

9.03 Subsistence

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9.03.01 Definitions

Subsistence is an allowance related to lodging and meal costs, and gratuities thereon.

Out-of-State Travel Status begins when the employee leaves the state and remains in effect until the employee returns to the state. However, in-state allowances and reimbursement rates apply when employees and other qualified official travelers use hotel and meal facilities located in North Carolina immediately prior to and upon returning from out-of-state travel during the same travel period.

Out-of-Country Travel Status begins when the employee leaves the United States and remains in effect until the employee returns to the United States. If the employee and other qualified official travelers use hotel and meal facilities located outside North Carolina, but within the continental United States, immediately prior to and upon returning from out-of-country travel during the same travel period, out-of-state subsistence rates shall apply.

9.03.02 Subsistence Rates – Meals and Lodging

1. Eligibility

For the purposes of determining eligibility for allowances, travel status means being away from the employee's normal duty station or home and, while traveling, the employee must be acting in his/her official capacity as required by his/her work activities. Prior written approval by the individual specified in Section 2-A must be obtained in order to qualify for reimbursement of lodging and meals.

2. In-State and Out-of-State Travel

The maximum allowable statutory rate for meals and lodging is **\$101.05** for in-state travel and **\$115.55** for out-of-state travel. The Director of the Budget revises the subsistence rate periodically based on the percentage change in the Consumer Price Index for All Urban Consumers (G.S. 138-6(a)(5)). The payment of sales tax, lodging tax, local tax, or service fees applied to the cost of lodging is allowed in addition to the lodging rate and is to be paid as a lodging expense (G.S. 138-6(a)(3)).

The employee may exceed the part of the ceiling allocated for lodging without approval for over-expenditure provided that the total lodging and food reimbursement that the employee is entitled to for that day does not exceed the maximum allowed daily subsistence (G.S. 138-6(a)(3)).

The following schedule of allowances shall be used for reporting allowable subsistence expenses incurred while traveling on official state business:

	In State	Out-of-State
Breakfast	\$ 7.75	\$ 7.75
Lunch	10.10	10.10
Dinner	17.30	19.65
Lodging (actual up to)	<u>65.90</u>	<u>78.05</u>
Total	\$101.05	\$115.55

3. Out-of-Country Travel

A Vice-Chancellor or Chief of Staff may grant subsistence for meals in excess of the out-of-state allowance. All requests for excess meals must be documented by a receipt in order to be reimbursed. Excess lodging authorization for out-of-country travel must be obtained in advance from the Vice Chancellor or Chief of Staff.

9.03.03 Lodging

1. General Guidelines for Reimbursement

Each employee is responsible for his or her own request for reimbursement. Supervisory personnel certifying the reimbursement request as necessary and proper must require documentation from the traveler to substantiate that the overnight lodging was necessary and accomplished. The travel must involve a travel destination located at least 35 miles from the employee's regularly assigned duty station or home, whichever is less, to receive approved reimbursement. "Duty station" is defined as the location where the employee is assigned. The designation of an employee's home as the duty station requires the approval by the Chancellor on an annual basis.

Requests for reimbursement shall be filed within 30 days after the travel period for which the reimbursement is being requested ends. (G.S. 138-6(c)) Specific dates of lodging must be listed on the reimbursement request and substantiated by a receipt from a commercial lodging establishment. Reimbursement for lodging is limited to the single occupancy rate up to a maximum of **\$65.90 per night** for in-state lodging or **\$78.05 per night** for out-of-state lodging.

2. Room Sharing

If one state traveler pays the full lodging expense for him/herself and one or more other individuals traveling on official state business with whom he/she shares a room in a commercial lodging establishment, the traveler bearing the expense should include the full lodging expense on his/her reimbursement request. A note of explanation should be

included on each traveler's reimbursement request with a list of those sharing the room. The total per night lodging charge will be divided by the number of state travelers sharing the room for purposes of applying the statutory limitation. As long as each traveler's share of the room charge is less than the allowable rate, no additional approvals are needed for excess lodging.

3. Excess Lodging

Excess lodging authorization for in-state, out-of-state, and out-of-country travel must be obtained in advance as specified in *Section 2 A and B*. Excess lodging is allowed when the employee is in a high cost area and unable to secure lodging within the current allowance, or when the employee submits in writing an opinion that his/her personal safety or security is unattainable within the current allowance. Excess lodging authorization is not allowed for reasons of convenience or personal preference of the employee. The employee may exceed the part of the ceiling allocated for lodging without approval for excess provided that the total lodging and food reimbursement does not exceed the maximum allowed daily subsistence.

4. Third Party Lodging

Reimbursement for lodging in an establishment that is being rented out by a third party or an establishment treated as an apartment building by state or local law or regulation is not allowed unless approved by the Office of State Budget and Management (OSBM) in advance. Requests for third party lodging must provide evidence of savings to the State. An exception may be granted for requests that do not show a savings with sufficient justification to support the necessity for third party lodging.

In each case where third party lodging is being considered, the applicant must provide the University Budget Officer and OSBM all details regarding the arrangement, including the amount to be charged, the length of stay, and contact information. A signed rental agreement must be presented to receive reimbursement.

9.03.04 Meals

1. General Guidelines for Reimbursement

Prior written approval as specified in Section 2 A must be obtained in order to qualify for reimbursement for meals. Supervisory personnel certifying the reimbursement request as necessary and proper must require documentation from the traveler to substantiate that the payment for meals was necessary and accomplished.

Each employee is responsible for his or her own request for reimbursement. Reimbursement rates listed in Section 3 B are inclusive of gratuities. Each meal reimbursement rate must be listed on the reimbursement request along with departure and arrival times. The costs of meals included in other related activities (registration fees, conference costs, hotel registration, etc.) may not be duplicated in reimbursement requests. An employee may be reimbursed, if requested, for breakfast even if their lodging establishment offers a free continental breakfast.

State rules and guidelines shall take precedence over federal guidelines governing the use of federal grant funds, unless specifically exempted by the Office of State Budget and Management in advance.

2. Meals During Overnight Travel

A state employee in overnight travel status on official state business may be reimbursed for meals including lunch. The travel must involve a travel destination located at least 35 miles from the employee's regularly assigned duty station (vicinity) or home, whichever is less, to receive approved reimbursement.

A state employee in overnight travel status may be reimbursed for meals for partial days of travel when the partial day is the day of departure or the day of return. To be eligible the following criteria must be met:

- Breakfast - Depart duty station prior to 6:00 A.M. and
The normal workday is extended by two (2) or more hours.
- Lunch - Depart duty station prior to Noon on day of departure or
Return to duty station after 2:00 P.M. on day of return.
- Dinner - Depart duty station prior to 5:00 P.M. on day of departure
or
Return to duty station after 8:00 P.M on day of return and
The normal workday is extended by three (3) or more hours.

3. Meals during Daily Travel

Allowances cannot be paid to an employee for lunches if travel does not involve an overnight stay; however, employees can be eligible for the breakfast and evening meal allowances when the following criteria is met:

- Breakfast (morning) – Depart duty station prior to 6:00 A.M. and
The normal workday is extended by two (2) or more hours
- Dinner (evening) – Return to duty station after 8:00 P.M. and
The normal workday is extended by three (3) or more hours
- The travel must involve a travel destination located at least 35 miles from the employee's regularly assigned duty station (vicinity) or home, whichever is less.

- Allowances for the breakfast and evening meals for employees working nontraditional shifts must have prior approval of the Office of State Budget and Management.

4. Meals and Day-to-Day Activities

University employees may not be reimbursed for meals in conjunction with a congress, conference, assembly, convocation or meeting, by whatever name called, of the employees within the University, or between employees of the University and other state departments, institutions, or agencies to discuss issues relating to the employee's normal day-to-day business activities.

5. Meals for Required Employee Attendance

A University employee may be reimbursed for meals, including lunches, when the employee's job requires his attendance at the meeting of a board, commission, committee, or council in his/her official capacity and the meal is preplanned as part of the meeting for the entire board, commission, committee or council. Such board, commission, committee, or council must include persons other than employees of Western Carolina University.

6. Meals and Commercial Air Travel

Employees are allowed to claim reimbursement for meals even though they are shown and offered as a part of one's flight schedule on a commercial airline.

7. Excess Meals

No excess reimbursement will be allowed for meals unless such costs are included in registration fees and/or there are predetermined charges, or the meals were for out-of-country travel. Excess subsistence for meals for out-of-country travel may be granted by a Vice Chancellor, the Provost or the Chief of Staff. All requests for excess meals must be documented by a receipt in order to be reimbursed.

