

Travel Expense Reimbursement

NOTE: The website URL for **Workday reference guides** that are referenced in this section is:
<https://jira.esg.wsu.edu/plugins/servlet/desk/portal/91>

OVERVIEW

Employees, students, and other clients of the University are eligible to receive reimbursement for allowable expenses while in travel status conducting official WSU business. Travel status begins when a traveler leaves either their official residence or official station, exclusive of commuting between the two locations, and ends when the individual returns to either location.

ALLOWABLE EXPENSES

Travelers may be reimbursed with the proper documentation for the following types of expenses incurred while in travel status.

Lodging

Reimbursement for lodging is at actual cost up to the daily maximum allowable lodging rate in effect at the time of travel for the location. Original receipts are required. See *BPPM 95.06*.

Meals

Reimbursement for meals is at the meal rate in effect at the time of travel for the location. Location for overnight trips is based on where the traveler sleeps; for single day trips it is the primary destination. See *BPPM 95.06* and *SAAM 10.40.55*.

A department may implement a policy to reimburse meals at actual costs up to per diem for the following types of travelers only:

- Employees doing foreign study abroad
- Students
- Candidates
- Pre-hires
- Academic affiliates

For actual-cost meal reimbursements, the traveler must submit itemized receipts for the meals.

Transportation

See also *BPPM 95.07*.

Commercial Airline

Reimbursement for airfare is at actual cost with the original receipt and a copy of the itinerary.

When available, the tourist-class airfare is the maximum amount that is reimbursed regardless of the fare class chosen. Price comparisons are required when a different fare class is chosen.

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Rental Car Reimbursement for rental cars is the rental cost and fuel. Original receipts are required. See *BPPM* 95.12.

Privately-Owned Vehicle Reimbursement for privately-owned vehicles is the applicable mileage rate times the number of miles traveled outside of the traveler's standard commute. See *BPPM* 95.11.

Miscellaneous Expenses Other expenses essential to the transaction of official state business may be reimbursable to the traveler as follows:

- Any miscellaneous travel expense in excess of \$50 must be submitted with original receipts. See *BPPM* 95.08 regarding reimbursable miscellaneous expenses.
- Any miscellaneous non-travel expense requires a receipt regardless of the amount.

Standard purchasing procedures must be used for supply purchases exceeding \$50 plus applicable tax (see *BPPM* 70.01). Reimbursement for such purchases is not allowed on the Expense Report in Workday.

Conference Registration Fees Reimbursement is at the actual conference registration cost.

EXPENSES NOT ALLOWED Personal expenses and those not essential to the transaction of official state business are not reimbursable. See *BPPM* 95.08 for further information and examples of nonreimbursable expenses.

NOTE: There may be additional restrictions based on the travel funding source.

ACCOUNTABLE PLAN WSU follows an accountable plan, as outlined in IRS Publication 463, when reimbursing employees (non-employees and students are not subject to the taxation of late reimbursements). To meet the IRS' accountable plan requirements, the following three conditions must be met:

- The expenses must have a business connection.

To ensure the expenses are essential to the transaction of official state business, the purpose of the trip is included on the TEV and an audit of all submitted expenses is performed.

- The expenses must be substantiated and adequately accounted for within a reasonable time.

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**ACCOUNTABLE PLAN
(cont.)**

The IRS defines *reasonable time* as being within 60 days from when the expenses are paid or incurred. WSU uses the trip end date and the date the claimant signed the TEV to determine this requirement is met.

- Any excess reimbursements or advances are returned within a reasonable time.

The IRS defines *reasonable time* as being within 120 days after the expense was paid or incurred. WSU uses the date the excess reimbursement or the advance was paid to the employee to determine if this requirement is met.

If these conditions are not met, the applicable amount is considered taxable income and is reported to Payroll Services. The payroll withholding taxes are then deducted from the employee’s paycheck based on the allowances on their W-4 form. The taxable amounts are reported as additional taxable income in Box 1 of the employee's W-2 form.

DEADLINES

Expense Reimbursements

The Expense Report must be prepared and signed by the claimant in Workday within 60 days of the trip end date. Employees who do not meet this deadline are reimbursed under a nonaccountable plan and the total expenses are reported as additional income with applicable payroll tax withholdings. See [Accountable Plan](#).

Returning Advances

Any unexpended portion of a travel advance must be returned to WSU at the close of the authorized travel period. (SAAM 10.80.60)

A University employee who does not repay an advance is considered to be in default. The University may withhold amounts due from the employee's salary or wages.

Close of Fiscal Year

All outstanding Expense Reports that claim reimbursement or account for travel advances from state accounts must be submitted in Workday to Travel Services by the third working day of July.

EXPENSE REPORT

Upon completion of a business trip the traveler or an employee assigned with the expense data entry specialist security role prepares an Expense Report in Workday. The Expense Report serves the following purposes:

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- EXPENSE REPORT (cont.)**
- To authorize travel and travel-related expenses for employee in-state travel.
 - To claim reimbursement for travel and travel-related expenses.
 - To report and account for travel advances.
 - To account for travel supported by third-parties.

The Expense Report becomes the authority for WSU to reimburse the traveler and is the official record of travel and authorized expenses.

The Expense Report in Workday is used to process travel reimbursements for:

- WSU employees
- Candidates
- Pre-hires
- Students
- Academic affiliates

NOTE: Travel reimbursements for other types of nonemployees, e.g., speakers, are to be managed using the Create Request business process in Workday, selecting the Payment Request as the request type. (See *BPPM* 95.01 and 95.25 and the nonservice payment requests subsection of the Workday Create Supplier Invoice Request reference guide for Payment Request instructions.)

Preparing an Expense Report

Each Expense Report includes the expenses for only the claimant unless there is an approved exception on file allowing the traveler to pay for another traveler's expenses. The Controller's Office must approve all exceptions.

Receipts and Documentation

The traveler must submit receipts for the following expenses:

- Lodging
- Transportation (i.e., airfare, rental car)
- Allowable miscellaneous travel expenses in excess of \$50

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Documentation (cont.)

- Itemized meal receipts when reimbursed at actual cost
- Miscellaneous supplies of any value
- Allowable laundry and dry cleaning

NOTE: If a purchase is made using foreign currency, a copy of the the currency conversion rate for the date of the purchase must be attached to the receipt and submitted with the Expense Report.

WSU employees must scan and attach original receipts to the Expense Report to be retained in the Workday system.

The department expense data entry specialist must create an Expense Report to process a travel reimbursement for any candidate, pre-hire, nonemployee student, or academic affiliate. The expense data entry specialist:

- Prints a copy of the Expense Report to obtain the traveler's signature;
- Attaches the signed copy to the Expense Report in Workday; and
- Scans and attaches original receipts to the Expense Report to be retained in the Workday system.

Missing or Inadequate Receipt

If a receipt is unavailable, lost, or inadequate the traveler must attach a completed and signed Receipt Affidavit to the Expense Report routed in Workday to Travel Services. (See the Workday Create Expense Report reference guide for instructions.) After verification, Travel Services may approve reimbursement on an exception basis.

Required Information

Upon returning from a trip, the claimant is responsible for completing the Expense Report or providing the required receipts and information to the department administrator responsible for completing the Expense Report.

See the Workday Create Expense Report reference guide instructions.

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RECORDS RETENTION

Travel Services

Travel Services is responsible for ensuring that scanned images of the receipts and documentation and the Workday version Expense Report are kept in the Workday system for the full retention period of the Expense Report. (See *BPPM 90.01*.)

Department

The department submitting scanned receipts with an electronic Expense Report is responsible for retaining the paper originals for the full retention period of the Expense Report (see *BPPM 90.01*). The department is to ensure that a given receipt is not submitted for reimbursement more than once.

NOTE: A department may retain scanned receipt images as the originals, in place of the paper receipts, *if the department is able to ensure* that the scanner used produces images that meet state records management requirements. See *BPPM 90.21* for further information regarding imaging University records and a link to the state requirements.