Standard Administrative Procedure (SAP)

21.01.03.L0.02 Mileage Reimbursement vs. Rental Vehicle

First Approved: November 1, 2010
Revised: July 8, 2014
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Procedure Statement and Reason for Procedure

The purpose of this SAP is to establish guidelines for when a rental vehicle should be used versus a personal vehicle.

Procedures and Responsibilities

Since collision and comprehensive coverage for personal vehicles are the responsibility of the individual employee, Texas A&M International University (TAMIU) strongly encourages the use of rental vehicles and requires the use of rental vehicles on a cost-benefit basis. The State of Texas contract currently provides for full-size rental vehicles at a cost of under $50/day (including applicable taxes and fees). This is equivalent to 100 miles per day ($50/.50) which is the TAMIU threshold for requiring a rental vehicle.

While the State Comptroller’s Office periodically issues updates to the maximum mileage reimbursement rate for employees utilizing their personal vehicles for travel on official State business, consistent with the IRS’s standard mileage rate, State agencies, including universities, are given the latitude to offer reimbursement at less than the maximum rate. To encourage employees to use a rental vehicle, mileage reimbursement is limited to a maximum $50 per day regardless of the actual number of miles traveled.

Rental vehicles must always be rented under the State of Texas contract which includes automobile liability and physical damage insurance coverage for TAMIU employees only. Rental contracts are applied automatically when making reservations through Concur Travel. Employees must present a Motor Vehicle Rental Tax Exemption Certificate to the vendor when picking up a rental vehicle to ensure sales tax on the rental is waived.
Related Statutes, Policies, Regulations, or Rules

System Regulation 21.01.03, Disbursement of Funds

Definitions

Personal Vehicle – A vehicle owned by a TAMIU employee.

Rental Vehicle – A vehicle rented from a car rental agency under a State of Texas contract.

Contact Office

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