal travel
- Share lodgings and/or other expenses
- Visit multiple destinations in one trip
- Travel overseas on sponsored research
- Have any policy interpretation questions

### H&SS Business Entertainment Policy

Business meals for 2 – 5 guests should not exceed \$75 per person, including tax and tip. For groups > 5 the total cost should not exceed \$375. Exceptions must be approved by your department head. For groups of 5 or less provide the names and affiliations of the attendees. For 5+ provide the total number attending by general categories and dept/institutional affiliations (*e.g. 10 History grad students*).

## CONTACT INFORMATION

### CMU PREFERRED TRAVEL AGENTS

Tzell Travel Group	412-278-2300
	email: <a href="mailto:cmutrans@tzelluta.com">cmutrans@tzelluta.com</a>
Peoples Travel	412-621-0789
CTS Int'l Travel	412-371-8444

### CMU PREFERRED RENTAL CAR COMPANY

Enterprise Holdings, Inc.	Program code: XZ0040
<i>Enterprise Car Rental</i>	800-736-2222
<i>National Car Rental</i>	800-227-7368

### USEFUL WEBSITES:

US Per Diem	<a href="http://www.gsa.gov/perdiem">http://www.gsa.gov/perdiem</a>
Foreign Per Diem	<a href="http://aoprals.state.gov/">http://aoprals.state.gov/</a>
US Dept of State	<a href="http://travel.state.gov">http://travel.state.gov</a> (for travel warnings & alerts)

### FULL UNIVERSITY POLICY AND FAQs:

<http://www.cmu.edu/finance/controller/bte>

## Need Help?

*Travelers:* Consult your business manager

*Preparers:* Consult your business manager

and/or email: [er-help@andrew.cmu.edu](mailto:er-help@andrew.cmu.edu)

Carnegie Mellon University

Dietrich College of Humanities  
and Social Sciences

## Quick Tips for Reimbursements of Business & Travel Expenses

### Guiding principles:

- You should neither gain nor lose funds while conducting university business.
- You should minimize costs to the university while keeping in mind your safety and convenience.

### Process Overview:

- Collect detailed receipts that display the merchant, date, specific items provided, and the method of payment.
- Complete an H&SS Expense Reimbursement Request form (Travel or Business) found at [http://www.hss.cmu.edu/deans\\_office/faculty\\_staff/index.html](http://www.hss.cmu.edu/deans_office/faculty_staff/index.html). Sign the form and attach *original* receipts.
- Submit the request to your department preparer **within 30 days** of the trip or expense.

### Using Sponsored Funds?

A cost may be reimbursable by university policy, but not permitted under the terms of your sponsored award, e.g., alcohol may not be charged to a federal grant and foreign travel often carries special restrictions. **It is the responsibility of travelers to know the terms of their sponsored awards.** If you have questions, ask your business manager.

# TRAVEL

## Transportation

### Airfare

- Consider booking flights through a university preferred travel agency. Your ticket will be paid directly by CMU, reducing your out-of-pocket expense.
- If you purchase your own ticket, you can be reimbursed in advance of the trip. If your trip is cancelled, contact your business manager to discuss how the return or credit is handled.
- Choose the lowest-priced coach ticket. Any upgrades must be pre-approved by the department head.
- Standard baggage fees are reimbursable; excess baggage fees require approval.
- Airport parking and ground transportation are reimbursable – save those receipts!

### Personal Vehicle

- When you drive your own vehicle, request mileage reimbursement at the IRS rate (51 cents/mile for 2011). Submit a printout of an on-line map service (e.g. Mapquest) showing the distance of the most direct route.
- In addition to mileage, tolls and parking fees are reimbursable.

### Rental Vehicle

- Rental agreements should be arranged under:  
*Carnegie Mellon University – your name*
- Select standard-sized vehicles; upgrades must be pre-approved based on business needs.
- In the US or Canada, do not purchase liability insurance from the rental company. You are covered under the university policy.
- If renting a car during foreign travel, check in with your business manager before the travel.
- In addition to rental fees, gasoline, parking and tolls are reimbursable.

## Meals & Lodging

### Lodging

- You will be reimbursed for single occupancy of a standard room.
- Obtain a receipt on hotel letterhead, even if you paid through a third party agent.
- Your name *must* appear as the room occupant.
- Internet service is reimbursable with a business justification

### Meals

- You may claim reasonable costs of meals while you are traveling on university business.
- Itemized receipts must include the name of the restaurant; note alcoholic beverages.
- If you are claiming meals listed on a hotel receipt, include an itemized check as back-up.

### Per Diem

In lieu of actual receipts, non-student CMU employees may request a per diem allowance for meals & incidentals or lodging or both. Per diems are based on General Services Administration (GSA) rates which vary by city. Per diems must be reduced for any meals provided to you at no additional cost, e.g. a conference dinner. (GSA sets standard per meal reduction amounts.)

**If you choose per diem you must use it for the entire trip.** The one exception: if you pick up the tab for a business meal with colleagues, then you may submit the receipt, and reduce the per diem accordingly. To claim per diem, follow the instructions on the H&SS reimbursement form.

### Business Travel Accident Insurance

The university provides business travel and accident coverage for all benefits eligible faculty and staff members on approved business travel. Call the Benefits Office (8-4747) with specific questions.

# BUSINESS EXPENSE

## General Receipts

- Submit **original** receipts that include the merchant, date of purchase, item(s), amount, and method of payment. Incomplete information may require additional proof of payment. Ask your preparer for advice.
- For lost receipts, contact the merchant for a new copy; if that option is not available, enter the item on your request form with a note to the preparer. For items \$75 or greater, your preparer will ask you to complete a Missing Receipt form.

## Restaurants

- Itemized restaurant checks are required along with credit card receipts. Identify alcohol on the check. Alcohol is usually reimbursable, but must be reported separately.
- Follow the *H&SS Business Entertainment Policy* on the reverse side of this flyer.

### Sales Tax

When travelling or making business purchases with personal funds, you must pay sales tax. Sales tax paid for travel is always reimbursable. For local business purchases, in H&SS you will be reimbursed for sales tax. However, you are strongly encouraged to request items through a departmental buyer who can take advantage of the university's tax exemption.

**Why the 30-day policy?** Timeliness is a key factor for the IRS in determining whether or not a reimbursement is taxable income. After 90 days, the IRS views reimbursements as taxable and the university will withhold tax. To reduce the risk, make sure we have at least 10 business days before the 90-day limit for prep and approval.