



Northern Marianas College Procedure

Procedure No.: 7006.1 Procedure Title: Travel
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Procedure Approval Authority: President
Board Policy No. associate with this procedure: 7006
This Procedure Supercedes/Replaces: 2120 and 7006.1 Adopted 03/15/2015

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9/30/15

The written steps necessary to appropriately and uniformly perform a task in carrying out policies and activities of the College.

Overview/procedure description This procedure applies to all official travel performed in the interest of the Northern Marianas College (NMC) by NMC employees and the Board of Regents and other individuals traveling on official business for NMC. The College appreciates the efforts of those who travel on College business.

Areas of Responsibility President, Chief Financial Officer, Finance Office, Expenditure Authorities, Individual Traveler

Procedure details (1) Applicability
Northern Marianas College shall compensate authorized travelers their reasonable expenses for necessary travel authorized by the College for official business including meetings, conferences, and professional development seminars/workshops. A *reasonable* expense is one for which the cost is not excessive. *Necessary* travel is travel for which a clear business reason exists. This procedure applies to all travelers regardless of travel funding source.

- (2) General Rules
- a) Travelers must have written authorization prior to incurring any travel expense.
 - i) While operation within the allocated travel budget is the responsibility of each traveler, the administrators of the College have overall responsibility of coordinating, reviewing, and approving travel requests.
 - (1) Travelers are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.
 - (2) Travelers are expected to pay for their personal expenses out of their per-diem allowance while traveling on College business.
 - b) Travel Definitions
 - i) Allowable Travel Expenses: Reasonable and necessary expenses incurred while traveling on official College business and authorized by the appropriate College official.

- ii) Traveler: An individual authorized to travel on official business including NMC employees, Board of Regents members, students, consultants, or other individuals authorized in writing, as applicable.
- iii) Individual Travel: Travel conducted by an individual traveler alone.
- iv) Group Travel: Travel conducted by group of two or more persons for the purpose of attending the same official business function.
- v) Unauthorized Traveler: An individual who is not on official College business and for whom a clear business reason does not exist to necessitate travel but is sharing travel accommodations with an authorized traveler. Any costs associated with unauthorized travelers will be disallowed.
- vi) Authorizing Office: As described in Part 3(c).
- c) The Traveler is responsible for expenses over the limits established in this procedure. NMC will not pay for excess costs resulting from circuitous routes, voluntary delays, or luxury accommodations, travel expenses, or services unnecessary or unjustified in the performance of official business. The College will pay only those expenses essential to the transaction of official business as outlined in Part 4(a) – (d).
- d) Frequent Traveler Programs. Any frequent traveler benefits received from a travel service provider in connection with official travel may be retained for personal use, if such items were obtained under the same conditions as those offered to the general public and at no additional cost to the College. However, travel is subject to NMC Procurement Regulations (NMIAC § 95-50), and traveler may not select travel service provider based on whether it provides frequent traveler benefits.

(3) Travel Authorizations

- a) All travel shall be authorized with an approved Travel Authorization (TA). Situations requiring emergency official travel shall be permitted upon approval of a written justification.
- b) The TA form used by Northern Marianas College requires the purpose, justification and all the appropriate signatures to be completed prior to any travel. The following documents must be attached to the TA:
 - i) Justification memorandum for the travel;
 - ii) Itinerary (schedule of departure, arrival, and destination(s));
 - iii) Estimated cost to include airfare, ground transportation, per diem allowance, and any other miscellaneous expenses; and
 - iv) Documentation of invitation, meeting confirmation, or conference agenda, if applicable, or other business purpose.
- c) All travel authorizations will require approval in advance by the approving official as indicated in Part 3(c)(i)-(v) below. This authorization certifies that the expenses are proper and within the scope of the budget to be charged. Any unanticipated expenses that were not authorized in advance will be subject to approval upon closing out of the TA by the appropriate College administrator as described below, and reimbursement will only be

made upon the submission of relevant receipts or documentation.

- i) All travel within the CNMI by NMC employees, students, consultants, official guests and others shall be first authorized by the department head and concurred by the expenditure authority and division head;
 - ii) All travel outside the CNMI by NMC employees, students, consultants, official guests and others shall be requested by the department, concurred by the expenditure authority and division head (if different), and authorized by the President;
 - iii) All travel (within and outside the CNMI) by those administrators reporting directly to the President shall be concurred by the expenditure authority (if different) and authorized by the President or authorized designee.
 - iv) All travel (within and outside the CNMI) by the President and Board of Regents members, other than the Chairperson of the Board of Regents, requires the authorization of the Chairperson of the Board of Regents or his or her authorized designee and shall be concurred by the expenditure authority (if different).
 - v) All travel (within and outside the CNMI) by the Chairperson of the Board of Regents shall be authorized by the Vice Chairperson of the Board of Regents or his or her authorized designee and shall be concurred by the expenditure authority.
- d) Requests for travel within the CNMI shall be submitted to the department, division head, or the President as indicated above no later than five working days prior to the travel date. Requests to travel outside of the CNMI shall be submitted to the appropriate authority no later than 10 working days prior to commencement of travel, except for in extenuating circumstances for which additional justification is required.
- e)
- f) TAs shall not be issued for any traveler if there is an outstanding voucher or if an outstanding expense by the traveler has not been verified. Exceptions to this rule may be made at the discretion of the President or the Chairperson of the Board of Regents, as appropriate, with justification.
 - g) TAs may be amended only upon approval by the approving official. A justification for the amendment must be attached. Any diversion from what was specified on the approved TA must be presented as an amended TA and shall be approved by the appropriate approving officials pursuant to Part 3(c) in advance when possible. Amendments to TAs must be in the interest of NMC.
 - h) Travel Authorizations with No Expense to NMC. Travel sponsored by organizations other than NMC for travelers representing NMC must be approved with a travel authorization showing zero travel expense. All travel performed by travelers representing NMC at the expense of agencies other than NMC must be in the interest of NMC.
 - i) Travel Authorizations for reimbursement of travel costs to NMC by third parties. Travel sponsored by third parties other than NMC must be

approved with a TA indicating the type of travel expense and amount to be reimbursed. Documentation of this agreement from the third party indicating the types of travel expenses and amount to be reimbursed must be attached to the TA. Those travel expenses not reimbursed will be indicated on the TA.

(4) Allowable Travel Expenses

Expenses anticipated in the fulfillment of official travel may include the following:

a) Transportation Expense

i) The traveler is expected to select the most direct and economical route and mode of transportation. Should the traveler select an indirect or less economical route, any extra costs incurred will be borne by the traveler, and reimbursement will be based on such charges as would have been incurred traveling the most direct and economical route. Travel routes other than what was authorized shall be allowed if it will not incur additional expense to NMC.

ii) Public Carrier

- (1) The expense of traveling by air will be allowed on the basis of cost. The traveler is expected to use the coach or economy fare.
- (2) The traveler must obtain three quotations from a qualified provider for the most economical airfare possible considering expense, time, and convenience.
- (3) When a traveler prefers a higher class than that authorized for purchase, the traveler must pay the incremental difference.
- (4) NMC will not reimburse travelers for tickets purchased with frequent flyer miles.

iii) Privately Owned Vehicle

- (1) If travel by private vehicle is performed, travel must be preauthorized by the authorizing official. Upon proper completion of the form and approvals, the traveler will be reimbursed for actual miles driven determined from odometer readings at the current allowable rate as published by the Internal Revenue Service (IRS). Revised rate will become effective the first day of the month following IRS announcement of effective date. Rate adjustment will not be retroactive. The rate will be based on the date the travel was performed.
- (2) Use of Privately Owned Vehicle for non- official travel purposes (i.e. employees on the island of Saipan who use a private vehicle for approved official purposes) will not be required to complete a Travel Authorization but will be subject to a separate procedure.
- (3) Travelers driving privately owned vehicles must have a valid driver's license.
- (4) Privately owned vehicles used for official NMC business must be registered and insured, at no expense to NMC, for personal liability

and property damage at the minimum level required by law.

iv) College-Owned Vehicle

- (a) A College-owned vehicle must be used if available before ground transportation allowance will be approved. Only if a College-owned vehicle is not available will travelers be approved to receive ground transportation, including car rental.
- (b) Arrangements for use of College-owned vehicles for travel must be made with the employee's Department Head (for employees) and appropriate vehicle custodians. Non-employees must be cleared by the Human Resource Office and appropriate vehicle custodians. All use of College-owned vehicles is subject to the provisions of 1 CMC § 7406.

v) Ground Transportation

- (a) Actual expenses for ground transportation that the College determines are necessary and reasonable are allowed, including but not limited to car rental, car rental liability insurance, parking, taxi, bus or other public transportation, tolls, fuel, and tips for taxi or shuttle service. For all travelers, ground transportation within the CNMI requires the approval of the appropriate College administrator after approval by the employee's immediate supervisor. All ground transportation outside of the CNMI requires the approval of the President.

(b) Individual Travel

- (i) Up to \$30 per day for ground transportation will be advanced per individual traveler, unless a greater amount is determined as necessary for the circumstances in Part 4(a)(v)(b)(ii) and 4(a)(v)(c) based on evidence provided.
- (ii) In certain circumstances the traveler may find it necessary to rent a car. Specific authorization for use of a rental car by the approving official is necessary in advance. If a compact car is not available, the next higher class may be rented subject to prior justification and approval. Receipts for car rental are required to be submitted subsequent to the completion of travel. NMC will not pay car rental agencies directly.

(c) Group Travel

- (i) When it is deemed in the best interest of the College, when a group of two or more persons is traveling together on College business incurs joint expenses that will be funded from the same source, all ground transportation expenses shall be paid and reported by one traveler. Ground transportation will be issued to only one traveler in the group in the form of an advance to pay for the cost of the ground transportation. No other traveler in the group will receive any funds for ground transportation expenses.

Exceptions to this (including without limitation when group travelers will not lodge in the same location) may be justified in writing and approved by the President. The traveler who receives the advance for the rental of the vehicle must rent the vehicle or be liable for the reimbursement of the funds to NMC. Receipts for the vehicle rental must be submitted to NMC to certify the rental.

(d) Insurance for collision damage and liability shall be paid by NMC for official travel requiring the use of a rental vehicle as authorized on the TA. Travelers are required to obtain collision damage and liability insurance when renting or otherwise obtaining a vehicle. Costs related to damages to or malfunctioning of rented vehicles (and other vehicles damaged in an accident in which a NMC Traveler is at fault) may be paid by NMC up to the minimum deductible amount shown in the rental contract for the location.

b) Per Diem Expense

i) The maximum amount of per diem allocated for individual travelers is determined by the approved destination of official business. For travel outside of the CNMI, per diem will be calculated in accordance with the scale set by the federal government as outlined in the Federal Travel Regulations in 41 CFR Chapters 300 to 304. For travel within the CNMI, per diem will be calculated at the rate set by the CNMI Government. The per diem rate will cover lodging, meals, and incidental expenses.

For travel in	Rates set by	For per diem and actual expense see				
(1) Continental United States (CONUS)	U.S. General Services Administration	For per diem, see applicable FTR Per Diem Bulletins issued periodically by the U.S. Office of Governmentwide Policy, Office of Transportation and Personal Property, Travel Management Policy, and available on the internet at http://www.gsa.gov/perdiem				
(2) Non-foreign areas (Guam, and all other U.S. insular areas)	U.S. Department of Defense (Per Diem, Travel and Transportation Allowance Committee (PDTATAC))	Per Diem Bulletins issued by PDTATAC and published periodically in the Federal Register or Internet at http://www.defensetravel.dod.mil/site/perdiemCalc.cfm .				
(3) Foreign areas	U.S. Department of State	A per diem supplement to section 925, Department of State Standardized Regulations (Government Civilian – Foreign Areas and available on the Internet at www.state.gov).				
(4) CNMI (Rota, Tinian, Saipan)	CNMI Government	These rates shall change to reflect the CNMI prevailing rate, which at the time of issuance of this procedure is as follows:				
		Breakfast	Lunch	Dinner	Lodging	Total
		\$8.00	\$12.00	\$20.00	\$85.00	\$125.00

ii) Per diem allowance is calculated based on the approved dates of authorized travel and actual elapsed time of travel and will be paid as follows:

When travel is	Your per diem allowance is	
6 hours or less	25% of the maximum applicable Meals and Incidental Expenses (M&IE) rate only.	
More than 6 hours but less than 12 hours	50% of the maximum applicable Meals and Incidental Expenses (M&IE) rate only.	
More than 12 hours but less than 24 hours, when no lodging is required	75% of the applicable M&IE rate only.	
More than 12 hours but less than 24 hours, when lodging is justified and approved by the approving official	75% of the applicable M&IE plus the maximum lodging rate for the location.	
24 hours or more, on	The day of departure	75% of the applicable M&IE rate plus the maximum lodging rate for the location.
	Full days of travel	100% of the applicable M&IE rate plus the maximum lodging rate for the location.
	The last day of travel	75% of the applicable M&IE rate only.

- iii) Travel status begins at the time an individual is required to check-in at the carrier (two hours in advance of scheduled flight time). Travel status ends at the time the carrier reaches the final destination.
- iv) When a traveler crosses the international dateline, the actual elapsed travel time (rounded to the nearest full day) will be used to compute per diem rather than calendar days.
- v) If the traveler's scheduled flight time, including stopovers, exceeds 14 hours, a rest period not in excess of 24 hours at either an intermediate point or at the traveler's destination may be authorized. When a rest stop is authorized the applicable per diem rate is the rate for the rest stop location not in excess of 24 hours.
- vi) If travel is to a location where the per diem rate is insufficient to meet necessary expenses, the traveler may submit a request in advance of travel, containing pertinent lodging and meal cost data, for approval by the appropriate authorizing official as indicated in Part 3(c)(i)-(v). Appropriate circumstances may include when costs have escalated because of special events; lodging and meal expenses within prescribed allowances cannot be obtained nearby; and costs to commute to/from the nearby location consume most or all of the savings achieved from occupying less expensive lodging. To determine the actual subsistence rate, reasonable cost of lodging for the number of days authorized plus

the amount established for meals per day. Actual subsistence reimbursement shall not exceed 200% of the established per diem rate. Receipts for lodging, transportation, and any claimed miscellaneous expenses must be submitted with the travel voucher.

- c) Registration and Enrollment Fee: Registration/enrollment fees for meetings, conferences, courses, seminars, workshops, or similar events are allowable costs when the College employee is authorized to attend. Registration for conferences should not be secured until after the TA is approved.
- d) Miscellaneous Expenses: Reasonable miscellaneous expenses incidental to travel and conducting College business shall be reimbursed only when authorized by the approving official and accompanied by a written justification for each expense item. Such necessary and reasonable expenses include but are not limited to business office expenses (computer, fax, copy, or scanning services), telephone calls and data service related to College business, excess baggage fees for official business related baggage or cargo and associated baggage transfer fees (but not tips). Receipts should be obtained along with a description of the purpose and nature of the expense as it relates to College business. Receipts for telephone calls should indicate the telephone number, person contacted, and the purpose of the telephone call.
 - i) Expenses incurred by traveler such as fines for any parking tickets or traffic violations are not reimbursable.
 - ii) Taxes and gratuity (tips) are included in the per diem rate for meals and incidentals and are not reimbursable.
- e) Termination or cancellation of travel
 - i) Termination of travel due to illness, death or serious illness of a family member, or catastrophic circumstances directly affecting your home or other extraneous circumstances as approved by the President may be authorized prior to completion of temporary duty assignment. Termination of travel as a result of the traveler's own misconduct shall be at the expense of the traveler.
 - ii) Voluntary cancellation on the part of the traveler shall be at the expense of the employee and not NMC. Travelers on official travel status shall not voluntarily cancel their reservations if it will interfere with performance of official duties. Travelers who voluntarily delay their travel while on official duty enroute to home destination shall be charged annual leave for additional hours or days that they miss as a result of voluntary postponement of travel, if approved in advance per the annual leave regulations. Those travelers who voluntarily delay their travel while on official duty enroute to home destination without prior approval will be charged absence without leave (AWOL) and may be otherwise disciplined, including losing future travel privileges.
 - iii) Whenever a traveler plans in advance to deviate from the most direct route or itinerary for business-related travel or deviates from his/her

approved travel for personal reasons not due to illness or injury, or other emergency circumstances outside of the traveler's control, approval for the deviation must be received in advance and the proper leave application must be filed with the voucher and approved by the authorized official. In addition, the traveler must attach the itinerary actually traveled in order to determine that the College paid only what was reasonable and necessary (i.e., what the College should have paid had the traveler departed in time to attend the authorized official travel function and back

- f) Persons Not Employed by the College: Actual travel expenses of individuals who are not College employees (i.e., persons who are called upon to contribute time and service) may be authorized by the President. Such individuals are subject to the same standards set by policy and procedures set forth herein as College employees when being reimbursed for travel. Expenditure authorities of departments requesting travel for non-College employees will be responsible for ensuring the individuals are made aware of the requirements of this procedure and as well as ensuring timely close out of travel authorizations.

(5) Travel Advance

- a) The College issues cash advances to authorized travelers in support of official College business. Cash advances are issued only for per diem and ground transportation as outlined in Part 4(a) and (b).
- b) Travel advance checks shall generally be released no sooner than five days prior to scheduled departure. Ninety percent of the travel advance allowed shall be issued to the traveler. The remaining 10 percent shall be issued only upon the traveler's completion and filing of the appropriate support documents with the Finance Office within 15 working days upon completion of travel.
- c) A traveler may have only one outstanding travel advance at any given time, and may not be allowed to receive other advances until the outstanding advance is properly closed or liquidated.
- d) Travel advance should be considered as a loan to the traveler until proper reconciliation of approved travel expenses has been authorized and no outstanding amount is due to either the traveler or NMC.
- e) Travel advances shall not include the cost of airfare. Exceptions may be made with prior approval by the President and are subject to NMC's Procurement Regulations (NMIAC § 95-50).

(6) Close Out of Travel Authorizations

- a) All travelers are solely responsible to close out all TAs upon completion of travel. To close out a TA, the Schedule of Expenses and Amounts to Be Claimed, located on the lower half of the TA form, must be completed and submitted along with required documentation. Travelers shall be held accountable for any missing documents or any failure to file in a timely

manner. Travelers must file a travel voucher with supporting documentation within 15 working days upon completion of travel. Travelers who fail to submit travel vouchers and supporting documentation by this deadline will be subject to a payroll deduction of the entire amount of the advance per Part 6(k) and may be subject to applicable income taxes. Pursuant to Internal Revenue Code §1.62-2, if a traveler does not substantiate expenses or return excess advances travel advances timely, the advance is includible in wages and subject to income and employment taxes no later than the first payroll period following the end of the reasonable period

- b) The following documents are required to be submitted for all travelers who received a travel advance:
 - i) Schedule of Expenses and Amounts to Be Claimed, located on the bottom half of the TA form;
 - ii) An approved detailed trip report explaining the purpose of the travel, the event, meeting, or other official business function attended, and the benefit to the traveler and to NMC. All trip reports must be submitted to the traveler's supervisor for approval before submission to the Finance Office. The sufficiency of the trip report shall be determined by the traveler's supervisor, who shall approve the report and return to the traveler for submission to the Finance Office if the report is sufficient. If insufficient and not approved, the supervisor shall return the trip report to the traveler and request more information from the traveler for re-submission to the supervisor;
 - iii) Conference registration receipt, if applicable;
 - iv) Boarding passes;
 - v) Any unused ticket coupons;
 - vi) Receipts for ground transportation in excess of \$30 per day, including vehicle rental, insurance for rental car, fuel, shuttle, and taxi receipts. Receipts should be listed for each day. Taxi receipts should include the date, origin, destination, amount, and the names of other travelers in the vehicle, if any. If the amount advanced is less than the amount of the voucher on which it was deducted, the traveler will be reimbursed the net amount upon substantiation;
 - vii) Receipts for any necessary and reasonable miscellaneous expenses identified in Part 4(d). Receipts shall include the vendor name, location, date, and amount;
 - viii) For travelers using the actual subsistence rate, in addition to the above documents, including all receipts, including lodging, for all amounts claimed.
- c) Business related expenses incurred while on travel for official meetings or official entertainment and other similar expenses during the trip is not to be included when closing the TA. If necessary and justified, another means such as check request should be used to claim reimbursement.
- d) Close out of TAs for reimbursement of travel costs to NMC by third parties

- shall be completed upon receipt of payment from the third party institution. All funds advanced to the traveler by NMC shall be reimbursed directly to NMC. The traveler shall provide all required documentation in Part 6(b).
- e) Affidavits will be accepted for missing required documents with written justification and approved by the President or Chairperson of the Board of Regents, as applicable. Mere inconvenience in the matter of taking receipts will not be considered. Excessive or repeated failures to provide complete documentation will be cause for submission of affidavits to be rejected.
 - f) Responsibility for examination of TA close-out and supporting documentation rests with NMC's Finance Office staff. Vouchers must be accurate and expenses claimed authorized. If necessary, the Finance Office shall initiate the voucher for review by the appropriate authorizing officials and Chief Financial Officer. Notes shall be made by the examiner if any discrepancy exists and forwarded to the traveler for clarification or correction. Travelers must respond with the requested supporting information to avoid permitted payroll deductions.
 - g) The College may disallow a traveler's claim for reimbursement if the traveler has not
 - i) Properly itemized expenses;
 - ii) Provided receipt required to support claim; or
 - iii) Claim an expense which was not authorized or not allowable by this procedure.
 - h) Traveler must submit the applicable leave applications upon close out of the TA.
 - i) Within 15 business days after the voucher was or should have been submitted, the travel section of the Finance Office will issue the traveler a notification of balance due including any discrepancies in the submitted documents and all amounts owed to NMC. This statement shall include the following:
 - i) The date of each travel resulting in an outstanding balance;
 - ii) The place of each travel resulting in an outstanding balance;
 - iii) The amount advanced for each trip;
 - iv) The amount owed for each trip;
 - v) The total amount owed;
 - vi) Any discrepancies or problems with the submitted documents; and
 - vii) Notification that the amount will be deducted from the employee's paycheck or withheld from Board of Regents member honorariums as applicable, unless resolved.
 - j) If the travel advance exceeds reimbursement due, the undisputed balance will be deducted from the traveler's paycheck subsequent to the notice of the balance due, but no later than seven days after travel has been officially notified of amount due to NMC. For Board members, deductions shall be made from honorarium payments. For all non-employee travelers, including Board members, if future travel is approved as an exception under Part 3(f), deductions for amounts owed may be made from the per

- diem advance for the next travel.
- k) If upon review of all receipts and approval of total expenditures during the close-out period, it is determined that the travel advance is less than the total approved travel expenses on the TA, the traveler will be reimbursed the net amount within 15 business days.
 - l) In no case shall payroll deduction exceed more than 15% of the employee's net paycheck unless the employee is leaving NMC. Payments owed to NMC may be deducted over several pay periods, if necessary, until the balance is paid off.
 - m) A monthly statement of balance shall be issued to each traveler until the balance due is paid off.
 - n) Travelers will have an opportunity to inspect and copy their records related to their claim and to review the College's decision to collect the amount due. Final determination of traveler disputes rests with the President or Chief Financial Officer in the President's absence, except when the dispute is initiated by the President as the traveler. Final determination of any disputes by the President rests with the Chairperson of the Board of Regents.
 - o) If travel is cancelled for any reason, immediate refund of the travel advance must be made. Traveler must notify the travel section that the travel was cancelled and the purchased tickets must be returned to NMC. Employee will be notified that a payroll deduction shall be made from the employee's next pay check and the deduction shall be made no earlier than 15 days after the notice.
 - p) Appropriate procedures including possible legal action may be initiated in case of fraudulent claims.

References

Board of Regents Policy 7006, OMB Circular A-21, Federal Travel Regulations