

Guidelines on the Payment of Business Trip Expenses

Established Nov. 1, 2012
Amended Apr. 1, 2014
Amended Jan. 1, 2015
Amended Apr. 2, 2015
Amended Mar. 16, 2016

1. Purpose: These guidelines set forth detail matters concerning the implementation of the Business Trip Expense Regulations.
2. Domestic trip expenses:
 - A. Transportation expenses
 - 1) When using public transportation (not including taxis): As a rule, a traveler shall be paid the actual amount of public transportation expenses in accordance with Article 6 of the Business Trip Expense Regulations and the payment standards provided in Schedule for Domestic Trip Expenses (Table 1, attached to the Business Trip Expense Regulations). However, for a round-trip business trip to Seoul or Daejeon, a traveler may request a fixed amount of payment. The detailed standards for the payment of fixed amounts for business trips to Seoul and Daejeon, based on Note (5) under Schedule for Domestic Trip Expenses (Table 1, attached to the Business Trip Expense Regulations), shall be as follows:
 - a) Guideline for calculating fixed amounts of transportation expenses:
 - (1) The fixed amount shall be the cost of round-trip KTX railroad fare between Pohang Station and Seoul, or Daejeon Station. The departments in charge of business trips shall enter the KTX fare into the system. If there is any change in fare, the new fare shall be used as the basis for calculation. (Amended April 2, 2015)
 - (2) Faculty shall be paid the cost of KTX railroad fare for first class seats whereas other members of the University shall be paid the cost of KTX railroad fare for economy class seats. In either case, the rates for weekdays shall be applied. (Amended January 1, 2015)
 - b) How to request a fixed amount of payment for transportation: When submitting a request for approval of business trip, select Seoul or Daejeon as the destination and then select “Fixed Amount” in the “Trans. expense reconcile” field.
 - c) Proof of travel when a fixed amount of transportation payment has been requested: Although receipts for transportation expenses are not required to be attached, if account reconciliation needs to be completed after the trip (e.g. business trips funded by a research fund), proof of travel (e.g., receipts for transportation expenses, receipts for accommodation at the travel destination, receipts for meals, and receipts for goods purchased) shall be attached to the printout of the request for approval of business trip and retained for record keeping purposes.
 - d) How to switch to payment of actual costs after having been paid a fixed amount of transportation expenses: The transportation expenses received in advance must be returned in full before the reconciliation of accounts for actual costs take place. To reconcile accounts, select “Additional Reconciliation → Refund of Transportation” on the “Business Trip Request/View Status” screen in the trip expenses system. For reconciliation of accounts for actual costs, the amounts shown on the transportation receipts and the business trip destination and period must match.

(E.g.) A person requested a fixed amount of payment for transportation expenses for a business trip from Pohang to Seoul, but the return trip to Pohang was made via Daegu because of a change in itinerary, and the person wishes to retract the request for a fixed amount and make a new request for the actual costs.

- ① Select “Additional Reconciliation → Refund of Transportation”.
- ② Deposit the full amount of transportation expenses already received for the trip between Pohang and Seoul in accordance with the deposit information shown at the bottom of the screen.
- ③ Enter the deposit receipt number and the date of deposit in the deposit information field shown at the bottom of the screen.
- ④ Enter the actual amount of transportation expenses for the Pohang-Seoul-Daegu-Pohang route in “Amount” field next to “Additional Reconciliation → Refund of Transportation” menu

- If a corporate card has been used: Search for the corporate card transaction and select an appropriate fund.
- If a corporate card has not been used: Directly enter the amount of transportation expenses and select an appropriate fund.

2) When driving a traveler's own vehicle

- a) Guideline for application of standard fuel efficiency for the payment of fuel expenses: Fuel expenses shall be paid in accordance with Article 13, Clause 2 of the Business Trip Expense Regulations. The standard gasoline price announced in the first week of each month by the Korea Petroleum Quality and Distribution Authority shall be used as the basis for determining the per liter gasoline cost to be applied in each month.
- b) Proof of travel when driving a traveler's own vehicle: As a rule, highway toll receipts must be submitted as proof of travel. In the absence of a highway toll receipt, other evidentiary documents that can prove that the traveler used his/her own vehicle for the business trip (e.g., receipts for parking fees, fuel receipts, etc.) must be attached. It should be noted that the receipts for parking fees and fuel purchases shall only be used as proof of driving, as parking fees and fuel expenses themselves are not subject to reimbursement. A traveler, therefore, must not use a corporate card (including research fund cards) to pay for parking or fuel. If none of the above proofs is available, a traveler cannot be paid transportation expenses incurred by driving his/her own vehicle.
- c) If the trip destination is not registered in the business trip system: If a traveler wishing to drive his/her own vehicle for a business trip finds that his/her trip destination is not registered in the system, the traveler must send an email request to the department in charge of business trip and have his/her trip destination registered in the system before submitting a request for approval of business trip.
- d) Types of highway toll receipts: A traveler shall submit the highway toll fee receipts for the actual route driven. If a hi-pass was used, however, a traveler may print out a payment statement from the hi-pass website (www.excard.co.kr) and attach it as proof of toll payment.

3) Miscellaneous

- a) Taxi fares incurred during business trips shall not be recognized as a rule. Exceptions may be made, however, in accordance with Note (6) under Schedule for Domestic Trip Expenses (Table 1, attached to the Business Trip Expense Regulations), in which case a separate draft must be drawn up (with a statement of reason prepared by the traveler attached) and approved by the person with approval authority or the principal investigator of the research project in question. The approved draft shall be used as the basis for payment of actual taxi fares. The approved draft must be retained along with the statement for the business trip.
- b) Rental car costs shall not be recognized for domestic business trips.
- c) Travelers must use corporate cards (including research fund cards) to pay for business trip expenses. Use of a personal credit card shall be recognized only for the following exceptional circumstances encountered during a domestic business trip:
 - (1) There isn't any business that accepts credit cards as payment. (In remote areas in the mountains or islands where no business accepts credit cards as payment, a traveler may use cash and submit a simple receipt. If even a simple receipt cannot be obtained, a written confirmation signed by the business owner which includes the name and address of the business, contact information, the date of transaction and the amount paid may be submitted.)
 - (2) Physical damage to a corporate card (or a research fund card), such as a damaged magnetic strip, prevents the card from being used.

(E.g.) What should a traveler do if he/she took a late night limousine bus from Singyeongju Station to Pohang and paid cash but could not obtain a receipt because the ticket office was closed?

→ The National Tax Service has given an administrative warning to the transport company because the company violated its duty to issue a receipt. In response to the warning, the company made the drivers issue bus tickets to the passengers, and when they run out of bus tickets, the drivers must issue simple receipts to the passengers. Accordingly, travelers should be able to obtain a bus ticket or a simple receipt to reconcile accounts for the actual bus fares. If a bus driver does not provide a bus ticket, the traveler

may ask the transport company to issue a written confirmation of boarding upon completion of the business trip and submit the document.

B. Accommodation expenses

- 1) Accommodation expenses shall be paid in accordance with Schedule for Domestic Trip Expenses (Table 1, attached to the Business Trip Expense Regulations).

(E.g.) If a faculty member called Prof. A went on a business trip to Seoul for 2 nights and 3 days and stayed one night at a hotel whose rate is 250,000 won per night and one night at a hotel whose rate is 100,000 won per night, then can he reconcile accounts for the entire amount of actual accommodation expense or 350,000 won?

- ① The maximum amount of actual accommodation expense that a faculty member can incur for a 2 night stay in Seoul: 200,000 won * 2 days = 400,000 won
- ② The total amount actually paid by Prof. A: 350,000 won

→ Since the actual accommodation expenses paid by Prof. A do not exceed the maximum amount of actual accommodation expense allowed for the entire period of the business trip, Prof. A can reconcile accounts for 350,000 won.

- 2) Researchers, graduate students, and teaching associates who have chosen to be paid a fixed amount for accommodation expenses are not required to submit the receipts. However, those who have chosen to reconcile accounts for actual accommodation expenses must attach the original copies of the receipts when reconciling the accounts after the trip.

C. Per diem allowances

- 1) Per diem allowances shall be paid in fixed amounts in accordance with Schedule for Domestic Trip Expenses (Table 1, attached to the Business Trip Expense Regulations).
- 2) Per diem allowances are supposed to cover various expenses incurred in the trip destination, including local transportation expenses (e.g. bus, subway and taxis fares) and parking fees, and therefore travelers cannot request payment of such expenses apart from per diem.
- 3) In principle, per diem allowances shall not cover a business trip in which a vehicle owned by the university was used. However, up to 50% of the per diem allowances may be paid if the case is determined by a person with approval authority or the principal investigator of the research project. In this case, using a vehicle owned by the university for a business trip shall refer to a situation in which the person moves to the trip destination by a university-owned vehicle. (Established March 16, 2016)

3. Overseas trip expenses

A. Transportation expenses

- 1) Travelers shall be paid actual transportation costs incurred in accordance with Schedule for Overseas Transportation Expenses (Table 3, attached to the Business Trip Expense Regulations). However, if an advance payment is necessary for advance purchase of airline tickets, etc., reconciliation of accounts may take place in advance after the business trip is approved.
- 2) If a rental car is used for an overseas business trip, the traveler shall not be able to reconcile accounts for the related transportation costs (such as fuel expenses, tolls, and parking fees). However, in case of traveling by a rental car for equal or more than 100 kilometers within the same country, the traveler may be able to reconcile accounts for the actual fuel expenses and tolls (excluding the parking fees) by attaching the related evidentiary documents. (Established March 16, 2016)

B. Accommodation expenses

- 1) Accommodation expenses shall be paid in fixed amounts in accordance with Schedule for Overseas Trip Expenses (Table 4, attached to the Business Trip Expense Regulations).
- 2) If the actual accommodation expenses incurred by a faculty member exceed the fixed amount provided, the difference between the actual expenses and the fixed amount for the entire trip period may be paid in accordance with Note (1) under Schedule for Overseas Trip Expenses (Table 4, attached to the Business Trip Expense Regulations). In this case, the traveler must reconcile the accounts by processing the

accommodation expenses for the entire trip period as actual costs rather than processing some portions as fixed amounts and some other portions as actual costs. Also, the accommodation receipts for the entire trip period must be attached. Reconciliation of accounts for the actual expenses shall be processed as follows:

- a) Requesting reconciliation of actual expenses: When requesting approval for a business trip, a traveler must select “actual expense reconciliation” for accommodation expenses, make the payment with a corporate card (including a research fund card), and reconcile the accounts after the trip is completed.
- b) If a traveler who has been paid a fixed amount of accommodation expenses wishes to switch to reconciliation of actual costs under unavoidable circumstances:
 - (1) Before the commencement of the trip: The traveler must return the full amount of the business trip expenses he/she has already received, and make a new request for approval of business trip by selecting “Lodging Expense → Actual Expense Reconciliation.”
 - (2) After the commencement of the trip: The traveler shall pay all accommodation expenses with a corporate card (including a research fund card) during the entire business trip; upon completion of the business trip, the traveler must return the full amount of fixed accommodation expenses received earlier, and reconcile accounts for the actual accommodation expenses only. If, however, the traveler has paid a part or all of accommodation expenses using a payment method other than a corporate card (or a research fund card), the difference between the actual expenses and the fixed amount received may be paid.

(E.g. 1) If a faculty member called Prof. A goes on a business trip to the US for 4 nights and 5 days, and reserves a hotel for two nights at a rate of \$100 per night and another hotel for the other two nights at a rate of \$170 per night, would it be possible for Prof. A to reconcile accounts for the actual expenses for the latter two nights only, whose daily rate exceeds \$140, the maximum daily accommodation expenses allowed for the US?

- ① The fixed amount of accommodation expenses paid for a business trip to the US for 4 nights and 5 days: $\$140 * 4 \text{ days} = \560
- ② Total accommodation expenses incurred by Prof. A: $[\$100 * 2 \text{ days} = \$200] + [\$170 * 2 \text{ days} = \$340] = \$540$

→ The traveler must choose either to be paid a fixed amount of accommodation expenses for the entire trip period or to reconcile accounts for actual accommodation expenses for the entire trip period. It would not be possible to reconcile accounts for two days’ expenses only. Also, in this case, because the actual accommodation expenses for the entire business trip (\$540) do not exceed the total fixed amount (\$560), no additional payment shall be made to the traveler.

(E.g.2) A faculty member called Prof. B received a fixed amount of accommodation expenses and went on a business trip to the US for 5 nights and 6 days. Although he stayed at a reserved hotel for the first two nights (whose rate is \$140 per night) and paid using a personal credit card, he stayed at another hotel nearby for the rest of the trip (whose rate is \$180 per night) because of unavoidable circumstances. In this case, the actual accommodation expenses incurred during the entire business trip period exceeded the total fixed amount received. How can Prof. B reconcile the accounts for the actual expenses?

- ① The fixed amount of accommodation expenses paid for a business trip to the US for 5 nights and 6 days: $\$140 * 5 \text{ days} = \700
- ② The total accommodation expenses incurred by Prof. B: $[\$140 * 2 \text{ days} = \$280] + [\$180 * 3 \text{ days} = \$540] = \$820$

→ Prof. B may receive an additional \$120, which is the difference between the actual amounts incurred (\$820) and the fixed amount already received (\$700), without returning the fixed amount already received. However, if the business trip was funded by a research fund, there could arise problems when reconciling the accounts since a portion of the payment was made by a payment method other than a corporate card (including a research fund card). Therefore, a traveler is advised to calculate the full accommodation expenses prior to the commencement of the business trip if possible and select either a fixed amount or actual expenses as a payment option when requesting approval for a business trip.

C. Per diem allowances

- 1) Per diem allowances shall be paid in fixed amounts in accordance with Schedule for Overseas Trip Expenses (Table 4, attached to the Business Trip Expense Regulations).
- 2) If a rental car is used, per diem allowances shall be paid pursuant to Note (2) under Schedule for Overseas Trip Expenses (Table 4, attached to the Business Trip Expense Regulations), and the rental car receipt must be attached. Reconciliation of accounts cannot be processed in the absence of evidentiary documents.

D. Miscellaneous

- 1) Business trip destination: When making a business trip to a foreign city not registered in the trip expenses system, select an applicable country or continent from among those provided in Schedule for Overseas Trip Expenses (Table 4, attached to the Business Trip Expense Regulations).

(E.g.) When submitting a request for approval of business trip, a traveler wants to select Paris, France as the departing point and Stockholm, Sweden as the destination. What should the traveler do if Stockholm isn't in the system?
→ Select Paris as the departing point and Europe as the destination.

- 2) As for an overseas business trip, if there has been a change in the itinerary (whether it occurred before or after the start of the business trip), the approval granted for the original business trip request must be cancelled and the fixed amount of the business trip expenses paid earlier must be returned in full. The traveler must submit a new request for approval of the business trip based on the changed itinerary.
- 3) In principle, an overseas business trip request shall be submitted via the POVIS Business Trip Request system by attaching the following documents, prior to two weeks from the departure date. However, if a person submits the business trip request within two weeks from the departure date for an unavoidable reason, it may be accepted by attaching a statement of reason. (Established March 16, 2016)
 - a) Business trip to participate in an academic conference: Evidentiary documents that prove the business trip and its necessity, such as an invitation letter, a registration card, and a conference schedule (including a page with the traveling participant's name shown).
 - b) Business trip excluding academic conference participation: Evidentiary documents that prove the business trip and its necessity, such as an invitation letter from a collaborative research institution, meeting materials, and a business trip plan.
- 4) If a research project which funds the business trip, requests a report of the overseas business trip, the traveler should submit the report to the head professor of the department within one month from the end date of the overseas business trip. (Established March 16, 2016)

4. Other matters

A. Approval authority for business trips

- 1) Business trip requests: Approval shall be granted by a person with approval authority in accordance with Row (6) ("Business Trip") of Table 1 ("Common") presented under "Summary of Delegation and Discretionary Approval Authority," attached to the Regulations on Delegation and Discretionary Approval. Note, however, that the following shall apply to regular faculty members (i.e. tenure-track/tenured faculty members not holding an administrative post, including directors of affiliated research centers):
 - a) Trips taken during a semester: Business trip requests shall normally be subject to approval by heads of departments. However, if the total length of overseas business trips taken in a semester exceeds 15 days, the approval of the Vice President of Academic Affairs shall be required.
 - b) Trips taken during a summer/winter break and a sabbatical leave: Business trip requests shall be subject to approval by heads of departments regardless of the total length of overseas trips.
- 2) Reconciliation of accounts
 - a) Business trips funded by the University fund: Subject to approval by directors of administrative departments (Trips taken by a faculty member belonging to an academic department shall be subject to approval by the administrator of the department).
 - b) Business trips (partly) funded by a research fund: Subject to approval by the principal investigator of the research project in question (or his/her agent)

(E.g. 1) When reconciling accounts for a business trip taken by the head of the department on behalf of him/her, who shall be the one with approval authority for the reconciliation of accounts?

- ① If the trip was funded by the University fund only: the head of the department
- ② If the trip was funded by a research fund only: the principal investigator of the research project in question
- ③ If the trip was funded by both the University fund and a research fund: the principal investigator of the research project in question

(E.g. 2) If three research projects (A, B, and C) have been used to fund a single business trip, who shall be the one with approval authority?

→ The principal investigators of the three projects shall exercise the approval authority in the same order in which the projects were selected (e.g., if the selection was made in the order of A, B, and C, the approval shall be given by the principal investigators of A, B, and C, in that order). If one person serves as principal investigator of more than one project, only one of the projects shall be selected.

(E.g. 3) Suppose the Vice President of Academic Affairs has final approval authority, but when requesting approval for a business trip, the order of approval shown on the screen has the Vice President of Academic Affairs as No. 1 and the head of the department as No. 2. In this case, in what order does the approval process proceed?

→ Within the system, the approval process would proceed with the Vice President of Academic Affairs as the first person to exercise approval authority and the head of the department as the next one to exercise approval authority. Therefore, the requester must designate the head of department as No. 1 and the Vice President of Academic Affairs, who has final approval authority, as No. 2 before submitting the request.

B. Retention of evidentiary documents for business trips

- 1) After the completion of a business trip, the department in charge of the business trip must print out the request for approval of the business trip, attach the evidentiary documents to it, and retain them at department level. However, if the Public Servant Business Trip Expense Regulations are applicable to a business trip because of the characteristics of the research project involved, the evidentiary documents required for the reconciliation of accounts such as receipts for transportation expenses and accommodation expenses must be retained.
- 2) If a business trip was funded by the University fund, and all the expenses have been paid in fixed amounts without necessitating reconciliation of accounts, no printout needs to be separately made for recordkeeping.
- 3) Retention period: 5 years

C. Payment of expenses for a trip extended for reasons other than official business: The expenses for the extended stay shall not be paid. However, the transportation expenses for a return trip from the business trip destination to the place of work may be paid. In this case, reconciliation of accounts shall be made based on the actual transportation expenses incurred by the return trip.

D. Transportation expenses incurred for traveling to a place other than the business trip destination for non-work related reasons: The transportation expenses incurred for traveling to a place other than the business trip destination for non-work related reasons shall not be paid. Since in this case the transportation expenses for a travel between the place of work and the business trip destination will not match those that appear in the evidentiary documents, which are based on the actual route, payment shall be made as follows:

- 1) If a traveler used his/her own vehicle: Only the fuel expenses computed on the basis of the shortest route between the place of work and the business trip destination shall be paid. In this case, the related verification shall be conducted in accordance with “Proof of travel when driving a traveler’s own vehicle” (2., A., 2), and b)). (Amended January 1, 2015)
- 2) If a traveler didn’t use his/her own vehicle: Payment shall be made based on the bus fare (economy class) for the shortest route between the business trip destination and the place of work. If, however, the business trip destination is an island which cannot be reached by bus (Jeju, Ulleungdo, etc.), payment shall be made based on the airfare or boat fare for the shortest route between the business trip destination and the place of work. The traveler must print out the standard fare table for the bus, airplane, or boat from the website of the relevant transportation company and attach it as evidentiary document. When reconciling the accounts upon completion of the trip, the traveler must put a note in the “Remarks” field on the business trip

reconciliation system, saying “reconciliation of accounts for transportation expenses based on the shortest route despite the actual trip being taken via a third point.”

(E.g. 1) A traveler obtained approval for a business trip using public transportation from Pohang to Seoul for the period from 11/1 to 11/2. However, the traveler had to extend the stay due to personal reasons and returned to Pohang on 11/4. How shall the expenses be paid?

- ① The travel expenses incurred for the period from 11/1 to 11/2 shall be paid as normally.
- ② As for the travel expenses incurred for the period from 11/3 to 11/4, only the transportation expenses incurred for the return trip from Seoul to Pohang shall be paid.

(E.g. 2) A traveler obtained approval for a business trip from Pohang to Seoul, for which his own car was going to be used. However, due to personal reasons, the person returned to Pohang via Chuncheon. How shall the travel expenses be paid?

- ① Payment shall be made in the standard amount payable for a round trip driving between Pohang and Seoul. Evidentiary documents verifying that the business trip to Seoul has been made shall be attached. (Due to the lack of a receipt, the toll paid for the return trip from Seoul to Pohang shall not be paid.)
- ② The transportation expenses incurred for the Seoul→Chuncheon→Pohang route shall not be paid.

(E.g. 3) A traveler obtained approval for a business trip from Pohang to Jeju. However, due to personal reasons, the traveler returned via Seoul using a bus for the Seoul→Pohang route. How shall the travel expenses be paid?

- ① The round trip airfare from Pohang to Jeju shall be paid. A standard airfare schedule must be attached.
- ② The transportation expenses incurred for the Jeju→Seoul→Pohang route shall not be paid.

E. Payment of expenses for a business trip taken for official purposes by a faculty member on sabbatical leave: The full amount of travel expenses may be paid in accordance with the Business Trip Expense Regulations if the departing point of the business trip is the institution where the traveler is spending his/her sabbatical year. (The trip destination may be POSTECH or any other place.)

F. If a traveler cancels or changes a train, airline, or hotel reservation made in advance and incurs a fee, the fee may be processed through reconciliation of accounts after the trip is completed. (Amended April 1, 2014)

- 1) However, if the fee was incurred for reasons attributable to the traveler, the traveler must pay the fee with his/her own money.
- 2) If the business trip was funded by a research fund, the traveler must comply with the funding agency’s regulations and guidelines on cancellation fees.
- 3) The procedure and funding sources for reconciliation of accounts for cancellation fees shall be as follows:
 - a) The traveler must reconcile the accounts by attaching Form 1 (provided separately) and the evidentiary documents. If the fee does not exceed 30,000 won, the traveler may reconcile the accounts by putting a note indicating the cause of the incurrence of the fee in the “Remarks” field on the business trip system.
 - b) The funding sources shall be as follows:
 - (1) University corporate card: the account that funded the business trip in question
 - (2) POSTECH Research and Business Development Foundation corporate card
 - (A) POSCO/industry-sponsored project: the account that funded the business trip in question
 - (B) State-sponsored project: It is possible to reconcile the accounts using the project’s research fund first, and substitute it with the department’s own budget such as the departmental research management fees.
 - (3) Research fund card: It is possible to reconcile the accounts using the project’s research fund first, and substitute it with the department’s own budget such as the departmental research management fees.

5. Departments in charge of business trips

- 1) Inquiries on the detailed matters concerning the Guidelines on the Payment of Business Trip Expenses shall be directed to the departments in charge of business trips. Applications for authority of agent, requests for registration of a trip destination into the system for the use of a traveler’s own vehicle, requests for

registration of a foreign city as a trip destination, etc. shall be submitted via email to an appropriate department in charge of business trips. The following departments in charge of business trips shall provide service for different groups in the University:

- a) Faculty: Faculty Affairs
 - b) Staff and researchers: Human Resources
 - c) Graduate students: Graduate Admissions and Student Affairs
- 2) Inquiries on the detailed matters concerning the reconciliation of accounts for a business trip funded by a research fund shall be directed to an appropriate department in the Office of Research and Industry Affairs.
 - 3) Inquiries on business trip system errors shall be directed to Strategic Information Management.

Addendum

These amended guidelines shall take effect on April 1, 2014.

Addendum

These amended guidelines shall take effect on January 1, 2015.

Addendum

These amended guidelines shall take effect on April 2, 2015.

Addendum

These amended guidelines shall take effect on March 16, 2016.