

BUSINESS TRAVEL EXPENSE & REIMBURSEMENT

This guide is intended for ESU #1 staff that travel on ESU #1 business either through the use of Professional Leave, Administrative Leave or other designated leave not defined herein. ESU #1 may reimburse the traveler for actual and reasonable travel expenses incurred up to the pre-established limits during ESU business related travel. All travel must receive prior approval. Expense reports are to be appropriately documented and must be completed by the traveler.

PURPOSE OF THE GUIDE

1. To furnish guidelines and definitions to assist in fulfilling the requirements of both the ESU and the Internal Revenue Service regarding legitimate and necessary business expenses.
2. To furnish guidelines to those that incur and/or approve expenses
3. To ensure uniformity in the reporting and substantiation of expenses incurred.

AUTHORIZATION

Prior to traveling at ESU expense, the appropriate Leave Request form must be completed and submitted to the business office at least five (5) working days prior to the leave date. Authorization for leave includes travel in the evenings, weekends and non-contract days. The leave will then be approved or rejected by the Administrator. The employee will receive e-mail notification of the approval or rejection. Sample forms are attached.

FORM COMPLETION

Staff requesting Leave must complete the prescribed form in its entirety, including dates, times and estimation of all costs involved. A copy of the flyer or brochure outlining the activity and costs is to be attached to the request form.

RECEIPTS

Original, itemized receipts are required for all claims for reimbursement. The traveler's charge card receipt/statement alone will not be acceptable. Meal receipts must include Location—Date—Time—Number of People Served—Names of People Served. Hotel/motel receipts must be itemized, as ESU #1 will not reimburse for personal expenses (i.e. telephone, movies, laundry, Internet access, etc.).

Lost or misplaced receipts, illegible receipts, or incomplete receipts are the responsibility of the traveler; reimbursement will not be made until all deficiencies are corrected.

Note: Receipts that cannot be verified must have a written statement of certification as to the description of items and costs. This statement must be approved and signed by the Administrator. (Examples: taxis, tolls, parking, buses, and small vendors.)

PARTIAL DAY MEALS

Noon meals for one-day travel to meetings/workshops/conferences, etc. are NOT reimbursable. A day trip means that the employee leaves during the day and returns the same day. Exceptions would include the following for outside of ESU #1 travel:

1. Breakfast is reimbursable if employee must leave at or before 6:00 a.m.
2. Lunch is reimbursable if an employee leaves for overnight travel prior to 11:00 a.m. and/or returns from overnight travel after 2:00 p.m.
3. Dinner is reimbursable if an employee returns after 7:00 p.m.

NOTE ~ Time limitations set forth in this policy do not include the time taken for the meal

Employees not partaking of meals provided as part of the registration fee will not be reimbursed for meals. Partial day meal reimbursement is limited to the amounts shown in the *Overnight Meal Expense* section.

Meetings held during a meal hour may be reimbursed if an agenda of topics and listing of attendees is provided and approved by the Administrator.

Tip allowance is 20% of the **pretax** charges for meals eligible for reimbursement. For example:

| | | |
|-------|------------|--|
| Meal | \$10.00 | Maximum allowable tip is \$2 (20% of \$10) |
| Tax | <u>.70</u> | |
| Total | \$10.70 | Maximum reimbursement is \$12.70 (\$10.70 + \$2 tip) |

Tips will be prorated when non-eligible expenses are included on the receipt.

The IRS has taken the position that reimbursement for meal expenses incurred on one-day travel is taxable income to the employee unless such reimbursements are deemed "occasional". ESU #1 has set guidelines for a Partial Day Travel meal reimbursement by recognizing that if an employee is required to leave by 6:00 a.m., or two or more hours prior to the start of an employee's work shift they would have been eligible to apply for overnight travel. Using the same rationale, an employee that will not arrive home until after 7:00 p.m. would have been eligible for an overnight stay.

OVERNIGHT MEAL EXPENSE (Rates shown are effective 10/1/09 to 9/30/10)

The reasonable, actual cost of meals incurred while on an overnight or out-of-town business trip for more than one day is reimbursable up to the daily allowance specified below. The current per diem allowance is \$41 in Nebraska, except Omaha the allowance is \$61. The following guidelines are suggested for each meal (includes tips). The maximum itemized cost for individual meals for destinations other than Nebraska shall be the amount allowed by the IRS <http://www.gsa.gov/mic>

| | <u>Nebraska</u> <u>Excluding Omaha</u> | <u>Omaha</u> |
|-----------|---|--------------|
| Breakfast | 7.00 | 11.00 |
| Lunch | 11.00 | 16.00 |
| Dinner | 23.00 | 34.00 |

When meals are included in the conference registration fee, the per meal amounts listed above should not be included in the daily allowance.

When a traveler is entitled to a full day's allowance, the amount expended for any particular meal is left to the discretion of the individual, but the total for all meals in one day shall not exceed the maximum per diem allowance. The actual cost reimbursed for meals, including tips (20% unless specified by establishment for large party) shall not exceed the daily allowance without administrative approval. For multi-day conferences that are eligible for meal allowances, the IRS rate per diem, per trip allowance, may be exceeded by the board members, or employee, as long as the total allowance for all days is not exceeded.

MEALS FOR EMPLOYEES NOT IN TRAVEL STATUS

Reimbursement for meals for an employee not in travel status may be paid under the following conditions (See Appendix A for definitions).

1. The employee is required to attend a conference official function, or hearing.
2. The meal, snack, or nonalcoholic beverage is provided during the conference official function, or hearing through a registration fee.
3. The expense has the prior approval of the ESU #1 Administrator.

ALCOHOL

Alcoholic beverages of any kind, whether purchased with meals or separately, will not be reimbursed by ESU #1.

LODGING

Lodging arrangements will be made through ESU #1 for Administrative Leave or other Agency directed leave. Efforts will be made to secure lodging in the preferred conference hotel or a nearby hotel within walking distance, if possible. Traveler will provide all the necessary information required to secure accommodations (name, travel date, special room provisions, etc.) ESU #1 will notify the traveler of their accommodations including a confirmation number. The traveler is responsible for having this information available and notifying ESU #1 immediately if travel arrangements need to be amended or cancelled. The traveler is required to pay for all personal expenses upon check out (phone calls, movies, etc.) with his/her own credit card. Upon departure, pick up the itemized hotel bill and submit to the finance department.

ESU #1 has an established listing of hotels/motels in the major cities of Nebraska. These hotels/motels will be used unless administrative authorization is received prior to the reservation being made.

Staff utilizing Professional Leave/Funds will secure their own reservations and will be reimbursed up to a maximum of \$101 for Omaha and \$70 for the remainder of Nebraska (excluding taxes) or the IRS maximum allowance for cities outside of Nebraska. Staff is encouraged to stay at economical locations. The Administrator may approve an additional allowance based on special circumstances. An example would be for conferences where designated hotels are identified by the conference sponsor for accommodations of attendees.

Employees are expected to share accommodations whenever it is appropriate. Single occupancy requests may require a rationale for the request.

AIRFARE

The estimated cost of travel must be submitted with the Travel Request. Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. ESU #1 will reimburse or pay the cost of the lowest coach class fare available from the airport nearest their home to the airport nearest the destination. Reimbursement will include baggage costs assessed for a maximum of one bag per employee.

Employees who travel early or stay late for personal reasons will not be reimbursed for meals or lodging on those dates.

Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

GROUND TRANSPORTATION

Employees are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following as the order of desirability: 1) Courtesy Car, 2) Airport Shuttle or Bus, 3) Taxi; and 4) Rental Car. Use of a rental car must be pre-approved by the Administrator.

PARKING/TOLLS

Parking and toll expenses, including charges for hotel parking, incurred by staff while on ESU business will be reimbursed. Employees should use off-airport parking facilities for extended trips. On-airport parking is reimbursable for short business trips.

GRANT TRAVEL EXPENSES

Grant coordinators are responsible for making sure that all travel expense (mileage, meals, lodging, etc.) reimbursement requested is eligible for payment as outlined by the grant guidelines.

OTHER

ESU #1 will not reimburse a single employee for expenses related to another employee's travel expenses.

All requests for expense reimbursement must be received within 60-days of the approved event and within the current fiscal year.

If the traveler does not utilize the hotel/motel as reserved, the cancellation of the original reservation is the responsibility of the traveler. Any excess cost to ESU #1 may result in the additional cost being deducted from the traveler's reimbursement or regular pay. Cancellation numbers should be retained by the traveler and submitted to the Finance department.

In order to be eligible for overnight travel expenses, the meeting that the staff member will be attending must begin by 9:00 a.m. and include travel time of two hours or more.

There may be reasons to pay for lodging for distances less than noted in the guideline above. Such reasons include, but are not limited to work requirements, medical conditions or weather; in those instances the reason must be clearly stated on the disbursement document.

ESU #1 will not reimburse employees for Internet access charges by hotels unless approved by the Administrator.

Tips for services such as housekeeping, bellman, etc. are not reimbursable. Tips for cab fare, shuttles, and meals will be reimbursed but are limited to 20% of the before tax charge.

Cab fares, shuttle costs, etc. for employee's personal travel such as sightseeing, shopping, etc. are not allowable expenses. Restaurants for dining out should be selected close to the hotel or conference site to keep transportation costs to a minimum.

Employees who include spouses in their travel plans will only be reimbursed for expenses related to the employee (single lodging rate, employee meals only, etc.) Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed.

Expenses in any category that could be perceived as lavish or excessive will not be reimbursed.

APPENDIX A

1. Employee includes employees of ESU #1, contractors who have an employer/employee relationship with ESU #1 and members of the ESU Board, or members of any other commission, council, or committee established by ESU #1 or Federal statute/regulation.
2. The following are definitions of a conference, official function, and hearing:

CONFERENCE:

Meeting where the public is a primary participant.

OFFICIAL FUNCTION:

Meeting of a board, committee, council, or commission which has been established by State Statute, or is necessary for compliance with acts of Congress or federal rules and regulations resulting from such acts, or whose expenses are reimbursable due to approval by the Governor or Executive Board of the Legislative Council per State statute 81-1180, or

Special non-routine training seminar, or

Meeting or training of an outside organization (beyond ESU #1 boundary) where an employee's attendance is required by job duties, or

Special meeting in response to a change in statute, law, regulation, or ESU #1 process, or as required by the ESU #1 Board or Administrative directive, which does not allow staff members in attendance to break for meals due to time constraints or location, or

A meeting of a ESU #1 staff member with one or more school official of public school districts in the ESU #1 area, during a meal, for purposes of receiving input on matters under consideration by ESU #1.

Employees located at a satellite location outside the ESU #1 boundary may receive meal reimbursement for trainings provided on behalf of the agency at locations that are in excess of 100 miles from the satellite location.

HEARING:

Contested case hearing, or

Rule hearing under the Administrative Procedures Act.