

UNIVERSITY of HOUSTON  
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

**SECTION: Procurement**  
**AREA: Travel**

**Number: 04.02.01A**

<b>SUBJECT: Travel Paid from State-Appropriated Funds</b>
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I. PURPOSE AND SCOPE

Travel by University of Houston faculty, staff, and prospective employees for official university business is restricted by Texas and federal regulations. This document is governed by the [Texas Travel Regulations Act](#), the [General Appropriations Act](#), and by [official interpretation](#) of the Travel Regulations Act as made by the Texas Comptroller of Public Accounts. This document highlights the primary points of these regulations and provides additional policies as they apply to the university.

This document is to be used in conjunction with [Textravel](#) (state travel laws and rules provided by the Texas Comptroller to state agencies and institutions of higher education) and the [State Travel Management](#) Program and other advisories.

This document includes all use of a vehicle between duty points undertaken on behalf of the university – whether outside or within the Houston city limits. These rules apply to all university travel paid or reimbursed from state-appropriated funds. See [MAPP 04.02.01B](#) for rules related to travel using local funds.

II. POLICY STATEMENT

All travel paid or reimbursed with state-appropriated funds must use state or university contracted travel service vendors, including travel agencies, airlines, hotels, and car rental companies, unless otherwise indicated in this document or [Textravel](#). All payments and reimbursements for state-funded travel must comply with the requirements of [Textravel along with this policy](#). All expenses must be reasonable and necessary for conducting university business during travel, and travel must benefit teaching, research, and/or community service at the university.

Internal Revenue Service rules and regulations have specific requirements to determine if travel payments are considered to be part of an “accountable plan” and therefore non-taxable to the employee traveler. See [US Treasury Regulations](#), Subchapter A, Sections 1.162-2, 1.212-1, and 1.274-4, which are summarized in [IRS Publication 463, Travel, Entertainment, Gift, and Car Expenses](#). This MAPP constitutes an “accountable plan” by IRS standards and travel payments that are in compliance with this MAPP are considered non-taxable to the employee, unless otherwise indicated.

III. DEFINITIONS

A. **Concur**: Travel Management System that is used for all travel for employees, prospective employees, students, prospective students, university guests, contractors, and regents.

Concur’s three components are (1) Travel Request, (2) Travel (booking), and (3) Expense Report. Travelers must complete Travel Requests and Expense Reports in Concur. However, using the Travel component to book travel is optional. See [the AP Travel website](#) for additional information about processing Expense Reports in Concur.

- B. Concur Travel: Travel and moving expenses including the following must be processed in Concur as Concur Travel expenses:
- All trips that include airfare, rental car, or hotel/lodging
  - All overnight trips
  - All travel card transactions, including for new employee moving expenses
  - All trips for UH business, whether UH pays or not
  - All moving expense reimbursements (see [MAPP 02.03.07](#) for guidelines)

State funds cannot be used to pay or reimburse for moving expenses or travel expenses for travelers other than employees and prospective employees.

- C. Days Spent on Business Activities: Includes days in which (1) the principal activity for that day was conducting university business, (2) the traveler was required to be present at a specific date and time for a business meeting, even if most of the day was not spent on business activities, (3) travel days to and from the business destination (not including travel to or from personal destinations or non-business side trips) that are contiguous to business days, and/or (4) non-working days, weekends, and holidays that fall between days in which business was conducted.

Travel days to and from the business destination are considered business days generally for foreign travel. For domestic travel, travelers may claim travel days if they are one contiguous day before and one contiguous day after business days. Travel days defined here are considered business days when determining whether the travel is primarily business or personal.

- D. Expense Report: The document in Concur that is used to document all travel expenses and request reimbursement for any out-of-pocket travel expenses after the trip.
- E. Foreign Travel: Travel by university employees to/from all countries outside the United States, Canada, Mexico, and U.S. territories and possessions.
- F. International Travel Export Control Form: The form that must be completed for all travel outside the United States and the U.S. territories and possessions, which documents the travel destination and any restricted items or information that the employee intends to take on the trip. The form must be attached to the applicable Concur Travel Request.
- G. Lodging: A commercial lodging establishment such as a motel, hotel, inn, apartment, house or similar establishment that provides lodging to the public for pay. This includes lodging provided by a governmental entity on property controlled by that entity, a religious organization on property controlled by that organization, or a private educational institution on property controlled by that institution ([Texas Government Code § 660.002](#)).
- H. Mileage: Mileage based on the shortest practical route between points. The mileage rate set by the IRS/Comptroller's Office is used to compute mileage reimbursement. However, the College/Division may use a mileage rate that is less than the rate set by the IRS/Comptroller's Office. Local intercity mileage, parking, and tolls are not reimbursed with the state-appropriated funds.
- I. Official University Business: Business required to properly perform the duties of the university position held, in accordance with the university's legal responsibilities. Official

university business must relate to and benefit teaching, research, and/or community service at the university.

- J. State-Appropriated Funds: Funds appropriated by the Texas Legislature in the General Appropriations Act, whether held inside or outside the State Treasury. Includes general revenue, special line items, Higher Education Assistance Funds (HEAF), Advanced Research Program/Advanced Technology Program (ARP/ATP) funds, and other funds designated as "state" funds.
- K. Texas Comptroller of Public Accounts (CPA): The Texas agency with authority and responsibility for regulating procurement and related business for state agencies.
- L. Travel Exemption Certification Form: The form required to document certain accepted conditions of non-use of state contract services. The Travel Exemption Certification Form can be found at the following web address: <https://uh.edu/office-of-finance/ap-travel/travel-forms/>. The form must be attached to the applicable Concur Expense Report.
- M. Travel Request: The document in Concur that is used to request and authorize official university travel in advance of the trip.

#### IV. ADVANCED APPROVAL OF TRAVEL

- A. All travel that is related to official university business defined in Section III above, whether paid by the university or not, must be approved in advance (i.e., prior to departure) by all of the required approvers on a Travel Request in Concur. State funds can only be used to pay or reimburse for travel by employees and prospective employees.
- B. Travel Request for an employee traveler must be approved by the traveler's supervisor (or delegate).
- C. Travel Request for a prospective employee traveler must be approved by the department unit head (or delegate).
- D. All Travel Request must be approved by the certifying signatory of the cost center shown on the Travel Request header.
- E. Travel Request for travel to and/or from foreign countries other than Canada, Mexico, or the U.S. territories and possessions must be pre-approved by the appropriate Vice President (or delegate) and the President (or delegate). The traveler is not authorized to begin the foreign trip until the President (or delegate) has approved the Travel Request.

For foreign travel, the employee traveler must submit a specific statement for the approval prior to the trip, which describes the need for the trip and the benefit or expected benefit for the university. This statement must be included in the applicable Travel Request.

#### V. NOTIFICATION OF TRAVEL TO WASHINGTON, D.C.

In addition to obtaining advance approval on the Travel Request, the following procedures must be followed if an employee is traveling to Washington, D.C. to engage in activities related to obtaining or spending federal funds, or to impact federal policies:

- A. The Office of State-Federal Relations must be notified of (not approve) travel to Washington, D.C., no later than seven calendar days before travel begins. The responsible unit must complete the Report of State Agency Travel to Washington, D.C., at the following Internet address: <https://gov.texas.gov/organization/osfr>.

- B. When the information has been submitted online, a confirmation page will be created, which must be printed and attached to the Travel Request before it is routed for approval.
- C. If notification is not given within seven days of departure, a letter of explanation must be faxed to the Office of State-Federal Relations at (512) 463-1984. This letter must also be attached to the Travel Request before it is routed for approval.

#### VI. EXPORT CONTROLS AND EMBARGO RESTRICTIONS

- A. All travelers who travel to destinations outside the United States and the U.S. territories and possessions must complete the International Travel Export Control Form and receive approval from the Export Control Officer, if required, before leaving on the trip. This requirement applies to all employee business travel outside the United States, regardless of the source of funds used to pay for the trip or whether the university pays for any of the trip expenses. The International Travel Export Control Form is located at: <http://www.uh.edu/research/resources/dor-forms/export-control/>.
- B. The completed International Travel Export Control Form must be attached to the Travel Request and submitted for approvals.
- C. Travelers are advised to complete the International Travel Export Control Form as early as possible to allow adequate time for the Export Control Officer to request a license from the responsible federal agency, if required. Most travel outside the U.S. and the U.S. territories and possessions will not require a license, but if a license is required it could take up to six months to process by the federal agency.

#### VII. USE OF CONTRACTED TRAVEL VENDORS

##### A. Types of Contracted Services

To provide timely and efficient travel services and generate cost savings to state agencies, the state of Texas contracts with travel vendors. Official university travel paid or reimbursed from state-appropriated funds must use state or university contracted vendors, when available, for the following types of services:

1. Travel agencies.
2. Airfare.
3. Lodging.
4. Rental cars.

Names and rates of current state-contracted travel vendors for airfare, lodging and rental cars are available at: <https://comptroller.texas.gov/purchasing/programs/travel-management/>. State-contracted rates for lodging and rental car may be obtained.

##### B. Documentation of Non-Use of Contracted Travel Vendors

If contracted travel vendors are not used, the traveler must complete a [Travel Exemption Certification Form](#). The form must be attached to the Concur Expense Report.

#### VIII. STATE HOTEL OCCUPANCY TAXES FOR LODGING IN TEXAS

## A. Claiming Exemption

University employees are exempt from the state portion of hotel occupancy taxes when traveling on official university business in Texas. The following procedures should be used to claim exemption from those taxes:

1. The employee should present a Texas Hotel Occupancy Tax Exemption Certificate to the Texas hotel or motel at the time of check-in. A certificate for university employees is available at the following Internet address: <https://uh.edu/office-of-finance/ap-travel/travel-forms/>.
2. The employee should verify that they are not charged for the state portion of hotel occupancy taxes (6 percent) at the time of checkout.

## B. Claiming Reimbursement

If the Texas hotel or motel refuses to honor the Exemption Certificate, the employee may be reimbursed for the state hotel occupancy tax as follows:

1. The traveler provides the name, address and phone number (if available) of the Texas hotel/motel that refused the certificate and additional required information to AP Travel.
2. AP Travel completes the Texas Comptroller's form and signs the statement indicating that the Texas hotel or motel refused to honor the Exemption Certificate and submit it to the Comptroller's Office.

Employees may not be reimbursed for state hotel occupancy tax with state funds if they did not properly present the Exemption Certificate to the hotel. Prospective employees are not exempt from the state hotel occupancy tax and should be reimbursed for this expense without explanation.

## IX. EXPENSE REPORTS

All travel reimbursements are processed via Expense Reports in Concur. Expense Reports should document all business related travel expenses, whether they are direct billed to the university or reimbursed to the traveler, as well as any travel advances and third-party reimbursements.

Expense Reports must be approved by an appropriate Certifying Signatory and Accounts Payable in order to generate payments. Expense Reports for moving, Expense Reports for travel by foreign nationals, and Expense Reports containing receipts not submitted within 60 days by employees must be routed through the Tax Department prior to final approval by Accounts Payable.

## A. Airfare

1. Airfare for an employee or prospective employee for the university business travel may be paid or reimbursed using the state-appropriated funds. All airfare must be purchased at the lowest price available (i.e., economy/coach class). The university will not pay or reimburse for business class or first class airfare. No-cost upgrades to business class or first class airfare are acceptable. For no-cost upgrades, the airfare receipt provided by the airline or travel agency must clearly indicate that there is no additional cost for the upgrade.

2. An itemized receipt (i.e., paid invoice or receipt including flight itinerary) issued by travel agency or commercial airline must be attached to the expense report. The receipt must show a proof of payment and include the following:
  - a. The name of the traveler and airline
  - b. The ticket number
  - c. The class of transportation
  - d. The travel dates
  - e. The amount of the airfare
  - f. Each flight's origin and destination.

B. Lodging

1. The lodging expenses must not exceed the federal travel regulation rates (see [U.S. General Services Administration web site](#)).

Lodging requires an itemized receipt with proof of payment issued by a commercial lodging establishment. The receipt must show a proof of payment and include the following:

- a. The name and address of the commercial lodging establishment
- b. The name of the traveler
- c. The single room rate
- d. A daily itemization of the lodging charges

See [Textravel](#) for additional requirements for shared lodging.

2. Employees may not be reimbursed for a lodging expense incurred at a place that is not a commercial lodging establishment in accordance with [Texas Government Code Section 660.113](#).

C. Meals

1. Travelers must claim the actual meal expenses not to exceed the federal travel regulation rates indicated for the travel destination (see [U.S. General Services Administration web site](#)). Travelers cannot claim a per diem as the travel expense reimbursement amount (see [Textravel](#)).
2. University of Houston travelers will not be reimbursed for non-overnight meals because of an Internal Revenue Service requirement that these reimbursements be considered taxable income ([IRS Publication 463](#)).

D. Rental Car

1. State-contracted rental car costs include liability and loss/damage waiver (LDW) insurance in the base rate, while non-contracted rental car costs do not. If a non-contracted rental car company is used, it is the traveler's responsibility to obtain the proper insurance coverage.
2. An employee is entitled to reimbursement for the cost of renting a vehicle to conduct the university business. Rental car should be up to full-size for less than three travelers. If three or more travelers are traveling together on the university business, SUV/Van may be rented for three or more travelers riding together.

3. An itemized receipt with proof of payment must be attached to the Expense Report. The receipt must include:
    - a. The name of the rental company
    - b. The name of the employee renting the vehicle
    - c. The starting and ending dates of the rental
    - d. An itemization of expenses incurred
- E. Other Expenditures
1. An itemized receipt is required for incidental expense transactions that equal \$75.00 or more.
  2. Other expenditures incurred during the university travel, such as registration fees, may be reimbursed along with the travel expenses via Expense Report. An itemized receipt or itemized invoice with proof of payment for each transaction must be attached to the Expense Report.
  3. Gratuities are not allowed for state-funded travel.
- F. Additional Supporting Documentation
1. For non-foreign travel, a traveler is required to provide a daily itinerary of research/meetings attended or conference program that support the business purpose of the trip.
  2. For foreign travel, a traveler must include a post-trip report describing business activities for each applicable day of the trip along with the agenda of the trip in the Expense Report.
- G. Deadline for Processing Travel Reimbursements
1. Employees and prospective employees must submit their request for reimbursement, including required documentation, to the department business office no later than 60 days after travel is completed. Requests submitted after 60 days must be routed to the Tax Department (see section 2 below). Reimbursement payments must be issued no later than 45 days after the correct and complete Expense Reports are submitted by the employees or prospective employees.
  2. In accordance with Internal Revenue Service accountable plan requirements, as described in [IRS Publication 463](#), all reimbursement requests submitted to the department business office after the above deadline will be treated as taxable income to the payee. These Expense Reports must be routed in workflow through the Tax Department and must include a completed Taxable Payments or Reimbursements to Employees form ([Exhibit B, SAM 03.D.06](#)). On the form, "Other Taxable Wage Benefits" (Payroll Earnings Code 443) should be indicated, but the Expense Report should contain the appropriate accounts that describe the expenses (not account 54814, Other Taxable Wage Benefits).
  3. The department should make every effort to submit vouchers for employee and prospective employee travel reimbursements to Accounts Payable as soon as possible, but no later than 15 days following receipt of all required documentation from the traveler.



4. In accordance with [Texas Government Code Section 660.019](#), an employee travel reimbursement must be paid no later than the 45<sup>th</sup> day after the submission of the employee's Expense Report in Concur, if the employee submits the Expense Report in accordance with the university travel policies and procedures and state travel rules. If there is a dispute relating to the travel expenses, the reimbursement must be issued no later than the 30<sup>th</sup> day after the dispute is resolved.

#### X. COMBINING BUSINESS AND PERSONAL TRAVEL

Travelers who combine business and personal travel must adhere to the following requirements, which are based on [US Treasury Regulations](#), Subchapter A, Sections 1.162-2, 1.212-1, and 1.274-4 and described in [IRS Publication 463](#).

##### A. Travel in the United States (all 50 states and the District of Columbia)

1. Travel Primarily for Business in the U.S. – Defined as travel when the number of “days spent on business activities” (see Section III. F.) exceeds the number of “days spent on personal activities.”

Also, the nature of the business activities must be documented to show they directly benefit the university.

- a. If the traveler's actual airfare includes a personal destination, the traveler must provide a lowest priced airfare quote that only includes business destinations. The quote must be obtained at the time of booking. The traveler will be reimbursed the lesser of the actual airfare, which includes the personal destination, and the quote, which only includes business destinations. Airfare that includes personal destinations may not be directly charged to the university.
  - b. All meals, lodging, and other travel expenses incurred on personal days will not be reimbursed to the traveler and may not be directly charged to the university.
  - c. Any additional expenses incurred (additional hotel room charge, additional baggage fees, etc.) because a family member is traveling with the university employee for personal reasons may not be charged to the university or reimbursed to the employee.
2. Travel Primarily for Personal Reasons in the U.S. – When the number of “days spent on business activities” is less than or equal to the number of “days spent on personal activities.”

The cost of traveling to/from the destination (airfare, mileage to/from airport, airport parking, etc.) may not be directly charged to the university or reimbursed. Only expenses that are directly related to conducting university business may be charged to or reimbursed by the university, such as lodging and meals on “days spent on business activities,” and local transportation costs to/from business meetings.

##### B. Travel Outside the United States

1. Travel Considered to be Entirely for Business Outside the U.S. – All university employee business travel outside the U.S. that includes some personal travel days is “considered to be entirely for business” because the employee is considered to



have “no substantial control” over making the trip. The only exception is the President’s travel outside the U.S.

Transportation costs to/from the business destination will be paid/reimbursed 100%, not including personal destinations or side trips. Other travel expenses, such as meals, lodging, and local transportation, will be reimbursed only if they are incurred on “days spent on business activities.” Expenses for days spent on personal activities will not be reimbursed.

- a. If the traveler’s actual airfare includes a personal destination, the traveler must provide a lowest priced airfare quote that only includes business destinations. The quote must be obtained at the time of booking. The traveler will be reimbursed the lesser of the actual airfare, which includes the personal destination, and the quote, which only includes business destinations. Airfare that includes personal destinations may not be directly charged to the university.
  - b. All meals, lodging, and other travel expenses incurred on personal days will not be reimbursed to the traveler and may not be directly charged to the university.
  - c. Any additional expenses incurred (additional hotel room charge, additional baggage fees, etc.) because a family member is traveling with the university employee for personal reasons may not be charged to the university or reimbursed to the employee.
2. The President’s travel outside the U.S. that is greater than seven (7) days is not automatically “considered to be entirely for business” because the President is a “managing executive” and is considered to have substantial control over making business trips. Therefore, the President must substantiate that travel outside the U.S. is “considered to be entirely for business” or “primarily for business” when personal travel is combined with business travel ([IRS Publication 463](#)).
- C. The University does not **pay for or** reimburse personal travel costs. When combining business and personal travel: if the personal follows the business portion, once the business portion of a trip is complete, the trip is considered complete and personal expenses will not be paid or reimbursed; if the business follows the personal portion, personal expenses prior to the business portion of the trip will not be paid or reimbursed. However, if a trip to a single destination includes both business and personal travel expenses, some transportation costs, such as airfare, may be considered business costs if the trip is primarily for business purposes. See [Travel Website](#) for additional information.
- D. Departments and travelers should contact Accounts Payable prior to making travel arrangements for trips that combine both business and personal travel if they have questions about compliance with this policy.

#### XI. TRAVEL ADVANCES ON STATE FUNDS

Travel advances are paid and cleared on department local cost centers only. See [MAPP 04.02.01B](#) for travel advance instructions for local funds.

#### XII. TRAVEL-RELATED INSURANCE

