



Procedure Title: Employee Business Expense Reimbursement

Purpose Statement:

Minnesota State Policy 5.19 and Procedure 5.19.3 provides guidance to the employees of Minnesota State Community and Technical College related to employee travel and reimbursement of expenses incurred. This procedure will provide employees with the steps required to receive reimbursement.

Procedure:

1. Travel Regulations.

- a) Preapproval. All in-state travel and the incurrence of related expenses must receive prior approval by employee's supervisor and all out-of-state travel requires written prior approval by the college president.
- b) Use of purchasing cards for authorized business expenses is strongly encouraged. The card is used for all travel-related expenses of the cardholder except employee food, beverages and those things prohibited in the college Procurement Card Procedure.
- c) Travel Advances. The amount of the advance should not include any expense that will be directly billed. Advances should be requested a minimum of 14 days before departure using the Employee Expense Report. No advance will be issued for less than \$50. A traveler may not have more than one outstanding travel advance. Settlement of the advance will include an Employee Expense Report along with all appropriate receipts and documentation and must be submitted within five (5) days of returning from the trip. Advances not settled within 28 days of return date will be deducted from the employee's paycheck in their entirety.
- d) Meals. If requesting reimbursement for meals, employee must complete the leave time and return time in full detail. This information is needed to determine eligibility for reimbursement. The following rules apply:
 - To claim breakfast, travel must have begun prior to 6:00AM or be in overnight status.
 - To claim lunch, employee must be in travel status between 11:00AM and 1:00PM. Please note that travel status is when employee is at least 35 miles from their home campus.
 - To claim dinner, employee must be in travel status after 7:00PM.
 - Meal reimbursements are for the actual cost of the meal up to a meal maximum allowed by contract.

- Cost of a meal includes tax and a reasonable gratuity and cannot include alcoholic beverages.
- e) Mileage. If claiming mileage for use of a personal vehicle and employee leaves from home, the reimbursement is the mileage from either their residence or home campus to the destination, whichever is less. Mileage must be actual amounts and not rounded up or down. For reference, the expense reimbursement form has the mileage between campuses listed as well as reimbursement rates.
 - f) Eligibility to drive. Annually, any employee who will be driving a college vehicle must submit a Vehicle Use Agreement and consent to have the Department of Risk Management review their driving record. Employee is not required by law to provide this information, but if not provided, employee will not be eligible to drive a state owned or leased vehicle. Employee ability to drive a personal vehicle for system activities is not affected by the completion of this form.
 - g) IRS Rules. Expense reimbursements need to be submitted within 60 days of the expense being incurred. Reimbursement requests that are processed after the 60 days require us to withhold taxes from the employee reimbursement and also requires M State to pay our portion of the FICA/Medicare tax.
 - h) Fiscal Year End. All travel reimbursements for the fiscal year (ending June 30) must be submitted by July 6 (or earlier depending on fiscal year close date) and processed to ensure prompt payment from the proper fiscal year. An employee expense report submitted after July 6 requires a written explanation signed by your supervisor.

2. Expense Reimbursement Form and Routing.

- a) Employee. Complete the expense reimbursement form in its entirety and remember to include:
 - Cost center number.
 - Permanent/Home campus work location and home address.
 - SEMA4 Employee ID.
 - Reason for travel and trip dates.
 - If the reimbursement is for a trip that went over multiple days, each day must be completed on a separate line.
 - Complete all rows & columns including the total boxes.
 - If the trip was out of state travel (other than the North Dakota border cities), a copy of the approved Out of State Authorization must be attached. Employee must enter in state and out-state travel on separate forms.
 - Receipts need to be attached for all expenses other than meals, taxi services, baggage handling, parking meters, pay telephones, coin-operated laundry machines, gratuity (tip) paid to housekeeping staff at a licensed lodging facility, tolls and metered photocopiers unless specified by the

applicable collective bargaining agreements or compensation plans. It is the employee's responsibility to obtain and submit the correct receipts.

- Faculty and Staff Development reimbursements must have approved forms attached.
- Failure to fill out the form completely may delay processing.
- Employee must sign, date and enter phone number on the form.
- Employee will submit signed expense reimbursement form and required documentation electronically to supervisor for review and approval and retain original for employee records.
- Deadline for forms to be received by Business Services will be the end of the day each Monday of payday week. This will generally result in reimbursement on the payday two weeks from that week's payday.

b) Supervisor Review, Approval and Submission.

- I. Carefully review the information on the expense reimbursement forms prior to signing them.
- II. Verify that the form includes:
 - Cost center number.
 - Employee permanent and home address which is needed to determine if the mileage is accurate from the place of departure.
 - SEMA4 Employee ID.
 - If the reimbursement is for a trip that went over multiple days, each day needs to be completed on a separate line.
 - If the trip was out of state, the Out of State Authorization must be attached.
 - Receipts need to be attached for all expenses other than those listed under 2 (a) above.
 - If the employee is requesting reimbursement for meals, they must have completed the leave time and return time in full detail.
 - Meal reimbursements are for the actual cost of the meal up to a meal maximum. If an employee submits an expense reimbursement with all of the meals at the maximum level, check with them to make sure they understand the policy. If they indeed had meals that were at the maximum cost, please make note of that on the form.
- III. Sign, Date and enter work phone on the form. The form may be signed electronically by the supervisor.
- IV. Form and all required documentation are emailed to businessexpense@minnesota.edu by only the supervisor or their administrative assistant and not by the employee requesting reimbursement as required by Minnesota State.
- V. Business Services will not accept paper copies of expense forms or required documentation in order to avoid duplication of submissions.

c) Business Services Processing.

- I. Business Services personnel will enter business expense form and retain documentation for audit.

Associated Forms/Documents:

Minn State Travel Management Policy: <https://www.minnstate.edu/board/policy/519.html>

Minn State Travel Management Procedure: <https://www.minnstate.edu/board/procedure/519p3.html>

M State Finance/Payroll Forms: https://employees.minnesota.edu/files/forms/?s=5#f_Finance/Payroll

State of Minnesota Procedures:

http://www.sema4.state.mn.us/html/doc/eng/webhelp/Employee_Business_Travel_Expenses_-_Operating_Policy_and_Procedure1.htm

Procurement Card Procedure: <https://employees.minnesota.edu/files/file/?s=4&id=41371>

Procedure History:

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Date and Subject of Revision: Enter the Date and Revision information.