

Procedures for Paying International Visitors

University policy requires that all payments comply with Internal Revenue Code and United States immigration laws. Please use the steps outlined below when inviting international visitors to campus.

When inviting an international visiting scholar, guest lecturer, artist, performer or other international guest to TTU, a department should follow the below steps **as soon as the guest accepts the invitation**. These steps are essential to ensure that TTU can legally make payments for professional service fees and/or reimburse travel expenses. Generally, a department may reimburse a guest/visitor's travel expenses under IRS accountable plan rules. If the department reimburses expenses under the university's policies (including original itemized receipts when required), no tax will be withheld from these expenses.

Steps to obtain authorization to pay International guest/visitor:

- 1) Contact Vendor Services to set up an international guest/visitor as a new vendor.
- 2) Vendor Services will email new Vendor Setup forms and W-8BEN form which the international guest/visitor will need to complete.
- 3) Once Vendor setup forms and W-8BEN are completed, return to Vendor Services. Include in the email a detailed description of what the individual is being paid for and if any services will take place in the U.S.
- 4) Vendor Services routes all international guest/visitors through Tax and Compliance Reporting (TCR) at which point TCR decides what tax withholding rate needs to be set. Based on tax treaties available, TCR may require the international guest/visitor to access and complete GLACIER.
- 5) After TCR reviews, the department needs to contact Office of International Affairs (OIA) for payment authorization. OIA will send the department a Payment Eligibility Questionnaire form (PEQ) to send to the international guest/visitor to complete which requires additional immigration documentation to be furnished.
- 6) OIA will review all of the requested documentation (bio page of visa, visa stamp, I-94), sign the PEQ, and email back to the department.
- 7) After OIA has authorized payment, the department can process a Requisition in TechBuy. International guests/visitors can no longer be reimbursed through Travel system, only through TechBuy. Department will need to attach to the Requisition all documentation used by OIA to authorize payment.
- 8) Please note that if a department does not follow the correct procedure and obtain the required tax withholding information, the department will be charged the applicable tax. Since this is actually a gross-up (e.g., paying tax on tax), the actual tax rate is 42.8%, which cannot be paid with federal funds.

Steps to process payment/reimbursement to International guest/visitor:

Departments are encouraged to pay airfare, lodging, and rental cars directly by the university, thereby taking advantage of state rates. State funds (funds beginning with 11, 12, 13 or 14) cannot be used for travel for non-employees.

1. For expenses to be paid directly by the university:

- Airfare—Make a reservation with a travel agent at either Bell Travel or National Travel who will email the department a quote. These quotes are time sensitive and must be processed same day due to the constantly changing prices. Process a TechBuy requisition using Non-Catalog form to the travel agency using 7B7005 account code and include a statement detailing the purpose of the visit and the benefit to the university. It is recommended to process early in the day and send the requisition number to be rushed to TechBuy Support at techbuy.purchasing@ttu.edu. When the agent emails the department the itinerary, receipt it in TechBuy. Be sure to ask the travel agent to email a copy of the itinerary with TechBuy PO number to payment.services@ttu.edu.
- Lodging—Contact hotel for a reservation and quote to be emailed to the department by the hotel. Process a TechBuy requisition using Guest Lodging form including guest/visitor's name, purpose of visit, dates of stay, and incidentals using the 7B7006 account code for lodging and 7B7007 account code for meals, 7B7003 account code for incidentals. "How To Guide" is located at following link:
<http://www.depts.ttu.edu/procurement/purchasing/howToGuides/documents/Guest%20Lodging%20071514.pdf>.
- Rental car—Process a TechBuy requisition using the Vehicle Rental form and direct bill reservation site. By using this option, departments can obtain state contract rates, which include insurance and TTU will be invoiced directly for the rental. "How To Guide" is located at following link:
<http://www.depts.ttu.edu/procurement/purchasing/howToGuides/documents/Renting%20Vehicles%20from%20Enterprise.pdf>
- Entertainment—TTU employees who take the guest/visitor out to eat should use a p-card for meal expenses.
- **Caution**—Remember the university's purchasing rules. TTU employees should not personally pay for any guest/visitors travel expenses. Any reimbursement requests will need to be justified, and the requests will be closely reviewed.

2. For expenses to be reimbursed to the international guest/visitor when they have paid their own travel expenses:

"How To Guide" is located at following link:

<http://www.depts.ttu.edu/procurement/purchasing/howToGuides/documents/Non-Employee%20Travel.pdf>

- Guest/Visitor will have been issued an R number by Vendor Services. Process a TechBuy requisition using Non-Catalog form to reimburse the guest/visitor's *estimated* travel expenses. Use the 7B7005 account code for airfare, 7B7006 account code for lodging, 7B7007 account code for meals, 7B7003 account code for incidentals and include a statement detailing the purpose of the visit and the benefit to the university. Also include copies of the email correspondence with OIA and TCR as an attachment to the requisition. If you want the check returned to your department, please note it on the requisition. *Note: If the international guest/visitor has an SSN or ITIN, do not list this*

number in the internal notes on the TechBuy requisition. This is confidential information and should not be entered on the TechBuy document.

- At the end of the guest/visitor's visit, ask for all original itemized receipts. Prepare the Guest Travel Worksheet which can be downloaded from Forms Tab on Purchasing website. Scan all receipts and attach to Internal Attachments. Please do not send the originals to Payment Services until instructed to do so. Payables will follow university travel policies when processing these travel reimbursement requests. TTU cannot reimburse the guest/visitor for liability supplements, personal accident, safe trip and personal effects insurance taken on rental cars. If the guest/visitor is being reimbursed for airfare (rather than the department processing a PO for airfare) and federal funds are being used, the Fly America Act mandates the use of US flag carriers for reimbursement. Guest/visitors should obtain the lowest airfare possible.
- Generally, you may also reimburse the guest/visitor the standard in-state meal per diem, but do not include meals where the guest/visitor is entertained by TTU employees. This would be a duplicate expense and would result in an audit finding.

3. Payments for professional services must be processed through TechBuy.

- Guest/Visitor will have been issued an R number by Vendor Services. Process a TechBuy requisition using Non-Catalog form to pay the guest/visitor the fee agreed upon. Use the appropriate 7A0 account code, based on the purpose of the visit. Attach copies of the email correspondence with OIA and TCR to the requisition including the PEQ form. An Invoice and an ICQ form will also need to be completed and attached. If you want the check returned to your department, please note it on the requisition. *Note: If the international guest/ visitor has an SSN or ITIN, do not list this number in the internal notes on the TechBuy requisition. This is confidential information and should not be entered in the TechBuy document.*
- If OIA and TCR have determined that based on the type of visa or waiver, the university must withhold applicable taxes, the department may elect to "gross up" the payment. This means that the department will pay the applicable taxes and the guest/visitor will receive the full professional services fee agreed upon. Please note that these withholding taxes cannot be paid with federal funds and can be as high as 42.8% of the guest/visitor's fees.
- Professional services fee may be processed on the same TechBuy requisition as travel reimbursement by using separate line items.

If these procedures are followed, payments to guests/visitors can be processed quickly and efficiently. When needed, some payments can even be processed as advance pay, so that payments are available before the end of the guest/visitor's visit. However, if these procedures are not followed, payments will be delayed until all details are cleared through OIA, TCR, and Procurement Services. If you have questions regarding this procedure, you are encouraged to discuss individual situations with the offices involved as early in the process as possible.