

UC Davis Policy and Procedure Manual

Chapter 300, Travel and Transportation

Section 25, Special Travel Situations--Non-University Travelers

Date: 9/15/04

Supersedes: 300-10, 5/21/99 & revisions

Responsible Department: Accounting & Financial Services

Source Document: Business and Finance Bulletin G-28, Policy and Regulations Governing Travel

See [Section 300-10](#), *Travel Policy Overview*, for forms, quick links, and references.

Unless otherwise noted, the general University travel policy set forth in [Section 300-12](#) also applies to non-University travelers.

I. General

- A. Travel expenses incurred by non-University travelers shall not be reimbursed from a University fund source unless the travel has been approved in advance by the vice chancellor or dean. Travelers in this category include prospective employees, independent contractors and consultants, inbound travelers hired by the University for a temporary assignment, foreign visiting scholars, and spouses.
- B. Allowable travel expenses for non-University travelers are subject to the provisions of this policy. A Travel Expense Voucher must be submitted in accordance with the requirements set forth in [Section 300-26](#). Such reimbursements shall be tax-coded in accordance with governing tax laws.

II. Prospective Employees

- A. Authorization

Vice chancellors and deans may authorize reimbursement of the actual travel expenses related to interviewing prospective employees, when such expenses are necessary to acquire key personnel for employment at the University. Authorization shall be obtained before any commitment to reimburse travel expenses is made to the prospective employee. Reimbursement of allowable expenses is not taxable if the expenses are properly substantiated. In addition, upon recommendation by the vice chancellor or dean, the Associate Vice Chancellor--Finance may approve, as an exception, reimbursement of actual travel expenses for spouses who accompany candidates for faculty or high-level administrative positions (including Manager and Senior Professional positions) on final interviews. Reimbursement of a spouse's expenses is taxable.
- B. Allowable expenses

Actual transportation expenses shall not exceed one round-trip air coach fare between the prospective employee's residence and the interview location. Subsistence and non-personal miscellaneous expenses also may be reimbursed. Transportation and lodging expenses for such individuals may be paid directly by the University.

III. Independent Contractors and Consultants

Reasonable travel expenses incurred by University-retained independent contractors or consultants are reimbursable in accordance with this policy. Such reimbursements are not taxable, provided the amounts claimed are properly substantiated. Unsubstantiated amounts must be reported as income to the contractor on a Form 1099.

IV. Inbound Travel--Temporary Assignments

- A. Individuals (including employees, independent contractors, and consultants) hired by the University for temporary assignments that do not last more than one year may be reimbursed for travel expenses, including meals and lodging. Such individuals must incur lodging expenses that

duplicate the expenses of a permanent residence in another location and satisfy one of the following criteria:

- The traveler has a member or members of his or her family currently residing at the permanent home.
 - The traveler intends to return to the vicinity in which his or her claimed residence is located.
- B. The reimbursement for lodging shall be reduced by any amount received by the traveler for renting out his or her primary residence.
- C. Inbound travel is subject to the provisions for outbound travelers outlined in [Section 300-20](#), Travel of 24 Hours or More. Inbound travel in excess of one year is subject to the provisions contained in Section 300-20 (indefinite travel).

V. Foreign Visiting Scholars

- A. A foreign visiting scholar who is an employee of another entity (e.g., a foreign university) may be reimbursed for substantiated travel expenses. Such amounts are excludable from the individual's income, are not reported as compensation, and are exempt from withholding and payment of employment taxes.
- B. A foreign visiting scholar who is an independent contractor may be reimbursed for travel expenses provided the expenses are properly substantiated and the amount of the reimbursement does not exceed the substantiated expenses. If these requirements are met, such payments are not subject to withholding or reporting.
- C. Payments to foreign visitors, including advances for airfare, cash advances, and reimbursements for travel expenses, may be restricted by the visitor's visa status or other requirements established by the Immigration and Naturalization Service. Contact Accounting Office & Financial Services (530-757-8541) for additional information.

VI. Spousal Travel

- A. The travel expenses of a spouse (or equivalent) who accompanies a University business traveler (e.g., the Chancellor, a vice chancellor, or other employees as approved by the dean or vice chancellor) are reimbursable under this policy, provided it can be established that the spouse's presence serves a bona fide University business purpose.
- B. Under IRS regulations, the travel expenses of a spouse are not taxable, provided it can be established that his or her presence serves a bona fide business purpose. A spouse who attends a function is considered to have a business purpose if he or she has a significant role in the proceedings or makes an important contribution to the success of an event. Generally, protocol or tradition dictates when the participation of a high-level official's spouse is required at official University functions, such as alumni gatherings, fund-raising or ceremonial activities, certain athletic events (see below), and community events. Documentation should be provided with the Travel Expense Voucher to show that the spouse's attendance at the function meets the above conditions (e.g., an event or meeting agenda, or a letter of invitation requesting that the spouse attend the meeting or event).
- C. If a spouse has no significant role in the proceedings, or performs only incidental duties of a social or clerical nature, attendance does not constitute a bona fide business purpose. Such expenses are taxable to the employee and therefore may not be reimbursed under this policy.
- D. In accordance with the Policy on Associate of the President/Chancellor (<http://www.ucop.edu/ucophome/coordrev/policy/4-11-95.html>), an Associate may be reimbursed for expenses related to the use of a personal automobile for University business purposes at the basic mileage rate specified (<http://www.ucop.edu/ucophome/policies/bfb/q28a.pdf>).

- E. Spousal travel expenses may not be charged to state funds. Contract and grant funds may only be used to reimburse spousal travel if the special provisions of the contract or grant are satisfied. Various non-state funds controlled by the University may be used to fund spousal travel, but only within the restrictions, if any, governing the use of the fund and within the policy set forth in this policy.

VII. Athletic Travel--Spouse and Other Family Members

- A. Travel by a spouse (or equivalent) who accompanies an athletic director (or assistant director or head coach) to sporting events such as bowl games and tournaments is presumed to have a bona fide University business purpose (see VI above) in situations where the NCAA or potential donors expect that certain high-ranking members of the athletic department, and their spouses, will participate in events associated with these athletic activities. The travel expenses of a spouse incurred in the pursuit of such activities may be reimbursed, provided documentation, such as an NCAA event agenda, is provided to substantiate the business purpose of the travel. Such amounts are not taxable or subject to reporting.
- B. Travel expenses incurred by other family members generally do not satisfy the bona fide University business purpose test and therefore are not reimbursable.