



# Standard Administrative Procedure (SAP)

## 21.01.03.L0.02 Mileage Reimbursement vs. Rental Vehicle

**First Approved:** November 1, 2010  
**Revised:** July 8, 2014  
September 20, 2018  
**Next Scheduled Review:** September 20, 2023

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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.

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### 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.

Employees are encouraged to always use a rental vehicle, however, a rental vehicle must be used any time the cost of doing so is less than the cost of the mileage reimbursement which 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. Further, a requisition should be entered for direct billing to TAMIU as this is the only way to ensure sales tax on the rental is waived.

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## Related Statutes, Policies, Regulations, or Rules

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[System Regulation 21.01.03, Disbursement of Funds](#)

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## Definitions

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**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.

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## Contact Office

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Business Office (Travel), 956-326-2817