# VDOT GOVERNANCE DOCUMENT

# VDOT TRAVEL PROCEDURES

# FISCAL DIVISION

# DATE OF ISSUANCE: January 1, 2016

## KEY TOPICS: (OPTIONAL)

**VIRGINIA DEPARTMENT OF TRANSPORTATION**

# FISCAL DIVISION
# PROCEDURAL MEMORANDUM

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|---|---|
| **GENERAL SUBJECT:**<br>VDOT TRAVEL GUIDELINES | **NUMBER:**<br>FD-04 |
| **SPECIFIC SUBJECT:**<br>VDOT TRAVEL GUIDELINES | **DATE:**<br>January 1, 2016 |
| | **SUPERCEDES:**<br>ALL PREVIOUS VERSIONS FOR TRAVEL AFTER January 1, 2016 |
| **APPROVED:** | **JANICE LONG**<br>**CONTROLLER**<br>**Approved** Janice Long |

**EFFECTIVE DATE**

**JANUARY 1, 2016**

**New Personal Mileage Reimbursement rate effective January 1, 2016**

**New Lodging and Meal & IE rates effective October 1, 2015**

## POLICY

All Virginia Department of Transportation (VDOT) employees who travel on State business must conform to these policies and procedures. Travel costs should be limited to only those expenses that are necessary for providing essential services to the Commonwealth's citizens. When planning travel and incurring travel expenses, economy, prudence and necessity should be our primary concern.

For **business** travel within the state that conforms to the state rates and is below the thresholds addressed under 'TRAVEL PLANNING', the responsible District or Division leader can approve the business travel.

VDOT's Controller or designee must approve any exceptions to these policies and procedures. Some exceptions may require additional approval of the Commissioner's Office and/or State Comptroller.

## DEFINITIONS

**Base Point**: Place, office or building where traveler works on a regular basis. Employees are limited to one base point.

**Commuting Distance**: Round trip distance traveled routinely by employees between their residence and base point.

**Incidental Expense**: Service fees, tips, and transportation between lodging and meals.

**International Travel**: Travel to areas outside the 48 contiguous states.

**M&IE**: Meals and Incidental Expenses

**Official Station**: Area within 25 miles of employee's base point.

**Receipts**: Refers to ORIGINAL unless otherwise indicated.

**Travel Status**: Travel outside an employee's official station, unless part of the employee's regular routine duties.

**Emergency**: A sudden, unexpected, or unpredictable occurrence; or an event involving clear and imminent danger; or when 24-hour operations begin.

## INTRODUCTION

VDOT will reimburse individuals traveling on official State business for reasonable and necessary expenses for employee's NON-ROUTINE travel at state rates, as applicable. These expenses are subject to public review and should be reasonable in appearance as well as fact. Prudent judgment is expected of employees making travel arrangements and expenditures.

All exceptions to this policy require approval of VDOT's Controller or designee.

## TRAVEL PLANNING

**A Travel Authorization Request is entered into and approved in Cardinal in advance of the travel dates for the following:**

- **Any proposed overnight travel in which the total cost is expected to exceed $500.**
- **Out of state travel**
- **International travel**
- **Meals and/or Lodging exceeding guidelines**

All known costs associated with the trip, such as lodging, transportation, meals, air fare, registration and any other travel costs or fees, including those that are direct billed, must be included on the travel authorization. ***Travel Authorization Requests should be entered into Cardinal at least 5 working days prior to the travel date in order for all necessary approvals to be completed in the system. The Cardinal system will not accept entry or approvals of Travel Authorizations after the date of travel.***

**Advance approval by the Chief Deputy Commissioner is required in the Cardinal system for:**

- **International travel**

This approval must be documented (generally via email) and attached with the travel reimbursement documents. Include the date of the Chief Deputy Commissioner's approval in the comments field in Cardinal.

**Advance approval by the District/Division Administrator and Chief is required in the Cardinal system for:**

- **Travel costing over $1,000**

Travel Authorization/Expense Report requests, once entered in the system, are automatically routed to the appropriate Chief by the Cardinal system when the travel authorization/reimbursement over $1,000 is entered. No email approval documentation for costs greater than $1,000 is required when approval is made through the Cardinal system.

**Advance approval by the Chief Financial Officer is required in the Cardinal system for:**

- **Out-of-state travel (except D.C.) regardless of the funding source**

This approval must be documented (generally via email) and attached with the travel reimbursement documents. Include the date of the Chief Financial Officer's approval in the comments field in Cardinal.

- **Meals and/or lodging exceeding the travel guidelines** (see section titled "Lodging, Meals & Incidental Expenses Reimbursement Rates")
    - Travelers must submit cost comparisons as part of their justification. Submit name and addresses of hotels used for alternate cost comparisons justifying the exception. Travelers and their supervisors are responsible for exercising good judgment and ensuring that costs are reasonable in appearance as well as in fact.
    - The justification for the additional amount must be entered in the comments field on the expense report page in Cardinal. Any additional information that cannot fit in that field can be submitted to the CFO via email.
    - Meals and/or lodging exceeding the travel guidelines will automatically route in Cardinal to the employee's Directorate Chief and then to the Chief Financial Officer for approval.
    - The Chief Financial Officer will deny any Travel Request not received (in advance OR that does not adequately justify the costs.

Please note: lodging rates that exceed the guidelines by more than 150% require Chief Financial Officer and **DOA** approval **BEFORE** the trip. If the lodging rate is not approved in advance, the traveler is responsible for charges in excess of the allowable amount.

**Advance approval by the Chief Financial Officer is also required for:**

- Lodging other than hotels and motels (e.g. apartments). Submit cost comparison statement for the total cost using alternate accommodation including length of contract (See Temporary Transfer procedures for forms and guidance.).

## CONFERENCES, TRAINING, SEMINARS, and WORKSHOPS

Beginning March 1, 2013, requests for attendance at Conferences, Training, Seminars and Workshops, whether or not travel is involved, are to be made through VDOT's Learning Center prior to the event. Applicable approval emails will be issued by the Learning Center and this documentation must be attached to the travel reimbursement request along with all other required documentation (hotel bills, etc.) in order for the district accounting/Fiscal office to process payment. The VDOT Training & Conference Attendance Procedures Learning Center's procedures are to be followed for requesting attendance at Conferences, Training, Seminars and Workshops.

## TRAVEL CHARGE CARD

Travel charge cards are available for State employees who travel overnight at least twice a year on State business.

Travel cards are for reimbursable travel expenses and also for any personal expenses not easily separated from business expenses. Cardholders use cards to obtain travel advances from automatic teller machines (ATM's). They may also charge lodging, meals, or other travel expenses. Charge card bills are sent to the employee, who is responsible for payment, including any late charges for payments more than 60 days overdue.

Monthly travel card statements are provided to Division and District Administrators. Division and District Administrators are responsible for ensuring that travel card usage complies with Fiscal Division guidelines. That review should provide reasonable assurance that cash advances and charges are legitimate travel expenses.

Travel Charge Cards may be obtained from Fiscal Division --- 804-371-8874.

## TEMPORARY TRAVEL ADVANCES

Travel advances are available for employees who rarely travel. Advances are issued for expenses that the employee will be required to pay out of pocket. Travel advances must be repaid by the employee within 30 days of the processing of the travel reimbursement voucher.

Employees are also eligible for one travel advance, when their Charge cards have been revoked due to non-use. It is the employee's responsibility to have the card re-activated. If an employee's travel card is revoked due to delinquent or non-payment, s/he is not eligible for a travel advance.

**Travel Advances must be entered into and approved in CARDINAL and paperwork submitted to district accounting office /Fiscal office at least 5 workdays prior to the date of travel** or an advance may not be processed. Any overage should be returned to the District Accounting (or Central Office Cash Receipts Section) within 5 workdays of return. Please make checks payable to the Treasurer of Virginia.

## LODGING

Lodging is reimbursed when employees travel outside their official station.

Lodging guidelines EXCLUDE taxes and surcharges. Taxes and surcharges are reimbursable.

However, guidelines do INCLUDE internet service fees charged when lodging is booked on-line through an internet service. This fee should be added to the room rate. If booking more than one night, the service fee should be divided by the number of nights, and an equal share added to each nightly rate. The room rate plus the service fee are considered lodging expense and should not exceed the allowable lodging rates.

The Small Purchase Charge Card may be used to "hold" a reservation only. Payment for lodging is prohibited, unless the hotel sends a "direct bill" to the agency and is authorized through Administrative Services Division (for Central Office Divisions) or the District Program Administrator.

## LODGING, MEALS & INCIDENTAL EXPENSES REIMBURSEMENT RATES

All lodging rates are governed by the U.S. General Services Administration (GSA) rates for in-state and out-of-state travel. The traveler must search for the travel destination using the search criteria on the website:

http://www.gsa.gov/portal/content/104877

For an additional look up option, Cardinal query **V_AP_EX_TRAVEL_RATES** list the GSA rates. Open the query into an Excel spreadsheet and use the "Find" feature for the travel destination.

****NOTE: Footnotes to the GSA rates table does NOT apply to state policy. The traveler's reimbursement is based on the city or county in which the hotel is physically located.**

**The search may return more than one possible rate for the location entered. If the location is not listed in the GSA table itself, the standard rate applies.**

**The GSA table does not list a separate standard rate for in-state and out-of-state; however; Cardinal still list them separately with different rates (see chart below). Use the rate listed in Cardinal for in-state and out-of-state locations that are not listed in the GSA table.**

| Standard Rates | Lodging | Meals & IE |
|---|---|---|
| In-state (INST)* | $89 | $51 |
| Out-of-state (OUTOS)* | $94 | $51 |

*Cardinal's abbreviations for in-state and out-of-state listed in the location drop down box.

Lodging reservations may be made via the internet, using service providers such as Priceline.com, Expedia.com, Orbitz.com, Travelocity.com, etc. Please note the sum of the service provider fees plus the room rate may not exceed the lodging rates.

## MEAL AND INCIDENTAL EXPENSES (M&IE)

Meals and certain incidental travel expenses are reimbursable for overnight business travel, but may not be direct billed. These rates are all inclusive (taxes, tips, etc.). Incidental expenses include bellhop/waiter tips, valet, personal telephone calls, laundry and transportation between lodging and meals, etc.

All M&IE Rates are governed by the U.S. General Services Administration (GSA) rates located at the link below. These rates should also be used to determine the maximum meal reimbursement amounts for official business meals and/or the M&IE reduction.

http://www.gsa.gov/portal/content/101518

**M&IE RATE TABLE**
The M&IE per diem rate must correspond to the location of the overnight stay.

| **M&IE TOTAL** | **$51** | **$54** | **$59** | **$64** | **$69** | **$74** |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Breakfast** | $11 | $12 | $13 | $15 | $16 | $17 |
| **Lunch** | $12 | $13 | $15 | $16 | $17 | $18 |
| **Dinner** | $23 | $24 | $26 | $28 | $31 | $34 |
| **Meals total** | $46 | $49 | $54 | $59 | $64 | $69 |
| **Incidental Expenses (Non-travel days)** | $5 | $5 | $5 | $5 | $5 | $5 |
| | | | | | | |
| **75% Travel Days (Meals x ¾ + $3.75 incidental)** | $38.25 | $40.50 | $44.25 | $48.00 | $51.75 | $55.50 |

**On departure and return days (Travel Days), 75% of the incidental ($3.75) and 75% of the meal rate are reimbursable.**
For example, if the M & IE rate allows a $51 total reimbursement, $38.25 would be allowed on the departure and return day.

$51 * .75 = $38.25

**Departure Day:** **Where you spend that night**
**Return Day:** **Where you spent the night *before* returning to home base**

When meals are provided at no cost in conjunction with travel events, the applicable M&IE per diem reimbursement is reduced by the amount shown for the applicable meal in the M&IE Rate Table. For example, if the M & IE rate allows a $51 total reimbursement and lunch was provided at no cost, total allowable reimbursement for that day would be $39 (51 - $12 lunch).

When meals are provided at no cost in conjunction with travel events on a travel departure or return day the full meals per diem is reduced by the rate for the appropriate meal(s) provided, including the allowable incidental is then multiplied by 75%. For example, if the M & IE rate allows a $51 total reimbursement, and lunch was provided at no cost on a travel departure or return day, the total allowable reimbursement for that day would be $29.25.
[($51 - $12 lunch = $39) $39 * .75 = $29.25].

When meals are included with registration or lodging expense as part of a package, the number and type of meals (breakfast, lunch, and dinner) provided must be recorded on travel expense reimbursement form. When

continental breakfast or reception is offered as part of travel event, such as a conference, and meal/ timing is sufficient, the traveler must reduce the per diem by appropriate allowance amount unless traveler has a medical restriction and the event does not honor the request made within the deadline specified by the event. The request not honored must be documented on the travel reimbursement.

If a breakfast is offered at no charge by the hotel and the traveler does not partake in the breakfast due to any reasonable circumstance (e.g. early work hours do not allow for participation in the provided breakfast, the food provided was not adequate, the traveler's dietary needs were not met, etc.), then the traveler must notate this on their travel reimbursement.

## OTHER MISCELLANEOUS EXPENSES

**Other reimbursable travel expenses include:**

- Business Telephone Calls (This includes personal cell phone charges that result from business calls--- i.e. the cost of the business calls or the cost of other calls that result from exceeding "free minutes" because of business calls.)
- Internet Access, Hotel Business Center Charges
- Facsimiles
- Taxes, fees, and surcharges paid by the traveler for lodging
- Tolls, Parking Fees – require an original receipt if greater than $75.00

These expenses and any other unusual expenses require documented justification to be reimbursed.

**Disallowed expenses include:**

- Lost or stolen articles
- Alcoholic beverages
- Damage to personal vehicles or other items
- Services to gain entry to a locked vehicle
- Movie rentals charged to hotel bills
- Any expenses related to personal negligence (e.g. non-canceled reservation, fines, etc.)
- Entertainment expenses
- Travel Insurance ( Personal injury/loss, trip cancellation etc
- Towing charges
- Expenses for children, spouses, and companions

Above list is not inclusive. Employees and supervisors should use prudent judgment as expenses are subject to public review and should be reasonable in appearance as well as fact.

## TRAVEL CREDITS

The traveler must report any travel credits, reduced rates, or free services to the Department and deduct them from expenses claimed.

## EXCEPTIONS FOR MEAL REIMBURSEMENT

Generally, meals not requiring an overnight stay are not reimbursable. There are 3 exceptions - Business Meals, Overtime Meals, and Emergency Meals:

**Business Meals require:**

- Substantive and bona fide business discussion (include description or topic of discussion and/or agenda)
- Identify all persons involved in the meal, include Itemized Receipt(s)

- Prior written approval of Division/District Administrator or Assistant District Administration for Business with written delegation authority from District Administration.

Business meals are reimbursed for actual expenses (including taxes, tips, and delivery), up to amount allowed by the M&IE Rates.

All food purchases, with the exception of recognition meals (please refer to Human Resources policies and procedures for Recognition Programs) require the same approval and supporting documentation as business meals.

**Overtime and Emergency Meals Allowances: Updated July 29, 2014**

Overtime and Emergency meal allowances paid are reportable taxable income as per IRS guidelines effective for the payments beginning in calendar year 2014. Emergency meal allowances will be reimbursed quarterly through payroll. Overtime meal allowances will also be processed through payroll as the request is received from the employee. Overtime and emergency meal allowances will not be processed through Travel and Expense Module and an expense report is not required to be entered in Cardinal. For emergency/overtime meal allowances eligibility requirements and procedures, please refer to **FD-2015-1 Emergency/Overtime Meal Allowances** procedures located on Inside VDOT – Fiscal Page.

**MISCELLANEOUS EXPENSES:**

During emergency operations, VDOT will allow staff on duty to make necessary personal phone calls from the closest VDOT facility. Phone calls should be reasonable in length and frequency. A telephone log for each date and phone number must be provided by VDOT at the facility and completed by employees placing calls:

Employee Name
Phone Number called
Time of day

When traveling overnight, the employee may also be reimbursed for up to 10 additional minutes per day for evening calls, when s/he provides the original telephone bill.

**PLEASE NOTE: Both the employee and the supervisor are subject to Standards of Conduct and will be disciplined accordingly if they knowingly misrepresent expenditures in order to obtain reimbursement.**

## PERSONAL VEHICLE USE

Reimbursement rates are set in the current Appropriation Act (Section 4 – 5.04f). Currently, the rates for the first 15,000 miles driven in each fiscal year for an employee to perform official job duties are as follows:

- Effective January 1, 2016, this rate is **$0.54** per mile. This mileage rate can be viewed on the IRS Site: 2016 Standard Mileage Rates for Business, Medical and Moving Announced
- For the first 15,000 miles per fiscal year, the traveler is reimbursed $ 0.54 cents per mile when travel averages less than 200 miles per day OR a state-owned vehicle/OFMS rental is unavailable. Approval by the District/Division Administrator or designee is not required.
- The traveler is reimbursed $ 0.246 cents per mile for the first 15,000 miles when travel averages 200 miles or more per day **AND** a state-owned vehicle/OFMS rental was available or the District/Division Administrator or designee does not certify the personal automobile was cost beneficial to VDOT. If the higher mileage rate is used for reimbursement, the District/Division Administrator or designee approval is required and justification must be documented and attached to the Cardinal Employee Expense Reimbursement Form. Employees should conduct a cost/benefit analysis using OFMS TRIP CALCULATOR to determine whether an OFMS rental or personally-owned vehicle should be used in

official State travel. Please refer to the Department of General Services - Office of Fleet Management Services 2016 Trip Calculator .

Employees are eligible for reimbursement of non-commuting mileage when using personal vehicles for official State business. "Non-commuting" mileage is mileage in excess of the employee's normal commute from home to official work station.

Reimbursement rates are reduced to $0.13 per mile for travel in excess of 15,000 miles per fiscal year.

## PUBLIC TRANSPORTATION

**Air/Rail Travel**

Documents that validate the mode and class of travel including boarding pass are required for all air and rail reimbursements made directly to the employee.

Employees should obtain tourist/economy fares for air travel. Exceptions may be approved for business class if:

**AIR**

- Business class is no more than the lowest available tourist/economy fare
- The employee pays the difference
- Transoceanic, intercontinental trips of more than 8 hours
- Travel to Western Europe when business is conducted within 3 hours of landing.

**RAIL**

- When it does not cost more than the lowest available tourist/economy fare (comparison must be attached to travel voucher), or
- When reserved economy seats are not offered on the route, or
- If the traveler pays the difference.

All exceptions require documentation. First class air or rail travel will not be reimbursed.

Air and Rail tickets may be purchased via the Small Purchase Charge Card or Travel charge card. If SPCC is used, arrangements for payment with the card shall be authorized through Administrative Services Division (for Central Office Divisions) or the District Program Administrator, including documentation supporting the necessary approvals for the ticket purchase.

**Car Rental (Including Enterprise)**

The traveler should select the most economical agency and type of car available. When renting through Enterprise via the Statewide Enterprise contract, the traveler should return receipts for gas and car rentals to the person responsible for preparing vouchers for car rentals and gas cards. The person preparing the voucher should verify the detail receipts against the summary billings received from Enterprise / Mansfield prior to payment. Any discrepancies (missing receipts, charges for tax, etc.) should be reviewed with the traveler and/or the vendor prior to payment.

**Car Rental Insurance**

If the traveler is:

| | |
|---|---|
| State employee in the U.S. | Decline – covered by State |
| Non-state employee | Accept – reimbursable expense |

Travelers must refuel the rental vehicle before returning it to the rental contractor, unless an exception is noted. Refueling is reimbursable with receipt. In no instance should the traveler enter into a "Fuel Agreement" or pay for fuel at the time of rental or before vehicle is used.

## TRAVEL EXPENSE REIMBURSEMENT

The Cardinal-generated Employee Expense Report or Employee Business Expense Form (Excel version on Cardinal website) must be completed and signed by the employee and supervisor and entered into Cardinal for all travel cost reimbursements. The Employee Expense Report or Form and supporting documentation (original lodging receipts, etc.) must be received by the appropriate Fiscal/Accounting Office for processing. Copies are not acceptable without justification for the reason the originals cannot be submitted.

**Information required for travel expense reimbursement includes:**

- Reason for travel (include the name of the meeting, conference, training, etc.)
- Original itemized lodging receipts with $0.00 balance
- Lodging obtained through internet providers employee will provide hard copy of final page from internet site.
- Receipts for meals costing $75 or more
- Registration receipts
- "For Hire Transportation" original receipts required when over $75 (Taxi, shuttle vans) – tips are reimbursable up to 15% of the fare. Reimbursement for limousine or other forms of luxury transportation services are not allowed.
- Parking and toll original receipts, with explanation, when over $75
- Dates of departure and return
- Travel to location
- Work hours and overtime hours for overtime meals
- Mode of travel; if personal automobile was determined to be cost-beneficial, the reason must be stated on the printed Employee Business Expense Report or Form and in the comments field in CARDINAL
- Agenda for conferences and training
- Reason for business phone calls or facsimiles
- E-mail(s) of prior approvals from the appropriate persons or Learning Center for conferences and lodging/meal rates over the per diem or international travel (See sections on Travel Planning and Conferences, Training, Seminars and Workshops)

This information should be attached to or included on the Cardinal-generated Employee Expense Report or Employee Business Expense Form, which must be signed by the employee and supervisor.

## *REIMBURSEMENT PROCESS*

Reimbursement should be requested within 5 working days after the trip is completed. By signing the Cardinal generated Employee Expense Report or Employee Business Expense Form, the traveler:

- Certifies that the information is correct and the items included are legitimate expenses necessary to conduct of State business
- Agrees to the deduction from salary of any advances not repaid within 60 days of issuance
- Agrees to file a Travel Reimbursement Request within 5 workdays of returning from the trip

By signing the Employee Expense Report or Employee Business Expense Form or electronically approving an employee's authorization or reimbursement request, the supervisor:

- Certifies that the travel was approved and necessary for conduct of State business
- Agrees to ensure deduction from employee pay of advance not paid within 60 days of issuance
- Agrees to review the traveler's reimbursement request promptly

Travel and non-travel expense reimbursements made to employees from Employee Travel Expense Module in Cardinal system are deposited to the same bank account as the employee's payroll direct deposit payments. These payments are reflected in the payroll direct deposit account as soon as reimbursements are fully approved in the Cardinal system.