

DATE: September 8, 2009
TO: Executive Committee Members, Assistant Vice Presidents, Chairs, Directors, Department Heads, Assistants to the Deans and Vice Presidents, and Departmental Administrators
FROM: Harry S. Lynch, Jr.
Executive Vice President for Business Affairs/Chief Financial Officer

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SUBJECT: FY 2010 – Important Changes for Travel Reimbursements

Effective Sept. 1, 2009, the General Appropriations Act, Senate Bill 1, Article IX, Section 5.06(c), 81st Legislature, Regular Session, requires agencies to use the [General Services Administration \(GSA\)'s federal travel rates](http://www.gsa.gov/perdiem) (<http://www.gsa.gov/perdiem>) to determine the maximum meals and lodging reimbursement rates for **both** in-state and out-of-state travel. Agencies will continue to use the \$85 maximum for lodging and \$36 maximum for meals for in-state locations not specifically listed in the federal rates. The method for determining maximum out-of-state travel rates has not changed.

Pursuant to this legislative change, you can now use the Federal per diem rates for both in-state and out-of-state travel when using state funds. However, there are only 17 Texas cities listed with per diem rates on the Federal website. If the city is not listed, refer to rates for the county. If the county is not listed, continue to use the rate of \$36 per day for meals and \$85 per night for lodging.

In addition to the above change, under this revised legislation, a state employee may now:

- claim less than the maximum meal rate for a duty point and use the amount of the reduction to increase the maximum lodging rate for the duty point; and
- request a higher lodging rate for both in-state and out-of-state travel under certain conditions using the required request form which can be found on the HSC Master List page under "Request to Increase Maximum Lodging Rate." Examples that would qualify for a higher lodging rate would be: (1) no safe lodging available; (2) decreased overall total cost; or (3) other – (shortage of hotel rooms, i.e. Houston after Hurricane Ike).

The institution has also revised its substantiation requirements for all travel beginning 9/1/09 for reimbursement from ALL funds as follows:

- **Receipts for all transportation including taxi, shuttle, rail, etc. are required.**
- **Receipts for parking are required.**

Related institutional policies at HOP 6.2.15 and 6.2.22 will be revised to reflect the above changes.

Please distribute this bulletin to all principal investigators and members of your staff that are responsible for fiscal management and/or are involved in preparing and or approving purchase travel requisitions and travel reimbursement vouchers and/or Local/State Vouchers.