

# TU/e Regulation on Compensation for Business Trips

## Introduction

The TU/e Regulation on Compensation for Business Trips is implemented by the Travel Administration of the Financial Department of the TU/e.

## I. TU/e Regulation on Compensation for Business Trips

### I.1. Article 1 - Definitions

In this regulation the following is understood to mean:

- Management unit: An independently run sub-section of the TU/e designated by the Executive Board.
- Manager: The person who by virtue of a mandate or sub-mandate by management of a management unit is responsible for management thereof (or is empowered by the designated manager).
- Staff member: A person employed by the TU/e. This is understood to be people who are employed by The Netherlands Organization for Scientific Research (NWO) or by a comparable organization designated by the Minister and hired by the TU/e, or a person for whom this regulation is applicable for other reasons.

### I.2. Article 2 – General Stipulations

1. A trip qualifies as a ‘business trip’ if the manager deems it necessary for a staff member to carry out work outside of the normal place of work.
2. Work related travel within the Netherlands qualifies as a ‘domestic business trip’.
3. Work related travel abroad qualifies as a ‘business trip abroad’.
4. The staff member who has to travel on business is entitled to reimbursement in accordance with this regulation.
5. Compensation received from third parties in relation to business travel will be deducted from the reimbursable amount.
6. The preferred means of transport for business travel is public transport (including train-taxi).
7. In principle, first class travel in public transport is permitted for domestic business trips.

### I.3. Article 3 – Granting permission

1. No prior permission is required for domestic business trips by public transport, unless the management unit decides otherwise.
2. In the case of a domestic business trip with one’s own car because traveling by public transportation is impossible or inefficient, prior written permission (or an oral permission, if agreed upon within the Management Unit) is required from or on behalf of the manager.
3. In the case of business trip abroad, prior written permission is required from or on behalf of the manager by means of a Travel Permission Form, with the exception of business trips by public transport to destinations located in the border areas of Belgium or Germany for which no overnight costs will be incurred (unless the management decides otherwise).

### I.4. Article 4 – Start and end of the business trip

1. For travel expense reimbursement purposes, a business trip starts and ends at the staff member’s home address. An exception hereto is made for business trips that start from the workplace.

2. For the purpose of reimbursing overnight stays, the start and end times are based on the start and end points as referred to in paragraph 1.4 sub 1.

#### **1.5. Article 5 – Compensation for travel and overnight expenses**

1. The actual costs of using public transport are compensated based on receipts (with the exception of a train-taxi, bus, tram or metro).
2. For business trips the manager can reimburse a staff member/car driver for the car expenses to the maximum tax-free amount per kilometer as stipulated in the tax guidelines. (2006: € 0.19 net). Passengers cannot claim these costs. Expenses for parking, ferries and road tolls can only be reimbursed if the total compensation for using one's own vehicle does not exceed the permissible tax-free mileage amount with the exception of long-stay parking at airports.
3. In the event that travelling by public transport is impossible or inefficient, a matter that will be assessed by the manager, the manager at hand can grant the staff member/car driver a maximum compensation of € 0.36 gross per kilometer. In this reimbursement, the tax-free part (€ 0.19) is paid immediately. For administrative reasons, the taxable part is paid 4 times per year via the salary of the declaring party.
4. In such situations, the staff member will stipulate on the declaration form the names of the staff members who traveled in his/her car. Mileage reimbursement cannot be claimed by passengers.
5. When travelling by plane, in principle the staff member will travel by Economy Class. In certain cases, the traveling party can travel in a higher class, but will have to convince the manager of the need to do so.
6. Within the accommodation component, the traveling party is entitled to reimbursement if an overnight stay was unavoidable and costs for a hotel or guest house were incurred by the said party.
7. Accommodation expenses are reimbursed if the destination is outside of the staff member's workplace or home and if the duration of the trip exceeds four hours.
8. Accommodation expenses cannot be claimed for the flight component of a journey. There is no entitlement to accommodation expenses with regard to the service received on board when traveling by plane. If there were no possibilities or limited possibilities for service on the plane, then accommodation expenses are of course reimbursed. This usually applies to "low-cost carriers". This has to be stated clearly on the declaration.
9. Management units can amend reimbursement for domestic business trips by lowering the TU/e applicable rates.

#### **1.6. Article 6 - Declarations**

1. Reimbursement of travel expenses must be applied for no more than one month after the business trip. The TU/e travel expense form must be used to claim reimbursement of said expenses.
2. Reimbursement for traveling, accommodation and participation expenses can be claimed by staff members. Receipts are required for all claimed expenses. The day and night component (domestic trips) or the hour component (trips abroad) as well as the breakfast, lunch and dinner components are reimbursed based on the (maximum) norm stipulated in Section 2 (accommodation expenses).
3. Receipts are not required for the reimbursement of travel by train-taxi, bus, tram or metro.
4. If the traveling party can prove by means of receipts that due to exceptional circumstances the reimbursement was not sufficient, the manager can fully or partly approve compensation of additional costs.
5. Only receipts acceptable.

### **1.7. Article 7 – Transition stipulations**

Business trips, which were made before this regulation came into effect, will be settled according to the 'TU/e 1997 Regulation on Compensation for Business Trips'.

### **1.8. Article 8 – Final stipulation**

This regulation came into effect on April 1, 1998, and can be cited as the TU/e 1998 Regulation on Compensation for Business Trips' as was established accordingly in the meeting of the Executive Board on March 30, 1998.

## **2. Accommodation expenses**

### **2.1. Maximum accommodation expenses within the Netherlands**

Day component € 2.75 unless the duration of the trip exceeds 4 hours

Evening component € 8.25 only in combination with the accommodation component

Lunch component € 8.75 if the time between 12:00 and 14:00 falls completely within the business trip

Dinner component € 13.25 if the time between 18:00 and 21:00 falls completely within the business trip

Breakfast component € 5.00 if the time between 06:00 and 08:00 falls completely within the business trip and only in combination with the accommodation component

Accommodation component € 50.00 based on receipts

### **2.2. Accommodation expenses abroad**

The current rates list used is the 'Accommodation and Other Expenses in the Foreign Travel Scheme for the Public Sector'.

### **2.3. Rates for business trips abroad**

You will find the current list of rates via the website of the Ministry of Internal Affairs. You can download this list as a Pdf file. The Internet address is <http://www.minbzk.nl>. Via the search engine (search: tarieflijst) you can access the correct page.

### **2.4. Percentage sub-divisions: Percentage**

Accommodation component based on receipts with a maximum as stipulated in the rates list

Hours component (minor expenses) 1.5% per hour of the other expenses component

Breakfast component if the time between 06:00 and 08:00 falls completely within the business trip and only in combination with the accommodation component: 12% of the other expenses component

Lunch component if the time between 12:00 and 14:00 falls completely within the business trip: 20% of the other expenses component

Dinner component if the time between 18:00:00 and 21:00:00 falls completely within the business trip: 32% of the other expenses components

### **2.5. Items of proof**

Only original receipts are acceptable.

## **Procedure for business trips**

### **3.1. General**

The following sections provide information on procedures relating to business trips.

### **3.2. Basic principles**

The procedures are based on the 'TU/e 1998 Regulation on Compensation for Business Trips' as established by the Executive Board on March 30, 1998. The intention of the Travel Decree is also to limit car mileage and to stimulate the use of public transport.

### **3.3. Permission for business trips**

#### **3.3.1 Domestic business trips**

No prior permission is required by the manager for domestic business trips by public transport. Permission is not required for these trips unless the travel agent is asked to make arrangements for accommodation. Permission is required for domestic business trips with one's own car if it is impossible or inefficient to use public transportation. The manager assesses whether it is necessary to use one's own car.

In such cases the manager is responsible for ensuring that there is an All-Risks Insurance and in the case of co-travelers, that passenger insurance is also taken out. If the same business trip is taken regularly requiring the manager to provide prior written permission each time in accordance with the applicable regulation, the manager can also grant 'permanent' permission for a maximum period of one calendar year.

#### **3.3.2 Business trips abroad**

For business trip abroad, prior written permission is required from the manager by means of a travel permission form. The manager also declares that he agrees with the payment of costs in accordance to the norms of the Travel Decree. Lower rates can be applied by a management unit. If the applicable reimbursement is lower than the reimbursement permitted by the decree, the maximum permitted amount would have to be clearly indicated on the travel permission form. In such situations, the traveling party would have to agree to the lower reimbursement.

A completed travel permission form in duplicate together with any appendices concerning the participation in a convention and hotel reservation must be forwarded to the travel administration department in a timely fashion before the trip commences.

No payments related to the trip are made nor any financial obligations entered into before the travel permission form is received.

If on the travel permission form, the traveling party indicates that he/she would like to make all the arrangements via a travel agent, the party will have to contact the agent as soon as possible and if necessary, make an appointment.

#### **3.3.3 Traveling by plane**

The intention of the regulation is also the management of the travel costs. This is why as a rule the manager will grant permission to travel in Economy Class. If this is impossible due to extraordinary circumstances, the manager can grant permission to travel in a higher class in which case this would have to be indicated clearly on the travel permission form.

### 3.4. Arrangement of travel facilities

After receiving the travel permission form, the travel agent – in consultation with the traveling party – will make arrangements for the necessary facilities.

- travel documents
- hotel reservation
- visa application
- cancellation insurance

If the traveling party informs the travel agent about a preference for a tour operator, the travel agent shall comply. Since the TU/e has collective travel insurance for employees, the costs for personal travel insurance cannot be claimed. Only the costs for the necessary cancellation insurance (including at Ité and group trips) can be claimed separately.

If the trip has to be cancelled, the cancellation must be reported well in time to the travel agent and to the travel administration department. Costs incurred – and which cannot be refunded – are charged to the relevant management unit.

### 3.5. Participation costs

If for a business trip costs relating to participating in conferences need to be paid, the following rules apply:

Participation costs are paid through the travel administration department. In the case of a trip abroad, the invoice and registration documents signed by the manager are added to the travel permission form, submitted to the travel administration department.

In the case of a domestic trip, the signed invoice is submitted to the travel administration department. In order to prevent any inconvenience at the destination, when sending in the required documents one should make allowance for sufficient time for processing and settlement of the documents according to the following time frames:

- 3 weeks for international payment
- 2 weeks for domestic payment

The following data needs to be filled in on the request for payment and/or participation form:

- Name and address of the beneficiary
- Fax number of the beneficiary for a credit card payment
- Name, BIC, IBAN and address of the bank and the account number of the beneficiary (if applicable)
- Amount to be paid
- Reason for payment
- Travel permission form number (if applicable)
- Full booking code

If registration documents have to be sent together with the payment, these have to be filled in completely and added to the request for payment. The travel administration department ensures that payments related to participation costs are made in time and records them in the administration so that they can be charged to the relevant booking code under reference of the Travel permission form number.

### 3.6. Collective travel insurance

The TU/e has collective travel insurance for people travelling abroad on behalf of the TU/e.

This insurance covers the following:

- Assistance + extraordinary costs
- Medical expenses that supplement the existing personal medical insurance
- Dental costs
- Accidents (benefit in the event of disability/death)
- Luggage (up to a maximum of € 4,540)

With regard to luggage, it should be mentioned that this does not include expensive equipment, etc., which is the property of TU/e. If the manager deems it necessary a supplementary insurance must be taken out by the commercial service (extension. 2052) of the Finance Department.

Laptops, classified as luggage (these are not considered to be expensive equipment and should be carried as hand luggage) are only insured to a limited extent through the collective travel insurance scheme. The commercial service can take out supplementary insurance for laptops.

Additionally, the following should be noted:

- Cash is not insured.
- The insurance is not effective in the country where the traveling party resides. For example: A traveling party who lives in Belgium is not insured in Belgium, but is insured in the Netherlands.

The travel agent acts as an insurance agent. In this capacity and based on an authorized travel permit, in addition to the tickets, travel documents, etc. requested by the traveling party, he also provides:

- Information about travel insurance
- An insurance card (also available from the travel administration department)
- The policy conditions

The travel insurance also applies to trips that are not arranged by a travel agent. The policy conditions are available from Carlson Wagon Lit Travel (CWT).

### 3.7. Public Transport Travel Pass (OV-jaarkaart)

Given that stimulating the use of public transport is an additional intention of the regulation, the following procedures concern the Public Transport Travel Pass:

- If the traveling party has privately purchased a Public Transport Travel Pass, he/she can claim reimbursement for travel expenses by public transport in connection with to business trips, according to the applicable public transport rates. Since in this case it is not possible to submit a ticket, the manager will note on the claims form that as a travel pass holder the employee is entitled to reimbursement. If circumstances require multiple trips, the manager will take measures to acquire a travel pass at the expense of the TU/e.
- If the TU/e provides a staff member with a travel pass (for example, in the case of multiple trips by train), the following measures must be taken: The salary administration department pays the amount needed to purchase a travel pass with the salary of the traveling party. In the event of termination of employment before the expiry date of the travel pass, the amount relating to the remaining validity period of the pass will be deducted from the employee's salary. The manager is responsible for monitoring this.
- Once a year the traveling party submits a copy of the travel pass to the salary administration department.

### 3.8. Dutch Railway reduced fare pass (NS-kortingskaart)

- If the traveling party has privately purchased a Dutch Railway reduced fare pass, he/she can claim reimbursement of travel expenses by public transport in connection with business trips, according to the applicable public transport rates. Since in this case only one ticket with a reduction can be submitted, the manager will note on the declaration that a higher reimbursement should be paid because the traveler has a Dutch Railway reduced fare pass.
- If the TU/e provides a staff member with pass (for example, in the case of multiple trips by train), no corrections are required. The traveling party is reimbursed the amount for buying the Dutch Railway reduced fare pass.
- Once a year the traveling party submits a copy of the Dutch Railway reduced fare pass to the faculty office.

### 3.9. Travel expense forms

Within one month following the business trip, the traveling party shall fill in the travel expense form (perhaps in consultation with the financial officer of the particular department and/or an assistant from travel administration department). The traveling party shall use the TU/e issued claims form for preparing the claim. The claim has to include all costs connected with the business trip in accordance with the norms of the Travel Decree (perhaps supplemented with exceptional stipulations established in the travel permission form). This has to be supported by the necessary receipts with respect to the expenses for the trip, accommodations and participation. Compensations from third parties and any possible advance payments are deducted from the claimed amount. Any participation costs and the costs of the travel agent are later filled in by the travel administration department. The travel expense claims form has to be sent to the travel administration department.

If the staff member does not submit the claims within 2 months after the end of the business trip, he/she forfeits the entitlement to reimbursement, unless – due to circumstances - the manager decides otherwise. In that case, any amounts advanced by the TU/e are claimable from the staff member and are deducted from the salary. For that purpose the salary administration department shall receive an order to deduct the amounts from the salary of the particular staff member. The travel administration department makes sure that payments ensuing from an authorized claim are paid within 2 weeks.

### **3.10. Accommodation expenses**

#### **3.10.1 Domestic business trips**

Reimbursement for accommodation expenses can only be claimed for if the duration of the journey to the destination exceeds 4 hours. Within the accommodation component, the traveling party is entitled to reimbursement if an overnight stay is unavoidable and a hotel or guest house was paid by the party.

For reimbursement of accommodations, the actual costs that were made can be claimed up to a maximum amount stipulated in the regulation. Claims will only be settled if receipts are submitted. If this is not the case, a maximum amount of

€ 11.34 per night can be reimbursed. Reimbursement for other expenses consists of fixed amounts for meals (breakfast, lunch and dinner components) and for minor expenses (day and evening components). The level of reimbursement for 1998 is found in Section 2 of this regulation.

In the case of business trips in which reaching the final destination requires less than 4 hours of traveling, the staff member can only claim the traveling costs.

Meals can only be claimed if:

The business trip takes at least 4 hours, and

- for lunch: the time between 12:00 and 14:00 falls completely within the business trip
- for dinner: the time between 18:00 and 21:00 falls completely within the business trip
- for breakfast: the time between 6:00 and 8:00 falls completely within the business trip, and therefore actual accommodation expenses were made during the business trip.

#### **3.10.2 Business trips abroad**

The method of reimbursement of domestic travel expenses also applies to other expenses incurred whilst traveling.

The components for business trips abroad are expressed in percentages. Meals and accommodations can only be reimbursed based on the actual costs that are made. For reimbursement of accommodations, the actual costs that were made can be claimed up to a maximum amount as stipulated in the regulation. Claims are only settled if receipts are submitted.

The amounts (up to the maximum level) are derived from the current rate list. The Internet address is <http://www.minbzk.nl>. Via the search engine (search: tarieflijst) you can access correct page.

In addition the maximum permitted amount for reimbursement of accommodations, this list also contains the norm amounts for other costs.

The amount for other costs is compiled according to percentages in relation to the reimbursement norm:

- For breakfast 12% (between 6:00 and 8:00)
- For lunch 20% (between 12:00 and 14:00)
- For dinner 32% (between 18:00 and 21:00)
- Minor expenses 1.5% per hour. Minor expenses for the flight component of a trip will not be reimbursed. Compensation for minor expenses is calculated based on the duration of a business trip rounded off in hours (insofar that this period is eligible as compensation time), multiplied by 1.5% of the reimbursement norm for other costs.

#### **3.10.3 General**

If the traveling party can prove with receipts that due to exceptional circumstances the reimbursement was not sufficient, the manager can partly or fully permit the compensation of additional costs.

### **3.11. Extraordinary expenses**

Costs incurred in relation to business trips, such as telephone and fax costs (exclusively for the purpose of work), as well as other necessary costs (in the opinion of the manager), such as car rental, taxis, visa, passport, foreign currency exchange, vaccinations and a representative appearance, are fully reimbursed based on the submitted receipts.

### **3.12. Settlement of advances**

As a general rule, advances are deducted from final travel expense settlement. If the advances exceed the amounts to be claimed and/or if the advances cannot be settled on time – due to late submission of the claims form – the advances shall be deducted from the salary. The travel administration department shall report the excess to the management. Non-staff members are required to repay the advanced amount that is in excess of the amount that can be claimed by depositing this amount in bank account number 15.01.83.275 (Rabobank) thereby mentioning the travel permission form number.

### **3.13. Fiscal consequences**

Compensation granted in connection to business trips is of no fiscal consequence because it is considered reimbursement for actual costs (demonstrable) or reimbursement according to tax acceptable norms. Exception: In principle, above the norm reimbursements that are approved by the manager have to be reported to the tax authorities.

### **3.14. Payment**

The travel claims are recorded in the administration by the travel administration department. The claimed amount is paid to the traveling party within 30 days.

### **3.15. Final notes**

The travel permission form number should be available on all written all documents relating to the business trip as well as for all verbal communication. Information about the contents and application of the Travel Decree and its related implementation instructions are provided by the travel administration department, upon request.