

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM  
BUSINESS PROCEDURES MANUAL

Procedure 8.1

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Procedure Responsibility: Office of Business Services  
References: Business Procedures 1.14, 1.16, 1.17

## Travel Expense and Reimbursement

### Sections

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### Travel Account Numbers

#### Account Description

50110 Employee In-state Travel  
50120 Employee Out-of-state Travel  
50130 Non-Employee Travel  
50132 Board of Regents In-State Travel  
50133 Board of Regents Out-of-State Travel

### Section 8.1.1 — Definitions

The following definitions are used in this procedure, unless the context requires otherwise:

A. 'High rate area' means any area outside the Commonwealth of Kentucky.

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- B. “Receipt” means any preprinted original invoice or statement, from a hotel, motel, restaurant, or other establishment, showing the date of service, the amount charged for the service, the location where the service was performed, and a description of the expense. See Section 8.1.8 for additional information.
- C. “Subsistence” means amounts deemed to have been expended by an employee or other person authorized to receive reimbursement from KCTCS for meals, including tax and gratuities, while traveling on official KCTCS business; but shall not include any meals which may be included in registration fees paid by or on behalf of an employee or authorized person.
- D. “Residence” means address of the employee designated in the official records of KCTCS Human Resources.
- E. “Place of Employment” means address of the employee designated in the official records of KCTCS Human Resources.
- F. “Operating Unit” is a Community and Technical College, a Community College, a Technical College, or the KCTCS System Office.
- G. “College President-CEO” means a College President/Chief Executive Officer (CEO).
- H. “Approving Authority” means KCTCS management of the employee in travel status and also as identified in Section 8.1.4. A for in-state travel and in Section 8.1 .4.B for out-of-state or out-of-country travel.

**Section 8.1.2 — General**

- A. Compliance
  - 1. Each approving authority shall be responsible for ensuring that travel reimbursement conforms to the provisions of this procedure and that all travel expenses are as economical as reasonably feasible.
  - 2. A person who travels on official KCTCS business shall:
    - a. State on the travel voucher the purpose of each trip.
    - b. Maintain records and original receipts to support the reimbursement claim.
    - c. File the receipts in chronological order of the date of travel; and,
    - d. Make available sufficient personal funds to defray travel expenses until a travel reimbursement voucher can be properly processed and payment can be made.
    - e. Attach a copy of the travel authorization (if Out-of-State) and documentation (brochure, agenda, etc.) of the conference, meeting, etc., attended.

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3. Any travel expense claims are to be submitted to the local college business office for college personnel and to KCTCS Accounts Payable for System Office staff using a KCTCS Travel Voucher Form (8A3, BA3a, BA3b). Travel Voucher Forms are available on the KCTCS Business Services website. [Travel Forms on the Point](#)
  4. Each College President/CEO or designee shall, as necessary:
    - a. require additional written justification for amounts claimed by an employee
    - b. disallow or reduce the amount of a claim that does not comply with provisions of this procedure
- B. Eligibility - reimbursement shall not be claimed for expenses of any person other than a KCTCS employee, except as defined below or by Business Procedure 1.14, Non-Employee Meals, Refreshments, and Accommodations.
1. A KCTCS business unit may reimburse non-employees for employment interviews up to a maximum of \$2000. Exceptions to this dollar limit shall have the prior approval of the KCTCS Vice President - Finance. This reimbursement requires the approval and signature of the College President/CEO if at a college or a KCTCS Cabinet member for that employee's work area if at the System Office on the Travel Voucher. All such reimbursements and rates are subject to those as defined within these travel procedures.
  2. Members and guests of the Kentucky Fire Commission may claim reasonable and actual expenses per KRS 95A.020 (4). Guests of the Fire Commission are defined as spouses and dependents of firefighters killed in the line of duty. Members and guests shall provide original receipts to support reimbursement claims. KCTCS staff members who support the work of the Fire Commission shall claim travel expenses as KCTCS employees.
  3. Members and guests of the Kentucky Board of Emergency Medical Services (KBEMS) shall claim travel expenses as KCTCS employees. KCTCS staff members who support the work of the Board of Emergency Medical Services shall also claim travel expenses as KCTCS employees.
  4. KCTCS students may be reimbursed for travel expenses not to exceed the amount of the allowance for employees. Advance approval for student travel is required with supporting documentation of the approval to accompany the request for reimbursement. KCTCS students' travel expenses shall be audited and approved by the faculty/staff advisor coordinating the travel prior to submitting the travel to the college business office for payment.
  5. Official KCTCS guests providing service gratis may be reimbursed for travel expenses when the guests are not being compensated by KCTCS in any other way, amounts exceeding allowance for employees is subject to review and approval by the KCTCS System Director of Business Services.

- C. Interpretation - Interpretations of this procedure shall be made by the KCTCS System Director of Business Services with advice from the KCTCS Vice President - Finance, as necessary. These determinations shall be final and conclusive.

### Section 8.1.3 — Worksite

The official worksite of an employee assigned to a college shall be the campus street address where the college is located. The worksite for System Office employees shall be the System Office address.

### Section 8.1.4 — Authorizations

- A. In-State Authorization - For travel within Kentucky, an employee shall obtain prior authorization from his/her immediate supervisor and/or the person having budget authority for the budget being charged. In-state authorizations may be made through an email as long as the request states the business purpose for the trip, the date of trip and the budgetary amount approved.
- B. Out-of-State Authorization - For travel outside Kentucky, but within the United States, an employee shall obtain prior authorization as listed below. Out-of-state travel requires authorization by the immediate supervisor **and the College President or System Office Cabinet Officer as appropriate**. If the immediate supervisor is not the party responsible for the budget paying for the travel, additional approval by the person responsible for the budget is required **along with the KCTCS or College President**. Authorization for out-of-state travel is to be made per the BA25 form (Out-of State Travel Authorization). The form is to be completed and approved by the appropriate supervisor prior to the trip. The completed form should be filed with all travel related expenses from the trip charged to KCTCS whether paid by reimbursement or by procurement card, check request or requisition.

**Note:** If traveling out-of-state but not staying overnight the travel is considered in-state for purposes of reimbursement. If authorization is given by e-mail by the supervisor and/or budget authority the e-mail must include the business purpose for the trip, the date of trip and the budgetary amount approved. Approval by e-mail cannot be used as a substitute for form BA 25 (Out-of State Travel Authorization) when traveling overnight.

#### Employee Assignment

College Faculty/Staff Member  
KCTCS System Office Staff Member  
College President/CEO

#### Out-of-State Approving Authority

College President/CEO  
Cabinet Member in charge of that area  
No approval required

- C. Out-of-Country Authorization - Prior authorization by the KCTCS President, or designee, (the KCTCS Chancellor) is required for employee travel outside the United States. For audit purposes, the completed form BA26 – Out-of Country Travel Authorization must accompany the employee's request for reimbursement or a copy of BA26 for any

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expense charged to a KCTCS Procard, check request or requisition.

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### Section 8.1.5 — Transportation

- A. All KCTCS employees shall use the most economical standard transportation defined as the most direct and commonly traveled routes available. Expenses added by use of other transportation or routes are the responsibility of the individual employee. Exceptions shall not be reimbursed by KCTCS unless having a documented bona fide business purpose approved by the KCTCS System Director of Business Services. See Section 8.1.9 Waivers.
1. Commercial airline travel shall be at coach/economy class (lowest) rate. Airline ticket purchases may be made at either commercial travel agencies or on-line ticketing. Additional expense for first-class or business class travel is not reimbursable. Similarly, airline travel vouchers and frequent flier miles are not reimbursable to employees for travel in connection with KCTCS business. KCTCS does not purchase airline vouchers or frequent flier miles from employees, board members, or official guests.
  2. Whenever possible, KCTCS procurement card (ProCard) shall be used to purchase employee airline tickets in lieu of an employee making the purchase from personal funds and requesting reimbursement on a travel voucher.

**Note:** *The procurement card must be a Level II or III card to make an airline ticket purchase. Please see Business Procedure 4.2 Procurement Card for additional information.*

Airline ticket purchases using a KCTCS procurement card are to be excluded from the employee's request for travel reimbursement. The receipt for the airline ticket purchase is to be filed with the monthly procurement card statement.

Employees without access to a KCTCS procurement card are to contact the local business office for instructions in making airline ticket purchases. In the event an employee does not use a KCTCS procurement card to purchase an airline ticket, the employee is responsible for attaching a statement of explanation to the travel reimbursement request as to why a procurement card was not used.

**Note:** Payment for airfare made in advance is to be charged to the fiscal year which the travel occurs. If the travel takes place in a future fiscal year, the employee should contact KCTCS Accounting for the reclassification of the expense (registration fee, airfare, etc.) to a pre-paid expense and reclassify the expense to the next fiscal year – the year the trip/expense will occur.

- B. KCTCS or state-owned vehicles with fuel credit cards (either assigned to KCTCS or from the State Motor Pool) shall be used for KCTCS business travel if available and feasible. Mileage payment cannot be claimed if KCTCS-owned vehicles are used.

Mileage claims for use of privately-owned vehicles shall be allowed if a KCTCS vehicle was not available or feasible at the time of travel. Employees driving a personal vehicle or using other modes of transportation (i.e., train or bus) for out-of-state travel instead of air travel cannot be reimbursed for amounts greater than the lowest coach/economy class airfare.

1. Mileage for commuting between home and the employee's primary worksite (primary worksite is generally defined as the physical location an employee performs or is assigned to for the majority of his/her job duties and responsibilities) is not allowable and shall not be paid.
  2. If an employee's point of origin for travel is the employee's residence, mileage shall be paid for the shorter of mileage between:
    - a. Residence and travel destination; or
    - b. Worksite and travel destination
  3. Vicinity travel is to be listed separately from other authorized travel on the travel expense voucher.
- C. Employees are encouraged to use buses and subways. Taxi fare is allowed when more economical transportation is not feasible. Employees are to review and comply with Business Procedure 1.17.4 Car Rental — Vehicles for a rental vehicle. Explanation as to why economy class transportation was not used should accompany one's reimbursement request when economy class transportation is not used.

#### **Section 8.1.6 — Accommodations**

- A. KCTCS employees in travel status requiring overnight stay shall use the most economical lodging as measured by travel costs, the location of the lodging, and practicality of time. Facilities providing special government rates or commercial rates shall be used where feasible. Also, state-owned facilities are to be used for meetings and lodging if available, practicable, and economical.
- B. Cost for lodging within forty (40) miles of the employee's official worksite or home, whichever is closer, shall not be reimbursed unless a waiver is requested in advance, in writing from the KCTCS System Director of Business Services.

**Note:** Requests for wavier shall include information in such detail to enable one to determine the necessity of the request versus simply the request without supporting information.

- C. For group lodging information, please refer to KCTCS Business Procedures 1.11.6 Group Lodging Contracts and 1.16 Direct Billing and ProCard Purchase of Accommodations or Meals.

**Note:** A procurement card may be used to make payment for group lodging when approved in advance as part of a direct bill request to the Office of KCTCS System Director of Business Services.

D. Sales Tax —

1. Contracted group meeting rooms, lodging, and meal charges are exempt from Kentucky sales tax and the KCTCS sales use tax number (**A20633**) assigned by the Kentucky Revenue Cabinet must be specified on the payment document.

(Refer to KCTCS Business Procedure 1.11.6 and 1.16.) The sales tax exemption number is located on the front of all KCTCS procurement cards. It is the cardholder's responsibility to ensure proper use of the KCTCS tax exemption number. Note: KCTCS is subject to hotel taxes.

2. Individual employee lodging -- KCTCS tax exempt numbers are not to be used with individual employee lodging to avoid point of sale Kentucky sales tax. Rather, the employee or guest of KCTCS will be reimbursed for the sales tax when filing their travel voucher.

### Section 8.1.7 — Reimbursement Rates

A. Lodging

1. Except as noted in item 2 of this subsection, KCTCS employees shall be reimbursed for the actual cost of lodging if the lodging is determined to be the most feasible as measured by the location of the lodging, and practicality of time. The receipt of payment for the lodging must be broken out by day and must be attached to the travel expense voucher.
2. Reimbursement for individual lodging shall not exceed the cost of a single room rate, unless employees are sharing lodging. In this case, each employee shall be reimbursed for one-half the double occupancy rate.
3. It is the practice of many lodging establishments to require a deposit, which actually charges a credit card prior to the hotel stay. In the event that this occurs and the actual business trip is at least thirty (30) days following the date of the deposit, the employee may request reimbursement using an Employee Reimbursement Form (BA2) if the employee did not use a KCTCS procurement card to make the reservation. The reimbursement should charge the appropriate

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travel expense account. The reimbursement of the deposit shall be deducted from the employee's Travel Expense Voucher (BA1) using the appropriate line and a copy of the Employee Reimbursement Form shall be attached to the travel voucher.

B. Subsistence (Meals)

1. KCTCS employees shall be eligible for reimbursement for subsistence expenses if the authorized work requires an overnight absence at a destination more than forty (40) miles from the employee's work station. Subsistence reimbursement is not applicable if the employee is not on authorized travel status. Requests for exception, to include supporting explanation, are to be sent to the KCTCS System Director of Business Services for review and approval.
2. Subsistence reimbursement rates for travel within Kentucky are a daily amount of \$35 for each overnight absence plus the day the employee returns home. If an employee is attending an event where a meal or meals are provided, the employee is to deduct the following amounts for any provided meals --- Breakfast \$7.00, Lunch \$10.00, Dinner \$18.00. Examples of such events include: RSVP peer team meetings, New Horizons, system-wide peer team meetings, professional development events, and the KCTCS President's Leadership Seminar.
3. Subsistence reimbursement rates for travel outside of Kentucky are a daily amount of \$45 for each overnight absence plus the day the employee returns home. An employee is to deduct the following amounts for any provided meals (e.g., at conferences or seminars) --- Breakfast \$8.00; Lunch \$12.00; Dinner \$25.00.
4. Gratuities for meals are included in the subsistence allowance rate.
5. Employees traveling out-of-state, but where the overnight stay is within Kentucky shall be reimbursed at the in-state rate.

C. Mileage

1. Reimbursement for authorized use of a privately-owned vehicle shall:
  - a. Be made at the rate of forty-seven cents per mile (\$0.47); and
  - b. If the travel is out-of- state, mileage and subsistence is not to exceed the cost of the lowest airplane coach fare. The employee's supervisor shall determine if any additional travel time shall be taken as vacation leave due to the additional travel time required because of motor verses air travel.

2. Mileage for in-state travel shall be based on “Map Quest” or the “Kentucky Official Highway Map.”
3. Actual parking, bridge and highway toll charges shall be reimbursed. Airport parking shall be reimbursed at the “economy” rate (the lowest priced lot) at that airport. A receipt is required if the expense is greater than \$20.00. Other transportation related charges, such as valet parking may only be allowed with circumstantial justification, such as availability, safety, or security. Such circumstantial justification shall be provided with the travel reimbursement request and is subject to review and approval by the KCTCS System Director of Business Services.

D. Registration Fees — Conferences and Professional Meetings

1. The KCTCS procurement card shall be used to pay conferences and professional meetings registration fees in lieu of an employee making the purchase from personal funds and requesting reimbursement on a travel voucher. Conferences and professional meetings may be paid in advance of the event using a KCTCS procurement card. Payment for registration fees made in advance will be charged to the fiscal year from which payment is made. If the travel takes place in a future fiscal year, the employee should contact KCTCS Accounting for the reclassification of the registration fee to a pre-paid expense and reclassification of the expense to the next fiscal year – the fiscal year in which the travel occurs.
2. Employees shall attach the conference or meeting registration form, agenda, brochure, or other documentary evidence of attendance with their travel voucher. If a registration fee entitles the registrant to meals, claims for meals shall be reduced according to 8.1 .7.B 3 or 4 as applicable.

E. Communications

1. Telephone, internet and fax charges for necessary official business are a reimbursable expense.
2. Telephone calls to the employee’s operating unit shall be made through:
  - a. KCTCS issued cell phone or
  - b. KCTCS 800, 877, and 888 numbers, when available

3. An employee is allowed one (1) "safe arrival" phone call home after arrival at the destination when traveling out of state. The phone call is not to exceed five (5) minutes in length.

F. Miscellaneous Charges

1. Reimbursement shall be made for reasonable charges for:
  - a. Baggage handling, including, delivery of baggage to or from a common carrier, lodging, and/or storage of baggage.
  - b. Overweight baggage charges, if the charges relate to official business.
  - c. Vehicle parking, excluding valet parking except as described in Section 8.1.7.C.3.
  - d. Gratuities for bellhops, maids, taxies, etc., excluding meals.  
(Gratuities for meals, etc., are included in the subsistence allowance rate.)

**Note:** Gratuities are reimbursed at normal and customary rates. Examples: \$1 to \$2 per bag, \$1 to \$2 per day for maid service, and 15 to 20 percent for all other services. Amounts requested for reimbursement beyond normal and customary for gratuities require an explanation as to the propriety of the business expense; otherwise tipping above what is ordinary and customary will be assumed by the individual.

2. Excluded from reimbursement for lodging are charges for room service, movies, games, etc. and related gratuities.

**Section 8.1.8 — Receipts**

- A. Original receipts or other credible evidence for all expenses greater than \$20.00 must be attached to the travel voucher.
- B. Receipts for travel approved at a college shall be retained by the college. A copy of the receipt is not required to be submitted to the System Office, except for the college president/CEO.

**Section 8.1.9 — Exceptions**

- A. The KCTCS System Director of Business Services may approve an exception due to a work-related situation. Each request for exception shall be reviewed on an individual, standalone basis, with supporting explanation/documentation included within the request. Requests without explanation/documentation will not be considered.

- B. Where and when possible the request for exception should be prior to the travel and must be in writing (e-mail will suffice). The request must contain the affected employee(s) name and worksite, the nature of the exception being requested, the bona fide business purpose, and benefit to KCTCS. If the exception is approved it shall be attached to the employee's travel voucher for audit documentation purposes.
- C. Only the KCTCS System Director of Business Services may approve exceptions to the travel procedure.

### Section 8.1.10 — Travel Voucher Requirements

- A. A travel voucher (Form BA3) for expenses made for KCTCS employees must include the name, current address, and status or official relationship of the individual submitting the travel voucher. A Travel Voucher Continuation (Form BA3a) and Travel Voucher — Other Expenses (Form BA3b) may also be used to claim travel reimbursement.
- B. A travel voucher shall be submitted:
  - 1. For one major trip or one month's travel,
  - 2. Within thirty (30) days of return, and
  - 3. Not crossing fiscal years.

**Note:** Travel paid in a previous (old) fiscal year and taken in the following (new) fiscal year may be accrued to the new year as a prepaid expense. Please contact KCTCS Accounting for specifics.

- C. A travel voucher shall include:
  - 1. The vendor identification number of the claimant. **An employee may locate their vendor identification number by logging into KCTCS Employee Self-Service – under the Personal Information tab, then scrolling down to the bottom of the Personal Information tab.)**
  - 2. Purpose of each trip with supporting documentation of conference brochure, meeting agenda, etc. Abbreviations and acronyms are not acceptable -- full disclosure for audit review purposes is required.
  - 3. Employee signature and date signed.
  - 4. Employee's supervisor or signature of individual having budget authority for the travel expense.
  - 5. Out-of-state or out-of-country travel authorization approval.

### **Section 8.1.11 — Submission of Travel Voucher**

A travel voucher shall be typed and the scanned copy, with attachments, e-mail to the business office of the employee's college campus or to KCTCS Accounts Payable ([accountspayable@kctcs.edu](mailto:accountspayable@kctcs.edu)) if an employee of the System Office for payment. The travel voucher is to include:

1. Receipts for expenses greater than \$20.00.
2. A copy of supporting documentation of conference attendance, e.g., conference brochure, meeting agenda, etc.
3. A copy of out-of-state or out-of-country approval as applicable.
4. A copy of any approval of an exception to procedure.

### **Section 8.1.12 — Reimbursement of Travel Expenses**

KCTCS Accounts Payable, following an audit by the operating unit's business office for compliance to this procedure, will make the employee reimbursement of travel expense. The reimbursement will be by electronic funds transfer (EFT) unless the employee does not have direct deposit. Employees being paid by payroll paycard will also receive an EFT. The employee will receive an e-mail notification prior to the deposit. The actual deposit will occur 2 to 3 days after the e-mail notification is sent. For any person that does not have direct deposit established with KCTCS a check will be mailed directly to the person's address listed on the KCTCS Travel Expense Voucher.

**End of Procedure**