

# Michigan State University

## Departmental Instructions for Contracting Meetings & Group Travel Services

### INTRODUCTION

Currently, Michigan State University does not have formal procedures for Group Travel. With the advent of these procedures, MSU recommends use of a Preferred Travel Agency or Qualified Group Travel Agency for all Group Travel. Under this program, selected travel agencies will work directly with Michigan State University Departments and are required to submit quotations for Group travel events, upon request from the initiating University Department. MSU Departments must use the Group Travel Request for Quote form in soliciting quotes for Group travel. If a Qualified Group Travel Agency provides a quote that is greater than \$25,000, a contract may be entered into for the Group Travel involved, however, a formal competitive bid process must occur through Purchasing. For all Group Travel under \$25,000.00 any of the Qualified Group Travel Agencies may be utilized. It is highly recommended that departments obtain quotes from more than one Qualified Group Travel Agency in order to demonstrate continued fiduciary responsibility and stewardship via due diligence.

Failure to follow this procedure or use of a travel agency that is not a Preferred Travel Agency or Qualified Travel Agency will be viewed as non-compliance and may result in Michigan State University's refusal to pay for services rendered should an agency arrange Group travel without completing this document.

### DEFINITIONS

**Group:** 10 or more individuals (MSU employees, students or approved affiliates), traveling for the same purpose, to the same destination, for approximately the same dates of travel, and whose travel is being centrally paid for by Michigan State University. Method of payment is not a determining factor. In MSU's environment, there are many types of Groups: Student; those traveling for Educational purposes or for the purpose of Advanced Management; Overseas Studies or Meetings or Conferences; and those that are federally funded. Individuals traveling as participants in athletic events are excluded because the Michigan State University Athletic Department operates under its own set of practices and procedures.

**Travel Agency:** A **Travel Agency** is a business that sells travel related products and services to end-user customers on behalf of third parties, such as airlines, hotels, and cruise lines. When working with a travel agency, the travel agency employees or Travel Consultants must be able to advise and provide Group travel services in the following ways: package holidays, car rental, travel insurance, airline routes and regulations, ferry service, cruises, independent holiday arrangements, passport and Visa requirements, hotel bookings, and rail and coach bookings.

**Preferred Travel Agency:** Tower Travel or Passageways Travel.

**Qualified Group Travel Agency:** A Travel Agency which has received a letter of acceptance from the MSU Travel Office, based upon the competitive bid process, for Group Travel Services at Michigan State University and acceptance of the MSU Group Travel Terms and Conditions. The agency names, fax numbers and email addresses can be found in the listing of Qualified Travel Agencies (will need to be developed and made available electronically via the Travel Home Page). All Preferred Travel Agencies are considered Qualified Group Travel Agencies, by merit of being a Preferred Travel Agency.

**Total Group Travel Costs:** All associated costs related to the Group Travel of a Group. Such items include, but are not limited to: Airfare, lodging, meals while in travel status, ground transportation at the origin and destination, meeting space.

**Limitations:** If the number of travelers is less than 10, individual travel arrangements are to be made for the travelers per the current MSU Travel Policy. If the total cost of the group travel event exceeds \$25,000, formal competitive bids must be obtained through Purchasing.

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**Inclusions:** MSU Departments may use a Preferred Travel Agency or Qualified Group Travel Agency to handle all aspects of the travel experience: airfare, lodging, ground transport, meals, scheduled common activities for the Group. MSU per diem rates apply for lodging (for foreign locations) and meals.

### PROCEDURES FOR CONTRACTING GROUP TRAVEL SERVICES

1. Determine size of Group, travel requirements, and demographics of travelers; and estimate total cost for Group travel. Michigan State University Departments are expected to follow University travel policy and procedures as well as abide by all applicable federal, state, local and law, regulation, ordinance, and license
2. Choose a Preferred Travel Agency or Qualified Group Travel Agency to arrange the Group's travel services. Departments are encouraged to use the Preferred Travel Agencies or Qualified Group Travel Agency whenever possible. However, use of a Preferred Travel Agency or Qualified Group Travel Agency is not mandated. Using a Preferred Travel Agency offers the benefits of access to direct billing of travel expenses, access to existing university-negotiated car rental and airfare discounts, and working with travel agencies who are experienced in developing, negotiating, and coordinating Michigan State University Group travel events. Use of a Qualified Group Travel Agency ensures that your department is using a supplier who meets the business requirements of MSU, is a reputable and experienced agency in the area of Group Travel, and whose agents are skilled in working with large, complex organizations such as MSU.
3. In order to use a Qualified Group Travel Agency, the total Group travel costs cannot exceed \$25,000. If the size of the Group is more than 10 and travel costs are under \$25,000 MSU Departments may use any of the Qualified Group Travel Agencies.
4. If the estimated cost for Group travel exceeds \$25,000, the department must seek competitive bids. If you anticipate that the trip will exceed \$25,000, contact Purchasing at (517)355-0357 for assistance.
5. Access the "Group Travel Request for Quote Form" (RFQ) electronically at \_\_\_\_\_.  
Complete the page 1 of the form adding as much detail as possible of the Group. A deadline must be provided when sending out the RFQ as to when a written response is due. MSU Departments may not accept any verbal quotes or bids.
6. Print and fax the RFQ, or email it as an attachment, to a minimum of three (3) Qualified Group Travel Agencies. You may refer to the listing of Qualified Group Travel Agencies (will need to be developed and made available electronically via the Travel Home Page) for agency names, fax numbers and email addresses.
7. Once the bids are received, the MSU Department (with the assistance of Purchasing) needs to review the quotes and select an agency. It is the MSU Department's responsibility to notify all travel agencies responding to the RFQ regarding the outcome of the RFQ decision process.
8. Proceed with making the travel arrangements with the selected Preferred Travel Agency or Qualified Group Travel Agency.
9. Retain the quotes you received and any additional information that contributed to your selection process. These quotes are to be kept for a minimum of three (3) years. In the event that an audit occurs, your department may be required to produce this documentation. For departments traveling with federal funds, retain the documentation in accordance with the requirements of your grant.
10. As with any travel paid for by MSU, individual travelers are to submit all actual receipts that confirm the MSU funded travel activity. These receipts are then to be reconciled against payment vouchers issued to the agency or credit/debit card statements for verification.
11. In the event that a Department elects not to use a Preferred Travel Agency or Qualified Group Travel Agency for a Group Travel event that is estimated in excess of \$10,000.00, competitive bids must be obtained through MSU Purchasing (517)355-0357.