

Policy 112

Travel Expense Reimbursement Policy

Section: 100 – General Administration

Responsible Executive: Lead Financial
Administrator

Responsible Department: Business and Finance
Office

First Effective Date: June 1983

Last Reviewed: March 2018

Next Scheduled Review: June 2022

1.0 PURPOSE

- 1.1. To establish the basis upon which the Cal Poly Corporation (“CPC”) officers, directors, employees, agents, contractors or other designated representatives shall be reimbursed for official business travel expenses, unless otherwise agreed to by CPC by contract.

2.0 BACKGROUND

- 2.1 The Board has predicated the provisions of this policy statement upon authority expressed in the CPC's Articles of Incorporation, California Education Code §§89900 et seq., and California Code of Regulations Title 5, §§42400 et seq. The fundamental criteria upon which the following provisions are based include:
 - 2.1.1. The “ordinary and necessary business expense” standard of the U.S. Internal Revenue Code and implementing regulations; and
 - 2.1.2. The policy and limitations expressed by the California State University (“CSU”) Policy and Procedures Governing Travel and Relocation Expense Reimbursement (as updated) and CSU Student Travel Policy.
- 2.2. Travelers to be reimbursed under this policy statement may be involved in CPC activities, but many are involved in activities which more directly support the academic programs of California Polytechnic State University (“Cal Poly”). As all activities of CPC are in support of Cal Poly either directly or indirectly, appropriate travel expense reimbursement rates and rules should be based on the travel policy of the CSU.

3.0 POLICY

- 3.1. General. The Board of Directors has determined that the policy on business travel expense reimbursement shall generally parallel policies established by the CSU.
- 3.2. Exceptions guidelines. The guidelines and procedures supporting this policy will set forth processes for travel reimbursement and approval, as well as any differences in CPC’s travel reimbursement requirements from the CSU travel reimbursement policy and guides. It is necessary and prudent for CPC to establish exceptions to the general policy on travel expense reimbursements because the general policy rules and rates:
 - 3.2.1. Are expressed in fixed terms which, if applied in all circumstances, might not be reasonably equitable, pragmatic or cost effective, and
 - 3.2.2. May not apply to all situations under which CPC personnel may require travel reimbursement.

- 3.3. Sponsored Programs Travel. Some CPC travelers work on externally funded sponsored projects contracted by sponsors to CPC that require reimbursement at the "Institutional Rates." In cases where the sponsor and/or the sponsor's contract provide specific travel rules, restrictions, and limitations, those rules will supersede this travel policy.

4.0 DEFINITIONS.

- 4.1. Travel expenses. Those costs incurred for transportation, lodging, subsistence, and related items by CPC officers, directors, employees, or agents who are in travel status on official business for the CPC.

5.0 PROCEDURES, GUIDELINES AND FORMS.

- 5.1. The Lead Financial Administrator or his/her designee is authorized to establish, procedures, guidelines and forms consistent with and in implementation of this policy.
- 5.2. The Lead Financial Administrator or his/her designee is also authorized to develop written exceptions to the policy and guidelines.
 - 5.2.1. The general bases for potential exceptions and the process shall be defined in guidelines. Such exceptions should relate to the nature of the travel (e.g., University academic program; federal grant/contract; public relations/development, corporate administration unrelated to University functions), may involve special classifications of allowable costs, and may allow reimbursements at the rate of actual costs or allowing different modes of travel, or processes.
 - 5.2.2. This exception principle is recognized in the CSU Internal Procedures Governing Moving and Relocation Expenses.
- 5.3. The Lead Financial Administrator or his/her designee will be responsible for interpreting this policy and the guidelines, and determining whether circumstances warrant an exception.

6.0 COMPLIANCE

- 6.1. All auxiliary units, departments and personnel and any authorized personnel that operate using funds from any account held by CPC must comply with this policy.

7.0 REFERENCES AND RELATED POLICY

- 7.1. California State University ("CSU") CSU Internal Procedures Governing Moving and Relocation Expenses (as updated)
- 7.2. CSU Executive Order 1041 CSU Student Travel Policy, May 29, 2009
- 7.3. Internal Revenue Code

Technical and administrative change updates

7-26-12 for title and organization structure changes.