



<b>Responsible Officer:</b>	EVP - Chief Financial Officer
<b>Responsible Office:</b>	FO - Financial Operations
<b>Issuance Date:</b>	[Issuance Date]
<b>Effective Date:</b>	[Effective Date]
<b>Last Review Date:</b>	December 31, 2015
<b>Scope:</b>	<ul style="list-style-type: none"> <li>• Staff and academic employees of the University.</li> <li>• Non-employees, including students, visiting scholars, and independent contractors.</li> <li>• This policy does not apply to travel associated with work done within the scope of the UC/DOE contract for the management and operations of the Lawrence Berkeley National Laboratory (LBNL). Travel not within the scope of the LBNL contract is covered by the provisions of G-28.</li> </ul>

[For questions regarding business meetings and entertainment expense reimbursements, please contact your campus representative](#)

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## I. POLICY SUMMARY

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It is the policy of the University to comply with IRS regulations regarding the provision and reimbursement of business-related travel, and to conform to the IRS “accountable plan” rules.

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## III. POLICY STATEMENT

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### ***D. Reimbursement Standards***

It is the policy of the University that all official travel shall be properly authorized, reported, and reimbursed in accordance with this Bulletin. Under no circumstances shall expenses for personal travel be charged to, or be temporarily funded by, the University, unless otherwise noted in this Bulletin. When a University employee travels under the sponsorship of a non-University entity, travel expenses, including advances, prepayments, or billings, shall not be charged to a University account or billed to the University; airline tickets must be obtained from the sponsor.

University employees traveling on official business shall observe normally accepted standards of propriety in the type and manner of expenses they incur. ***In addition, it is the traveler's responsibility to report his or her actual travel expenses in a responsible and ethical manner, in accordance with the regulations set forth in this Bulletin.***

The University's travel reimbursement procedures contained in this Bulletin are designed to conform to the “accountable plan” rules published by the Internal Revenue Service (IRS). Therefore, University reimbursement of an employee's travel expenses shall not result in additional taxable income to the employee. Travel expenses considered by the IRS to be taxable income to the traveler are not reimbursable except for the following:

- Expenses for travel in excess of one year,
- Imputed taxable income caused by substantiated expense reports submitted *after* the time limit described in Section V.I.1., subject to campus discretion, or
- Certain travel expenses related to moving a new appointee or a current employee (refer to [BFB G-13](#), Policy and Regulations Governing Moving and Relocation, for more information).

- Travel-related and childcare expenses for a spouse, domestic partner, dependent-care provider, and dependents who accompany an employee when pre-approved by the Chancellor or other senior University officer (see Section V.H.2.f.).

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#### IV. COMPLIANCE / RESPONSIBILITIES

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Function	Responsibilities
Executive Vice President-Chief Financial Officer	Establish and update the policies set forth in this Bulletin.
Department Heads (or person delegated authority by the Chancellor, or person officially redelegated authority)	Approve payment for the travel expense claim or electronic equivalent submitted by the traveler; ensure that appropriate documentation is provided to substantiate the travel expense; ensure that the travel expenditures comply with University policy and fund source restrictions.
Campus Controller’s Office or Medical Center Controller, where appropriate	Approve the travel expenses, including exceptions, for each campus Chancellor, including a spouse or domestic partner, or an Associate of the Chancellor. Initiate proceedings for the recovery of any outstanding cash advances sixty days after a trip is completed.
Chancellors	<ul style="list-style-type: none"> <li>• May establish more restrictive procedures for the travel policies authorized under this Bulletin.</li> <li>• Designate one or more approving Vice Chancellors to approve travel expenses incurred by the Vice Chancellors, Deans, and Medical Center Directors.</li> <li>• Approve travel expenses incurred by the designated Vice Chancellors.</li> <li>• May appoint a designee to approve travel expenses incurred by the designated Vice Chancellors, provided that the designee does not report to the designated Vice Chancellor.</li> <li>• Provide written approval for use of private aircraft (including a rented aircraft) for official travel after pilot registers the private aircraft with the Chancellor and meets all the requirements under Section V.D.2.b.i.</li> <li>• Delegate authority to pre-approve reimbursement of travel expenses of a spouse, domestic partner, dependent-care provider, or dependents of an accompanying parent (employee).</li> </ul>

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## V. PROCEDURES

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### ***B. Payment of Travel***

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#### 4. Payment of Expenses on Behalf of Others

University travelers normally shall not be reimbursed for expenses paid on behalf of other persons; however, limited exceptions are permitted (see Section V.H.2.f). In the case of co-travelers who are sharing a room.

Exceptions to this rule, such as supervised group trips, must be approved in advance. (See Section V.E.4., Payment of Group Subsistence Expenses, for more information.)

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## **H. Special Travel Situations**

### **2. Non-University Travelers**

Travelers in this category include prospective employees, independent contractors and consultants, inbound travelers hired by the University for a temporary assignment at a campus or the LBNL, foreign visiting scholars, spouses/domestic partners, other dependents, and dependent-care providers.

#### **a. General Regulations**

Allowable travel expenses for non-University travelers are subject to the provisions of this Bulletin. A travel expense claim must be submitted in accordance with the requirements set forth in Section V.I., Reporting Travel Expenses. Such reimbursements shall be tax-coded as specified in Accounting Manual chapter [D-371-12.1](#), Disbursements: Accounting For and Tax Reporting of Payments Made through the Vendor System.

Travel expenses incurred by non-University travelers shall not be reimbursed from a University fund source unless the travel has been approved in advance by the inviting department.

#### **b. Prospective Employees**

##### **i. Authorization**

The University may reimburse the actual travel expenses related to interviewing prospective employees, when such expenses are necessary to acquire key personnel for employment at the University.

Authorization shall be obtained before any commitment to reimburse travel expenses is made to the prospective employee. Reimbursement of allowable expenses is not taxable if the expenses are properly substantiated. In addition, at the Chancellor's discretion, actual travel expenses and childcare expenses may be reimbursed for

spouses/domestic partners, dependents, and dependent-care providers who accompany candidates for faculty or high-level administrative positions (including Manager and Senior Professional positions) on final interviews.

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- f. Spouse, domestic partner, dependent, and dependent-care provider travel
  - i. Reimbursement of expenses for bona fide University business travel

The travel expenses of a spouse/domestic partners who accompanies a University business traveler (e.g., the President, Provost, Senior Vice President, Vice Presidents, Chancellors, Laboratory Directors, Principal Officers of The Regents, or other employees as approved by the Chancellor) are reimbursable under this Bulletin, provided it can be established that the spouse or domestic partner's presence serves a bona fide University business purpose.

Under IRS regulations, the travel expenses of a spouse or domestic partner are not taxable, provided it can be established that his or her presence serves a bona fide business purpose. A spouse or domestic partner who attends a function is considered to have a business purpose if he or she has a **significant** role in the proceedings or makes an important contribution to the success of an event. Generally, protocol or tradition dictates when the participation of a high-level official's spouse or domestic partner is required at official University functions, such as alumni gatherings, fund-raising or ceremonial activities, certain athletic events (see below), and community events. Documentation should be provided with the travel expense claim to show that the spouse or domestic partner's attendance at the function meets the above conditions (e.g., an event or meeting agenda, or a letter of invitation requesting that the spouse or domestic partner attend the meeting or event).

If a spouse or domestic partner has no significant role in the proceedings, or performs only incidental duties of a social or clerical nature, attendance does not constitute a bona fide business purpose.

In accordance with the Policy on Associate of the President/Chancellor, an Associate may be reimbursed for expenses related to the use of a personal automobile for University business purposes at the basic mileage rate specified in Appendix A.

ii. Reimbursement of travel expenses for a spouse, domestic partner, dependents, or dependent-care provider

Reimbursement of travel expenses, including childcare expenses, for a spouse, domestic partner, dependent-care provider, and dependents who accompany an employee or candidate for employment on bona fide

University business travel may be allowed in limited circumstances when pre-approved by the Chancellor, Executive Vice Chancellor/Provost, Dean, Director, Department Chair, or other senior University officer, as designated.

Reimbursement of expenses related to childcare provided outside of normal working hours while an employee or candidate for employment is travelling for bona fide University business may be allowed in limited circumstances when pre-approved by the Chancellor, Executive Vice Chancellor/Provost, Dean, Director, Department chair, or other senior University officer, as designated.

Reimbursable expenses listed above that do not have a clear University business purpose (e.g., costs for dependent-care providers, dependents) are not allowable as a tax-free reimbursement.

### **iii. Funding**

Spouse, domestic partner, dependent-care provider, and dependent travel expenses may not be charged to state funds. For travel charged to a contract or grant fund, the traveler should check with the contract or grant sponsor whether these travel expenses are permitted under any special provisions of the contract or grant. Various non-state funds controlled by the University may be used to fund spouse, domestic partner, dependent-care provider, and dependent travel, but only within the restrictions, if any, governing the use of the fund and within the policy set forth in this Bulletin.

g. Athletic Travel – Spouse or Domestic Partner and Other Family Members

Travel by a spouse or domestic partner who accompanies an athletic director (or assistant director or head coach) to sporting events such as bowl games and tournaments is presumed to have a bona fide University business purpose (see Section f, Spouse or domestic partner Travel, above) in situations where the NCAA or potential donors expect that certain high-ranking members of the athletic department, and their spouse or domestic partner, will participate in events associated with these athletic activities. The travel expenses of a spouse incurred in the pursuit of such activities may be reimbursed provided documentation, such as an NCAA event agenda, is provided to substantiate the business purpose of the travel. Such amounts are not taxable or subject to reporting.



Travel expenses related to sporting events incurred by other family members generally do not satisfy the bona fide University business purpose test and therefore are not reimbursable; however see section V.f.ii for special circumstances where such expenses might be reimbursed but still treated as taxable

Refer to Section f above for information on funding sources for spouse or domestic partner travel.

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## **VIII. REVISION HISTORY**

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3/1/2016: Change in mileage reimbursement rate to correlate with IRS Notice 2016-1. Reformatted to the new policy template. Increase in domestic daily meals and incidental reimbursement rate to \$74 per day in accordance with IRS Notice 2015-63.

X/X/2017: Revision to permit direct billing of hotel room and taxes under campus-approved procedures. Delegation to Chancellor or other University official to reimburse spouse/domestic partner, dependent-care provider, and dependent travel expenses or child care expenses related to employee's or employment candidate's University travel in limited circumstances.