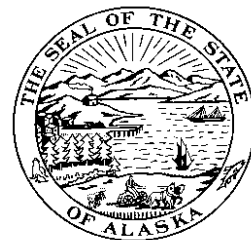


Alaska State Legislature

Legislative Affairs Agency

Administrative Services / Accounting Office

Terry Miller Legislative Office Building



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MEMORANDUM

TO: Sen. Elvi Gray-Jackson, Chair
Legislative Council

FROM: Mindy Kissner *MK*
Finance Manager

DATE: April 16, 2024

SUBJECT: Proposed Change to Travel and Per Diem Policy

For Legislative Council consideration, LAA proposes updating the Legislative Council Travel and Per Diem Policy regarding use of wallet funds for air travel. The intent of this amendment is to clarify supporting documentation requirements for legislators and staff when using wallet funds and reduce the inordinate amount of time spent on reimbursement claims by both the traveler and the Accounting Office.

As you are aware, wallet funds are credits from cancelled travel or inconvenience certificates that can be used for future travel, in the case of the Legislature, most often with Alaska Airlines and their partner airlines. These funds expire, so there is a need to use them timely; however, it is not as straightforward to use wallet funds for state travel as it is for personal travel.

The reimbursement requirements when using wallet funds for state travel is onerous for both the legislative travelers and the Accounting Office. Substantiating the travel claim may require several hours of research to determine which credits make up the balance of the wallet fund account to ensure the funds are allowable for reimbursement. For example, funds given for traveler inconvenience (luggage guarantee, flight delays, etc.) or those which were previously reimbursed for prior state travel that was not completed and therefore credited to the traveler's wallet are not reimbursable because no actual expense occurred.

Currently, Accounting spends a significant amount of time explaining the requirements to travelers; and travelers spend an even greater amount of time gathering the necessary documentation. This can lead to frustration, which is sometimes taken out on the accountant working on the claim. Clarifying the requirements in policy for what is needed to use wallet funds will help ensure LAA staff aren't put in a difficult position of having to explain why more substantiation is required.

The proposed amended Travel and Per Diem Policy is attached and I am pleased to answer questions or concerns about this proposal.

Thank you.

LEGISLATIVE COUNCIL TRAVEL AND PER DIEM POLICY
[Approved April 30, 2024, Effective January 1, 2024]

Under AS 24.10.130, the Alaska Legislative Council establishes the following travel and per diem policy for legislators and legislative employees:

I. Session Per Diem

Legislators, except those whose place of permanent residence is within 50 miles of the Capitol or the meeting site of a special session, are entitled to a daily per diem at the winter federal rate in effect at the beginning of each regular legislative session. The rate paid to legislators shall be adjusted in accordance with any mid-year federal rate adjustments but may not exceed the winter federal rate in effect at the beginning of each regular legislative session.

Legislative staff are not entitled to a daily per diem during a regular legislative session in the Capital City.

Legislators are reimbursed for travel, per diem, or actual expenses as follows and in accordance with guidelines established by the presiding officers or authorizers of the travel.

II. Travel Per Diem or Reimbursement

When a legislator is away from Juneau on legislative business during the legislative session, the legislator is entitled to receive reimbursement for transportation, lodging, and incidental expenses. They are not entitled to a meal allowance. The reimbursement is in addition to session per diem.

A legislator or legislative employee on legislative business is entitled to receive travel per diem or meal allowances and reimbursement for other actual expenses in accordance with guidelines established by the presiding officers or the authorizer of the travel.

Legislative staff are not entitled to reimbursement for travel and travel per diem for lodging and meal expenses to attend a special session of the Legislature unless specifically authorized by the appropriate authority. Approval is not automatic and may vary between special sessions depending on considerations such as the length and subject matter of the special session, and the number of legislative staff needed.

A legislator or legislative employee who is entitled to travel per diem shall be paid:

1. at the federal rate while on legislative business;
 - (a) during the interim in a place that is not the legislator's or legislative employee's place of permanent residence;

- (b) during the session in a place that is neither the Capital City nor the legislator's or legislative employee's place of permanent residence, except that employees based in a location other than the Capital City during a session may receive per diem in the Capital City; and
- (c) per diem and meal allowances are calculated for (a) & (b) as follows:

Overnight Travel

Legislators or legislative employees are entitled to receive the federal per diem rate when traveling overnight. On the day of departure or return, legislators or legislative employees are entitled to a prorated meal allowance based on the hour of departure or return to their home. The authorizer of the travel may authorize payment of actual hotel costs plus meal allowance;

Same Day Travel

Legislators and legislative employees are not entitled to a meal allowance for travel away from home for the day.

A legislator or legislative employee must request travel per diem or reimbursement for actual expenses by submitting a claim to the Legislative Affairs Agency within 60 days after returning from the trip.

III. Reimbursement for Actual Expenses

If the legislator or legislative employee expects to request reimbursement for expenses in lieu of travel per diem, the authorizer of the travel or their designee, as appropriate, must approve the reimbursement.

A legislator or legislative employee seeking reimbursement for actual expenses is entitled to a meal allowance.

Reimbursement for other itemized expenses may exceed the applicable travel per diem amount.

A legislator or legislative employee who is requesting reimbursement for actual expenses shall submit:

1. receipts for lodging on letterhead invoice, showing the rate for single occupancy;
2. **receipt for air travel, showing ticket number, price, and proof of payment;**
 - (a) **use of personal wallet funds for air travel requires inclusion of all appropriate supporting detail (wallet history) to substantiate the claim.**
3. receipts for incidental transportation expenses if the charge for the item was more than \$15;
4. a statement of expenses for incidental transportation for which the charge was less than \$15 per item;
5. an itemized statement, initialed by the Legislator or legislative employee, for business phone calls;

6. a statement of the date and time the travel began and ended to be used in computing meal allowances; and
7. if a statement or receipt required under (1)-(4) is not available, a written explanation of the failure to present the statement or receipt.

V. Reimbursement for Mileage

Mileage will be reimbursed at the federal mileage reimbursement rate.

DRAFT

Approved June 29, 2005
Revised November 14, 2008
Amended February 4, 2010 (effective January 19, 2010)
Amended April 11, 2019 (effective January 15, 2019)