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## Travel and Expenses Policy

### Finance Policy Group

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#### 1 Purpose

To provide a framework for undertaking travel for approved University purposes and guidance on the process for claiming reasonable travel expenses. As an organisation funded primarily through the government grant and student fees, or through contracts with external parties, the University is obliged to use its resources in a responsible manner. Furthermore, the University, its staff, and its students must guard against actual or perceived conflicts of interest in regard to the use of those resources. The University expects travellers:

- (a) To exercise prudence and professionalism in arranging and undertaking University travel.
- (b) Not to derive personal financial gain from University travel.
- (c) Will plan to meet trip objectives while minimising cost.
- (d) To incur University-funded travel and expenses only when relevant to University business.

#### 2 Organisational Scope

This is a University-wide (including group entities) policy. It shall apply to all University staff or individuals (including students) for whom the University either wholly or partially funds travel, accommodation, and associated expenses, irrespective of the country in which travel occurs; and includes institutes and centres funded by and reporting to the University. It shall also apply to the University's Council members.

#### 3 Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

Approving Manager:	Staff member's line manager or the student's Head of School
Business Travel:	Travel fully funded by the University
Cost of Travel:	Includes airfares, accommodation, rental vehicles, travel insurance and all expenses associated with travel
Grant Travel:	Travel that may be partially or wholly funded by the University
Local Travel:	Travel within New Zealand excluding air travel
Travel Management Company (TMC):	Travel agency contract by the University to supply travel services.
University:	Victoria University of Wellington and subsidiaries

*All monetary amounts referred to in this policy are in New Zealand dollars and are exclusive of Goods and Services Tax*

## 4 Policy Content and Guidelines

### 4.1 Preferred TMC

- (a) The University has contracted specific TMC to act as the University's official travel agents. Refer to Appendix One for the details of the University's official TMC. The University's negotiated agreement is for all types of travel undertaken by staff and Council members. Unless specifically addressed in this policy it is mandatory to use the TMC for (i) to (v) below, and optional for (vi):
  - (i) Business Travel
  - (ii) Grant Travel
  - (iii) Local Travel
  - (iv) Inwards Travel
  - (v) Group Travel
  - (vi) Private Travel
- (b) Only the Chief Financial Officer (CFO) or the Vice Chancellor (VC) will grant permission for the University funded travel to be booked with a travel agency outside the University's official TMC.
- (c) Compliance will be monitored by Finance.
- (d) In instances of non-compliance with this policy, the University may:
  - (i) Seek reimbursement of costs directly from the individual
  - (ii) Refuse to use University funds to meet the travel costs

### 4.2 Travel Approvals

- (a) Approval for travel must be obtained from an Approving Manager. With the exception of Senior Management Team (SMT) and Council members, staff and students may not authorise their own travel. The booking procedures operated by the University's TMC will require this authorisation before a booking may be confirmed.
- (b) The University will pay for all necessary and reasonable travel, accommodation, and incidental expenses required for the individual to undertake approved travel.
- (c) The Approving Manager will satisfy him/herself that the travel is necessary, reasonable, and covered by the available budget or grant before granting approval.
- (d) The Approving Manager has delegated authority to approve travel for all staff and students within his/her budget centre (except himself/herself) provided the travel is consistent with University policy and can be accommodated within the approved budget. Budget centre managers must seek approval from their Approving Manager for their own travel with the exception of SMT members.
- (e) All managers are responsible for ensuring compliance with this policy so that the University derives maximum benefit from the approved travel framework.
- (f) Travel bookings less than \$500 for the Chancellor and Council members will be administered and approved by the Secretary to Council. If the Chancellor's travel is greater than \$500, approval may be granted by Council resolution, or with the approval of the Chief Financial Officer and final approval by the Chair of the Audit Committee. For Council member's travel greater than \$500, approval is given by the Chancellor or,

in his/her absence, the Pro Chancellor. A report showing total travel and expenses for each Member of Council will be prepared by Finance for Council at least annually.

- (g) Overseas travel bookings (excluding Trans Tasman) for the Vice Chancellor are to be approved by the Chancellor or, in his absence, the Pro Chancellor. The Vice Chancellor and SMT members can approve his/her own local travel (including Trans Tasman) up to a commitment of \$2,500 within the approved budget. Overseas travel bookings (excluding Trans Tasman) for SMT members are to be approved by the Vice Chancellor or, in his absence, the Deputy Vice Chancellor.

#### **4.3 Business Travel**

Typical business travel includes travel for the purposes of research, recruitment of staff, recruitment of students, training and development.

#### **4.4 Grant Travel**

- (a) Where Grant Travel is wholly funded by the University then travel must be booked with the University's official TMC detailed in Appendix One. Grant funds from third parties are considered to be University funds.
- (b) Where Grant Travel is funded 50% or more by the grant-holder alternative agents may be approached for quotations. The traveller is required to obtain quotations from the University's TMC at the same time for the identical itinerary and dates, and provide the University's official TMC with the opportunity to match or better the alternative agent quotation (the alternative quotation must be in writing). If the University's TMC prices are equal to or better than the alternative, the travel is to be booked through them.

#### **4.5 Conditions**

The following conditions apply to Business Travel and Grant Travel:

##### **4.5.1 Airlines**

The TMC will book all travel with airlines in accordance with policies or agreements set in place by the University.

##### **4.5.2 Airfares**

- (a) All Business Travel and Grant Travel will be economy class unless:
  - (i) Frequent flyer reward points are available to be used to obtain an upgrade from economy to premium economy, business class or equivalent; or
  - (ii) The relevant Senior Management Team member has approved the business class travel; or
  - (iii) The Vice Chancellor has approved the first class travel.
- (b) Domestic and trans-Tasman airfares may be booked directly with airlines using their web based booking systems on the strict condition that the travel is paid for using a University Purchase-Card. It is expected that the traveller and/or travel co-ordinator:
  - (i) Is aware of any special conditions pertaining to the purchase of such tickets and considers the potential risk with "use it or lose it" airfares; and
  - (ii) Has obtained permission from the Approving Manager

##### **4.5.3 Current Status of Country**

- (a) Prior to travel all staff should view the International SOS website to obtain detailed information on the country(s) they are intending to travel to. International SOS

specialises in advice on health and security related issues and provide up to date information on over 190 countries from their web site. They also undertake emergency evacuations from countries where personal security issues have become extreme and provide assistance with urgent medical care that may be required. To view the website click [http://www.internationalosos.com/members\\_home](http://www.internationalosos.com/members_home) .

- (b) All university travel to High Risk countries requires the prior written approval of the school's relevant Pro Vice-Chancellor (PVC) or, for a Central Service Unit (CSU), the SMT member to whom the Director (or Manager) of the CSU reports.

#### **4.5.4 Frequent Flyer and Airline Club Memberships**

- (a) Where frequent flyer reward points or other similar benefits are gained in the course of University Business Travel, staff are encouraged to utilise these reward points to facilitate future business travel e.g. utilising reward points for a business class upgrade.
- (b) Staff and students may not request the TMC to schedule their travel on a non-preferred airline in order to generate frequent flyer reward points.
- (c) The University does not fund frequent flyer programme or airline club memberships or business traveller club memberships, without the prior approval of an SMT member.

#### **4.5.5 Downgrading**

Downgrading travel to provide personal benefit is not permitted.

#### **4.5.6 Excess Baggage**

Airline carry-on and check through luggage weight restrictions should be observed. Excess baggage surcharges incurred on flights for personal items will be at the traveller's own expense. Excess baggage surcharge incurred on flights for items required for the University business (e.g. bulky materials, equipment, University property) will be reimbursed.

#### **4.5.7 Record Keeping**

A record of any approvals is to be kept by the Approving Manager. Information recorded should include the name of the person travelling, the principal country of destination and the duration of the trip. The Approving Manager may request, either prior to departure or on return, a report on business trips of 5 working days or longer.

#### **4.5.8 Risk Management**

Where there are a number of University staff travelling at one time to the same place, an Approving Manager needs to consider the risk of having too many staff travelling on the same plane. Travellers should also ensure that they have taken all reasonable measures to ensure their personal safety.

#### **4.5.9 Cancellations and Refunds**

When a trip is cancelled after tickets and/or vouchers have been issued, the traveller or travel co-ordinator must immediately advise the TMC who issued the tickets (including electronic tickets) and/or vouchers.

#### **4.5.10 Lost or Stolen Tickets**

If tickets and/or vouchers are lost or stolen prior to departure the traveller or travel co-ordinator must report the loss immediately to the TMC who issued the tickets and/or vouchers.

**4.5.11 Accommodation**

- (a) Hotel and motel accommodation is to be in the mid or standard price range only, and must be arranged through the University's TMC. Where accommodation is provided as part of a conference or package deal, it should be used.
- (b) The University's Purchase-Card must be used to settle the account. If the traveller does not have a Purchase-Card, where possible, the account should be charged back to the TMC.
- (c) Any additional costs (e.g. mini-bar, breakfast), if agreed by the Approving Manager should be paid by using the University's Purchase-Card. If the traveller does not have a Purchase-Card, the traveller will personally pay the account and seek reimbursement on their return.

**4.5.12 Rental Vehicles**

- (a) Prior approval for hiring a vehicle must be obtained from the Approving Manager.
- (b) Rental vehicles must be arranged through the University's TMC.
- (c) The charge of the rental vehicle will be included in the University's TMC invoice and made after the rental has been used.
- (d) In general, only vehicles up to 1600cc should be hired, unless:
  - (i) There are four or more travellers, or
  - (ii) There is a lot of luggage or gear taken on the trip, or
  - (iii) The roads travelled are difficult, i.e. rocky terrain, steep winding roads, etc
- (e) All petrol and parking receipts should be paid for by the University Purchase-Card. Where this is not possible, or if the traveller does not have a Purchase-Card, the traveller will pay the account with their own funds and seek reimbursement on their return.
- (f) International rental vehicles must be insured in the country of hire. The University travel insurance will only cover the excess.

**4.5.13 Incidental Expenses**

- (a) All reimbursements are at the discretion of the Approving Manager. The University Purchase-Card is acknowledged as the most cost effective and preferred method of payment of incidental expenses.
- (b) Where a University Purchase-Card is not used, incidental expenses are reimbursed on receipts presented with an approved expense claim, to the Payments Team, as soon as possible. The original receipts for all amounts over \$5, any unspent money, and logs (that is a written record kept where receipts are not issued) should be attached to the expense claim.
- (c) Where a University Purchase-Card is not used, applications for cash and/or travellers cheques advances for incidental expenses must be made no less than 5 working days before departure date.
- (d) All incidental travel expenses incurred by the Chancellor and Council members up to \$500 will be administered and approved by the Secretary to Council. If the Chancellor's expenses are greater than \$500, approval for payment processing may be granted by the Chief Financial Officer and final approval by the Chair of the Audit Committee. If Council members' expenses are greater than \$500, approval is given by the Chancellor or, in his/her absence, the Pro Chancellor.

- (e) All incidental travel expenses incurred by the Vice Chancellor are to be approved by the Chancellor on the recommendation of the Chief Financial Officer with a copy of documentation (including a monthly printout of purchase card transactions) to the Chair of the Audit Committee. Incidental travel expenses incurred by SMT members are to be approved by the Vice Chancellor. A monthly Purchase Card report detailing SMT members' expenses is to be prepared by Finance and given to the Vice Chancellor.

#### **4.5.14 Travel Documents**

Passport costs are the responsibility of the traveller. Where visas and inoculations are required for the business portion of the trip, the University will meet the cost.

### **4.6 Local Travel**

#### **4.6.1 Taxis**

Travellers who hold a University Purchase-Card must use their card to pay for taxi fares, as this is the preferred payment method. Other staff may request one or more taxi chits to cover their immediate travel needs. Travellers must ensure that they enter their budget centre number and name before handing the chit to the driver.

#### **4.6.2 Private Vehicle Use**

With prior approval from the Approving Manager a private vehicle may be used for official out-of-town business. The University will pay the IRD "mileage rate" (i.e. per kilometre allowance) as reimbursement.

### **4.7 Inwards Travel**

- (a) Inwards Travel is travel arranged for a visitor to Victoria University of Wellington from a location other than Wellington.
- (b) Travel for a traveller that resides overseas and is required to travel for University business may be booked with another travel agency operating in the traveller's country, only if a written quote has been received which indicated a cheaper price than that quoted for the identical route and dates from the University's official TMC; or if for logistical reasons it proves to be more cost effective for the University, for travel to be booked with another travel agency.

### **4.8 Group Travel**

This is travel arranged in respect of study tours and field trips. Group Travel must be booked through the University TMC. Staff are required to adhere to the principles of this travel policy.

### **4.9 Private Travel**

Staff are able to take advantage of the service, fare and fees structure negotiated by the University by booking through the University's official TMC whether or not the travel is linked to business. Private travel may be booked concurrently with, or independently of, the business portion but will be charged separately and directly to the traveller.

#### **4.9.1 Travel Insurance**

Travel insurance cover for wholly private travel is the responsibility of the individual. The University's official TMC can arrange this insurance if required.

#### **4.9.2 Travel Documents**

Passport costs are the responsibility of the traveller. Where visas and inoculations are required for the business portion of the trip, the University will meet the cost.

#### 4.10 Travel Insurance

##### 4.10.1 General

- (a) The University has a Travel Insurance Policy for overseas travel, issued by Ace Insurance Limited that covers staff members, their family and/or spouse, and persons authorised by the University travelling on authorised business travel and associated personal travel.
- (b) Refer to Appendix Three for the Travel Insurance Policy for the University.
- (c) The travel insurance covers travel that is wholly or partially for University business. This coverage includes Grant Travel.
- (d) Travel insurance covers normal personal effects associated with travel including laptops and cameras.
- (e) Where travel includes equipment other than personal effects (e.g. specialist University equipment) the traveller must advise one of the official University TMC so that suitable arrangements can be made.
- (f) Travel insurance for travel that is wholly private is the responsibility of the individual.

##### 4.10.2 Travel to High Risk Countries

- (a) Circumstances may result in a country being deemed High Risk by the Insurer, with respect to the Travel Insurance Policy for the University, and as a result the Insurer may not pay benefits under the Travel Insurance Policy for the University unless special arrangements are made prior to travel.
- (b) A schedule of High Risk Countries is kept by Facilities Management (and loaded into an intranet site), and will be advised to the official University TMC. Refer to Appendix Two for a list of current High Risk Countries. Staff who suspect the country they are travelling to may be deemed High Risk must contact the Commercial Manager - Facilities Management, well in advance of the departure date to enable special insurance requirements to be met where possible.
- (c) As noted in 4.5.3(b), all University travel to High Risk countries requires the prior written approval of the School's relevant Pro Vice-Chancellor (PVC) or, for a Central Service Unit (CSU), the SMT member to whom the Director (or Manager) of the CSU reports.
- (d) A PVC or SMT member who approves travel to a High Risk country is responsible for ensuring that the staff member travelling is fully aware of, and prepared for, the potential risks associated with that travel.
- (e) At any time the situation in a High Risk country may mean that a decision is made by the VC to take certain action, including prohibiting any University travel to that country or recalling staff who are currently in that country. Given that the safety of all people travelling on University business is paramount, the VC reserves the right to make such decisions.
- (f) In addition information for New Zealand citizens is provided through a web page administered by the Department of Foreign Affairs <http://www.mfat.govt.nz/travel/index.html>.

##### 4.10.3 Unforeseeable or Unexpected Events

- (a) The Travel Insurance Policy for the University will not provide cover for any loss, damage, condition, or other event, which is not unforeseeable or unexpected to the traveller.

- (b) A travel booking must only be made in the full knowledge of current circumstances prevailing in the destination country or countries. The research required to obtain such knowledge must be undertaken by the traveller and must include research of political and medical risks.

#### **4.10.4 War, Invasion or Civil War**

The Travel Insurance Policy for the University does not pay benefits for any loss, damage, condition, or other event in connection with a journey to any country which is High Risk due to war, invasion, or civil war, where the claim arises as a result of the war, unless you have contacted the Commercial Manager – Facilities Management prior to travel, to ensure that:

- (a) The Insurer has been notified prior to the commencement of travel; and
- (b) An agreement to pay any additional premium and to follow any additional limitations, instructions, restrictions, or conditions has been reached with the Insurer.

#### **4.10.5 Terrorism**

The Travel Insurance Policy for the University does not exclude acts of terrorism; hence any loss, damage, condition or other event in connection with an act of terrorism would be covered.

#### **4.10.6 Political Evacuation**

The Travel Insurance Policy for the University does not exclude the event of political evacuation, hence the costs of return travel where evacuation has been recommended by officials of that country or New Zealand, would be covered, subject to various limits and exclusions imposed by the insurer.

#### **4.10.7 Notifiable Disease**

- (a) A notifiable disease is one, which has been stated as serious in a release to the public by the health officials of New Zealand, or the destination country or countries of a travelling staff member.
- (b) The Travel Insurance Policy for the University does not automatically exclude cover in the event of contracting a notifiable disease; hence any loss, damage, condition or other event in connection with the contracting of a notifiable disease would be covered until notified by the Insurer that the disease is no longer covered.

#### **4.10.8 Disinclination to Travel**

- (a) The Travel Insurance Policy for the University does not cover a staff member voluntarily changing their travel plans, or declining to travel when a scheduled flight is available.
- (b) Where the staff member has changed their travel plans in consultation with, and with the agreement of a senior staff member of the relevant School or CSU, the cost of the change in travel plans will be borne by that School or CSU.
- (c) Where the staff member has changed their travel plans without consulting with or obtaining the agreement of a senior staff member of the relevant School or CSU, the staff member may be liable for the cost of the change in travel plans.

## **5 References**

Previous Version: [archived TravelandExpensesPolicy 20061205.pdf](#)

## 6 Appendices

[Appendix A: University Official TMC](#)

[Appendix B: Current List of High Risk Countries](#)

[Appendix C: Travel Insurance Policy for VUW](#)

## 7 Approval Agency

Vice Chancellor

## 8 Approval Dates

This policy was originally approved on: 3 July 2001

This version was approved on: 6 December 2006

This version takes effect from: 6 December 2006

This policy will be reviewed by: 6 December 2009

## 9 Policy Sponsor

Chief Financial Officer

## 10 Contact Person

The following person may be approached on a routine basis in relation to this policy:

Marianna Nicolaou

Manager, Finance Business Processes and Procurement Operations

Ext 5910