

Travel Hints/Reminders





Policy Location

- State Travel Information is located on the Department of Administration State Financial Services Division website:
 - <http://sfsd.mt.gov/>
- Travel Policy page:
 - <http://sfsd.mt.gov/SAB/EmployeeTravel>



In regards to travel...

- Major budget consideration
- Always consider
 - Efficiency of travel - Time
 - Economy of travel - Cost

(1-0300.00 Travel Guidelines)
(Employee Travel, Section III.B)



Travel Guidelines

- Benefit to State
- Department head or designated approving authority must approve all out-of-state and foreign travel **PRIOR** to travel
 - Request and Justification for Travel form
- Minimum number attending function
- Agencies can establish additional travel guidelines

(1-300.15 Travel Guidelines)
(Employee Travel, Section III.B)



Travel Policy does not apply to:

- **Commuting costs**
- Travel from your home/headquarters to a location within the same general vicinity
 - Mileage/meal reimbursement may apply
- Food provided at meeting or conference when not in a travel status
- Non-business related expenses

(1-0300.25 – tips and taxes/misc. expenses)	(Emp Travel, Sec III.D)
(1-0310.20 and .40 mileage reim)	(Emp Travel, Sec III.C and G)
(1-0320.10 meals)	(Emp Travel, Sec V.A)



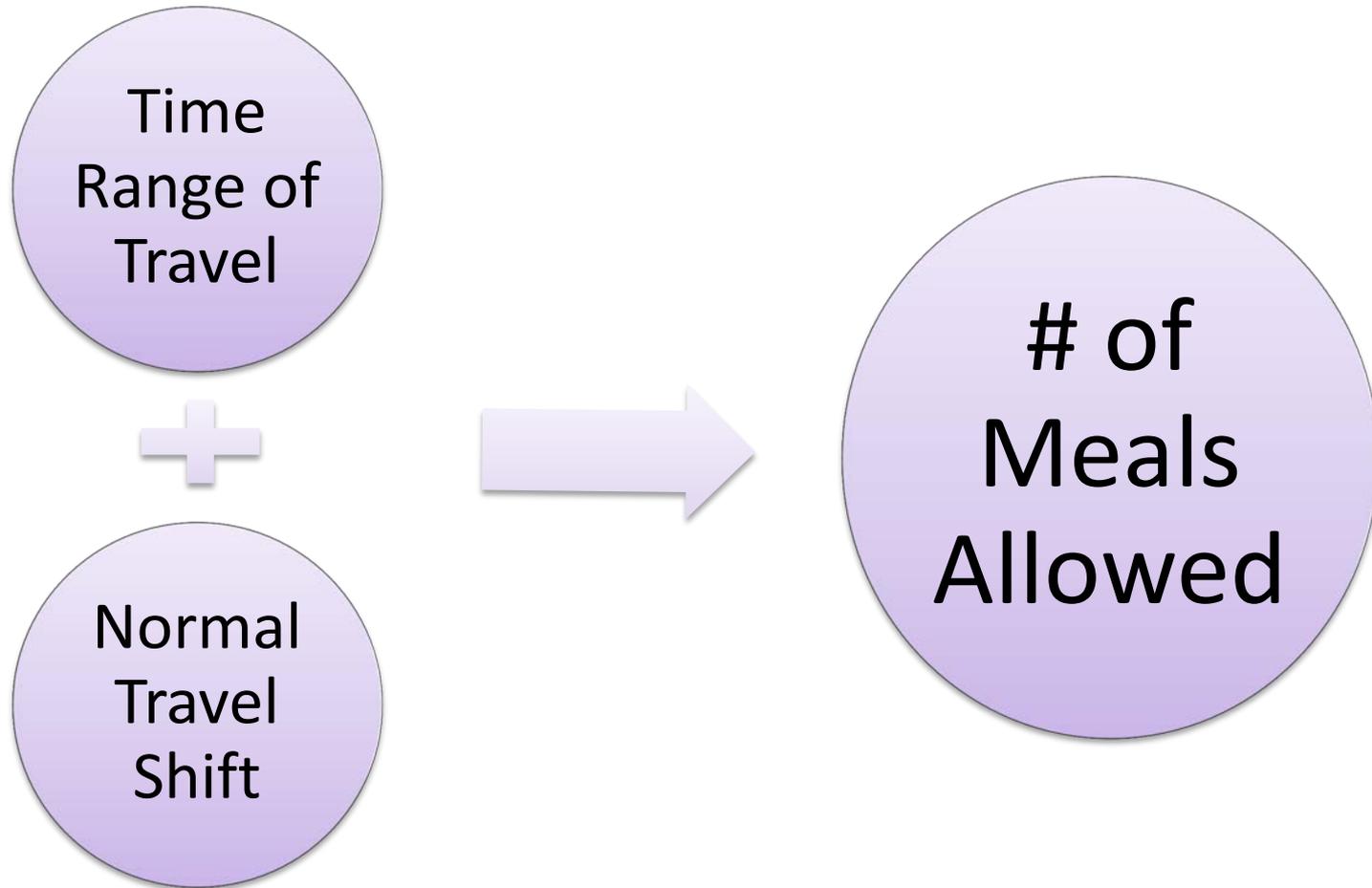
Miscellaneous Expenses

- Must be business related and incurred when traveling
 - For Ex – Luggage Charges, Taxi Fares including Tips, Business Faxes
- If = to or > \$25, must be supported by receipt
- Meal tips and meal taxes are specifically NOT allowed as miscellaneous expenses
 - Employees are just allowed per diem amount

(1-300.25 Reimbursable Travel Expenses)

(Employee Travel, Section III.D)

Number of Allowable Meals





Meal Reimbursement

- Number of meals allowed depends length and time of travel
 - Must be at least 15 miles from headquarters or home, whichever is closer
 - Rates do not vary by location for high cost locations.
 - This applies to both the in-state or the out-of-state
- (1-0320.00 general meal allowances) (Employee Travel, Section V)
(1-0320.10 number of meals allowed) (Employee Travel, Section V.A)



Meal -Travel Time Considerations

- MUST be in travel status for **more** than 3 continuous hours within travel time range
- Consider each time range separately

(1-0320.10 & 1.0320.20 meal allowances)

(Employee Travel, Sections V.A and B)



Meal Allowance Time Ranges

TIME RANGE	MEAL ALLOWED
12:01 am – 10:00 am	Morning Meal
10:01 am – 3:00 pm	Midday Meal
3:01 pm – midnight	Evening Meal

(1.0320.20 – meal allow time ranges)
(Employee Travel, Section V.B)



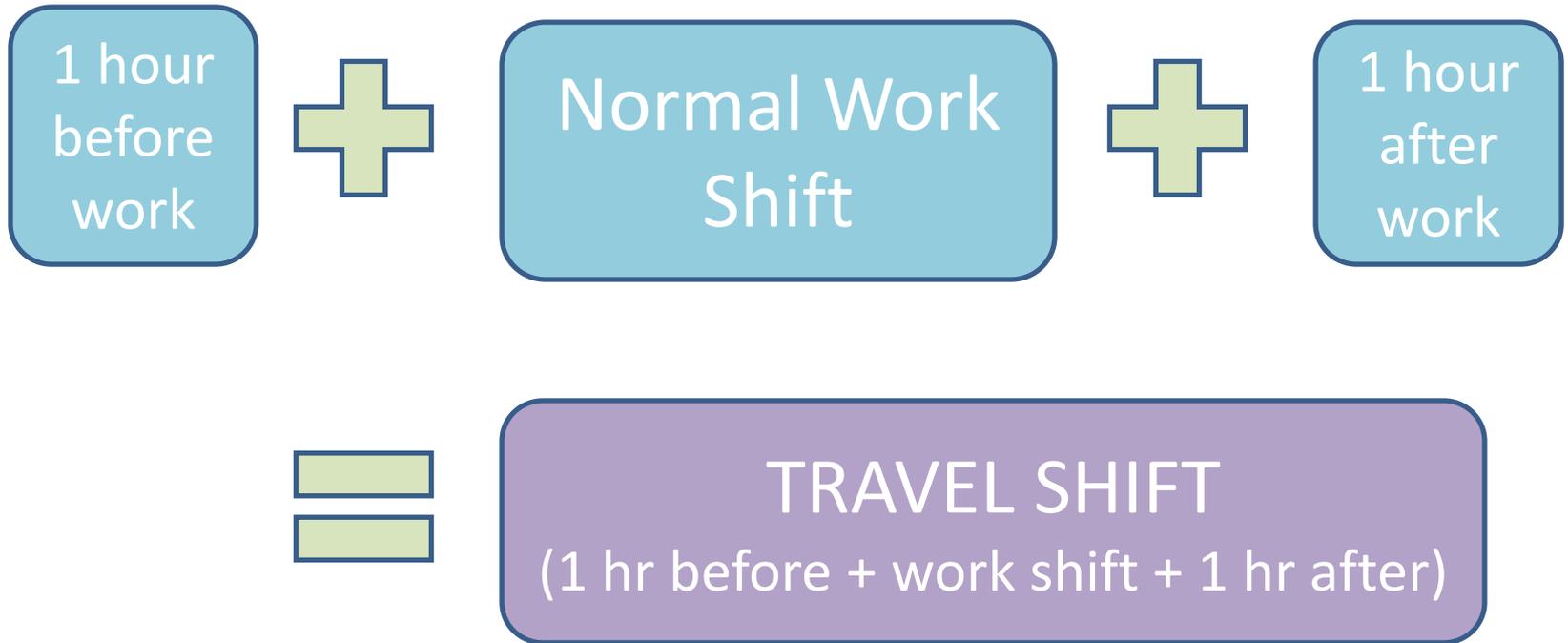
Travel Shift – For Meals

- Begins one hour before regularly scheduled work shift
- Ends one hour after regularly scheduled work shift
- To extent possible, travel should be within “travel shift” to reduce expenses

(1-0320.10 travel shift definition)

(Employee Travel, Section V.A)

TRAVEL SHIFT





Meal - Travel Shift Considerations

One Meal Allowed when

- All travel takes place within travel shift

(1-0320.10 travel shift definition)
(Employee Travel, Section V.A)

Two Meals Allowed when

- You leave w/in travel shift and return outside of travel shift

OR

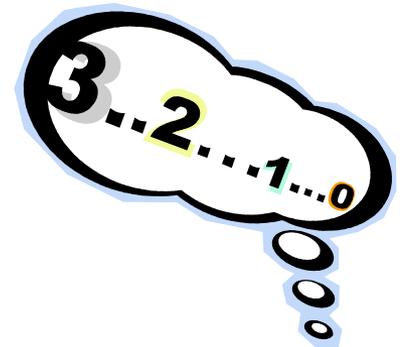
- If you leave outside of travel shift and return w/in travel shift



3 Meals May be Allowed When...

- Travel is totally outside of travel shift, and
- You are in travel status for more than 3 continuous hours in each segment of the time ranges specified

(1-0320.10 travel shift definition)
(Employee Travel, Section V.A)





Meal Reimbursement not allowed when ...

- Normal travel shift was extended to eat
- Meal was included in the cost of a conference
- Meal was provided by the State or other governmental entity
- Full meal included in room rate
- Reimbursement received from 3rd party
 - For example, Delta provides meal for travel delays this may replace/reduce allowable per diem depending on amount received

(1-0320.10 meals during an extension of travel shift)

(Employee Travel, Section V.A)



Meal Reimbursement Ex 1

- Left for meeting in Butte at 6:00 am
- Meeting ended at 5:15 pm
- Arrived at Helena Motor Pool at 6:30 pm
- Work Shift 8-5
- Lunch not provided as part of meeting



Meal Example #1

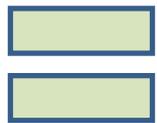
- Morning - YES
 - In travel status for more than 3 hrs. w/in 12:01 am – 10:00 am
- Lunch - YES
 - In travel status for more than 3 hrs. w/in 10:01 am - 3:00 pm
- Dinner - YES
 - In travel status for more than 3 hrs. w/in 3:01 pm – midnight
 - Eligible for all 3 meals as travel totally outside of defined travel shift

Example 1 cont..

LEAVE

RETURN

TRAVEL SHIFT
(1 hour before + work shift + 1 hour after)



OR



3 MEALS REIMB
(depending on time
of travel)



Meal Reimbursement Ex 2

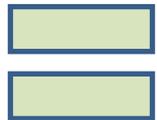
- Left for meeting in Butte at 7:00 am (Mtg at 8:30)
- Meeting ended at 4:45 pm
- Arrived at Helena Motor Pool at 6:00 pm
- Work Shift 8-5
- Lunch not provided as part of meeting
 - Morning - NO
 - NOT in travel status > 3 hrs w/in 12:01 am - 10:00 am
 - Lunch - YES
 - In travel status for more than 3 hrs w/in 10:01 am to 3:00 pm
 - Dinner - NO
 - NOT in travel status > 3 hrs w/in 3:01 pm to midnight
- All travel took place w/in travel shift and only one meal would be allowed

Example 2 cont..

LEAVE

RETURN

TRAVEL SHIFT
(1 hour before + work shift + 1 hour after)



OR



1 MEAL (depending on time of travel)

Meal Reimbursement Ex 3

- Left for meeting in Butte at 7:00 am
- Meeting ended at 4:45 pm
- Arrived at Helena Motor Pool at 6:00 pm
- Work Shift 8-5
- Lunch **provided** as part of meeting
 - Morning - NO
 - NOT in travel status > 3 hrs w/in 12:01 am - 10:00 am
 - Lunch - NO
 - In travel status for more than 3 hrs w/in 10:01 am to 3:00 pm
 - However, lunch provided as part of Meeting
 - Dinner - NO
 - NOT in travel status > 3 hrs w/in 3:01 pm to midnight
- All travel took place w/in travel shift and only one meal would be allowed had it not been provided in meeting



Meal Reimbursement Ex 4

- Left for Butte at 1:00 pm
- Worked until 10:00 pm
- Work shift 8-5
- Arrived at Helena Motor Pool at 11:30 pm
 - Morning - NO
 - NOT in travel status > 3 hrs. w/in 12:01 am - 10:00 am
 - Lunch - NO
 - Not in travel status > 3 hrs. w/in 10:01 am to 3:00 pm
 - Dinner - YES
 - In travel status > 3 hrs. w/in 3:01 pm to midnight

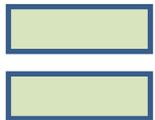
Example 4 cont..

LEAVE

RETURN

TRAVEL SHIFT

(1 hour before + work shift + 1 hour after)



OR



2 MEALS (depending on time of travel)



Meal Reimbursement Ex 5

- Left for Billings at 6:00 am (4 hrs. travel time)
- Worked until 1:30 pm (Work shift 8-5)
- Stopped to eat in Bozeman
- Arrived at Helena Motor Pool at 6:30 pm
 - Morning - YES
 - In travel status > 3 hrs. w/in 12:01 am - 10:00 am
 - Lunch - YES
 - In travel status > 3 hrs. w/in 10:01 am to 3:00 pm
 - Dinner - NO
 - Would have arrived in Helena at 5:30, if you did not stop to eat and therefore would NOT be in continuous travel status > 3 hrs. w/in 3:01 pm to midnight



Meals w/ No Overnight Stay

- **Taxable** to the employee per IRS
- Recommend using HR system to pay employee travel reimbursement
 - Included in W-2
 - No further adjustment by agency
 - Not all travel taxable to employee
- If paid outside of HR system
 - Agency must process a W-2 reporting adjustment on the HR system



In-State vs. Out-of-State Rates

(no high cost rates)

In-State
(per statute)

Morning \$ 5.00

Midday 6.00

Dinner 12.00

Total 23.00

Out-of-State
(per statute follows federal
standard rate – does not
include incidental)

Morning \$ 7.00

Midday 11.00

Dinner 23.00

Total 41.00



In-State vs. Out-of-State Rates

- Generally the geographical location of the lodging facility determines the applicable reimbursement
 - If you stay in-state – in-state rates apply
 - If you stay out-of-state – out-of-state rates apply

(1-300.40 change in travel status)

(Employee Travel, Section III.G)



In-State vs. Out-of-State Meals

- When flying to location out of state –
 - You receive out-of-state rates from the time you depart until you return to Montana
 - If a layover for business occurs in Montana, then out-of-state rates do not apply until you leave Montana from the layover point
- When traveling by other means –
 - Geographical location in which you first become eligible for meal allowance determines reimbursement

(1-300.40 change in travel status) (Employee Travel, Section III.G)



In vs. Out-of-State Meals Ex.

- Fly from Helena at 6:00 am to Billings
 - Attend Meeting in Billings
- Depart Billings at 1:45 pm to Minneapolis
- Travel Shift 8 -5
- Meals Allowed
 - Morning 5.00 (instate)
 - Midday 6.00 (instate)
 - Dinner 23.00 (out of state)



Lodging Reimbursement

- Allowable Lodging Rate is before applicable taxes
 - In most cases, sales and/or bed taxes will be required to be paid.
 - Each taxing jurisdiction governs how and to whom an exemption is granted.
 - Always have employees ask to have sales/bed taxes waived
 - If not waived, they are allowable travel expenses
 - Utility surcharge or like fees are allowable travel expenses
 - Maid tips are not allowable travel expenses

(1-0340.20 and 1-0350.20) lodge reimbursement rates

(Employee Travel, Sections VII.B and VIII.B

(1-0340.25 and 1-0350.30) lodging at actual cost

(Employee Travel, Sections VII.C and VIII.C

Lodging Reimbursement

- ALWAYS ASK FOR THE BEST RATE

- For example:

- The State rate is \$77 (as of October 1, 2011) unless HCA
- However the hotel is offering their rooms at \$55 to all other travelers
- The hotels are not required to charge the state the \$77 rate (as some claim they are)
- The state will gladly accept a lower rate.



(1-0340.20 and 1-0350.20) lodge reimbursement rates

(1-0340.25 and 1-0350.30) lodging at actual cost

(Employee Travel, Sections VII.B and VIII.B

(Employee Travel, Sections VII.C and VIII.C

MT High Cost Areas (HCA)

Montana High Cost Areas by Counties	Maximum Lodging	Cities within listed counties include, but are not limited to:
Gallatin County	(Oct 1 – May 31) \$ 82 (June 1 – Aug 31) \$110 (Sept 1 – Sept 30) \$ 82	Bozeman Belgrade Big Sky West Yellowstone
Silver Bow	\$ 89	Butte
Lewis and Clark	\$ 83	Helena
Missoula / Lake / Flathead	(Sept 1 – June 30) \$ 87 (July 1 – Aug 31) \$110 (Sept 1 – Sept 30) \$ 87	Missoula Seeley Lake Polson Kalispell Whitefish
Richland / Dawson	(Oct 1 – Mar 31) \$ 96 (Apr 1 – May 31) \$ 90 (June 1 – Sept 30) \$ 96	Sidney Glendive



Actual Lodging Cost Allowed...

- If approved by Director or Designee:
 - Temp'ly unavailable due to special functions
 - Emergency travel
 - Remote location with limited accommodations w/in 15 mile radius
 - Shortage of available lodging
 - Risk to reg/undercover employee
- Should be approved prior to travel

(1-0340.20 and 1-0350.20) lodge reimbursement rates

(Employee Travel, Sections VII.B and VIII.B)

(1-0340.25 and 1-0350.30) lodging at actual cost

(Employee Travel, Sections VII.C and VIII.C)



Lodging Receipt Policy Update

- *Original* lodging receipt must be attached to either
 - Travel Expense Voucher
 - PCard Statement (if applicable)
- Copy can be attached to other
- Credit Card receipts not acceptable



Foreign Travel

- Employees must submit receipts for both foreign meals/lodging to receive reimbursement up to the daily maximum established by US Dept. of State (actual)
 - If no receipts, \$36/day for meals
- Agencies need to submit to RMTD, completed foreign insurance applications if you have employees traveling outside of US, Puerto Rico or Canada

(1-360.00 & 1-360.10 Foreign reimbursement)

(Employee Travel, Sections IX.A and B)



Personal Vehicle Use

- Must be approved **PRIOR** to travel
- Cost of Mileage Reimbursement should be compared to motor pool charges
 - May be more economical for employee to travel in motor pool vehicle
- Actual map miles allowed
 - Agency may allow appropriate amount for in-town mileage (For ex - to drive to eat at night)

(1.0310.10 & 1.0310.20 personal vehicle use)

(Employee Travel, Sections IV.A and B)



Standard Mileage Reimbursement

- If authorized to use personal vehicle
- Reimburse using standard rate
 - Unless qualify for high rate
- Calculated at percentage of IRS rate
 - Defined by statute at 48.15%



High rate to be used when:

- State car not available **OR**
 - Includes either motor pool, state-owned or leased vehicle
- Personal vehicle is in the state's best interest **OR**
- Legislators and members of the general public on official state business

(1-0310.30 high rate allowed when)
(Employee Travel, Section IV.C)



Other Standard Rate Exemptions

- Specifically authorized at high rate
 - Members of boards, commissions, committees, or advisory councils unless related to state employment
 - Employees driving 25 miles or less in any calendar day
 - **If one of the high rate conditions are not met, you must reimburse for mileage at the standard rate.**

(1-0310.40 standard rate exemptions)

(Employee Travel, Section IV.D)

Mileage Reimbursement Rates

(as of January 1, 2013)

- Standard Rate
 - .272/mile
 - Defined as a % of IRS standard rate
- High Rate
 - .565/mile ($0 \leq 1000$ miles/month)
 - Equal to IRS standard rate
 - Per IRS, applies equally to cars, vans, pickup and paneled trucks
- Low Rate
 - .535/mile (> 1000 miles/month)



(1-0310.10 mileage rates)

(Mileage, Section III.A)



State Vehicle Use Policy

- Applies to both motor pool/state leased vehicles
- Vehicle must be used for state business
 - Can be used to obtain food/lodging/medical when in travel status
 - Can be used for non-work time activities if within 30 miles of lodging facility
 - Can be parked at residence overnight
 - Leaving on state business next day
 - Subject to emergency/on-call response related to state business

ARM 2.6.201 – 2.6.214



State Vehicle Use – Authorized Drivers

- Only employees are allowed in motor pool/leased vehicles unless non-state employee –
 - Is enrolled and registered as a MUS student
 - Is assisting an employee with a disability or are a contract employee (w/ RMTD's prior approval)
 - Is assisting state employee for medical emergency

(ARM 2.6.203 Authorized Drivers)



State Vehicle Use Policy cont..

- Obey all laws including speed and parking
- Must use their seat belt at all times
- Don't drive under the influence
- Avoid using their cell phones when driving
- Employees can be suspended or terminated for failure to comply with the State Vehicle Use Policy



Car Rental

- Agencies SHOULD NOT pay for insurance
- Employees covered under state policy
- Add'l coverage provided when PCard used
- Same usage rules apply as w/ any other state vehicle
 - Non-Employees not covered
 - If non-employee is to be in the car – car should be rented by individual and any claims would be against their personal insurance

(RMTD)



Personal Time Combined with Travel Time

- Employee can combine personal time with travel for state business purposes
 - Employee goes to location early
 - Employee stays late

(1-300.55 Special In-Lieu Allowances)

(Employee Travel, Section III.J)



Personal Time Combined with Travel Time (cont..)

- Employee MUST show what cost would have been without personal time versus w/ personal time
 - Reimbursement only allowed for business associated expenses
- Employee MUST show what travel time would have been without personal time versus w/ personal time
 - Time not to be earned for personal time (employee must take vacation/comp)



Personal Time Combined with Travel Time (cont..)

- Can use State P-Card to purchase airline ticket with personal time included with a trip for state business purpose
 - If additional expenses, then employee must reduce reimbursement or pay state for difference on travel expense voucher



Personal Time Combined with Travel Time (cont..)

- Employee can have another person stay in hotel room with them
 - If additional expenses, then employee must reduce/pay state for difference on travel expense voucher



Special In-Lieu Allowances

- Agency can allow transportation reimbursement/time up to the most economical/efficient method
 - For ex – driving vs. flying to Seattle
- Remaining travel cost/time would be employees personal responsibility

(1-300.55 Special In-Lieu Allowances)

(Employee Travel, Section III.J)



Special In-Lieu Example

- Flying to Seattle
 - Cost \$300
 - Travel Time 5 hrs. at \$25/hr. = $\$125 * 2 = 250$

- Driving to Seattle
 - 600 Miles at Standard Reimb = $\$320 * 2 = 640$
 - Travel Time 10 hrs. at \$25/hr. = $\$250 * 2 = 500$



Special In-Lieu Ex (cont..)

- The agency could permit the employee to take their personal car vs. flying to Seattle
 - Employee wants to go with another person
- Agency would only allow reimb of \$300
- Employee only earning 5 hrs. of time each way



Frequent Traveler Programs

- Employees can join frequent travel programs
- If usage can be tracked separately
 - Employee must apply the mileage earned from state travel toward free airlines tickets for future state travel

(1-300.45 Frequent Traveler Promotion Usage)
(Employee Travel, Section III.H)



Voluntary Bumping

- Employees can take advantage of being “voluntarily” bumped AS LONG AS it does not interfere with state business
- Can keep free or discounted ticket for personal use
- Extra time is considered personal time
- Not entitled to meal/lodging reimbursement for extra time

(1-300.50 Commercial Airline Bumping)

(Employee Travel, Section III.I)



Vol Bumping Reimbursement Ex.

- Schd to return to HLN from Denver
- Schd to arrive in HLN at 3:00 pm
- 1 hr. to get luggage and return home
- Agree to take later flight
- No meal voucher received from airline
- Arrives in HLN at 11:00 pm



Vol Bumping Reimbursement Ex.

- Time earned would only be until 4:00pm
Regularly scheduled arrival time plus reasonable time to get luggage and return home.
- Dinner not allowed as reimbursement
Based on only earning time until 4:00pm, not considered to be in travel mode for > 3 hrs during evening meal time range.



Involuntary Bumping

- May be Entitled to lodging and meal reimbursement
- If vouchers are provided, employee is eligible for reimbursement at the difference between the actual cost of lodging and state per diem and the value of the vouchers received
- Considered to be on duty for actual flying or time at airport

(1-300.50 Commercial Airline Bumping)

(Employee Travel, Section III.J)



InVol Bumping Reimbursement Ex.

- Attended mtg from 8 – 12 in WV on Wed
- Schd to depart from WV on Wed at 2:00pm
- Airline paid lodging in WV on Wed based on mechanical problems
- Arrived back at hotel in WV at 3:00pm on Wed
- Recd meal voucher from airline for \$7.00
- Left hotel in WV at 8:00 am on Thurs to depart at 9:30 am (EST)
- Arrived in Helena at 4:00 pm (EST)
- Got luggage and returned home at 5:00 pm (EST)



InVol Bumping Reimbursement Ex.

- Time Earned

Wed – 7 hrs. 8:00 – 3:00

Thurs – 9 hrs. 8:00 – 5:00

- Meals Earned

Wed - \$41 less \$7 voucher received from airline

Thurs - \$18 (not in travel status for > 3 hrs. for evening meal)

- Lodging

Wed – Cannot claim even non-receiptable



Travel Benefits of Using PCard

- Traveler's Insurance
- Auto Rental Insurance
- Secondary Baggage Insurance
- Travel and Emergency Services
- Lost Luggage Assistance





Traveler's Insurance

- \$500,000 in Common Carrier Travel Accident Insurance
- Primary coverage, protecting against losses caused by (a) a common carrier accident, or (b) an accident incurred on the way to or from the terminal in a common carrier (i.e., taxi, bus, or airport limousine),
- Ticket charged on Corporate Card



Auto Rental Insurance

- Collision, theft, vandalism, appraisal fees, and loss of use when the rental is paid with the Contractor's Corporate Card
- Can apply to US travel or overseas



Secondary Baggage Insurance

- Cardholder eligible up to \$1,250 coverage
- When common carrier ticket is purchased with Corporate Card
- Individual can receive reimbursement for cost of replacement of luggage/contents
- Reimbursement is made only if common carrier makes a monetary reimbursement, not for other consideration



Travel and Emergency Services

- The Contractor provides Cardholders around the world toll-free, around-the-clock access to travel and emergency services through the Visa Assistance Center (VAC)
 - 1-800-VISA-911 domestic;
 - 1-410-581-9994 worldwide collect.



Lost Luggage Assistance

- The Cardholder may receive immediate shipment of replacement items, a cash advance required as a result of the loss of luggage, and claims assistance when luggage is lost while traveling and the carrier is unable to locate it. (Note: this is not lost luggage insurance.)



Travel may also be affected by...

- State Human Resource Policies
 - Taxable to employee vs Non-taxable
- RMTD Policies
- Federal Guidelines/Policies
 - Is the trip allowed per the grant agreement?
- Labor Agreements
- Other state statutes
- Other state policies



Other Useful Links

- MINE Homepage/Services Tab
 - State Per Diem Lodging
 - List from Dept. of Commerce based on annual survey
 - Includes details as to hotel accepting state rate
 - State Motor Pool Reservations
- GSA Per Diem Rate
 - Standard/High Cost Areas for each state
 - <http://www.gsa.gov/portal/category/21287>



Highly Recommend Entering Reimbursements in HR

- Reimburse employee through paycheck
- No need to set up employee as a vendor and keep track of expenses paid through Financials. Also no need to update both databases as addresses and last names change.
- Eliminate risk of employee receiving both a W-2 and a 1099 from the State.
- Reduce manual tracking and keying and countless end of the year off-cycles.



HR Reminder:

- Changing W-4 to accommodate travel expense reimbursement has **NO** impact on the taxation of the check.



Travel Policy

Beyond the Basics





Use of State PCard - Required

- For purchase of:
 - Airline tickets
 - Lodging
 - Out-of-State vehicle rental
- Unless it can be documented that another payment method is in the state's best interest
- Travel Policy Section III.L and X.A.



Travel Advances

- Should be short-term in nature
- Processed through payroll system
- Should not exceed \$200
- Should not be used for lodging or car rentals

- Agencies may use discretion to avoid financial hardships for employees

- Travel Policy Section X.



In-State Car Rentals

- Section IV.F., talks about the contract that State Motor Pool and DOA entered into to supply “overflow” vehicle needs for state employees in several Montana locations.
- Questions contact Motor Pool 444-2705

No Lodging Reimbursement Provided

- **No Reimbursement for Provided Lodging**
- In some instances, lodging is provided at no charge. In these instances, lodging
- expense cannot be claimed. Examples include:
- 1. Lodging is provided on campus for industry or government seminars;
- 2. Lodging is included in the registration fee;
- 3. A cabin is provided for backwoods work.
- Section VI.C.

Questions in General

- Questions or suggestions for future training:

- SAccounting@mt.gov

- 444-3092

