To: Len Jessup, President  
From: Gerry Bomotti, Senior Vice President for Finance and Business  
Date: February 24, 2016  
Re: UNLV Travel Policy Update – Employee Lodging Exception Requested Delegation

Background:
In 2007 the State and the Board of Regents adopted the federal per-diem rates as the allowable rates for employee travel. For clarification, the State and Board of Regents did not adopt the federal travel policy, but rather just the federal per-diem rates for meals and lodging. The Board adopted the state travel policy, including the exception to standard hotel rate per-diem according to the State Administrative Manual (SAM) which allowed for the per-diem rate to be exceeded under two circumstances (lodging at a pre-arranged location such as a conference, or unusual price escalation such as may occur during a particular event). However, even given these exception circumstances, the amount by which the per-diem may be exceeded was capped at 150% for in-state surveyed cities, 175% for out-of-state surveyed cities and 300% for out-of-state non-surveyed cities.

Because the exception to the federal per-diem amounts have a maximum allowable exception amount, there have been rare occurrences of employee lodging costs exceeding these maximum exception amounts. Most commonly, staff that have incurred lodging costs in excess of the maximum allowable exception rates have done so in connection with attendance at an out-of-state conference with lodging incurred at the host hotel vs. elsewhere close by. And in most cases, the excess non-reimbursable cost has been ‘nominal’ (in the few cases this has occurred, the amount has generally been less than $50 per night but in some cases between $50 and $100 per night). In some cases, this lodging is incurred at an event host hotel and the traveler’s arrangements were made by department administrative staff without the traveler’s knowledge that the lodging rate exceeds the allowable reimbursement.

Basis for Requested Delegation.
There is not data suggesting there are many occurrences of lodging costs being incurred in excess of allowable per-diem amounts, so this requested action is not to address a significant issue/deficiency in the policy, but rather to ensure we have a defined way to handle requests that may arise on an infrequent basis so that they may be handled consistently, and we continue to recognize the sensitivity of travel expenditures by public employees.

Board Policy Update:
At the December 2014 Board of Regents meeting, a policy revision was approved to allow for the President of the institution, or his/her designee, to approve an exception to the caps specified in the SAM. The language added to the policy (P&G Manual, Chapter 5, Section 11) allows for an unlimited exception to be authorized by the institution president. See Employee Lodging below, item 3 added December 2014:
Employee Lodging:
NSHE institutions may make exceptions to the rate of reimbursement for lodging when one or more of the following applies:

1. Lodging is procured at a prearranged place such as a hotel when a meeting, conference or training session is held or;

2. Costs have escalated because of special events; lodging within prescribed allowances cannot be obtained nearby; and costs to commute to/from the nearby location exceed the cost savings from occupying less expensive lodging. If the condition(s) above exist, employee may apply the following rules to the rate of reimbursement for travel:
   a. 150% of the standard CONUS federal per diem rate for non-surveyed in-state sites.
   b. 175% of the federal per diem rate for surveyed out-of-state sites or;
   c. 300% of the standard CONUS federal per diem rate for non-surveyed out-of-state sites.

3. As otherwise approved by the chancellor, a vice chancellor, institution president or a person(s) delegated by him/her, or the chief of staff to the Board of Regents for BoR staff travel.

A request for exemption must be noted on the travel claim.

Recommendation:
Authority to approve lodging per-diem exceptions over the otherwise maximum allowable exception amounts be delegated by the President to the Senior Vice President for Finance and Business.

Delegation approved as recommended above:

Len Jessup, President
Date 2-29-16

Attachment: Full Procedure & Guidelines Manual travel policy