

# North Dakota State University

## Policy Manual

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### SECTION 516 TRAVEL – NON-EMPLOYEES

SOURCE: NDSU President

1. Travel expenses may be reimbursed to non-employees such as independent contractors or prospective candidates for employment. Travel expense reimbursements will be limited to mileage, airline tickets, meals and lodging.

To a certain extent, the type of travel expenses to be reimbursed and rate of reimbursement is negotiable between the department and the non-employee. Rate limitations indicated the employee travel section ([Policy 515](#)), do not necessarily apply to non-employees, although it is suggested that the employee rates be used. The accounts payable voucher form should be used to reimburse non-employees for travel expenses (using account 623200 - Non-Employee Travel).

2. MEAL ALLOWANCE

The recommended method is to reimburse non-employee meals based on meal allowance rates applicable to state employees. In this case, documentation should be maintained indicating the dates and quarters for which the meal allowance is being claimed.

- 2.1 If necessary, meal allowances may be paid to non-employees where the per diem rate is based on the rate schedule established by the Internal Revenue Service. If the non-employee is reimbursed for meals based on the meal allowance, no receipts are required.

- 2.2 Actual Receipt

A department may agree to reimburse meals at actual cost. This is allowable if an original receipt is used as support. No reimbursement for alcoholic beverages is allowed.

3. LODGING

Non-employees may be reimbursed for their lodging expenses at actual cost (including sales taxes), regardless of whether the stay is in-state or out-of-state. As an alternative, a department may directly pay the lodging facility for the cost of non-employee lodging.

4. MILEAGE

The recommended method is to reimburse non-employees for mileage at the same rate as the in-state mileage rate for employees (see [policy 515](#), part 4.1).

- 4.1 If necessary, non-employee mileage may be reimbursed up to the rate allowed for deductibility purposes by the Internal Revenue Service.

5. AIR TRANSPORTATION

Non-employees may be reimbursed for the actual cost of their airline ticket. As an alternative, a department may directly pay a travel agency or airline for the cost of the ticket. However, if the department prepays the ticket for the non-employee, there must be a notice to the non-employee that s/he will be responsible for the cost of the ticket if s/he cancels or changes the travel plans and the University is otherwise not able to be refunded. If the non-employee chooses to cancel or

reschedule the travel plans, it is the department's responsibility to follow-up with the airline and/or non-employee to pursue a refund for the ticket and any excess charges.

**6. EXCESS TRAVEL OR OTHER EXPENSES**

Travel expense reimbursements to non-employees that are in excess of the rates allowed by the Internal Revenue Service, or entertainment and other expenses that do not fit in the travel category, may still be accomplished; however, these expenses should be coded as income to the non-employee (such as: account 621325 - Fees for Services) so the non-employee may receive an IRS Form 1099.

**7. INSURANCE**

Normally, non-employees are responsible for their own insurance costs.

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**HISTORY:**

New	June 19, 2000
Amended	August 2006
Amended	June 2007
Amended	December 2007