Beginning October 1, 2007, Travel Accounting will begin implementing business procedures to comply with the IRS rule which requires travelers to substantiate (close) all open University trips within 60 days of completion of a trip.

What is a closed University Trip?

Travel Accounting personnel will mark a trip as “closed” when the dates of travel are past and the following conditions are met:

1. The Final Reimbursement Form is received in Travel with proper signatures, and passes established auditing standards.
2. All prepaid items are substantiated with proper documentation, and all these expenses were reasonable in cost and demonstrated to be necessary to the business purpose. Prepaid items include:
   a. Cash Advances
   b. Airfare
   c. Airfare Service Fees
   d. Conference fees
   e. Hotel prepayment
   f. Early Reimbursement
   g. Any other prepaid expense
3. Any amount Due University is in possession of Travel Accounting, or departmental deposit is complete and attached to the Final Reimbursement.

How is a Cancelled Trip closed:

Travel Accounting will mark a cancelled trip as “closed” when we receive and process the following form: http://fbs.admin.utah.edu/index.php/forms/travel-number-close/

What are proper signatures for Travel Reimbursement?

1. The **Traveler** signs the Reimbursement verifying that all expenses are:
   a. accurate
   b. reflect the lowest practical cost
   c. are connected to the business purpose of the trip
2. The **Traveler’s supervisor**, or other appropriate officer, of higher authority in his/her reporting chain is signing the Reimbursement verifying that the trip served some mission related purpose.
3. The **PI or designee** signs verifying the appropriateness and sufficiency of the funding source.
4. The cognizant **Vice President** signs to authorize specific and documented exceptions to policy (when required).

Why is it important to close a trip?

In order to comply with IRS rules, if expenses are not properly substantiated, the University may deduct prepaid Travel expenses from an employee’s paycheck. If the Traveler is not a University employee, we will report prepaid expenses as taxable income.

Why are we implementing these business procedures now?

We have always enforced the 60 day IRS rule pertaining to cash advances, however until all University personnel were reporting return dates using the Online Travel system, we were unable to identify when a trip ended.

More than 95% of all University travel is now reported through the Online Travel System, making compliance possible. We will no longer be accepting paper forms after **October 1, 2007**. Administrative staff can be authorized to use the Online Travel System upon completion of **Travel Accounting Training**.

For Travel Training dates and times, see: http://fbs.admin.utah.edu/index.php/training/training-procedural-workshops/training-travel/