

# The IT University's Internal Guidelines on Official Travel

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### 1.0 Definition and Grant of Official Travel

Official travel is defined as travel carried out by staff of the IT University which is required in relation to their positions at the IT University, and which has been approved by the nearest staff manager as official travel. Such travel is characterised by either:

1. A teaching purpose
2. An administrative purpose
3. A research purpose

All official travel at the IT University is covered by the circular of the Danish Ministry of Finance on the official travel agreement (*Tjenesterejseaftalen*) of June 2000. The purpose of the official travel agreement is the refund of *additional expenses* incurred by staff in connection with official travel.

- The rates have been determined in accordance with the current circular on adjustment of rates for official travel (Cirkulære om satsregulering per 1 Januar 2014).

Official travel is organised by the IT University. Transportation between the home and workplace is not considered official travel, and such travel occurs at the staff's own expense.

Three decisive factors are applied when deciding if travel is official: The distance between the usual workplace of the member of staff and the temporary workplace, the work carried out at the usual workplace and the terms subject to which the work is carried out.

The Danish Tax Authorities (SKAT) has issued the following definition of official travel for salaried staff:

As a salaried member of staff you travel:

- When you are unable to spend the night at your usual address as a result of the distance between your home and a temporary workplace.
- When your employer sends you temporarily to a workplace other than your usual workplace, and when, as a result of this, you are unable to spend the night at your usual address.

Seen from a taxation point-of-view, a workplace can be temporary for a maximum of 12 months (without deduction of holiday, days off, illness and official travel), and tax-free refunds of food and accommodation can only be paid out for a period up to 12 months' duration. For longer research stays abroad, see also section 3.1.1.

## 1.1 Calculation of the Duration and Distance of Travel

The duration of official travel is calculated from the starting point of the official travel – the workplace or address of the member of staff.

In connection with the calculation of mileage allowance, the starting point is also the place where the travel commences. Please note that a standard mileage allowance and a tax-free refund cannot be paid for the same mileage. The IT University reports mileage allowance to the tax authorities (SKAT) on an annual basis.

## 1.2 Application for and Booking of Travel

Official travel must be approved by the section manager or head of department or by a person authorised by him/her before the trip is booked. The forms can be found in the administrative ABC on the intranet.

The member of staff or his/her section books their own travel. Staff of the IT University must book air travel via Carlson Wagonlit Travel as the University purchases a total travel amount which exceeds the tender limits. On booking – see section 2.4 "Air Travel".

## 1.3 Travel Advances

If necessary, when the travel has been authorised, a travel advance can be paid out subject to application and documentation of expenses. A budget must be prepared, and the travel has to be authorised before the accounting section is contacted.

## 1.4 Use of Credit Cards When Travelling

If the employee is required to travel a lot to perform his or her job at the IT University, the employee does not need to pay in advance out of his/her own pocket or charge his/her own debit/credit card.

**Remember to keep your original receipts** for credit card purchases as they are required for refunding of expenses, a credit card receipt alone is not sufficient.

You can read more about credit cards and find relevant links on the intranet site in the administrative ABC.

## 2. Costs of transportation

As a general rule, staff of the IT University should use public transport in connection with official travel.

However, travel must be carried out at the lowest possible cost to the University seen from an overall perspective. In addition to the price of private means of transportation, the assessment also includes the time spent by the member of staff. The IT University should approve the actual starting point of the travel (home address or workplace).

Travel expenses, including bus, train and taxi fares in connection with air travel, will only be reimbursed to the extent they are documented by **presentation of the original receipts**. Only real expenses are refunded. Documentation that the travel has been taken such as a ticket should always be enclosed.

## 2.1 Travels by train

The member of staff will book his/her own train ticket on [www.dsb.dk](http://www.dsb.dk) and pay by debit or credit card. For train travel, the travel class must be selected (standard/economy class).

## 2.2 Travels by Private Car

A private vehicle can be used if this results in lower costs for the IT University seen from an overall perspective. However, the use of a car owned by the member of staff for driving abroad is always subject to specific approval.

All mileage is refunded in accordance with the lower rate of the rate adjustment circular. The rate is DKK 2.10 in 2014.

If permission for the use of a private car for travelling abroad has not been issued, the travel refund – before payment – will be changed to cover of the trip at an amount corresponding to the cheapest travel expenses using public transport.

In order for the refund to be paid out free of tax, the car transport must be carried out using a car/motorcycle owned by the member of staff or his/her spouse. The IT University has a duty to report mileage refunds to the tax authorities (SKAT).

## 2.3 Taxi

Travel by taxi can be used to and from the train station/airport when official situations require this, or when the travel/arrival takes place early in the morning or late at night. The taxi voucher must state starting point, destination and date.

## 2.4 Air Travel

Travelling staff usually book their air tickets by sending an e-mail to Carlson Wagonlit Travel on:

[staten.dk@contactcwt.com](mailto:staten.dk@contactcwt.com)

All employees of the IT University must have a travel profile in order to book a trip. This is to avoid errors in names and other details.

Carlson Wagonlit Travel creates profiles for the IT University. If an employee at the IT University does not have a profile, they should send an email to [staten.dk@contactcwt.com](mailto:staten.dk@contactcwt.com) containing information about their full name, as it appears in the passport, email at work, phone number and date of birth. It is important that this information is in writing, from @itu.dk email.

For travel orders may Carlson Wagonlit also be contacted by phone +45 3363 7777.

Carlson Wagonlit Travel issues the ticket automatically. Confirmation will be sent to the travelling member of staff by e-mail. The ticket will normally be an e-ticket, and the e-mail constitutes the receipt of the ticket. Carlson Wagonlit Travel forwards an invoice. In cases where large fees are levied on the trip (e.g. to

Aalborg), it is not financially viable to purchase the ticket via CWT, and the staff will therefore need to book the ticket elsewhere.

All staff of the IT University flies standard/economy class. Please note in connection with the booking that cancellation insurance should not be ordered for plane tickets as the IT University is a government funded institution and is therefore not allowed to refund the amount.

Where in specific cases there are health issues which mean that travelling in economy plus or business class may be necessary, an exemption may be granted. Documentation of the health issue in question must be presented, and it must be approved by the head of department/section manager before the ticket is booked.

Bonus points earned in connection with official travel belong to the IT University and can be used in connection with the purchase of new tickets for official travel. Bonus points earned in connection with the purchase of official travel cannot be used for the purchase of private travel, cf. the circular on bonus points issued by the Danish Ministry of Finance.

## 2.5 Transportation at the Destination – Including Car Hire

As a general rule, costs for transportation at the destination will be covered by hourly allowances. However, this does not apply to transportation to and from the airport or train station. If the transport costs at the destination are high creating an apparent disproportion between the expenses for local transportation and the refund, cf. 3.1. and 3.2, such expenses may also be refunded.

If it is considered appropriate in order to ensure that official travel is carried out efficiently, the manager in charge of the budget may authorise transportation by hired car. Such authorisation must be issued before the trip is commenced and it should be enclosed with the refund. The authorisation should include grounds for this need.

## 3.0 Costs of Meals, Etc.

The travelling staff may choose to receive a refund of meals, etc. in accordance with one of the two following rules:

- Rule 1: Hourly or daily allowance (for trips of a duration of over 24 hours) – no vouchers required or
- Rule 2: Refund of reasonable additional expenses – vouchers required

### 3.1 Rule 1: Hourly and Daily Allowances

Under rate adjustment circular of 2014 for trips of lasting up to 28 days, trips in Denmark are covered by the following rates:

- Per day DKK 398.00
- Per hour DKK 16.58

If free meals are offered in connection with the trip, the rates are reduced by 15 per cent for breakfast, 30 per cent for lunch and 30 per cent for dinner. Please note that, in addition to meals, the hourly and daily allowances cover expenses for local transportation.

The rate of daily and hourly allowance for the countries visited by the majority of staff of the IT University is DKK 464 per day for most countries. However, in case of reduced rate, the country is mentioned in appendix 3 in the adjustment circular of 2014. The rate for travels to India is DKK 255 per day.

### 3.1.1 Travel Lasting More Than 28 Days

For travel lasting more than 28 days, the hourly and daily rates are reduced by 25 per cent. If the duration of the travel is over three months, normally, the IT University will not pay hourly allowances; cf. section 24 of the agreement on official travel (*Tjenesterejseaftalen*).

For payment of expenses from council funds for research trips, see Appendix “Guidelines for research stay abroad”.

For longer research stays abroad, there are three ways to get subsidies or deductions for travel expenses. Note that in this case, it is a choice. This means that an employee cannot be reimbursed his or her expenses (documented expenses) and, at the same time, achieve a tax-free travel allowance of up to 25,500 per. income year, and achieve tax-deductions concerning the extra costs of being separated from family according to the rules about “dobbelt husførelse”.

If you achieve a deduction from tax, all reimbursements of travel expenses from the IT-University will be fully taxable. It is for the traveller to explore what kind of compensation is most beneficial and feasible. For example, a single person without children cannot achieve separation allowance (“fradrag for dobbelt husførelse”). Neither is it possible to receive free board and / or lodging from the employer nor received tax free allowance or tax-deductions at the same time that he or she deducts additional expenses under the rules on separation allowance (“dobbelt husførelse”). It is for the traveller to contact SKAT and explore the options.

### 3.2 Rule 2: Refund of Reasonable Additional Expenses Subject to Vouchers

Reasonable additional expenses for meals documented in the form of a receipt may be refunded. Reasonable additional costs are defined as approx. 40 per cent of the current daily allowance for lunch or dinner, i.e. currently approx. DKK 186 inclusive of VAT and beverages.

### 3.3 Expenses for Accommodation

The hotel allowance for hotel accommodation in Denmark and abroad is determined for the following year in the rate adjustment circular (*Cirkulære om satsregulering*). In 2014, the allowance for Denmark is the following amounts incl. of VAT:

- Denmark DKK 1.264

In order to enable VAT reclaim, Danish hotel invoices must be addressed to the IT University. When the accommodation has been approved by the IT University, the booking is confirmed and the invoice is forwarded to the EAN No. of the University: 5798000417878

In order for the University to be able to deduct VAT at 75 per cent, it is vital that breakfast and other services are stated separately in the invoice. Even if breakfast is free as part of an offer, it should still appear from the invoice at DKK 0.

Hotel accommodation has been provided for in the rate adjustment circular. The current hotel allowances for selected countries which are visited frequently by IT-University's staff are:

- The USA (New York and Washington DC) USD 340 + tax
- Rest of the USA USD 230 + tax
- Canada CAD 220 + tax
- Other countries (appendix 5 in the rate adjustment circular or ask the finance section)

If the staff is travelling to a country not stated in the rate adjustment circular (Cirkulære om satsregulering 2014), the accounting section will approve the visit at a price level corresponding to the above stated in Danish Kroner. In case of doubt, please do not hesitate to contact the finance section for guidelines.

Deviations from the hotel price level may be granted subject to documentation and approval (in advance) from the closest superior. The approved grounds should be enclosed with the travel settlement documents.

If the hotel room is shared with another person not travelling for the IT University, an amount corresponding to the rate for a single room at the hotel will be refunded, however the refund cannot exceed the usual hotel allowance.

### 3.4 Extra Night Allowance without Documentation

If the travel is documented, and the accommodation expenses are not paid out subject to documentation, an extra night allowance can be paid out without documentation. In 2014, the rate is DKK 199 irrespective of country.

## 4.0 Travel Insurance

The IT University has its own insurance in accordance with the rules governing government funded institutions. No additional insurance policies or alternative insurance policies may be taken out.

All staff travelling abroad for the IT University is covered by the IT University via Europæiske Rejseforsikring. Insurance cards can be collected by personal attendance at the accounting section.

See also the circular on official travel insurance (*Tjenesterejseforsikringen*) of 21 December 2010 issued by The Agency for the Modernisation of Public Administration (*Moderniseringsstyrelsen*).

## 5.0 Settlement of Travel Expenses

Travel reimbursements should be handed in as soon as possible and no later than 14 days after the end of the travel.

Please use the Excel form of the IT University. You can find a link under business travel in the Administrative ABC.

The electronic travel expense form is to be filled in and printed out and signed by the travelling member of staff and a person authorised to settle the account. The necessary original documentation must be enclosed (hotel invoice, plane ticket, boarding card, etc.).

If the member of staff has received an advance payment in excess of his/her expenses, the IT University will deduct the surplus amount from the salary paid out to the member of staff or issue an invoice. The IT University will handle incoming travel reimbursements on an ongoing basis and aims to transfer amounts owing to the "Nem-konto" of the member of staff no later than 14 weeks after receipt of the settlement form from the accounting section.

## 6.0 Exchange Rates

When converting vouchers stated in foreign currencies to Danish Kroner, the exchange rate of the date of departure is applied, see [valutakurser.dk](http://valutakurser.dk). Cash in foreign currencies is not received by the accounting section, but should be converted into Danish Kroner or deposited on a credit card by the travelling member of staff.

## 7.0 Coverage of expenditures for Persons Not Permanently Employed by the IT University

### 7.1 External Examiners and Lecturers Paid by the Hour

Section 54 of the Consolidated Act on Examinations (*Bekendtgørelse om eksamen*) provides for the payment by the universities of the work of the external examiner chairmanship and the external examiners, cf. the circular on lecturers paid by the hour and the circular on payment of external examiners issued by the Staff Agency.

Refunds are paid for travel expenses (mileage refund, refund of reasonable additional costs subject to documentation) according to the circular on the official travel agreement issued by the Danish Ministry of Finance, i.e. the description of the rules as stated above.

### 7.2 Visiting Researchers

For visiting researchers from abroad, i.e. salaried staff of foreign institutions, the IT University may pay travel costs to and from Denmark and accommodation and meals subject to documentation if the visiting researcher is not receiving any other remuneration. The total amount for travel and staying in Denmark may not exceed the rates stated in section 9(5) of the Danish Act on Tax Assessment (*Ligningsloven*) (identical to the rates stated in the rate adjustment circular on official travel), and the visit may not exceed



three months. Visits exceeding three months will be considered employment. In all other respects, the general rules governing foreign staff apply. Hourly or daily allowances cannot be paid out, as there is no grant covering this expense.

### 7.3 Participation of Foreign Researchers in Workshops, Etc. Funded by Project Funds

Travel and accommodation costs can be paid if they appear from the budget approved by the grantor and if they are in accordance with the rates stated in the official travel agreement.

Reasonable additional expenses for meals may be paid for subject to documentation. "Reasonable additional expenses" are defined as up to approx. 40 per cent of the daily allowance rate for lunch or dinner (currently approx. DKK 186).

One entertainment dinner event will always be authorised per week in the first month if it has been provided for in the budget and approved by the grantor. This dinner must be held in accordance with the rules in force governing entertainment by the IT University which can be found in the Administrative ABC.

If more than one dinner event has been granted in one week, it must be stated clearly in the budget and grant that the grantor has authorised this. For example, the number of dinner/lunch events in the period may be stated.

### 7.4 Travel of student at the IT-University

In those cases where a student, enrolled at the IT-University, has travel activities, which are directly linked to the study, the University can reimburse the actual incurred and documented costs (invoice and voucher) up to the amount granted by the project/faculty/section. There must always be an approval of the travel activity from the person responsible for the budget with a clear description of the purpose and the amount granted prior to the refund of costs.

The IT-University can refund costs (according to rules above) such as:

- Flight, train and bus tickets
- Hotel
- Taxi
- Necessary vaccinations

The usual practice with regard to the approval of vouchers must be followed, hereunder the approval by authorised staff.

In some cases reimbursement may be provided to cover students' use of private vehicle. The size of reimbursement is calculated according to number of kilometres multiplied with the compensation rate, see above. It is not possible to pay a travel advance.

The travel costs which the IT-University covers are tax free for the students, however the IT-University reports to the tax authorities the compensation for kilometres driving in private vehicle.

As the student is not employed by the IT-University, he/she is not covered by the travel insurance provided to employees at the University. Hence, the student must provide the travel insurance for own funds.

## 8.0 Miscellaneous

### 8.1 Parking Tickets, Speeding Tickets and Train Ticket Inspection Fines

The IT University does not refund any expenses for parking tickets, ticket inspection fines, speeding tickets or any other fines.

### 8.2. Guidelines of the Danish Tax Authorities (SKAT) on Refund of Travel Expenses

SKAT has published guidelines on refund of travel expenses on its website. The IT University does not provide any counselling on tax matters. The local tax administration can be contacted via e-mail or telephone. For contact details, see [www.skat.dk](http://www.skat.dk)

## 9.0 Approval and Commencement

The present instructions form part of the accounting instructions.

It applies to travel carried out from 1 January 2014.

*Guidelines updated 29 September 2014*

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