



MEMORANDUM

TO: Deans, Directors, and Department Heads

FROM: David Price, University Controller 

SUBJECT: Travel Mileage Rate Changes and Other Travel Related Policies

DATE: March 5, 2018

On January 19, 2018, the Office of State Budget and Management (OSBM) issued changes to state travel regulations. Effective January 1, 2018, the mileage reimbursement rate for official university business increased from 53.5 cents per mile to 54.5 cents when the round trip mileage does not exceed 100 miles per trip. If the round trip mileage exceeds 100 miles per trip, the employee will be reimbursed 33 cents per mile for all miles traveled.

Mileage reimbursement rates for employees using courtesy/lease vehicles in accordance with Board of Trustees Policy 05.15.3 "Non-Salary and Deferred Compensation" will be 18 cents per mile for employees authorized in section 4.4.1 and 29.5 cents per mile for employees authorized in section 4.4.2.

These adjustments reflect the intention cited in the State of North Carolina Budget Manual, Office of State Budget and Management, updated January 19, 2018 as follows:

"With regard to passenger vehicle travel, whether in- or out-of-state, agency travel policies shall:

- Maximize utilization of state-owned vehicles (agency-owned or agency-assigned vehicles owned by the Department of Administration)
- Make use of State term contracts for short-term rentals (State Term Contract 975B Vehicle Rental Services), and
- Reimburse for use of personal vehicles on a limited basis in situations when the use of state owned vehicles or state term contract rental vehicles are not readily available. "

In addition to the mileage adjustment, the OSBM travel policies allow agencies the flexibility to adopt more conservative policies based on their financial or executive management position; however, it is not our intention to do so. Other notable changes include the following:

- **Third Party Lodging.** Authorizes the use of online residential rental services that are supported by demonstrated savings. Requests must include documentation contained in travel records that provide evidence of savings to the State.
- **Meals during Overnight Travel.** Employees may be reimbursed for meals for partial days of travel when in overnight travel status and the partial day is the day of departure or the day of return. The travel reimbursement calculations must involve the starting address of the employee's regularly assigned duty station or home, whichever is less, to the final destination.
- **Meals during Daily Travel.** In order to comply with IRS policies, the travel policy deletes the option to allow breakfast and dinner when no over-night stay is involved.

- **Meals and Commercial Air Travel.** Employees cannot claim reimbursement for meals if offered as a part of one's flight schedule.
- **Transportation by Personal Vehicle.** Personal vehicle reimbursement rates revised to provide clarity and reduce administrative complexity. Exceptions to the mileage policy may be granted by the agency head, or their designee, if an agency has a unique clearly documented business need that is not directly addressed by the OSBM policy. Further information and the exception request form are available at controller.ofa.ncsu.edu/thetravelcenter.
- **Transportation by Rental Vehicle.** Rental vehicles are not authorized for personal use.
- **Use of Aircraft Owned by a State Employee.** Removed. No separate reimbursement rate.
- **Transportation by State Vehicle at Destination.** At the employee's destination, state-owned vehicles may be used prudently for travel to obtain meals and for de minimis personal travel.
- **Travel to/from Airport at Employee's Duty Station.** Authorizes the use of ride sharing services, taxi, car service, mobile phone ordered car service and shuttle services with receipts.
- **Travel Advances.** Employees who have been issued state credit cards for travel purposes are not eligible for travel advances.
- **Board and Commission member per diem compensation.** This section is revised to be consistent with the recent IRS guidance that per diem compensation may be taxable as employee type payments.
- **Meetings/Coffee Breaks.** The meeting break rate increased from \$4.50 to \$5.00 per participant per day for coffee, snacks and related items.
- **Licensing board member mileage.** Adjusted to rate consistent with state employees.
- **Telephone and Mobile Device Policies.** The telephone and Mobile Communication Device policies were removed. State agencies are now responsible for establishing appropriate use policies concerning telephone and mobile devices, including periodic internal audit reviews for mobile devices.

These changes will be updated in the NC State Travel Center and Travel Guidelines - Travel Requirements for University Employees section on the Controller's Office website. Visit controller.ofa.ncsu.edu/thetravelcenter for specific changes to the OSBM Budget Manual and additional information.

If you have any questions, please contact Kim Kelley at 515-7132 or khkelley@ncsu.edu .