January 13, 2016

MEMORANDUM

TO: Deans, Directors, and Department Heads

FROM: David Price, University Controller

SUBJECT: Travel Mileage Rate Change and New Rental Car State Term Contract

Effective January 1, 2016, the Office of State Budget and Management (OSBM) will decrease the mileage reimbursement rate for official university business from 57.5 cents per mile to 54 cents per mile when a state-owned vehicle is not available or when the roundtrip mileage does not exceed 75 miles. However, if a state-owned vehicle is available and an employee chooses to use his/her personal vehicle on trips that exceed 75 miles roundtrip, the employee will be reimbursed at a rate of 34 cents per mile.

Mileage reimbursement rates for employees using courtesy/lease vehicles in accordance with Board of Trustees Policy 05.15.3 “Non-Salary and Deferred Compensation” will be 19 cents per mile for employees authorized in section 4.4.1 and 30 cents per mile for employees authorized in section 4.4.2.

In addition, OSBM revised the Travel Policies and Regulations to address availability of a new state term contract with private rental car companies Hertz, Enterprise and National Car Rental ([State Term Contract 975B Vehicle Rental Services](http://www.pandc.nc.gov/975b.pdf)). The following guidelines apply:

* An employee travel authorization must be completed to request prior approval to travel and vehicle rental.
* For in-state and out-of-state travel, rental vehicles shall be obtained through the State’s term contract vendors when available.
* A compact or standard class vehicle should be rented unless additional employees are traveling and a larger vehicle is needed. Rental of a larger vehicle must have a documented business purpose and prior approval from the department head or designee.
* The employee will be reimbursed up to the rental rate of a standard class vehicle on the State’s term contract unless prior approval has been obtained from the department head or designee as documented on the employee’s travel authorization.
* Direct payments to rental car companies must adhere to the rental rates in the State’s term contract.
* No reimbursement or direct payment will be made for rental insurance purchased for in-state and out-of-state employee travel. Employees are covered under the State’s auto insurance program.

More details on Travel Requirements for University Employees can be found on the [University Controller's Travel Guidelines website](https://controller.ofa.ncsu.edu/files/2015/09/Travel-Requirements-for-University-Employees.pdf). These changes will be updated in the Travel Guidelines and Travel System.

If you have any questions, please contact Kim Kelley at 515-7132 or [kim\_kelley@ncsu.edu](mailto:kim_kelley@ncsu.edu) .

cc: Barbara Moses, Interim Associate Vice Chancellor, Finance and Resource Management

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