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Financial Administration Home Page: <http://www.uwsa.edu/fadmin/>

Travel Page: <http://www.uwsa.edu/fadmin/travel.htm>

TRAVEL MAXIMUMS

There is no word yet on whether lodging and meal maximums or mileage reimbursement rates will increase for the next biennium. The General Services Administration has recently raised the reimbursement rate for Federal employees using their own cars on official business to 32.5 cents. Institutions will be notified of any changes as soon as possible.

HOTEL CONTRACTS

System Administration has selected new preferred hotels in the city of Madison. They are Baymont Inn and Suites, Hampton Inn East, Howard Johnson Plaza Hotel, Radisson Inn Madison and Sheraton Madison Hotel.

Each offers very good rates and services and employees should be strongly encouraged to utilize these properties for their business or leisure needs. Details concerning contract rates and special services can be found on the on the UW System Travel Web site.

TRAVEL WEB SITE – NEW LOOK

Check out the UW System Travel <http://www.uwsa.edu/fadmin/travel/htm!> It has been redesigned and enhanced to provide easier access to the information for UW travelers. And while you're there, bookmark it for faster access next time.

We appreciate the recent efforts of some institutions to provide a link to this site from their institution's Web pages. This link provides employees access to the travel information which will help to reduce both direct and indirect travel costs.

TRAVEL STATISTICS FOR BUDGET CALCULATIONS

At over \$40 million annually, the cost of travel has a significant impact on organizational budgets. The most recent forecast by industry analysts as compiled by Runzheimer, a company which specializes in nationwide travel trends, reveals that the overall cost of travel will rise 4.8% and components will rise as follows:

- airfare, 5.1%,
- lodging, 12% in downtown locations,
- lodging, 7% in suburban and airport locations,
- car rental, 4.8% and
- meals, 3.5%.

In the last Systemwide Travel Survey, conducted in the fall of 1996, the breakdown of out-of- state travel systemwide, by category, was airfare 31%, lodging 34%, car rental 2%, meals 9%. Figures particular to each institution can be found in that survey.

AMERICAN EXPRESS CONTRACT

After lengthy negotiations between The State of Wisconsin Department of Administration and American Express, the two parties have agreed to extend the contract to June 30, 1999.

The terms of the extension agreement require that:

1. we strongly encourage all State/UW employees to use their corporate card for payment of travel (lodging, air and car).
2. we allow American Express to cancel all cards with spending of less than \$500 in the last 12 months. Note: We will take steps to ensure that this is a painless operation so employees don't find out in a checkout line that their card has been canceled.
3. we work with American Express to promote awareness of the value of the program.

Between now and June 30, 1999, we will evaluate the entire corporate card program and decide whether or not to again contract for that service. Any feedback regarding the value of a corporate card program is welcomed and may be communicated to Gary Prisbe at: gprisbe@cmail.uwsa.edu.

NEW HOUSEHOLD MOVING CONTRACTS

UW System Administration has selected two vendors to serve the UW System for employee household moving services. The vendors are: A.A. Metcalf Moving & Storage, which was the vendor last time, and Graebel Van Lines.

Employees will have the option of selecting either vendor or, because the contracts do not require mandatory usage, obtaining three estimates and using another vendor. However, because the contract rates are steeply discounted, employees are strongly encouraged to utilize one of the contract vendors.

Details concerning the rates and services of both vendors can be found on the UW System Travel Web Page.

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FPPP/GAPP REVISION RECONSTRUCTION PROJECT

The following policy and procedure documents were revised during the last quarter:

- GAPP #2 Financial Administration of Extramural Support
- GAPP #35 Fees For Short Courses For Credit
- GAPP #36 College Credit Courses Offered in Wisconsin High Schools (CCCOWHS)
- FPPP #33 Accountability for Capital Assets
- FPPP #30, Vendor Sponsored Education Sessions, and FPPP #43, Auxiliary Reserve Policy, should be completed this quarter.

During this quarter, we will be reformatting the documents into functional groupings and eliminating the FPPP and the GAPP tables of contents.

REMINDER ON HEADQUARTERS CITY/ UW-SPONSORED EVENTS

There have been a number of instances in recent months where meeting room and other associated costs were incurred at non-UW facilities for events involving primarily UW employes and where justification for holding the event at a non-UW site was absent or not adequate. UW System policy with regard to this subject reads as follows:

"Meetings, conferences and training sessions for participation primarily by UW employes are subject to the following:

Meetings in non-UW facilities are not allowable if additional expenses are incurred by the UW which would not have been incurred if the meetings were held in a UW facility. The only exception is when an adequate UW facility is not available. Justification for not using a UW facility and approval of the institution controller are required and must be attached to all transactions."

Because meeting planners may not be aware of all of the UW facilities available to System Administration in Madison, we have compiled the following listing of them, as well as specifics concerning their services available:

- Lowell Hall:** 7 meeting rooms; largest accommodates 100 people
- Friedrick Center:** 9 meeting rooms; largest accommodates 90 people
- Grainger Hall:** 9 meeting rooms; largest accommodates 60 people
- Pyle Center:** 17 meeting rooms; largest accommodates 165 people
- Memorial Union:** 13 meeting rooms; largest accommodates 450 people
- Union South:** 12 meeting rooms; largest accommodates 246 people

All have computer hookup capability and, with the exception of Grainger Hall, do not charge for meeting space as long as luncheon and break items are purchased through them.

These properties, which are listed with phone numbers in Appendix B of the *Meeting Planning Guide*, should be contacted before incurring meeting room costs at private Madison facilities. The *Meeting Planning Guide* also contains guidance with respect to other meeting planning issues and should be consulted before planning begins. The *Guide* can be found at <http://www.uwsa.edu/fadmin/meetguid/index.htm>.

In addition to the policies noted above, these meetings are subject to the State lodging and meal maximums noted in Sections X and XI of the *UWSA Travel Regulations*. Currently, the maximums allow \$7 for breakfast, \$8 for lunch and \$16 for dinner. The maximum allowed for in-state lodging is \$52.

We recognize that using off-campus facilities is sometimes more convenient for meeting participants. We should all be aware, however, that limits apply and that meeting room charges can generally be eliminated through negotiation when a large block of rooms is involved.

Employes should feel free to contact the UW System Travel Office for assistance in facility selection and meeting planning.

BEST BUSINESS PRACTICE FOR TRAVEL REIMBURSEMENT

Listed below are the recommendations of the Best Business Practice Committee which will be submitted to the Department of Employment Relations (DER) for changes to the Uniform Travel Schedule amounts.

Reimbursement for Use of Personal Airplane; Fleet Vehicles; and Privately Owned Automobiles or Motorcycles [Sections 3.01(3); 3.05(2)(b); 3.05 (3)(a); and 10.03]

Recommended Change:

Change "...at the rate of 29¢ cents per mile" to "at the rate allowed by the IRS for such vehicles".

Rationale:

Most private entities as well as many colleges and universities use the IRS rate of 32.5¢ per mile. The Federal Government allows 88¢ for airplanes; 32.5¢ for autos and 26¢ for motorcycles.

Receipt Requirements [Sections 3.04 (Taxi); 7.02 (2) (telephone)]

Recommended Change:

Raise the receipt requirements from \$15.00 and \$5.00, respectively to "\$25.00" to coincide with the receipt requirement for registration fees. In either the "Other Allowable Travel Expenses" (Section 7.00) or "Miscellaneous" (Section 14.00) add the following wording to cover other non-delineated claims:

"Other Miscellaneous Expenses

A complete description of the expense must be included on the TER. Receipts are required if the claim exceeds \$25."

Rationale:

A 1996 Coopers & Lybrand benchmarking study of travel policies found the average value of receipts submitted for \$25 and under to be \$9.00. The move to \$25.00 for the above claims promotes consistency, reduces documentation and audit requirements and is still far below the \$75 receipt requirement allowed by IRS. Having different dollar limits for receipt requirements creates confusion to the traveler. The Federal Government uses a \$75 receipt requirement for all expenses excluding lodging.

Automobile and Motorcycle Transportation [Section 3.05(3)]Recommended Change:

Delete sections (a)(b)(c)(f) and replace them with the following wording: "When an employee uses a personally owned vehicle, the business mileage allowance shall be at the rate allowed by the IRS for motor vehicles. Reimbursement for use of privately owned mopeds or bicycles is not authorized".

Note: The elimination of section 3.05(3)(c) requires a corresponding deletion of section 20.916(4)(e) *Wis. Stats.*

Rationale:

Depending on the mileage driven, a personal car or even rental car is sometime more economical than a fleet car. Most employees choose not to use their personal vehicles for State/UW business. Fleet management efficiencies should dictate fleet usage, not policy. This change also eliminates the need for agencies to calculate a break-even mileage point as well as file annual reports on the cost data of state owned vehicles.

Car Rentals [Section 3.05(4)(e)]Recommended Change:

Revise as follows: "Claims for reimbursement of vehicle rental costs in excess of \$25.00 must be supported by a receipt."

Rationale:

Addition of the \$25.00 limit promotes consistency of receipt limits. Most claims for rental vehicles will exceed \$25.00 anyway.

Meals [Section 4.02 first paragraph]Recommended Change:

Increase the breakfast, lunch and dinner maximums in the first paragraph for in-state travel to: \$8.00, \$8.00 and \$17.00.

Rationale:

Meal maximums have not been increased since October 1997. Runzheimer Corporation states that meal costs increased 1% in 1998 and are projected to increase 3.5% in 1999. Other surveys indicate that breakfast in business travel status is equally as costly as lunch. For that reason, we are proposing a \$1.00 increase in the breakfast maximum to bring it in line with the lunch maximum. The \$1.00 proposed increase in the dinner maximum reflects the past and proposed increase in meal costs rounded to the nearest dollar.

Maximum Meal Amounts [Section 4.02 second paragraph]Recommended Change:

Delete this paragraph and the boxed note that reads as follows: "For out-of-state travel, the in-state meal maximums shall apply unless the allowable lodging reimbursement rate exceeds the in-state lodging maximum by 20%. In those instances, the following meal maximums shall apply. Note: To determine if the city the employe is traveling to qualifies as a high-cost city, refer to the most recent issue of the DER Bulletin entitled "Maximum Reimbursement for Lodging in High-Cost Cities" which reflects the most up-to-date information. If the city is not listed, contact the Department of Administration for nearest comparable city information."

Replace it with: "Maximum permitted amounts for individual meals for out-of-state travel, including tax and tip, shall be Breakfast \$10.00; Lunch \$10.00; Dinner \$20.00."

Rationale:

Requiring employes to first determine whether the out-of-state city is a high cost city, then calculate whether it exceeds the in-state lodging maximum by more than 20% and further call someone at DOA for assistance in determining the nearest comparable city (which often has no relation to the economic situation of the city traveled to) is far too complicated, inaccurate and cumbersome. Additionally, the high cost city listing is only published about once a year and is therefore not up-to-date information. Crossing a geographic border has no correlation to the cost of meals in a particular city. Two sets of maximums, one for in-state and another for out-of-state, will greatly simplify the reimbursement process. The proposed increases in maximums by \$1.00 each reflect Runzheimer's estimates of cost increases.

Meal Receipts [Section 4.03(1)]Recommended Change:

Delete the second paragraph that requires the employe to attach a copy of the conference brochure when claiming meals in connection with attending a conference.

Rationale:

Employes are informed in section 7.04 that meals included in a registration fee are not reimbursable and to attach a brochure when the registration fee exceeds \$25.00. Requiring documentation for meal claims in connection with ALL conferences implies employe dishonesty and does not add value.

Time Frames for Meal Reimbursement [Section 4.04]Recommended Change:

Replace the wording in sub-sections (1), (2) and (3) with:
 "(1) Breakfast provided the employee departs in travel status 2 hours before his or her regularly scheduled starting time.
 (2) Lunch, only if the employee qualifies for either breakfast **or** dinner reimbursement **and** is in travel status during her or his regularly scheduled lunch period.
 (3) Dinner provided the employee returns from travel status 2 hours after his or her regularly scheduled ending time.

Note: Regularly scheduled work times for state employees are established by the appointing authority and are generally 7:45 a.m. to 4:30 p.m.”

Rationale:

Removal of the current stated times will promote equity for those employees who work other than normal shifts. Eliminating lunch as a reimbursable expense for short trips which do not encompass a full day can be justified on the basis that lunch is generally a cost that employees pay for personally when not in travel status. Merely placing them in travel status does not justify for paying for their lunch. This change would also reduce administrative cost involving tracking and reporting of taxable meals as well as reduce the state’s direct travel costs.

Note: Revision of TSA section 4.04 (2) which on some occasions may disqualify the employee for lunch reimbursement even though they may have incurred lunch cost may, dependent on the interpretation and context of the use of the phrase "incurred in the performance of their official duties", require a revision of the first sentence of section 20.916(9)3.(c) Wis. Stats. reads: "Meals. Subject to the limitation prescribed in s. 16.53(12)(c), employees shall be reimbursed for all reasonable amounts expended for their own meals incurred in the performance of their official duties."

Maximum Lodging Rates [Section 5.02]

Recommended Change:

Add an exception to the first paragraph that would read as follows: “Due to the higher cost of lodging in the city of Milwaukee, the maximum amount permitted for lodging in that city shall be \$93.

Rationale:

The inability to obtain lodging within the in-state maximum (\$52) in Milwaukee is one of the most frequent and vocal complaints of UW System employees in travel status. Crossing a geographic border has no correlation to the cost of lodging in a particular city. The statutes do not direct DER to establish maximums on an in-state/out-of-state basis.

We note that the maximums currently set by DER for high cost out-of-state cities average approximately 93% of the average rate posted for those same cities published in the February 98 edition of *Business Travel News*. That suggests that the rates for out-of-state cities fairly represent the cost business travelers incur. The cost of lodging listed in that publication for Milwaukee is \$99 which correlates to the recommended \$93. Additionally, the Federal Government, which is conservative in their lodging maximums, allows \$77 in Milwaukee. A very recent telephone survey conducted by the UW System Travel Office of single room lodging costs at 12 frequently used hotels in the Milwaukee downtown, Brookfield and airport locations produced an average rate of \$94.

Miscellaneous Expenses [Section 7.04(2)]

Recommended Change:

Delete the first sentence, which reads, “A breakdown of specific meals which were included with the registration fee shall be included on the travel voucher.”

Rationale:

Section 7.04 (1) states that reimbursement for meals included in registration fees are not reimbursable. The remaining sentence in 7.04 (2) states that expenses for spouse or other family members are not reimbursable. Requiring the employee to delineate specific meals which they are advised in another section are not reimbursable suggests employee dishonesty and does not add value.

PLEASE REVIEW YOUR CONTACT LISTS

Please review your institution’s contact lists in the Business Offices Phone, Fax and E-mail Directory located at <http://www.uwsa.edu/fadmin/direct/index.htm>. Many employees at all the institutions rely on the accuracy of these pages. Corrections should be e-mailed to dzintz@ccmail.uwsa.edu.

**DUE DATES AND UPCOMING EVENTS
Fall 1998**

1998-99 UBI Estimate	Sept. 25
Quarterly Accounts Receivable Report - First Quarter	Oct. 15
1997-98 UBI Final.....	Oct. 15
Annual Reconciliation of Insurance Loss.....	Oct. 15
Quarterly Position Control Report.....	Oct. 26
Report of Non-Federal Gifts & Grants	Nov. 9
Controller Teleconference, 8:30 a.m.	Nov. 17
IBR Teleconference, 8:30 a.m.....	Nov. 19
Controller Teleconference, 8:30 a.m.	Dec. 15