

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.A.03

AREA: General

SUBJECT: Business Travel

1. PURPOSE

- 1.1. The University of Houston System recognizes business travel is essential to its operations. This document provides guidelines for business travel on behalf of the System, paid from all sources of funds, and is intended to be equitable to both the traveler and the institution. Information in this document provides basic regulations to be followed by each component university in formulating a travel policy and related procedures specific to its operations in accordance with Board policy 47.03, and Texas Government Code Chapter 660.
- 1.2. These regulations cover travel by faculty, staff, students, group travel and individuals not employed by the institution who are traveling on official component university business. Exceptions to these guidelines may be permitted with the approval of the Chancellor, President or their designees but must comply with state law. These guidelines are intended to work in concert with the State Travel Management Program (STMP) and [Texttravel](#) (state travel laws and rules provided by the Texas State Comptroller to state agencies and institutions of higher education), and are subject to amendment either at the discretion of the System or when additional federal or state regulations which impact the policy are issued. Amendments to this policy will be issued through the System.
- 1.3. The System recognizes that in certain situations, an employee's spouse can play a vital role in representing the component university, and guidelines for appropriateness, reimbursement and approval of travel expenditures are discussed in SAM 03.A.21 - Employee's Family Travel Expenses.
- 1.4. The System and its component universities have the responsibility to ensure that the operation of the System is not hindered due to the sudden loss of key executives. Guidelines are provided in SAM 01.C.05 - Executive Travel.
- 1.5. Certain conditions must be met before travel expenses will be authorized as a necessary and reasonable operating expense of the System. These conditions, general categories of business travel, and specific documentation requirements of such expenses are set forth in the following sections of this document.

2. GENERAL GUIDELINES

- 2.1. Travel must be for official System business. An individual of higher authority than the employee who submits the request to travel must approve all travel requests. The Chancellor, or designee, will approve business travel for the component university Presidents.
- 2.2. The System requires that its employees participate in the STMP and use the state contracts mandated by the Texas Building and Procurement Commission (TBPC) for travel services when paying for these services with state-appropriated funds. Required contracts include charge card providers, rental car companies, airlines, and hotels. Any exception must be approved and on file with the applicable reimbursement voucher.
- 2.3. To assure insurance coverage, a travel request for any employee overnight business travel, including foreign travel, regardless of source of funding or whether reimbursement will be sought, must be completed and filed according to the appropriate component university's guidelines.
- 2.4. Travel expenditures must be documented to include the following:
 - a. A statement regarding travel purpose, indicating the general relationship of the trip to the requirements of the System, and
 - b. An itemized list of all travel expenses and the required supporting documents for those expenditures.
 - c. Verification of use of state contract travel vendors for airlines, hotel, and car rental, as required by the STMP, when using state-appropriated funds. If state vendors are not used, reason codes or a justification must be indicated on the Travel Voucher or travel agency invoice/itinerary.
- 2.5. Payments cannot be made for travel expenditures unless the documentation is complete.
- 2.6. When an employee's travel is funded by a grant or contract with guidelines more restrictive than the state, System, or component university business travel policy document, those guidelines take precedence.
- 2.7. Designated state-issued travel cards are available to approved System employees. A state-issued travel charge card may not be used for personal expenditures or any other type of expenditure which is not necessitated by or incidental to state business travel. Violation of this provision will result in loss of charge card privileges.

- 2.8. The STMP and/or component universities of the System have designated specific travel agencies to support this travel program. Any airline tickets billed directly to System state-appropriated funds must be purchased through a designated agency. State contract airfares may be purchased only with the state's contract charge card, either a centrally billed account or an individual corporate account. Travelers may purchase airline tickets through these agencies in one of three ways:
- a. With the System corporate card held by individual employees (for which the employee is personally liable);
 - b. Through one or more component university corporate Central Billed Accounts, if applicable; or
 - c. With personal funds, including personal credit cards, only when insurance benefits are greater than those provided by the state contract charge card.

The designated travel agency will offer travelers the lowest logical airfare within a requested two-hour departure or a requested two-hour arrival time.

- 2.9. The State of Texas, the System's designated travel agency(ies), and the System's designated corporate card company have all negotiated rates with hotels and car rental agencies. These rates are available to System employees traveling on official university business. To comply with state reporting requirements for business travel, the traveler, when making such arrangements, should request the state-contracted rate, if available, when using state-appropriated funds.
- 2.10. The Chancellor, by letter on file in the Board of Regents office, may delegate the authority to approve travel reimbursements to his/her designee, Vice Chancellors, Presidents, the Director of Internal Auditing, and their designees.
- 2.11. Each component university has been delegated the responsibility for approval of travel vouchers and may provide for a more detailed description of authorized travel reimbursements, restrictions on travel reimbursement and a specific procedure for processing routine travel reimbursements, as well as exception or infrequent travel activities. Travel reimbursements shall be consistent with all federal, state and System governing regulations pertaining to travel.
- 2.12. Each component university's Chief Executive Officer will designate an appropriate office to disseminate guidelines to be followed by all divisions of the component university. Within such guidelines will be specific provisions for approval of travel, travel expense reimbursement, and other matters related to employee travel; and will include provisions for approval by the employee's supervisor or higher authority. Component university Presidents' travel expenditures, as well as all non-travel expenditures, must be reviewed and approved by the Chancellor or designee.

- 2.13. Airfare purchased for domestic travel (i.e., US, Canada and Mexico) must be purchased at the lowest price available (i.e., coach class), regardless of source of funds used, unless the component university President or designee approves a higher airfare (i.e., business class or first class) for one of the reasons below.
- a. First class airfare may be paid or reimbursed only if it is medically necessary or other airfare is not available.
 - b. Business class airfare may be paid or reimbursed only if it is medically necessary or a lower airfare is not available.

The necessity for business or first class airfare must be stated on the travel request or attachment to the travel request and approved by the component university President or designee.

3. FOREIGN TRAVEL

- 3.1. Requests for foreign travel (i.e., travel to or from countries outside the U.S., other than Canada or Mexico) for System employees or prospective employees that will be paid from state appropriated funds require the approval of the component university President or designee. (The Regents delegated authority to approve foreign travel to the Chancellor and the Chancellor delegated this authority to the component university Presidents.) Requests must be submitted on a travel request reflecting a complete and accurate estimate of the travel cost. The travel request must be approved by the traveler's supervisor before forwarding to the component university President for approval. Foreign travel to be paid with state appropriated funds is not authorized until the component university President has approved the travel request.
- 3.2. Regardless of fund source or whether reimbursement will be sought, to assure insurance coverage, the component university office that provides the final approval on the foreign travel request will forward a copy of the approved request to the System Director of Environmental Health and Risk Management.
- 3.3. Airfare purchased for foreign travel must be purchased at the lowest price available (i.e., coach class), unless the component university President or designee approves a higher airfare (i.e., business class or first class) for one of the reasons below.
- a. Airfare paid or reimbursed with state-appropriated funds:
 - First class airfare may be paid or reimbursed only if it is medically necessary or other airfare is not available.
 - Business class airfare may be paid or reimbursed only if it is medically necessary or a lower airfare is not available.

- b. Airfare paid or reimbursed with local funds:
 - First class airfare may be paid or reimbursed only if it is medically necessary or other airfare is not available.
 - Business class airfare may be paid or reimbursed only if it is medically necessary, a lower airfare is not available, it enables the traveler to complete required work during the flight, or it enables the traveler to rest during the flight so that he/she can begin work more quickly following the flight.

The necessity for business or first class airfare must be stated on the travel request or attachment to the travel request and approved by the component university President or designee.

4. TRAVEL TO WASHINGTON D.C. USING STATE APPROPRIATED FUNDS

- 4.1. When travel to Washington D.C. or the surrounding area will be paid in part or in whole from state-appropriated funds, the Office of State-Federal Relations must be notified no later than seven calendar days prior to the beginning of travel. The responsible unit must complete the Report of State Agency Travel to Washington D.C. at the following Internet address: <http://www.osfr.state.tx.us>.
- 4.2. If notification is not given within seven days of departure, an explanation letter must be faxed to the Office of State-Federal Relations at (512) 463-1984.

5. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice Chancellor for Finance
Review: Odd numbered years on or Before August 31

6. APPROVAL

John Rudley
Vice Chancellor for Administration and Finance

Jay Gogue
Chancellor

Date: August 1, 2005

Effective Date: August 31, 2005

7. INDEXING TERMS

Expenditure restrictions

Foreign travel

Reimbursements

Travel