Section 04.08.03
TRAVEL VOUCHERS

General Discussion

A travel voucher is a voucher submitted by a current or prospective state employee for reimbursement of travel expenses relating to official state business after travel has occurred. The following items need to be provided when preparing the travel voucher:

- Agency approval;
- Agency object code;
- Agency voucher number;
- Certification by traveler;
- Payee identification number;
- Department to which trip expenses will be charged and departmental voucher number, where applicable;
- Departure and arrival times;
- Designated headquarters of person claiming reimbursement;
- Destination;
- Mode of travel;
- Name and title of person claiming reimbursement; and
- Statement regarding purpose of the trip and how it benefited the agency.

Where applicable or required by the A&M System Member’s fiscal office, the following information should also be included:

- Receipts for lodging costs;
- Meal cost breakdown per day;
- Receipts to support claims for reimbursement of public transportation (other than mass transit, parking, or taxis), public accommodations, registration fees, etc.;
- Travel advance information;
- Point to point mileage breakdown; and
- Approved travel request.

A current or prospective state employee may approve a travel document only by signing the travel voucher. The signature is valid only if the signature is original. The signature is automatically revoked if new information is added to the voucher after it is signed or information on the voucher is changed after the voucher is signed, unless the new or changed information is authorized by the traveler. It is strongly recommended that authorization also be obtained from the authorized departmental approver. The automatic revocation of a signature means that the travel document has not been approved.

Receipts/Reimbursements

The lodging receipt must be original and complete. A receipt that has been altered by any person other than the commercial lodging establishment is unacceptable. A receipt to which additional information has been added is considered unaltered if the additional information does not conflict with or obscure the original information on the
receipts. The name and address of the lodging establishment, the name of the employee or board member, the single room rate, and a daily itemization of the lodging charges must be included on the receipt. If the lodging receipt is unavailable, the supporting documentation must include the canceled check or credit card slip used to pay the establishment, the credit card billing statement on which the lodging charges appear, or a copy of the receipt, check, slip or billing. If the individual listed on a lodging receipt is different from the state employee named on the voucher, the lodging receipt is acceptable if supporting documentation includes proof that the employee paid the lodging expenses for which the employee is claiming reimbursement. The proof may be in the form of a credit card slip, a credit card billing, a canceled check, or a receipt from the individual whose name appears on the lodging receipt.

Receipts for meals are not required. However, employees are encouraged to keep a record of meal expenses incurred since each employee will be reimbursed only for actual expenses incurred, up to the maximum rate allowed. Reimbursement will not be made for the purchase of alcohol or alcoholic beverages or for meal or taxi tips.

The original airline ticket receipt from the airline ticket booklet should be attached to the travel voucher. An itinerary alone is unacceptable. A receipt that has been altered by any person other than the airline is unacceptable. A receipt to which additional information has been added is considered unaltered if the additional information does not conflict with or obscure the original information on the receipt. If the ticket is in the form of an Electronic “Ticketless” Ticket, the passenger itinerary or receipt must be attached to the voucher. The name of the employee and airline, the ticket number, the class of transportation, the fare basis code, the travel dates, the amount of the fare, and the origin and destination of each flight must be included on the receipt. If the passenger receipt is unavailable, then the supporting documentation must include the canceled check or credit card slip used to pay for the transportation, the credit card billing on which the transportation charges appear, or a copy of the receipt, check, slip or billing.

Receipts are not required for parking. However, charges must be itemized on a daily basis and must include information about where the parking expense was incurred.

The original receipt must be attached when requesting reimbursement for a rental car. The receipt must separately itemize all charges, including the starting and ending dates of the rental, the name of the renter and any other charges. If the receipt does not provide all the preceding items and the rental contract provides the missing items, then the contract may also be included in the supporting documentation. The contract must also be original, complete, and unaltered. State agencies are allowed to reimburse for Loss Damage Waivers (LDWs) but not for personal insurance. Most state contracts include unlimited free mileage within the state, free LDW and liability. If the receipt and the contract are both unavailable, then the supporting documentation must include a copy of the receipt or contract, the original or a copy of the canceled check or credit card slip used to pay for the rental car, or the original or a copy of the credit card billing on which the rental charges appear.

Receipts are not required for taxis, buses, or limousines. However, trip-by-trip itemization is required, including date, destination and fare for each trip. If limousine is used, it must be documented that this was the most cost efficient means of transportation.

**Limitations on Travel Expenditures**

The General Appropriations Act limits the expenditure of state funds for employee out-of-state travel to no more than the amount spent by that agency during fiscal year 2000. The Legislative Budget Board may consider limit modification requests from agencies which demonstrate circumstances which would make such reductions in actual travel impractical or inefficient in accomplishing the agency’s goals and strategies. Such circumstances may
include new or expanded programs, statutorily mandated travel, or other pressing public purposes. Travel expenses incurred within the Washington, D.C. area by state agencies that are represented by their employees in the Washington, D.C. office of the Office of State-Federal Relations shall be considered in-state travel for the purpose of calculating the agency’s compliance with out-of-state travel limitations.

**State Travel Management Program**

The State of Texas has developed the State Travel Management Program in an effort to reduce the cost of travel expenditures. All travel expenditures paid from state funds are required to adhere to the Program guidelines, unless the specific exemptions mentioned below apply. The various fiscal offices within the A&M System have developed a Travel Exception Form, or have incorporated an exception list on the travel voucher, which they require to be completed for all travel. The various aspects of the Program, including Air Travel, Contracted Hotel/Motel Establishments and Contracted Rental Car Companies, are discussed later.

**Contract Travel Vendor Exceptions**

The following travel vendor contract exceptions are allowed:

- **Contract travel agency alternative** – Use of an authorized alternative method is allowable because the state traveler is already in travel status which renders the use of a contract travel agency impractical or unnecessary; airline reservations are not required; reservations can be secured through a different source that results in a lower overall cost to the state; or travel is undertaken as part of a group program for which reservations must be made through a specified source to obtain a particular rate and/or service.

- **Lower total cost to the state** – Use of a non-contract travel vendor is less than the contract fare or rate which is offered to the general public, and/or when all trip expenses are evaluated, including ground transportation, insurance fees, parking fees, taxes, and travel time, the use results in a lower total cost to the state. If the contract travel vendor offers the same lower fare or rate, the contract travel vendor must be used, unless a valid exception exists.

- **Efficient use of services** – Use of a non-contract travel vendor is necessary because the contract travel vendor is sold out, is not available to provide services at the time or location necessary to accomplish the purpose of the trip, has a real or anticipated labor disruption, or is providing negotiated rates for group travel.

- **Health and safety issues** – Use of a non-contract travel vendor may be allowed when a state traveler finds that the accommodations provided by the vendor may reasonably present a risk to the state traveler or person under the state’s custody in the following circumstances:
  
  a) Accommodations may lack a reasonable amount of security or safety, and/or may present a health risk based on the state traveler’s individual needs;

  b) Accommodations fail to provide an adequate amount of services required for a person with disabilities; or

  c) Accommodations have limited availability of medical emergency facilities or equipment that may be required by a state traveler or person under the state’s custody.
* Corporate Travel Charge Card Alternative - Use of a personal charge card is allowable only for non-contract airfares if the personal charge card offers insurance benefits not available from the State’s Corporate travel charge card contract.

**Additional Information**

Additional travel-related information is available on Textravel, (formerly the “State of Texas Travel Allowance Guide”) at [https://fmx.cpa.state.tx.us/fmx/travel/texttravel/index.php](https://fmx.cpa.state.tx.us/fmx/travel/texttravel/index.php) and System Regulation 21.01.03 Disbursement of Funds [http://tamus.edu/offices/policy/policies/pdf/21-01-03.pdf](http://tamus.edu/offices/policy/policies/pdf/21-01-03.pdf). State travel contracts are modified periodically throughout the year; therefore, you are encouraged to bookmark the web site and refer to it when making business travel arrangements.

**Air Travel**

Airfare must be charged to either a Bank One departmental Centrally Billed Account (CBA) or to an employee’s State of Texas Bank One Corporate Card. The only exception allowed is in the instance where an employee receives a fare lower than the contracted airfare if a contracted airfare exists and an airline ticket charged to a personal credit card provides the traveler with more accident insurance coverage than the departmental CBA or the Corporate Card. Both the departmental CBA and the Corporate Card provide door-to-door, $500,000 accident insurance for business trips.

When the state has a contract airfare between two cities, the contract airline must be given preference when making reservations to travel between those two cities. State contract airfare can only be charged to a departmental CBA or an employee’s Corporate Card; it cannot be charged to a personal credit card. The exception for use of personal credit cards that offer higher insurance rates does not apply to contract airfare rates.

Exceptions to the requirement to use contract airfare are as follows:

* Contract travel agency alternative.
* Lower total cost to the state.
* Efficient use of services.
* Health and safety issues.
* Corporate travel charge card alternative.

In 1984, the Texas Ethics Commission issued an opinion about whether a public servant may use a travel discount or bonus for a private purpose if the discount or bonus is earned because of travel paid with public funds. The commission said that the personal use of a travel discount or bonus under these circumstances would not violate Section 39.01(a), Texas Penal Code, if the discount or bonus cannot be used for a public purpose. The determination of whether a discount or bonus can be used for a public purpose must be made by each public entity. Section 39.02, Texas Penal Code, effective September 1, 1994, addresses the issue further. Frequent flier miles and other awards or discounts given for frequent use of a commercial airline (or motor vehicle rental company) are not “things of value” belonging to state government because of the administrative difficulty and cost involved in recapturing the award for state government.

However, an employee may occasionally purchase a ticket from a commercial transportation company (for state business) and receive a free second ticket under a promotional program sponsored by the company. The employee may not use the free ticket for a private purpose until the A&M System Member determines whether the use is prohibited by law. The A&M System Member may choose to request an Ethics Commission or Attorney General opinion regarding the proposed use. Please contact the fiscal office for assistance.
Common Questions Regarding Contracted Airfares

1. Who is required to use contracted fares? (Statewise Newsletter from the General Services Commission, 11/94)
   - All state employees working for state agencies, including heads of agencies.
   - Members of boards, including members of advisory committees.
   - Prospective state employees.
   - Witnesses appearing in court on behalf of the State.

2. Who is prohibited from use of contracted fares? (Statewise Newsletter from the General Services Commission, 11/94)
   - Persons providing professional, consulting, or contracted services may not use the contracted airfare if the State is paying any amount for the persons' time or services. If the State is paying for their travel expenses then they are eligible to use the contract rates.

3. What are the benefits of using contracted fares? (Statewise Newsletter from the General Services Commission, 11/94)
   - No advance purchase requirement.
   - No minimum/maximum length of stay requirement.
   - No fee or penalty for changing or canceling a reservation.

   - The State of Texas has entered into a contract with airlines to provide travel to or from specific destinations at a fixed rate. These fares are one-way, in alphabetical order only, and applicable in both directions. Domestic contract airline fares listed include the Federal Excise Ticket Tax, but do not include segment fees, passenger facility charges (PFCs are additional fees assessed by many airports and/or cities which airlines must collect for them), or any other mandatory fees assessed by the airlines, airports, and/or local governments. The taxes and fees will be itemized separately on the ticket/itinerary receipt. All of these fees are reimbursable.
   - If the flights on your ticket do not show the destinations from the State Travel Management Program website at http://www.tbpc.state.tx.us/travel/index.html, then you do not have a contracted airfare rate and an exception will have to be claimed.

   - Make your reservations through a travel agency. Be sure to identify yourself as a State of Texas employee to receive the State contract rate.

6. How to know if you are getting the contracted fare? (Statewise Newsletter from the General Services Commission, 11/94)
   - The codes “YCATX” or “_CATX” will be on the ticket under FARE BASIS. The “YCATX” fare is last seat availability. The “_CATX” fare basis code indicates a market that is capacity-controlled by the airline
with a limited number of seats available at the contract rate. The far right hand column includes the fare code for those city-pairs that were awarded a “_CATX” fare.

* If all flight segments are not the same code, then “MULTI” will appear under FARE BASIS. When this occurs, the individual fare basis codes are located at the end of the itinerary line after the date. For example: “From: OLBB WN866Y 03JANYCATX”. “MULTI” can mean that only part of the flight is on a contracted airfare. When this occurs, an exception must be completed for the part of the flight that is not a contracted airfare.

* By using the contracted fares, the traveler can be assured that ticket costs are not more than the maximum allowable reimbursement. Effective January 1, 1994, the purchase or reimbursement of commercial air transportation may not exceed the contract airfare unless an exception applies.

7. How to pay for the contracted fare?

* Tickets may be purchased only with the State’s contracted Bank One charge accounts – the department’s CBA or an individual’s Corporate Card. The individual Corporate Card can only be used by the person to whom it is issued. Allowable expenses are for business travel only; personal expenses are prohibited. The traveler will be reimbursed on a travel voucher after the trip has been completed.

* The department’s CBA covers the following persons:
  a) State employees
  b) Prospective employees
  c) Students
  d) Speakers (may not be eligible for contracted airfare)
  e) Professional service providers (may not be eligible for contracted airfare)

Other Issues

* Restrictions on the use of state funds for international travel apply. (See Foreign Travel section.)
* Payments for change or cancellation of travel plans are allowed on either state or institutional funds with a clear statement of business reason, illness or personal emergency.

* Prospective employees who make their own travel arrangements can only be reimbursed up to the contracted airfare rate and their personal card insurance coverage must exceed the coverage on the CBA. A statement must be added on the front of the voucher indicating that the prospective employee made their own travel arrangements. Prospective employees should be advised of these restrictions. Departments should use their CBA and make the travel arrangements for the prospective employee.

* Student travel expenses cannot be paid from state funds unless the student is considered an employee. The same guidelines used for state employees would be used. If the student is not considered an employee, student travel expenses can only be paid from institutional funds on an account that allows student travel. The purpose and dates of travel must be included on the front of the voucher.

* When travel arrangements must be canceled, contact the travel agency and Bank One immediately to begin the process to receive credit or a refund. If airfare was prepaid, apply credit to future payments and state on the front of the voucher the business reason for cancellation.

Cancellation Charges
In general, a state agency may pay or reimburse a state employee for a cancellation charge if:

* the charge is incurred for a reason related to official state business; or

* the charge is incurred for a reason related to official state business that could not be conducted because of a natural disaster or other natural occurrence; or

* the charge is related to a transportation expense that was paid in advance to obtain lower rates and is incurred because the employee was unable to use the transportation because of an illness or a personal emergency.

Cancellation charges are not reimbursable if the employee should have, but failed to, cancel a travel reservation or plan in time to avoid the charge.

**Combining State and Personal Business**

If a traveler combines personal travel with official state business travel, the traveler is only allowed reimbursement amounts that fall under the State of Texas Travel Allowance Guide (TAG), Section 3.03, subsections A & B; Section 3.07, subsections A & B; and Section 5.07, subsections A & B. Any meal, lodging or car rental expenses that were incurred on personal days cannot be reimbursed.

Overnight meal and lodging expenses incurred while traveling to and staying at a duty point the day before official state business begins at the duty point are reimbursable. Overnight meal and lodging expense incurred while traveling to and staying at a duty point more than one day before official state business begins at the duty point are not reimbursable unless the expenses are incurred to qualify for a discount airfare according to TAG Section 2.11, or traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under TAG Section 3.11.

Overnight meal and lodging expenses incurred while staying at and traveling from a duty point the day after official state business ends at the duty point are reimbursable. Overnight meal and lodging expenses incurred while staying at and traveling from a duty point more than one day after official state business ends at the duty point are not reimbursable unless the expenses are incurred to qualify for a discount airfare according to TAG Section 2.11, or traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under TAG Section 3.11.

If the requirements of TAG Section 5.07, subsection A does not apply, then generally a state employee who uses a rented motor vehicle for both personal business and official state business may be reimbursed only for the portion of the rental charges that is attributable to official state business. A state employee may not be reimbursed for the rental of a motor vehicle if the rental was necessary only because the employee combined personal business with state business.

**Contracted Hotel/Motel Establishments**

The State of Texas has contracted with numerous lodging establishments to provide state employees with discounted hotel rates. These can be found on the State Travel Management Program website at http://www.tbpc.state.tx.us/travel/index.html. These hotel/motel establishments should be used whenever possible. The following exceptions to the use of contracted hotel/motel establishments are allowed:
* Contract travel agency alternative.
* Lower total cost to the state.
* Efficient use of services.
* Health and safety issues.
* Corporate travel charge card alternative.

**Contracted Rental Car Companies**

State of Texas employees must use Advantage Rent-a-Car, Avis, or Enterprise, except as noted:

* Contract travel agency alternative.
* Lower total cost to the state.
* Efficient use of services.
* Health and safety issues.

Upon making reservations at Advantage, Avis or Enterprise, be sure to give them your agency’s state contract identification number: Advantage is xxx-TXC, Avis is F999xxx and Enterprise is TXxxx (where “xxx” is your state agency number). State Travel Management Program rental car rates and contract provisions can be found at http://www.tbpc.state.tx.us/travel/index.html.

**Death of a State Employee**

A state agency may use state funds to pay or reimburse the expense of preparing and transporting the remains and personal property of an employee who dies while conducting official state business at a duty point outside the employee’s designated headquarters to the employee’s designated headquarters or another location designated by the executor or administrator of the employee’s estate. If they are transported to a location other than the designated headquarters, then the amount of the agency’s payment or reimbursement may not exceed the amount that would have been paid or reimbursed had they been transported to the headquarters.

The agency may use state funds to pay or reimburse the employee’s estate for a lodging expense incurred by the employee at the duty point. A lodging expense incurred more than one day after the employee’s death, however, is not payable or reimbursable. The amount of a payment or reimbursement may not exceed the amount that the agency would have been authorized to pay or reimburse if the employee had not died.

**Excess Travel Expenses**

Some A&M System Members have funds available to pay excess travel expenses. Contact the fiscal office for additional guidance on this issue.

**Foreign Travel**

Appropriated funds may not be used to pay or reimburse a state employee for travel expenses incurred while traveling to or from, or staying at, a duty point in a foreign country other than Canada and Mexico, unless the Board of Regents has approved the travel before departure.
A Request for Foreign Travel (http://sago.tamu.edu/soba/ForeignTravel.pdf) must be completed and submitted to the Board of Regents no later than 30 days prior to the scheduled travel. When timely approval from the full Board is not possible, the Chairman of the Board is authorized to approve foreign travel requests funded from appropriated funds for all A&M System Members. The Request for Foreign Travel should be routed through the appropriate supervisors (i.e., department head, dean, vice chancellor/president, and chief executive officer) prior to submission to the Board Chairman. The request must be submitted to the appropriate supervisors for approval far enough in advance of the anticipated trip to allow the Board Chairman 30 days to review and approve prior to the specified travel dates. A copy of the approved request must be attached to the related travel voucher.

A copy of the approved request must also be forwarded to the System Office of Budgets and Accounting for compilation and submission of the annual report to the Governor’s Office of Budget and Planning and the Legislative Budget Board by October 1st of each year.

**Funeral Attendance**

According to the State of Texas Travel Allowance Guide “...a state agency may pay or reimburse the employee for a travel expense the employee incurs while attending the funeral of an individual who was a state employee, a board member, or a legislator if:

- The agency determines that the employee’s attendance at the funeral is appropriate under the circumstances; and
- The expense is paid or reimbursed only to the extent it could have been paid or reimbursed had it been incurred while conducting official state business.”

**Hotel Tax**

Hotel tax is not included in the maximum lodging allowance. It is calculated as a percentage of the maximum lodging amount allowed. The expenditure object code for in-state hotel tax is 3025 and for out-of-state hotel tax it is 3125. All hotel taxes, including state tax, may be claimed for out-of-state travel but it must also be calculated as a percentage of the maximum lodging amount allowed.

All employees of the A&M System are considered to be employees of an educational organization. As such, they are exempt from paying the state portion of the hotel occupancy tax on in-state travel. Upon checking into the hotel, the traveler must submit a Hotel Occupancy Tax Exemption Certificate (http://sago.tamu.edu/soba/texas-hotel-occupancy-exemption.pdf). If the traveler fails to do so, he/she will not be reimbursed for Texas hotel occupancy tax charged to their room. Reimbursements for Texas hotel occupancy tax charged on lodging will be made only in those instances where the traveler attempted to claim exemption (as an employee of an educational organization) but was denied by the lodging establishment. In this instance, we must report the hotel to the State Comptroller’s Office.

**Allowable In-State Hotel Occupancy Tax Calculation**

1. Calculate the tax percentage:
   
   Hotel Room tax
   
   ----------------------- = tax percentage
   
   Hotel Room charge

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If the tax percentage is above 11%, then state and local taxes were combined. The only exception to this is cities that charge a sports revenue tax.

2. Deduct the state tax of 6% if the tax percentage is above 11% to determine the local tax percent.

3. Calculate: (Percent local tax) X (room amount you are claiming) = tax allowed per night

**EXAMPLE:**

Hotel room charge = $85.00  
Hotel room tax = $15.00  
Amount you are claiming = $80.00

1. 15.00  
   ------- = 18%  
   85.00

2. 18%-6% = 12% local tax rate

3. $80.00 X 12% = $9.60 allowed per night

**Incidental Expenses**

A state employee is entitled to be reimbursed for the following expenses if they are incurred for an official state business reason. This is only a partial list.

* Telephone calls.  
* Gasoline charges when rented or state-owned or leased motor vehicles are used.  
* Repair charges when a state-owned motor vehicle is used.  
* Copying charges.  
* Freight charges for state equipment or materials.  
* Foreign travel: airport boarding passes, departure taxes, or inoculations.  
* Postage  
* Notary fees.  
* Charges to exchange U.S. currency for foreign currency and vice versa.  
* Mandatory charges by a commercial lodging establishment other than the room rate and additional person charges.  
* Books or documents purchased for and while attending a seminar or conference.  
* Mandatory service charges for loading and unloading state equipment.  
* Fax charges.  
* Service charges validly imposed by a travel agency.

The following expenses are not reimbursable:

* Any expense that does not relate to official state business.  
* Tips and gratuities.  
* Excess baggage charges for personal belongings.  
* Personal expenses, such as rental or purchase of a video tape for personal entertainment, an alcoholic beverage, dry cleaning, or laundry.  
* Kennel expenses for a pet.
**Lease of Apartment or House**

Various taxable income issues exist related to temporary lodging for one year or longer. For more specific information regarding temporary lodging of one year or more, please consult the A&M System Tax Manual at [http://sago.tamu.edu/soba/main.html](http://sago.tamu.edu/soba/main.html) or contact the fiscal office. A state agency may use state funds to reimburse a state employee for the expense of leasing an apartment or house if:

* the employee leases the apartment or house from a commercial lodging establishment; and

* The employee is listed as a tenant on the lease; and

* the purpose of leasing the apartment or house instead of renting a room at another type of commercial lodging establishment is conservation of funds; and

* the agency reasonably anticipates at the time the lease is entered into that the employee or other state employees will be using the apartment or house while conducting official state business throughout the term of the lease; and

* the agency reasonably anticipates at the time the lease is entered into that the apartment or house will be used for at least one month and less than twelve months; and

* the agency would not be prohibited from reimbursing the employee for lodging expenses if the employee had instead rented a room from a different type of commercial lodging establishment.

A state agency that may reimburse a state employee for the expense of leasing an apartment or house also may reimburse the employee for an application fee paid by the employee while applying to lease the apartment or house.

When a state employee leases an apartment or house, the amount of the reimbursement is equal to the expense of leasing the apartment or house. The reimbursement may not exceed the “daily lodging rate” multiplied by the sum of: (a) the number of days the apartment or house was used while conducting official state business; and (b) the number of days the apartment or house was not used while conducting official state business. In this instance, “daily lodging rate” means the maximum lodging reimbursement rate for the duty point in which the apartment or house is located. If the apartment or house is located outside a duty point because a reasonable apartment or house cannot be obtained in the duty point, then the term means the maximum lodging reimbursement rate for the location in which the apartment or house is obtained.

**Lost or Stolen Tickets**

A state agency may reimburse a state employee for a ticket or similar item that has been lost or stolen only if the agency determines that the loss or theft occurred despite the employee’s exercise of reasonable care to safeguard the ticket or item. If a state agency pays or reimburses for a ticket or similar item that is subsequently lost or stolen because of a state employee’s failure to exercise reasonable care to safeguard it, then the employee is liable to the agency for its value.
Meals and Lodging

Each employee who travels on state business will be reimbursed on the basis of actual expenses for meals and lodging to a maximum amount; for in-state travel, the maximum daily amount allowed is established by the State Legislature. The current rate is $85 for lodging and $36 for meals. Employees are only reimbursed for meals when they stay overnight. The A&M System does not pay partial per diem.

Employees traveling out-of-state receive up to a maximum flat rate for meals and lodging based on federal regulations. The current Out-of-State Meal and Lodging Rates schedule is available on the travel website at http://falcon.tamucc.edu/~account/Accountingservices/Travel_Rules.htm. If the duty point and the county in which the duty point is located are not listed, then the median rate for that state applies when traveling to the duty point.

If the out-of-state rates are insufficient, there are two ways to increase the maximum allowance for lodging:

* Traveler may voluntarily decrease the meal allowance to increase the lodging rate. (The lodging rate cannot be decreased to increase the meal allowance rate.)

* Traveler may send a request to the State Comptroller requesting a higher rate if reasonable lodging is unavailable or he can prove he will save money overall. The request must be made on a “Request to Increase Maximum Out of State Lodging Rate” form found at http://www.window.state.tx.us/fm/forms/More$.xls. This request must be received by the State Comptroller’s Office no later than the 10th working day before travel begins. (Completion of this form is not necessary if the travel will be paid from institutional funds. However, it is up to the Member to determine if excess lodging rates will be paid from institutional funds.)

The State has authorized reimbursement to the Chancellor, Presidents and Agency Directors for actual meal and lodging expenses up to two times the rate authorized for other state employees. Members of the Board of Regents are entitled to receive reimbursement for their meal and lodging expenses up to $110 per day for in-state travel or actual expenses for out-of-state travel (not to exceed the maximum flat rate for meals and lodging based on Out-of-State Meal and Lodging Rates) when traveling on official business. A Board Member may not receive reimbursement from appropriated funds for expenses related to out-of-state travel before filing with the Texas Ethics Commission copies of all documents that will be submitted to the State Comptroller and Legislative Budget Board in support of the travel expense claim.

Mileage

Mileage can be reimbursed anytime a personally owned vehicle is used for official State business. Mileage is currently reimbursed at $0.55/mile, the State-allowed rate, and must be itemized on a point to point basis on the travel voucher. The State has provided an on-line mileage guide to assist travelers. It can be found at http://www.cpa.state.tx.us/comptrol/texastra.html.

Payment of any mileage reimbursement above the federal mileage reimbursement rate will result in taxable income to the employee. Gasoline is not reimbursable if mileage is being claimed; however, gasoline may be reimbursed in lieu of mileage, but reimbursement may not exceed the amount that would have been reimbursed for mileage. In this case, you must show the mileage comparison on the voucher.
When two or more employees are traveling with the same itinerary on the same dates, they are required to coordinate their travel and ride together. Mileage can only be claimed for one car for every four people, unless sufficient documentation is provided to justify payment for more than one vehicle.

**Mileage for Out-of-State Travel**

A state employee is entitled to be reimbursed for mileage when the employee uses a personally owned or leased motor vehicle to travel to and from a duty point outside Texas including a duty point in a foreign country. The mileage reimbursement must be equal to the actual miles traveled between the employee’s designated headquarters and the duty point multiplied by the mileage rate, subject to the limitations specified in this section.

In this section, “expenses necessary to complete the flight” means the sum of:

* the number of miles between the employee’s place of employment and the airport multiplied by the mileage rate; and

* necessary and reasonable expenses that would have been incurred at the airport had the employee flown, including parking fees.

In those instances where the out-of-state duty point is served by commercial airlines, a mileage reimbursement for travel may not exceed the lesser of:

* the reimbursement that the employee would have received had the employee flown, which is equal to the average coach airfare (including taxes, security surcharges, and facilities fees) plus the expenses necessary to complete the flight; and

* the actual miles to and from the duty point multiplied by the mileage rate.

In those instances where the out-of-state duty point is not served by commercial airlines, a mileage reimbursement for travel may not exceed the sum of:

* the average coach airfare (including taxes, security surcharges, and facilities fees) to the locale served by a commercial airline that is closest to the duty point; and

* the number of miles between the locale and the duty point multiplied by the mileage rate; and

* the expenses necessary to complete the flight.

When at least two state employees travel together to and from a duty point outside Texas in a personally owned or leased motor vehicle, the mileage reimbursement to the owner or lessee of the motor vehicle is equal to the lesser of:

* the mileage rate multiplied by the number of miles between the place of employment of the owner or lessee and the employees’ duty point; and

* the limit established by the two preceding discussions.

**Parking**
In most instances, a state agency may reimburse a state employee for a parking expense incurred when the employee travels in a state-owned or leased motor vehicle, a personally owned or leased motor vehicle, or a rented motor vehicle. A state agency may not reimburse a state employee for a parking expense incurred at a location if all the mileage incurred to reach the location is not reimbursable. A parking expense incurred by an individual while dropping off or picking up a state employee at the airport is reimbursable.

The supporting documentation for the reimbursement of a parking expense must list each day the expense was incurred and the amount of the expense incurred each day, as well as the locations where the expense was incurred. A receipt is not required.

**Prospective Employees - Travel**

When a state agency requests a prospective state employee to travel to the agency’s offices for an interview or evaluation, the agency may reimburse the prospective employee for travel expenses in the same manner as a state employee other than a key official. A prospective employee is not exempt from hotel occupancy taxes. Those taxes may be reimbursed as an incidental expense. If the lodging establishment bills the agency directly, then the charge is exempt from state hotel occupancy tax.

**Recruitment of Students**

Appropriated funds may not be expended for travel expenses incurred outside the boundaries of the State of Texas for the purpose of direct recruitment of students.

**Spousal Travel**

Additional information regarding spousal travel can be found in the A&M System Tax Manual located at [http://sago.tamu.edu/soba/main.html](http://sago.tamu.edu/soba/main.html).

U. S. Treasury Regulation Section 1.132-5(t)(1) allows reimbursement for travel expenses of an employee’s spouse traveling with the employee by qualifying the expense as a working condition fringe benefit if the following conditions are met:

* It can be adequately shown that the spouse’s presence on the employee’s business trip has a bona fide business purpose, and

* The employee properly substantiates the travel.

The presence of the spouse must be essential, not just beneficial. Business functions performed by the spouse should be documented. Requests for reimbursement of expenses or for direct departmental payment of travel expenses for such persons must be approved in writing in advance of the travel by the CEO of the A&M System Member and must be paid from institutional funds available for that purpose. Reimbursement for spousal travel will be taxable income if the spouses attendance has not been proven to be essential and beneficial.

**Washington, D.C. Travel**

State agency personnel are required to inform the Office of State-Federal Relations (OSFR) at least 10 days in advance of any travel to Washington, D.C. This notification should include the timing of the trip, its purpose, and
the name of a contact person for additional information. Notification can be made by completing the Office of State- Federal Relations form (OSFR) and submitting to the travel office. The travel office will send the completed form to the office of State- Federal Relations and to the Texas A&M University System as required. The OSFR form is available on the travel website at http://falcon.tamucc.edu/~account/Accountingservices/Travel_Online%20Forms.htm.

This requirement is a result of concern expressed by members of the Texas legislature that State agencies other than OSFR were traveling to Washington, D.C., but were not coordinating their activities with OSFR. The legislature’s intent was to facilitate the coordination of Texas and Federal activities.