TO: Banner Finance Users

FROM: John Hebard, Chief Procurement Officer

DATE: January 5, 2023

RE: Travel Processes for Contractors/Vendors

Purpose:
To implement consistent procedures for contractor/vendor travel and establish clear criteria for the limited times when deviation from the procedures may be considered.

Background:
While it has always been the practice of Procurement & Contract Services (P&CS) to include contractor/vendor travel as part of the procurement contract, travel has historically been processed both through P&CS and through university travel offices. This has led to tax issues, risk and insurance liability issues, possible duplicate payments, and improper use of account codes. Therefore P&CS, in conjunction with the university travel offices, provides the following guidance for processing travel for contractors and others paid via purchase order.

Guidance:
The university’s default procurement procedure is that contractor/vendor travel is part of their normal business activities. It is the contractor/vendor’s responsibility to schedule, book, and pay for travel related services such as airfare, lodging, transportation, and meals. The University will reimburse a contractor/vendor for these services at cost so long as the costs do not exceed those paid to University employees pursuant to UA Travel Regulations (https://alaska.edu/uatravel/rules/). An estimate of the total cost for travel related services should be included as a separate line item on the purchase requisition/purchase order. This line item must have the same account code as the services being procured (a 3XXX service account code not a 2XXX travel account code).

Possible Exceptions:
The University seeks to be consistent and efficient, especially with its use of administrative resources, in its procedures related to contractor/vendor travel. Exceptions will only be considered in extraordinary circumstances and must be approved, in advance by UA P&CS and the appropriate university travel office. Reasons for exceptions may include:
- Complexity of the travel requirements
- Unique contractor/vendor circumstances that make them unable to make travel arrangements
- Services where the industry standard dictates that the purchaser make travel arrangements (ex. Guest Speakers or Performers)
- Contractor/vendor travel cannot be reasonably separated from group travel expenses, such as group charters/lodging.

Thank you for your assistance and understanding as we improve our practices related to the contractor/vendor travel process.

Cc: UAA, UAF, UAS, SW Banner Finance list serves
    UAA, UAF, UAS, SW Travel Offices
    Contracting Officers
    Procurement Technicians
    Internal Audit