

# Employee Travel Policy (MPF1300)

## 1. Objective

The objectives of this policy are to:

- (a) specify the principles governing business-related travel; and
- (b) empower employees to incur travel or travel-related expenses where there is a clear and genuine need to, whilst ensuring the University's duty of care is maintained, legal and tax obligations and sustainability commitments are met, and value for money is achieved.

## 2. Scope

2.1. This policy applies to University employees, including honorary, visiting or adjunct appointees, who are undertaking business-related travel.

2.2. This policy does not apply to travel undertaken by students. For student travel, refer to the [Student Travel and Transport Policy MPF1209](#).

## 3. Authority

This policy is made under the [University of Melbourne Act 2009 \(Vic\)](#) and the [Vice-Chancellor Regulation](#) and supports compliance with the following legislation:

- (a) *Fringe Benefits Tax Assessment Act 1986* (Cth) (**FBT Act**); and
- (b) *Occupational Health and Safety Act 2004* (Vic).

## 4. Policy

4.1. The University views travel as an important enabler for its teaching, learning, research and engagement activities.

4.2. In facilitating employee travel, the University is committed to:

- (a) maintaining its employer duty of care;
- (b) meeting its legal and tax obligations; and
- (c) achieving value for money in relation to travel expenditure; and
- (d) reducing the environmental impact of employee travel.

4.3. Travellers must use the University's endorsed booking platform in accordance with sections 5.9 – 5.10.

## 5. Procedural principles

### Travellers' responsibilities

5.1. Travellers must ensure that they comply with the University's policies and that any expenditure they incur while travelling is for legitimate University business.

5.2. Travellers are responsible for:

- (a) ensuring that their travel is covered by insurance in accordance with sections 5.19-5.20;
- (b) ensuring that personal expenses are not paid for using University funds;
- (c) ensuring that business-related travel expenses are incurred, and accounted for, in accordance with the Financial Code of Conduct Policy;
- (d) updating their contact details in Themis;
- (e) ensuring their travel documents are up to date;
- (f) ensuring they are fit for travel in accordance with section 5.17; and
- (g) ensuring they are aware of legal and cultural sensitivities of their host country or organisation.

5.3. Travellers may only travel to high risk destinations if:

- (a) they have taken into account the advice of the Department of Foreign Affairs and Trade (DFAT), and are able to demonstrate that appropriate precautions have been taken to ensure their safety; and
- (b) their supervisor is informed of, and has approved, the intended travel.

5.4. Travellers who are receiving funding for their travel from an external body must ensure that their travel complies with the conditions of the relevant external body.

5.5. Prior to making a travel commitment, travellers must communicate with their supervisor about their intention to travel. This communication must include:

- (a) the purpose of travel, including demonstrating that University business is the dominant purpose of travel;
- (b) if relevant, the impact on personal and team workload, and faculty/school activities such as teaching and research supervision;
- (c) associated leave plans, including any plans to incorporate personal travel with business-related travel;
- (d) applicable DFAT warnings, high risk travel activities, and fitness for travel;
- (e) confirmation that the funding source is clearly identified and has funds available to cover the travel;
- (f) where applicable, confirmation that Special Studies Program (SSP) related travel complies with the relevant provisions of the [Academic Appointment Performance and Promotion Policy \(MPF1299\)](#); and
- (g) the class of travel to be booked, in accordance with sections 5.23-5.25.

5.6. Travellers who are honorary appointees or visitors of the University may only undertake business-related travel in the following circumstances:

- (a) if the business-related travel is funded by an external body, the travel is permitted by the relevant funding body;
- (b) if the business-related travel is funded by the University, the travel is approved by a Level 2b or Level 3a Delegate (as relevant); or
- (c) the travel is self-funded.

### **Supervisors' responsibilities**

5.7. Supervisors must ensure that staff they supervise undertake travel in accordance with this policy and in a manner that ensures that the University is:

- (a) able to maintain its employer duty of care; and
- (b) fringe benefits tax (FBT) compliant.

5.8. To fulfil their obligations under section 5.7, if a traveller communicates with their supervisor about their intention to travel under section 5.5, the supervisor must:

- (a) discuss the issues set out in sections 5.5(a)-(g) with the traveller;
- (b) direct the traveller to book business-related flights and accommodation through the University's endorsed booking platform in accordance with section 5.9-5.10;
- (c) ensure they can confirm that the travel is being undertaken for legitimate University business, and if there is a personal component to the travel, that the dominant purpose of travel is for University business;
- (d) ensure that any business-related travel expense charged to or paid by the University is in line with the [Vice-Chancellor's Delegations Manual](#), and the requirements of any relevant funding body; and
- (e) approve any travel to high risk destinations.

### **The University's endorsed booking system**

5.9. To assist the University in maintaining its employer duty of care, travellers must ensure that business-related flights and accommodation are booked and managed through the University's endorsed booking system.

5.10. Notwithstanding section 5.9 above:

- (a) if business-related travel is funded by an external body:
  - i) the relevant body may arrange flights and accommodation; and
  - ii) travellers are responsible for ensuring that relevant details relating to their flights and accommodation are recorded on the University's endorsed booking system; and

(b) if specific components of travel cannot be booked through the University's endorsed booking system, travellers must:

i) exercise practical judgment in determining an alternative booking method for those components, taking into account the factors set out in section 4.2; and

ii) record the booking in the system, or otherwise communicate the alternative arrangements to their supervisor in accordance with section 5.5.

## Records and travel diaries

5.11. Employees undertaking travel that is five nights or greater in duration are required to complete and submit a travel diary through the University's endorsed booking platform to meet requirements under the FBT Act.

5.12. In addition to completing and submitting a travel diary, travellers must retain supporting documents and be able to produce these documents for a period of up to 5 years after the business-related travel has been undertaken.

## Private travel and the dominant purpose of travel

5.13. To meet compliance obligations under the FBT Act, travellers may only undertake private travel incidental to business related travel if:

(a) they can demonstrate that the University business component is the dominant purpose of the travel; and

(b) all private expenses are paid for from the traveller's personal funds.

## Payment for business-related travel and related expenses

5.14. The preferred methods of payment for business-related travel and expenses are any of:

(a) University credit card;

(b) University purchase order; or

(c) where agreed, through a per diem arrangement.

5.15. Where payment cannot reasonably be made using the University's preferred payment methods, the traveller's supervisor may approve reimbursement for business-related travel expenses.

## Sustainability

5.16. Prior to making a travel commitment, all employees should consider the environmental impact of their proposed travel and explore alternatives to travel.

## Fitness for travel

5.17. Travellers must take reasonable steps to ensure that they are fit to travel, including by:

(a) completing the University's [medical questionnaire for off campus activities](#);

(b) notifying their supervisor immediately if there are any factors that may affect their ability to participate in business-related travel; and

(c) if required, providing written support from a medical or allied health professional about their fitness to travel.

5.18. Where possible, the University will make reasonable adjustments to:

(a) facilitate business-related travel for employees with known disabilities; and

(b) appropriately address the implications of any unexpected illness for employees while they are undertaking business-related travel.

## **Insurance**

5.19. The University's travel insurance covers all business-related travel made in accordance with this policy.

5.20. In some circumstances, the University's travel insurance may cover accompanied travel which is permitted under section 5.33. Travellers are responsible for seeking advice about insurance cover from Legal and Risk prior to undertaking accompanied travel.

## **Travel documents**

5.21. Travellers are responsible for ensuring that travel documents are up to date or obtained where and when required.

5.22. Costs associated with obtaining or renewing visas may be charged to the University as a business expense where employees are required to travel for University business.

## **Class of travel**

5.23. Travellers must exercise practical judgment and book the best available fare for their circumstances, consistent with this policy and the terms of their employment contract.

5.24. When exercising judgment under section 5.23, travellers should take into account the following guidelines:

(a) the University's standard class of travel for flights of less than seven hours is economy class;

(b) the relevant Level 2b or 3a Delegate may approve fare classes other than economy if:

i) the proposed flight is longer than seven hours;

ii) there are any other circumstances requiring a fare class other than economy; and

(c) where possible, travellers should consider premium economy class as an alternative to business class.

5.25. Section 5.24 does not apply to a traveller if:

(a) their employment contract provides for fare classes other than economy; or

(b) their travel expenditure is permitted by the relevant funding body.

### **Frequent flyer membership**

5.26. Travellers undertaking business related travel may join an airline's frequent flyer scheme but are responsible for all associated costs.

5.27. The traveller may retain frequent flyer points and the benefits of membership accumulated by the traveller through business-related travel for personal use. However, the traveller is personally responsible for any associated tax liability.

5.28. The traveller may use frequent flyer points to upgrade travel class at their discretion, however, this must be undertaken by the traveller directly with the airline.

5.29. University-funded lounge membership or access is only permitted on approval by a Level 2b or Level 3a Delegate.

### **Transport, parking and accommodation**

5.30. Travellers must exercise practical judgment in deciding on transport and accommodation that best suits their circumstances, taking into account cost effectiveness, risk and effective use of time.

5.31. Without limiting section 5.30 in relation to transport, travellers may:

(a) use the following modes of ground transport:

i) taxis;

ii) private hire cars where the price is not determined using a metered fare; or

iii) online transportation network companies (such as Uber) in cities where they operate legally; or

(b) use rental cars and airport car parking if it is cost effective as compared with estimated taxi costs. Airport valet parking is not permitted.

5.32. Without limiting section 5.30 in relation to accommodation, travellers may book accommodation in online accommodation marketplaces (such as Airbnb), provided they take all appropriate measures to:

(a) ensure their safety; and

(b) assist the University in exercising its duty of care.

### **Spouse, partner and dependent travel (accompanied travel)**

5.33. Accompanied travel is permitted provided that:

(a) supervisor approval has been received prior to making any commitments; and

(b) any additional expenses incurred for the accompanied travel are privately funded.

## **6. Roles and responsibilities**

<i>Role/Decision/Action</i>	<i>Responsibility</i>	<i>Conditions and limitations</i>
Use the University's endorsed booking system	Traveller	As described in section 6.1
Consider the environmental impact of their proposed travel and explore alternatives to travel	Traveller	NA
Notify their supervisor about intention of travel prior to making travel commitment	Traveller	NA
Ensure that they are covered by insurance	Traveller	NA
Ensure that travel documents are up to date	Traveller	
Take reasonable steps to ensure they are fit for travel, including filling out the medical questionnaire	Traveller	NA
Exercise practical judgment in booking the best travel fare for their circumstances	Traveller	Decision should be consistent with the University's employment contract
Exercise practical judgment in deciding on transport and accommodation	Traveller	Decision should take into account the cost and use of time
Discuss travel plans with travellers	Supervisor	NA
Approve fare classes other than economy	Level 2b or Level 3a Delegate	As described in section 6.1
Approve University-funded lounge membership or access	Level 2b or Level 3a Delegate (as appropriate)	NA

## 7. Definitions

**Best available fare** means the lowest cost fare, taking into account considerations such as safety, comfort, convenience and practicality of schedules, and the extent to which the travel is certain and unlikely to need to be cancelled, changed and/or refunded.

**Dominant purpose** means, for the purposes of this policy, satisfying the following elements:

- (a) the business-related travel must be the principal component of the travel;
- (b) any private reason for the travel must be a secondary consideration to the business reason for the travel; and
- (c) the travel would not have occurred but for the business-related component of the travel.

**Fit for travel** means that travellers are fit and able to participate in the business-related travel.

**Fringe benefits tax (FBT)** means a benefit provided in respect of employment as defined in the *Fringe Benefits Tax Assessment Act 1986*.

**High risk destination** means a destination which is given a Level 3 (Reconsider your need to travel) or 4 (Do not travel) classification by the Department of Foreign Affairs and Trade.

**Level 2b or Level 3a Delegate** has the meaning given to it by the Vice-Chancellor's Delegations Manual.

**Supporting documents** means written evidence that verifies that the dominant purpose of travel was business-related and that expenses paid for by the University were incurred in undertaking the business-related travel. This includes email records, booking records and receipts related to the planning and undertaking of business-related travel.

**Travel and business-related travel** means travel undertaken for University business on the University's behalf, whether within Australia or internationally, but does not include travel in which the employee reasonably expects to return to work within the same day.

**Travel documents** means passports and visas required to facilitate travel.

**Traveller** means an employee, and where applicable, an honorary appointee or visitor, undertaking travel.

**University business** includes travel which enables the University's teaching, learning, research and engagement activities.

## POLICY APPROVER

Vice-Principal Administration & Finance and Chief Financial Officer

## POLICY STEWARD

Executive Director, Finance

## REVIEW

This policy is to be reviewed by 2 May 2022.

## VERSION HISTORY

Version	Approved By	Approval Date	Effective Date	Sections Modified
1	Vice Principal Administration & Finance and Chief Finance Officer	19 December 2014	20 December 2014	Moved from Procurement as Version 1.
2 - 4	-	-	-	Created in error
5	Vice Principal Administration & Finance and Chief Finance Officer	2 May 2017	2 May 2017	New version arising from Smarter Travel Initiative
6	Executive Director, Finance	11 May 2017	11 May 2017	Editorial amendments following submission of travel policy