

THE UNIVERSITY OF AUCKLAND

TRAVEL POLICY

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1. PURPOSE

- 1.1.1 To set out the principles that are required to be applied by all University Staff or individuals (including the University's Council members and students) when organising, undertaking or approving travel that is undertaken while on official University business.

2. AUDIENCE

- 2.1.1 All staff of the University of Auckland.

3. APPLICATION

- 3.1 The policy applies to all travel funded by the University. Grants received by the University from third parties are considered to be University funds and are required to be administered in accordance with this Policy except where a Grant has specific terms and conditions or compliance requirements that are stricter than this Policy, those terms and conditions or compliance requirements supersede this Policy.

4. POLICY OVERVIEW

- 4.1.1 Payment, or liability to pay, of a Travel Expense by the University must always be demonstrated by satisfactory means to be a University liability with, in all but emergencies, approval prior to incurring the Expense and be reasonably incurred for good and fair value by the University. It follows from this that:
- 4.1.2 Reasonable and appropriate Expenses necessarily incurred in undertaking approved University Travel will be paid, subject to the following;
- 4.1.3 The incurring of Expenses should be approved in advance and Reimbursement of them will be made on the basis of evidence of actual and reasonable expenditure supported by original receipts or other evidence.
- 4.1.4 The University may reasonably decline to reimburse claimed Expenses not having prior approval, and will require evidence as a precondition of payment.
- 4.1.5 Incurring Travel Expenses is always subject to a test, and precondition, that the incurring of those Expenses does not provide a personal financial benefit to staff. Financial benefit must be demonstrated to be for the University. Travel Expenses should not include compensation for a staff member's personal Expenses that they would otherwise reasonably incur on a day-to-day basis, as opposed to such Expenses as are directly attributable to the University's benefit.
- 4.1.6 Good and fair value connotes that Travel should be, within reasonable safety and time requirements and constraints, by the most direct route. Likewise good

and fair value connotes that Travel expenditure requires a cost effective approach.

4.1.7 Good and fair value means that where the University has identified a Preferred Supplier for Travel, unless there are identified reasons and specific exceptions referred to and agreed in an approval, that the Preferred Supplier should be used for all University staff and University funded student travel.

4.1.8 The University expects to pay directly all its legitimate expenses through its own purchasing and payment channels, recognising that where there are cases where this is not possible, the University has a reimbursement policy (refer clause 7 and the Sensitive Expenditure Policy).

5. TRAVEL APPROVAL

5.1.1 All University travel must be pre-approved in the following manner:

5.1.2 All University travel shall be approved by the traveller's line manager (with the exception of domestic travel - refer clause 5.1.3) and by a person with delegated financial authority to approve expenditure on the cost centre that the travel is being charged to.

5.1.3 Domestic travel does not require line manager approval if the person travelling is the budget holder of the cost centre that the travel is being charged to.

5.1.4 No travel commitments or reservations should be made without prior written (email) approval, and no travel commitments, reservations or approvals are to be made outside of this policy unless in an emergency situation where there are issues of personal safety or danger or extraordinary circumstances. Emails are "in writing" provided these are retained and accessible to audit.

5.1.5 Travel to certain High Risk and Hot Spot Countries requires sign-off from a Dean (for faculty staff) or the Registrar (for other staff). Further information can be found on the MFAT site for safe travel (<http://www.safetravel.govt.nz/>). It is recommended that all overseas travel details are registered on the Safe Travel website.

5.1.6 The approving manager must be satisfied that the travel and associated costs are necessary for university purposes, consistent with University policy and are within budgetary limits.

6. ORGANISING AND BOOKING TRAVEL

6.1. Use of Preferred supplier

6.1.1 The University has contracted a Travel Management Company (TMC) to coordinate all University Travel. The safety of all individuals undertaking University Travel is paramount. The TMC plays an important role in ensuring the University fulfils its duty of care to individuals, particularly via the tracking and locating of travellers therefore it is mandatory to use the TMC, either directly or via their online booking tool with the following exceptions:

- i. Domestic (New Zealand) and Trans-Tasman airfares may be purchased from a supplier other than the Preferred Supplier if it is more cost effective to do so and is in accordance with clause 6.5;
- ii. Accommodation may be purchased from a supplier other than the Preferred Supplier in accordance with clause 6.2.1;
- iii. Accommodation may be purchased from a supplier other than the Preferred Supplier if the Preferred Supplier is unable source the accommodation that suits the needs and requirements of the business trip and is in accordance with clause 6.7.

6.1.2 Travel purchased from any supplier other than the Preferred Supplier that isn't in accordance with Clauses 6.1.1 (i-iii) are not to be approved without prior authorisation by the Director of Finance. Even where identified and specific circumstances are agreed, any approval shall, however, be at good and fair value for the University.

6.1.3 Staff may use the Preferred Supplier for private travel allowing them to take advantage of the service, fare and fee structure negotiated by the University. In no circumstances is the cost of any personal travel to be charged to the University. All personal travel bookings must be identified as personal and invoiced directly to the staff member.

6.2. Conference Registration and Accommodation

6.2.1 It is common for conference organisers to offer conference registration and accommodation options as a special package. Where these packages are more cost effective than registering and booking accommodation separately through the University's preferred supplier, the package offered by the conference organiser may be purchased.

6.3. Cancellations and Alterations

6.3.1 Cancellations and alterations are to be made through the Preferred Supplier wherever practical. This is to ensure a credit is received for the unused reservations and any fees.

6.3.2 If it becomes necessary to cancel a reservation directly with the service provider (e.g. hotel or rental car company), staff should obtain a cancellation number to avoid the possibility of disputes later.

6.3.3 No-show charges are not reimbursable, and any charges to the University may be claimed back from the person incurring the charge unless in extraordinary and genuinely unavoidable circumstances.

6.4. Insurance

The University provides travel insurance for overseas business travel for staff, students and consultants/contractors where their travel is funded by the University of Auckland, a research grant or by a third party such as another university, research entity or conference organiser.

Provided the University's Travel Policy and guidelines are met, insurance cover as stated in the University's policy will apply automatically. It is the traveller and their approving manager's responsibility to ensure the travel is within the University's travel policy parameters.

Travel insurance policies taken out by individual staff members will not be reimbursed unless it applies to the rental of international motor vehicles in accordance with 7.3.7.

6.5. Air Travel

6.5.1 Air travel must be purchased in accordance with clause 6.1.

6.5.2 All domestic and international air Travel is to be economy class unless a higher class of travel is approved by an SMT member as per the guidelines below or for health reasons.

6.5.3 In the interests of cost-effectiveness, consideration should be given to the following when arranging air Travel:

- i. Travel at off-peak times
- ii. The use of discounted fares such as Smart Saver fares for outbound Travel, and retaining maximum flexibility on return Travel.

6.5.4 International Travel over 5 hours duration (i.e. scheduled flying time by the most direct route) by staff members who are on a very tight schedule may travel business class with the prior approval of an SMT member.

6.5.5 Economy class does not include premium economy class or equivalent.

6.5.6 Personal air points may be used to upgrade a fare.

6.5.7 Downgrading Travel to provide a personal benefit is not permitted, and could be regarded as being fraudulent – refer clause 4.1.5.

6.5.8 Changing a business class ticket for a lesser cost ticket to enable a spouse/partner to accompany an employee on Travel is not acceptable

6.6. Accompanying Persons' Travel Expenses

6.6.1 Where a staff member of the University is accompanied by a friend or family member on official Travel, the University will not pay for any of the accompanying person's Travel Expenses or other incremental costs. However, in exceptional circumstances and if it can be demonstrated that there is a significant benefit to the University, the Vice-Chancellor or the Vice Chancellor's delegate may approve Travel Expenses for a person accompanying a staff member. Exceptional circumstances may include extraordinary family responsibilities or disabilities.

6.7. Accommodation

6.7.1 Accommodation must be purchased in accordance with clause 6.1.

6.7.2 When University staff are required to be away from their home overnight on an approved business trip, the actual cost of reasonable accommodation will be paid.

6.7.3 Hotel accommodation is to be of the mid or standard range. The use of suites or luxury accommodation is not regarded as good and fair value and should not be booked or approved.

PRIVATE ACCOMODATION

6.7.4 When University staff choose to stay privately when away on a business trip which necessitates overnight accommodation, they may be reimbursed at the rate of \$80 per night away on business in lieu of accommodation and meal costs.

6.7.5 A receipt will not be required for Reimbursement of this Expense but fair evidence of a cost paid for the accommodation may be requested consistent with 4.1.5.

7. GENERAL EXPENSES WHILE UNDERTAKING TRAVEL ON UNIVERSITY BUSINESS

7.1. Documentation Requirements

7.1.1 A receipt or tax invoice (if applicable) is to be obtained for all individual costs in order to complete expense reconciliation processes in accordance with University policy with the exception of:

- i. Private vehicle usage. Details of each journey and the distance travelled are to be itemised on the Expense claim.
- ii. Staying privately subject to 6.7.4.
- iii. Incidental allowances as agreed in existing staff collective agreements.

7.1.2 Receipts for expenditure in New Zealand for expenditure over \$50 must meet IRD requirements for tax invoices. These requirements are outlined on the Finance and Purchasing, GST page of the staff intranet. Credit card dockets by themselves are not adequate documentation for taxation purposes.

7.1.3 Where expenditure is greater than \$50 and not supported by a GST tax invoice reimbursement may be declined.

7.2. Meals

7.2.1 The actual and reasonable cost of meals appropriate to the Travel will be reimbursed to an employee travelling on approved University business. Any meals to be paid for by the University must be mid-range (moderate and conservative). Per diems will not be paid for meals.

7.2.2 Meals for non-university employees are reimbursable when the meal has the purpose of a business discussion, fostering a business relationship, enhancing the reputation of the University (e.g. with donors and other stakeholders) or in furtherance of the University's goals. A clear description of attendees and the

nature of the discussion must be included on the employees expenses reconciliation. Detailed guidance on entertaining third parties is included in the Gifts, Hospitality and Benefits policy.

7.2.3 The cost of meals (breakfast/lunch/dinner) is only reimbursable when travelling outside the greater Auckland area or outside your home base if it is outside Auckland.

7.2.4 Snacks are not reimbursable unless the snack is in lieu of a meal.

7.3. Use of Vehicles

RENTAL VEHICLES IN NEW ZEALAND

7.3.1 Rental vehicles may be used for Travel where that is the most cost-effective means of transport. Prior approval is to be obtained and reservations are to be made through the Preferred Supplier.

7.3.2 In general, vehicles up to 2.0 litres are to be hired, unless:

- i. There are four or more passengers including the driver
- ii. The amount of luggage or equipment necessitates a larger vehicle.

7.3.3 If rental cars used on approved University travel are re-fuelled, the cost is reimbursable.

7.3.4 All charges relating to the return of rental cars must be minimised, e.g. vehicles must be returned to the rental company in a presentable condition and where possible fully refuelled.

RENTAL VEHICLES INTERNATIONALLY

7.3.5 In and around cities, rental vehicles up to 2.0 litres are to be hired.

7.3.6 It is expected that outside cities, Travel by air or train will generally be more cost-effective having regard to Travel times.

INSURANCE ON RENTAL VEHICLES

7.3.7 Rental vehicles (cars and vans only) hired in New Zealand for approved University business are covered under the University's insurance policy. Accordingly the rental company's insurance cover is to be declined. Rental vehicles hired internationally must be insured in the country of hire. The University's insurance only covers the excess on international rental insurance policies up to a value of NZD \$5,000. Excess waivers under this value should be declined when purchasing international vehicle insurance.

ACCIDENTAL DAMAGE TO RENTAL VEHICLES

7.3.8 For accidents to rental vehicles, see the staff intranet: [Insurance](#)

TAXIS

7.3.9 The use of taxis on official University business is permitted when no University vehicle is available or as an alternative to a rental vehicle when use of a taxi is more economical.

PRIVATE MOTOR VEHICLES

7.3.10 Staff may be reimbursed for authorised and approved use of their private motor vehicle when on University business. The use of a private vehicle for University purposes will be approved only in circumstances where a University pool vehicle, rental vehicle or taxi is not an efficient option.

7.3.11 Travelling between home and work will not be reimbursed.

7.3.12 Approval must be obtained from an approving manager before a private motor vehicle is used on University business.

7.3.13 When using a private motor vehicle on approved University business, the shortest route necessary for the purpose of the trip must be claimed for.

7.3.14 Private motor vehicles used for University business must have a current warrant of fitness, registration, be road worthy and fully insured.

7.3.15 Individuals using a private vehicle on University business from time to time must ensure the proportion of business use is reasonable. Use of private motor vehicles will be compensated at Inland Revenue Department prescribed rates except where otherwise stipulated in relevant Collective Staff Agreements.

7.3.16 These rates are compensation for all costs of running a vehicle including fuel and insurance. Receipts will not be required for Reimbursement of this Expense.

7.4. Other Expenses

FREQUENT FLYER PROGRAMMES

7.4.1 Frequent Flyer programmes or other reward schemes are a personal Expense and are not reimbursed by the University.

7.4.2 Staff may retain frequent flyer points for personal use, including upgrading an economy class fare to premium economy or business class, but the use of such points is not reimbursable.

7.4.3 No Travel arrangements or itineraries are to be created to the advantage of personal frequent flyer point accrual over the requirement to obtain the cheapest fare consistent with the objectives of the proposed trip.

AIRLINE FLIGHT CLUBS

7.4.4 Airline flight club membership is a private Expense and will not be reimbursed or paid for unless specifically provided for in an individual employment agreement. Personal air points may be used to pay Airline flight club membership. SMT members may approve Airline flight club memberships for frequent travellers (20 or more trips a year).

AIRPORT PARKING

7.4.5 Airport parking fees will be reimbursed for vehicles used on an approved business trip. The cheaper alternative of taxi fare or mileage plus airport parking fees is to be used.

EXCESS BAGGAGE

7.4.6 Excess baggage costs for University-owned property required for a business trip are reimbursable.

LAUNDRY

7.4.7 Reasonable laundry and dry cleaning charges are reimbursable.

VISAS AND INOCULATIONS

7.4.8 Visas and inoculations required for business Travel are reimbursable. Visas and inoculations obtained for any private Travel undertaken in conjunction with business Travel are not reimbursable.

7.4.9 Passport costs are not reimbursable.

PERSONAL TELEPHONE CALLS

7.4.10 Personal telephone calls of a reasonable level when away on University business may be reimbursed at the discretion of an approving manager.

7.4.11 As a guide, one ten-minute call per day would be regarded as being reasonable.

HOTEL BROADBAND COSTS

7.4.12 Hotel broadband costs incurred on University business are reimbursable. When using a hotel's broadband facilities, staff should be conscious of the high charges some hotels impose for the use of the hotel's telephone system.

ALCOHOL

7.4.13 Mid-range priced alcohol when travelling on an approved University business trip is reimbursable only when consumed in moderation with dinner.

GRATUITIES

7.4.14 Gratuities will not be reimbursed except for countries where there is a strong culture of tipping for service. New Zealand is not considered to have a strong culture of tipping for service.

PER DIEMS

7.4.15 Per diems (i.e. daily allowances) will not be paid by the University, unless otherwise stated in existing staff collective agreements.

7.5. Non-Reimbursable Expenses

7.5.1 Expenses of a personal nature are not reimbursable. Any such Expenses incurred are to be paid for directly to the service provider.

7.5.2 The following are examples of Expenses which are not generally reimbursable (in addition to those referred to elsewhere in this policy):

- i. Mini-bar usage
- ii. Gratuities (subject to clause 7.4.14)
- iii. Fines for traffic and parking violations and towing fees
- iv. Any illegal use of a motor vehicle
- v. In-room movies or video rentals
- vi. Expenses for Travel companions or family members, including the Travel companion content of Travel, accommodation and meals
- vii. Personal Expenses incurred as a result of being away on University business, such as baby-sitter fees, lawn care, care of pets (unless prior approval has been given by a Dean or Director for exceptional circumstances)
- viii. Barber or hairdressing services
- ix. Luggage or briefcases, toiletries or clothing
- x. Other personal costs such as snacks, personal postage costs, pharmaceuticals, recreational activities, sightseeing, cinema tickets or private Travel while on a business trip.

7.6. Temporary Travel Advances

7.6.1 Staff are expected to minimise their use of cash for reimbursable Expenses by charging Expenses back to the University via the Preferred Supplier wherever possible, e.g. air fares, accommodation and rental vehicles can all be paid for by this method or by pre-paying on a University P-Card or E-Card where permitted

7.6.2 Out of pocket expenses are to be charged to a University E-Card (where one has been issued) wherever possible. This is to minimise dealing in cash and reconciliations.

7.6.3 In instances where a temporary travel advance is necessary, this is to be applied for via the Travel and Expenses Module in PeopleSoft Financials.

7.6.4 The amount requested is to correspond with the likely amount of Expenses which cannot be charged back to a credit card, taking into account the length of the proposed trip and its requirements.

7.6.5 Approval of temporary travel advances for business travel requires approval by a person with delegated financial authority to approve expenditure on the cost centre that the travel is being charged to and the approval of Central Finance.

PAYMENT METHOD

7.6.6 Temporary Travel Advances will be paid directly into the employee's bank account in New Zealand dollars. If the employee requires foreign exchange they are required to obtain this at the airport or local bank, or withdraw from an ATM in the country they are travelling to.

RECONCILIATION AND SETTLEMENT OF ADVANCES

7.6.7 Original receipts must be obtained for all expenditure from the temporary cash advance and must be reconciled and settled promptly within one month after the traveller's return to work via the Travel and Expenses Module in PeopleSoft Financials. Any unused portion of the advance is to be paid into a University account by either EFTPOS, credit card, internet banking or by returning it to their local accountant for banking.

LEGAL COMPLIANCE

7.6.8 If this Policy and the processes under it are breached this may:

- i. Expose the University to legal and other claims of misuse of funds
- ii. Result in disciplinary proceedings against Staff members.

8. RELEVANT LEGISLATION

Crown Entities Act
Education Act

9. RELATED DOCUMENTS

Expense Card Policy
Delegations Policy
[Financial Delegations Policy](#)
Procurement Policy
Corporate Cards Policy
Motor Vehicles Policy
Conflict of Interest Policy
[Staff Expense Claim Form](#)
[Temporary Travel Advance Request](#)
Travel Purchasing User Guide
[Sensitive Expenditure Policy](#)
Gifts, Hospitality and Benefits Policies
Travel Insurance Guidelines

10. DOCUMENT MANAGEMENT AND CONTROL

Prepared by:	Director of Finance
Owned by:	Director of Finance
Approved by:	Vice-Chancellor Director of Administration
Date issued:	1/10/2013
Next Review Date:	1/10/2014
Next review date:	Annually

11. APPENDICES

A Glossary

Entertainment	Means approved Entertainment of non-University people undertaken for the purpose of a business discussion, fostering a business relationship, enhancing the reputation of the University or in furtherance of the University's goals.
Expense(s)	Means work related costs necessarily incurred by staff of The University of Auckland in accordance with the parameters of this policy.
Line Manager	The manager that the employee reports to.
Preferred Supplier	Means suppliers managed by Financial Services (and/or approved by the Tender Board) with whom the University has entered into a formal Agreement for the supply of products or services. A list of preferred suppliers is available on the Financial Services website.
Reimbursement	Means payment to a University staff member for appropriate Expenses incurred on approved University business in accordance with this policy. The payment will generally be on the basis of actual and reasonable expenditure supported by original receipts. There are exceptions however, which are specified in this policy. All Reimbursements will be on the basis of a <i>Staff Expense Claim</i> approved in accordance with this policy.
Travel	Means pre-approved Travel for official University purposes.
University	The University of Auckland including all subsidiaries.