

SB

244

ALASKA STATE LEGISLATURE

SESSION

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SENATOR BERT K. STEDMAN

SPONSOR STATEMENT

SB 244 – GOVERNOR’S DUTY STATION

SB 244 will clarify state law regarding the governor’s duty station and travel allowance. Currently in statute, there are no provisions that require the governor to reside in the capital city and occupy the governor’s mansion during his or her term of office. The bill specifies that the governor’s duty station, defined as the location where the governor spends the major portion of time assigned to fulfill the duties of office, is considered to be Juneau.

The proposed law does not prohibit the governor from maintaining a personal residence in another part of the state, but if he chooses to reside there and not in the governor’s mansion, he will not be entitled to a travel allowance when away from the capital.

DISTRICT A

Ketchikan • Sitka • Petersburg • Wrangell

Pelican • Elfin Cove • Port Alexander • Saxman • Meyers Chuck • Thorne Bay • Coffman Cove • Hollis

AMENDMENT

#1 W/D. 

OFFERED IN THE HOUSE

TO: HCS SB 244(STA)

BY REPRESENTATIVE LYNN

1 Page 1, lines 1 - 3:

2 Delete all material and insert:

3 **""An Act providing that, during the term of office, the duty station of the governor and**
4 **of the lieutenant governor is the state capital, and prohibiting payment of certain travel**
5 **allowances to those officers for use of the personal residences of the governor and**
6 **lieutenant governor.""**

7

8 Page 1, line 8:

9 Delete "to the governor"

10

11 Page 2, lines 1 - 10:

12 Delete all material and insert:

13 **"* Sec. 2. AS 39.20.060 is amended by adding a new subsection to read:**

14 **"(b) For purposes of calculation and payment of travel allowances due the**
15 **governor during the governor's term of office and the lieutenant governor during the**
16 **lieutenant governor's term of office,**

17 **(1) notwithstanding the residence of each of these public officers in**
18 **another location, the governor's duty station, defined as the location where the**
19 **governor spends the major portion of time assigned to fulfill the duties of the office,**
20 **and the lieutenant governor's duty station, defined as the location where the lieutenant**
21 **governor spends the major portion of time assigned to fulfill the duties of the office, is**
22 **considered to be the state capital; and**

23 **(2) the governor is not entitled to, and may not claim as a travel**

1 allowance, a lodging allowance, when staying in the governor's personal residence
2 while in travel status away from the governor's designated duty station, and the
3 lieutenant governor is not entitled to, and may not claim as a travel allowance, a
4 lodging allowance, when staying in the lieutenant governor's personal residence while
5 in travel status away from the lieutenant governor's designated duty station."

6

7 Page 2, line 16, following "governor":

8 Insert "and the lieutenant governor"

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 244
 (S) Publish Date: 2/12/10

Identifier (file name): SB244-GOV-EO-02-09-10 Dept. Affected: OOG
 Title: "An Act providing..... duty station of the governor is Juneau RDU: Executive Operations
.... and prohibiting payment of certain travel allowances..." Component: Executive Office
 Sponsor: Senators Stedman, Egan
 Requester: (S) State Affairs Component Number: 6

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

SB 244 establishing Juneau as the governor's duty station, and prohibiting the payment of a lodging allowance when a governor stays in their personal residence at another location, has no fiscal impact on the Office of the Governor. Travel allowances paid to a governor are based on allowable payments set out in the Administration Manual. The Administration Manual provides for payment of "actual lodging expenses", and a miscellaneous meal and expense allowance. As there are no lodging costs when staying in a personal residence, there is no lodging allowance paid.

Prepared by: Linda Perez, Director
 Division: Administrative Services
 Approved by: Linda Perez, Administrative Director
Office of the Governor

Phone 465-3876
 Date/Time 2/9/10 5:00 PM
 Date 2/9/2010

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SENATOR BERT K. STEDMAN

SECTIONAL ANALYSIS

SB 244

"An Act providing that, during the governor's term of office, the duty station of the governor is Juneau, and prohibiting payment of certain travel allowances for use of the governor's personal residence."

- Sec. 1** Amends AS 39.20.060 by removing the exemption in state law enjoyed by the governor and Lt. governor with respect to the calculation and payment of travel allowances.
- Sec. 2** Adds a new subsection to AS 39.20.060 declaring Juneau to be the governor's designated duty station and makes conforming amendments to the calculation and payment of travel allowances that apply to the governor.
- Sec. 3** Satisfies AS 39.20.070 which requires modifications to AS 39.20.050 or AS 39.20.060 be done so expressly.

DISTRICT A

*Ketchikan • Sitka • Petersburg • Wrangell
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AAM 60. TRAVEL

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AAM 60.010 Introduction to Travel (07-05)

The travel policies of the State of Alaska are adopted by the Commissioner of the Department of Administration in accordance with AS 39.20.160. State agencies and travelers are required to comply with these policies whenever traveling on state business. Department heads may approve policy exceptions on a trip-by-trip basis for subordinate personnel within their departments based on documented circumstances or unique business requirements. Policy exceptions for department heads must be approved by the Commissioner of the Department of Administration.

The purpose of the travel policies is to provide approval to travel on state business, and to provide reimbursement for actual and necessary expenses incurred by travelers while traveling on state business. The policies apply uniformly to all travelers unless otherwise provided for by a collective bargaining agreement. When there is a conflict between these policies and a collective bargaining agreement, the relevant provisions of the collective bargaining agreement supersede.

The travel policies of the state are generally intended to be in compliance with current IRS regulations as an accountable plan. See AAM 320 for tax implications related to state travel reimbursement policies.

AAM 60.020 Travel Definitions (01-10)

Commercial Lodging Facility

A commercial lodging facility is a licensed entity that is in the business of selling lodging to the general public and includes hotels, inns, motels, apartments, and campgrounds.

Department Travel Administrator

Travel administrators are department personnel responsible for maintaining the travel profiles for their department. They may or may not also be the department's travel coordinator.

Department Travel Coordinator

Employee designated within a department to oversee the travel function. Department travel coordinators assist and train travel planners, monitor travel operations, and make recommendations on statewide travel policy.

Duty Station

The duty station of a traveler includes the city, town, or village within 50 miles of where the traveler spends the major portion of their working time, or the place to which the traveler returns to duty on completion of special assignments. On a case-by-case basis, commissioners may identify a radius or commuting area that is broader than 50 miles within which per diem will not be allowed for travel within one calendar day.

Emergency

An emergency is defined as an unforeseen set of circumstances that calls for immediate action. Emergencies include those that are the result of business-related occurrences, as well as personal situations. Personal emergencies generally do not affect travel status, except in the following cases:

- Traveler suffers a serious health condition (as defined by AS 39.20.550(5) while in travel status
- Death of an immediate family member [as defined by 2 AAC 08.999 (c)] occurs while traveler is in travel status
- Other situations deemed by department management as severe enough to affect travel status

E-Travel

Managed travel program for the State of Alaska Executive Branch.

E-Travel Management Team (ETMT)

The ETMT is comprised of the State Travel Manager and Assistant, as well as others from the Division of Finance that support this program.

E-Travel Office

The E-Travel Office is a section within the Division of Finance that manages the travel function for the Executive Branch. Staffed by the State Travel Manager and Assistant, this office serves as the liaison between state agencies and the contracted travel agency.

E-Travel Online

The online booking tool for travel arrangements, provided by the contracted travel agency and powered by RESX.

Lodging Allowance

Lodging allowance is the portion of per diem that covers lodging, generally the actual cost of the traveler's hotel room unless otherwise stated in individual bargaining unit agreements.

M&IE

Meals and incidental expense allowance. The portion of per diem that reimburses travelers for the cost of meals and incidental expenses including discretionary tips, laundry expenses, and other personal costs of travel.

Note: Any incidental expenses charged to a State credit card will be deducted from M&IE paid to the traveler.

MCAAK Credits

Cash equivalent credit received for purchases of MCAAK airfares from the contract travel agency. These credits are no longer accrued, but remaining balances may be used as a form of payment for airfare.

Non-Commercial Lodging Facility

A non-commercial lodging facility may include, but is not limited to, a public facility in a rural setting such as a community building or school, motor home, or private home.

Per Diem

Per diem allowance is a daily payment instead of reimbursement for actual expenses for lodging, meals, and incidental expenses. It is separate from transportation expenses and other miscellaneous expenses.

Residence

The residence of a traveler is the location, or within 50 miles thereof, where the traveler maintains the primary dwelling.

If a traveler maintains multiple residences, the commissioner of the department shall designate the residence that bears the most logical relationship to the traveler's duty station as the traveler's primary residence. Factors to be considered in determining the primary residence include: the time ordinarily spent performing duties at each location; the degree of business activity at each location; the relative amount of state wages earned at each location. Agencies may also contact the Division of Finance for assistance.

Tourist Class

The least costly class of accommodations on a regularly scheduled airplane, ship, or train.

Travel Planners

Individuals within each department that support travelers by making travel arrangements, explaining policies, ensuring travel is approved prior to purchase, and ensuring reimbursement occurs timely after travel is complete.

Traveler

Throughout these policies, traveler usually means a state official or a person employed by a state agency. At times, an agency may require board or commission members, volunteers, wards of the state, or other nonemployees to travel on state business. The agency must generally apply the same travel policies for nonemployees, except when travel reimbursement terms under a professional service contract differ as discussed in AAM 60.200.

Travel Expenses

- Transportation expenses consist of commercial carrier fares, vehicle mileage allowances, taxi fares, bus fares, and other essential transportation expenses while on official state business.
- The per diem consists of two parts, meals and incidental expenses, and lodging.
- Other expenses consist of charges for business telephone calls, internet, parking fees, emergency purchases of supplies, and other charges necessary to conduct official business.

Travel Status

Travelers shall be considered in travel status from the time an authorized trip begins until it ends. An "authorized trip" is a trip approved in accordance with administrative manual guidelines and where a traveler travels outside the boundaries of the duty station. An authorized trip begins when a traveler is leaving the duty station and:

- A traveler leaves the normal work location during normal work hours;
or
- A traveler leaves the residence outside normal work hours.

An authorized trip ends when:

- A traveler returns to the normal work location during normal work hours; or

- A traveler returns to the residence if the trip ends outside normal work hours; or
- A traveler accepts voluntary denied boarding compensation. Refer to AAM 60.080 Interruption or Deviation of Travel for Traveler Convenience.

Refer to:

<http://dop.state.ak.us/docpool/pdf/sop/Ch08TravelasTimeWorked/traveltimeworkSOPrev1.pdf> for policies on compensation for travel as time worked.

Travel status is either short-term or long-term and per diem allowances vary according to status. The determination of short-term or long-term is based upon the duration and type of lodging facility provided to the employee. See AAM 60.240 for further guidance. A brief return of the employee to their duty station for business or personal convenience does not disrupt the long-term status of the trip.

A traveler is not in travel status for local travel or day trips. The following are some examples of travelers who would not be considered in travel status under the local travel or day trip provision:

- A state trooper while on patrol in his/her assigned territory.
- A safety inspector whose normal duties include driving from his/her normal duty station to a construction site for purposes of conducting an inspection.
- A health inspector whose normal duties include driving from his/her normal duty station to various communities to inspect facilities.

A mileage reimbursement form may be used to reimburse transportation costs when the criteria for travel status are not met.

AAM 60.030	E-Travel (01-10)
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The Department of Administration has established E-Travel as the managed travel program serving the State of Alaska Executive Branch, including employees, members of boards and commissions, inmates, witnesses, and other individuals that travel on official State business.

E-Travel is comprised of:

- Travel policies contained in AAM 60
- E-Travel Online, which is the online booking tool RESX configured for State of Alaska travel policies
- Travel management contractor

- Other contracts with vendors in the travel industry including airlines, hotels, and rental car agencies
- E-Travel Management Team (ETMT)
- Travel coordinators, travel administrators, and travel planners within each department
- Employees and others traveling on official State business

Travel Management Contract

The State's travel management contract contains performance measures that affect the fees charged by the contractor. Measurements are performed quarterly and the fees are adjusted +/- 20% from a base amount.

Service standards for performance under the contract are available on the Division of Finance travel web site.

All contracted travel personnel are required to sign and adhere to a confidentiality agreement. The confidentiality agreement prohibits contracted personnel from discussing state travel arrangements with anyone that does not have a valid State of Alaska-related business need to know. The agreement includes a liquidated damage clause for breach of confidentiality.

Traveler Profile

An electronic traveler profile is required for booking travel. The state information in these profiles is maintained by department travel administrators. Optional information such as mileage number or seat preference may be entered by the traveler. Traveler profile instructions are available on the Division of Finance travel web site.

Department Travel Policies

Within the confines of this section, agencies may establish more specific travel policies.

Travel Purchase Process

Travel may be purchased using the E-Travel Online booking tool or by calling the contracted travel agency.

Travel planners should confirm the details of the itinerary before purchasing. After purchase, the agency is responsible for the carrier's change fee and any additional service fees to cancel and reissue the ticket. The traveler is personally responsible for the change fee when the change is for personal convenience.

Travel purchases must include the name of the approving official authorizing the purchase.

Fare Increases

Fares may increase before purchase. The state agency pays the increased fare unless it is due to a contractor delay, in which case the contractor will absorb the fare increase.

24-Hour Hold

A reservation should only be placed on a 24-hour hold when it is **certain** it will be purchased within that time frame. If the held reservations can not be purchased within 24 hours, the reservation **must** be cancelled.

Multiple or duplicate 24-hour held reservations are not allowed and run the risk of the ticketed reservation being cancelled by the airlines as a duplicate or debit memos from the airlines that are the responsibility of the state agency.

Refunds

Departments may request a refund for a refundable ticket at any time by replying to the final itinerary asking the contractor to refund the ticket. Any unused refundable ticket will be refunded 60 days after the return date on the ticket by the contractor and the state agency will be notified.

AAM 60.040	Travel Approvals (10-09)
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All travel shall be approved in advance. The request for approval shall be in writing and must document essentials of the travel including purpose, destination, dates and times, a total not-to-exceed amount, any related leave requests, and whether an advance is authorized. The approval required depends on the location of the travel:

Travel within Alaska

Prior approval is required within the department and shall at a minimum have the approval of the traveler's immediate supervisor or designee.

Travel to the Contiguous United States, Hawaii, British Columbia, and Yukon Territory

Prior approval is required by the department and by the department's commissioner or designee.

Travel Outside the United States

Prior approval is required by the department, the department's commissioner and the Governor's Office.

Travel Completion Approvals

Following completion of travel, all travel related expenses and any deviation from the originally approved travel arrangements must be documented in the travel authorization. If the total cost of travel exceeds the amount approved in advance by more than 10%, the same level of approval must re-approve the travel, before the traveler reimbursement is approved by the appropriate agency authority.

General Travel Approval Policies

- All state travel shall be work-related and essential for state business.
- Agencies may document pre-approval for certain types of travel that does not fit the specific trip-by-trip approval process.
- Personal travel plans of the traveler shall not influence the approval of state-funded travel. Refer to AAM 60.080 Interruption or Deviation of Travel for Traveler Convenience.
- Travel status should be confined to the minimum amount of time required to conduct the business of the state. As a general rule, a traveler may travel the day prior if the only available flights depart prior to 7:00 a.m. and a traveler may stay an extra night if the only available flights make scheduled home arrival occur after 10:00 p.m. Supervisors may approve exceptions to these travel times when circumstances justify.
- When the required travel period exceeds 15 consecutive days, division directors may authorize employees to return home on days off at state expense. Such trips shall not curtail productive work time, and shall be limited to no more than one per month. Authorized costs for such trips are limited to the amount of avoided per diem.
- Whenever a traveler and the state opt to share the cost of business travel, the agreement will be documented in advance, including the duration of state business within the travel period. For bargaining unit members, such agreements require the concurrence of the union and must be authorized by the Division of Labor Relations.

AAM 60.050 Travel Purchase Policies (01-10)

Alaska Statute 39.20.140(b) requires that the state pay no more than “the lowest tourist class fare for the most direct route” unless specific exemptions are met:

- tourist class accommodation is not available;
- waiting for tourist class accommodation would cause a delay harmful to the state; or
- the Department of Administration finds that travel by tourist class accommodation is not in the best interest of the state, and authorizes other accommodation.

First or business class is allowed if it is offered to the traveler on a complimentary basis because of frequent flyer status and upgraded by the airline involved.

The statutes require purchasing the best fare for the most direct route that meets the state’s business needs. This requirement also applies to contractors traveling on behalf of the state, regardless of whether the state is paying the travel expenses directly or reimbursing the contractor. The best fare does not require the purchase of nonrefundable tickets; agencies should make this business decision based on the nature of the travel.

Travelers and approvers are required to document reasons for declining savings where the lowest available airfare is not purchased. Variances from State of Alaska travel policy may be reported to the departments for analysis.

Electronic ticketing is the method preferred by the state. Paper tickets will be issued only when necessary.

Travel planners must confirm the name on the traveler’s government-issued ID card before an airline ticket is issued using a generic profile. The airline ticket must be issued in the name on the driver’s license or government-issued ID card.

Alaska Airlines EasyBiz miles will be tracked by the travel management contractor for each agency. State agencies will direct the contractor on use of EasyBiz miles that will ensure maximum value upon redemption.

All air and ferry travel must be ticketed using E-Travel except as noted in the service standards.

Travelers are generally required to use State of Alaska contracted / preferred travel providers. The Department of Administration, Division of General Services has negotiated travel contracts as listed in the Contract Award Manual. Use of these providers ensures travelers receive the best

fares, rates, and insurance coverage. Exceptions to required use of contracted / preferred providers are limited to:

- Contracted / preferred provider is not available.
- Contracted / preferred provider does not meet a specific business need (requires pre-trip department approval).
- Space or scheduled flights are not available from the contracted / preferred provider to accomplish the purpose of the travel.
- Use of the available contract / preferred provider service would require the traveler to incur unnecessary costs which would increase the total cost of the trip.
- A traveler is inconvenienced more than three hours by using the contracted / preferred airline provider.

State contract airfares are not available for travel by consultants and contractors, even if their travel is reimbursed by the state.

If an airline lowers a fare and a state-purchased ticket is reissued to a lower fare, the difference in fare belongs to the state. Airlines sometimes issue a nonrefundable electronic discount code credit (e-certificate) in lieu of refunding the form of payment used to purchase the original ticket. This e-certificate belongs to the state. State travelers are not allowed to use these e-certificates for personal travel, even if deposited in their personal account by the airline. The e-certificate number must be given to the traveler's department to be used for future state travel.

Excess costs, circuitous routes, delays, or luxury accommodations unnecessary or unjustified in the performance of official state business travel are not acceptable. The traveler will not be reimbursed for any additional costs that result from unauthorized travel arrangements.

AAM 60.060	Payment Methods for Transportation and Expenses (01-10)
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The State of Alaska uses two primary methods to purchase transportation for individuals traveling on official state business:

1. One Card Alaska Corporate Credit Card (Card) – Agencies shall issue corporate credit cards to employees who travel. Employees with Cards are required to use them for purchases when the state pays actual costs, as in the case of transportation and actual lodging expenses. These purchases are expenditures from the state to vendors and are generally tax-exempt under local Alaska tax ordinances when purchased with the Card or other means of direct payment by the state.
2. Central Travel System (CTS) Accounts - The State of Alaska has established CTSs, which are used to purchase airfares and pay for

rental cars for travelers without Cards. CTSs are ghost accounts for which plastic cards are not issued.

There may be occasions when neither the Card nor the CTS can be used to purchase transportation. In these cases, it should be purchased using EDI or a state warrant.

Additional charges, such as taxes, resulting from purchasing with the traveler's personal resources are the responsibility of the traveler unless none of these payment methods were available to the traveler.

Mileage and MCAAK Credit

Agencies no longer accrue mileage or MCAAK credits for airfare purchases. Agencies accrued MCAAK credits from the contracted travel agency when purchasing MCAAK fares, for which no mileage was available from the airline. Accumulated mileage and MCAAK credits are tracked for the purchasing department, and may be used in lieu of money to purchase airfare.

Mileage may be used to reduce travel costs with Alaska Airlines. Miles are worth slightly less than \$0.02 each, which should be a standard for deciding whether to use miles to purchase tickets. For example, 25,000 miles should be considered when the value of the ticket purchased is at least \$500.

MCAAK credits can be used to pay for any airline tickets purchased using E-Travel.

Both mileage and MCAAK credits remain available to the purchasing agency for one year after they are earned. At that point, they revert to a statewide pool for use by agencies that have used their mileage and MCAAK credits.

Alaska Marine Highway

Transportation on state ferries may be authorized when in the best interest of the state. All ferry transportation will be paid by the employee using their Card, or by the department through use of the CTS or an interdepartmental billing. Staterooms may be paid in advance utilizing the Card only if the appropriate authorization has been obtained in advance. Meals are to be paid directly by the traveler. The traveler may be eligible for reimbursement of lodging expenses and/or M&IE in accordance with AAM 60.240 and AAM 60.250.

Lodging

Hotel charges paid directly by the state are generally exempt from local taxes within Alaska. Frequent travelers should use their Card to pay for

lodging. When the Card is not available, departments may choose to use direct billing as the method of payment. When taxes are charged on direct payments, state agencies should contact the vendor for refunds as appropriate and reflect this action on the travel authorization.

This policy does not apply to lodging purchased by employees who are reimbursed a per diem allowance for lodging per the terms of their labor contract. This lodging is a purchase of the employee, not a direct state purchase, and is therefore subject to hotel and sales tax under local ordinances.

Meals and Incidental Expenses

For meals and other out-of-pocket expenses, the traveler receives a meals and incidental expense allowance as described in AAM 60.250. These actual costs are purchases of the traveler, and are therefore taxable transactions under local tax ordinances. The Card should not be used for such purchases to avoid improper tax exemption. Personal expenses for meals, phone calls, and entertainment should not be commingled with purchases for lodging expenses on the state Card.

AAM 60.070 Travel Advances (10-09)

An advance of the estimated per diem allowance may be made to a traveler before the traveler enters travel status. Departments may choose to pay travel advances using EDI, or through use of the Card at an ATM.

All travel advances require employee notification that any monies owed the State of Alaska by the traveler may be deducted from the employee's paycheck. The Travel Advance Authorization form, available on the Division of Finance web site, needs to be signed only once by a traveler for recovering all subsequent advances through payroll deductions. These forms should be kept on file by travel planners.

A traveler shall not receive an additional travel advance until the previous travel advance and trip has been reconciled and closed out.

Agencies may make exceptions to policies in this section when circumstances justify.

AAM 60.080 Interruption or Deviation of Travel for Traveler Convenience (01-10)

Any interruption or deviation from the most direct and efficient means of travel for traveler convenience requires prior approval at the agency level by the appropriate supervisor or designee. Any additional time or expense

resulting from an interruption or deviation for traveler convenience shall be borne solely by the traveler. See AAM 60.140 for clarification on travel involving privately owned vehicles.

When a traveler interrupts business travel for personal reasons, the following apply:

1. Per diem, travel allowances, and reimbursements may not exceed such charges as would have been incurred if traveling by the most direct and efficient means.
2. Per diem, travel allowances, and reimbursements stop the hour a traveler interrupts business travel for personal reasons and resumes the hour the traveler returns to duty or resumes route of travel required by state business. For example, a traveler (Anchorage duty station) is traveling on state business (in Seattle) and the business is concluded at noon on Wednesday. For personal reasons the traveler will not return to the duty station until the following Monday. In this example, the traveler's entitlement to per diem, mileage, and other travel expenses reimbursements end at noon on Wednesday and would start two hours before flight time from Seattle to return to the duty station, subject to the limitations in 1 above.
3. Any additional time away from the traveler's duty station that may be required for such indirect travel will be charged to annual leave, personal leave, or leave without pay. In the example 2 above, the employee's leave status would begin at noon when business travel was interrupted for personal reasons. Leave in conjunction with business travel must be documented in prior approval and copies of leave slips shall be submitted upon completion of the trip.
4. Per diem is allowed when a traveler is granted leave due to illness. However, the per diem allowance shall not be authorized for a period of illness exceeding three calendar days in any one period of absence. Per diem is not authorized if the traveler is hospitalized or otherwise has no actual and necessary business expenses requiring reimbursement.
5. Rental cars obtained for official state business must be returned.
6. State exemption for hotel taxes does not extend to lodging.
7. Personal travel segments cannot be purchased at state contracted rates.
8. A traveler on official state business requesting approved personal air travel deviation for an alternate routing, personal discount coupons to purchase companion travel, or travel that increases airfare, will make their own travel arrangements. These arrangements will be purchased

by the traveler using a personal form of payment instead of a state form of payment. A state-authorized fare quote must be obtained for a price comparison to determine traveler reimbursement. Once travel is completed the traveler must present a copy of the ticket receipt or itinerary showing payment and the state-authorized fare quote to obtain reimbursement. The fare quote may be obtained and saved in E-Travel Online with the research option (no fee), or by calling the contracted travel agency (fee applies). After travel is complete, the state will reimburse the lesser amount of either the ticket or the state-authorized fare quote obtained prior to travel. If the only deviation is an extension of dates on either end of the state-authorized dates, departments may opt to pay for the combined airfare when purchased if the personal portion can be recovered from the traveler's reimbursement after travel is complete.

9. Agencies must ensure that employees combining business and personal travel are well-informed and cautioned that airfares may result in a liability to the employee, should the reason for the business travel be cancelled. Employees leaving on vacation in conjunction with the business event will become responsible for all costs should the business event be cancelled. Employees opting not to travel if the business event is cancelled will be responsible for the cost of travel that the state cannot recover that was attributable to the personal portion of the airfare. The employee may be reimbursed, at the department's option, for the business portion of unused tickets. The business portion of unused tickets paid to employees must be monitored by the department as state assets until they are used or expire. Employees leaving the department prior to the expiration of such a ticket are required to return the state payment for any business portion that is still available for use by the employee.
10. Voluntary denied boarding compensation where the traveler voluntarily vacates his/her seat and takes a later flight may be retained by a traveler (viewed as an insignificant personal travel credit under ethics rules). A traveler cannot volunteer for denied boarding on an outbound flight unless the traveler has previously approved personal travel for the beginning of the travel period. Nor may a traveler volunteer for denied boarding if it may cause a delay in return to work. By accepting a voluntary bump on the return portion, the traveler puts himself on personal travel rather than state business. Travel status ends, no further per diem is allowed, and all state insurance coverage ceases for the duration of the trip. The traveler is responsible for any additional travel expenses caused by the voluntary action.

AAM 60.090 Unused Transportation and Accommodations (01-10)

When travelers' plans change, travelers shall release air, car, and hotel reservations within the required time limits. Travelers may contact vendors directly or contact the travel management contractor to cancel reservations. The state shall not reimburse travelers for charges incurred as a result of failure to release reservations.

Travelers shall submit any unused portion of air or ferry tickets with the travel authorization to their travel planner. Travel planners may forward unused tickets to the travel management contractor to process refunds or the department may retain them for reissuing later.

AAM 60.100 Airline Delays, Rescheduling, and Overheading (01-07)

When an airline assumes the cost of a traveler's lodging and/or meals due to airline delays or overheading, the traveler shall be paid a per diem allowance up to the originally scheduled arrival time. When the airline does not assume the cost of a traveler's lodging and/or meals, the traveler shall be paid the per diem allowance that applies for the actual trip.

Involuntary denied boarding compensation is payable to the state, not to the individual employee. If a traveler is performing official travel and a carrier denies a confirmed reserved seat on a plane, the traveler must submit to the department any payment received for liquidated damages. The traveler must ensure the carrier shows the "State of Alaska" as payee on the compensation. Any such compensation must be submitted with the travel authorization.

AAM 60.110 Excess Baggage (04-05)

The state will only pay for excess personal and state baggage necessary to carry out official state business. Such baggage shall be transported by the most economical method (checked as excess baggage, shipped via airfreight, etc.).

AAM 60.120 Rental Cars (01-10)

When necessary, the rental of a car may be authorized for travelers in travel status. The estimated cost for the rental car must be included in the prior approval process required under AAM 60.040 Travel Approvals. The cost and intended use of the car must be considered in determining the size and type of car to rent. The State of Alaska supports a mid-size or less car rental. Rental of a car larger than mid-size may be allowed when several

travelers are traveling together or circumstances require the use of a larger car. Such situations must also be documented on the completed travel authorization.

- All car rentals must be reserved using E-Travel.
- Travelers cannot upgrade their rental cars at the airport.
- Travelers are responsible for refueling rental cars prior to returning them to the rental car companies. If the rental car company refuels the vehicle, a justifiable business purpose must be provided for incurring the additional cost.

All insurance offered by car rental companies must be declined by state travelers. By most state laws, auto liability insurance (covering third party damage or injury claims) is provided by the car-rental company as owner of the vehicle. Excess auto liability coverage is provided through Risk Management for authorized business travel.

Collision or Physical Damage Waiver for any damage to the rental car (collision, comprehensive coverage, and related loss of use claims) is often offered by the car-rental company at the counter at the time of hire and should be refused by the State of Alaska employee on business travel status. Risk Management will respond and resolve any physical damage claims to rental cars while used on state business related travel.

Rental cars may be driven on state business only, and Risk Management self-insurance coverage applies only where the car is used on state business. State business includes usual travel related activity (restaurants, hotels, etc.), but does not extend to any personal deviations for individual traveler convenience. Refer to AAM 60.080 Interruption or Deviation of Travel for Traveler Convenience.

If there is damage to any rental car:

- Travelers are cautioned to never accept responsibility or admit liability.
- If the lessor requests information or payment, advise the lessor to contact the Department of Administration, Division of Risk Management.
- If there is personal injury or an accident, telephone the Division of Risk Management as soon as possible.

See AAM 60.350 for use of rental cars connected with an employee move.

AAM 60.130	Airport Shuttle, Courtesy Van, and Taxi Service (01-07)
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When a traveler in travel status requires transportation either to or from an airport or ferry terminal, an airport shuttle, courtesy van, taxi or limousine service is allowed. When departing on state travel, if a traveler uses a

privately owned vehicle for transportation to or from an airport or ferry terminal, the amount of reimbursement for mileage, parking, and other costs is limited to the equivalent cost of a taxi.

AAM 60.140 Privately Owned Vehicles (04-09)

A traveler may use a privately owned vehicle, such as auto, snowmobile, motorcycle, or boat when it is in the best interest of the state. The approving official shall be responsible for substantiating that use of a privately owned vehicle is in the state's best interest. The traveler shall receive a mileage reimbursement equal to the established rates published on the Division of Finance web site at:

http://fin.admin.state.ak.us/dof/travel/resource/POV_Rate_Table.pdf.

When a traveler uses a privately owned vehicle, the amount of reimbursement shall be limited to what the lowest available commercial alternative would have cost. Per diem, actual hotel expenses and meal allowances, or other travel reimbursements shall not exceed the amounts that would have been incurred had the traveler used common carrier transportation. Only mileage incurred while engaged in official state business is reimbursable.

Mileage incurred for commuting between an employee's residence and normal work location is not reimbursable. Mileage incurred for commuting to/from a temporary worksite is reimbursable to the extent that it exceeds the distance from the employee's residence to the normal work location.

Any additional regularly scheduled work time away from the duty station required as a result of using a privately owned vehicle for personal convenience will be charged to annual leave, personal leave, or leave without pay.

When two or more state travelers are traveling in the same direction, and it is possible to share a privately owned vehicle or airplane, the state will reimburse the total mileage only once (AS 39.20.130).

AAM 60.150 Privately Owned Aircraft (10-07)

When a state employee, who is a qualified pilot, rents an aircraft or uses a privately owned aircraft for state business, the following items must be filed with the Department of Administration or the agency administrative officer before using the aircraft:

- A copy of a valid pilot's license.
- A copy of current medical certification.

- Proof of aircraft liability insurance with limits not less than \$1,000,000 combined single limit for bodily injury and property damage per occurrence/annual aggregate.

It is the responsibility of each agency to ensure these documents are on file before authorizing, or reimbursing a traveler for the use of a privately owned aircraft. No passengers are permitted to accompany a pilot except other state employees who are also traveling on state business to the same destination.

For state travelers who do not have the required \$1,000,000 aircraft liability insurance coverage, the Division of Risk Management has an insurance policy to provide the required coverage for travelers who meet certain minimum pilot qualifications. This coverage is a separate aircraft liability policy for \$1,000,000 combined single limit liability, for bodily injury and property and may be purchased on a per-flight basis with individual coupons. In the event the aircraft owner has liability insurance, the state policy applies as excess insurance over any other valid and collectible policies.

To obtain individual trip coupons for this per-flight, aircraft liability insurance, contact Risk Management at:

Division of Risk Management
Department of Administration
P.O. Box 110218
Juneau, AK 99811-0218
Phone (907) 465-2180
Fax (907) 465-3690

The cost is \$30 per aircraft per round trip flight. The first order for coupons must be accompanied by a copy of the Pilot Qualification Certification (note minimum flight hour requirements on this form), a copy of the pilot's license, and current medical certification. The coupons may be purchased by the traveler pilot or through a request to transfer the funds via an interdepartmental billing (Journal Entry).

The original completed coupon shall be attached to the travel authorization. A copy of the coupon must be returned to Risk Management to comply with insurance policy requirements.

The reimbursement rate for privately owned aircraft is the lesser of the state-published rate on the Division of Finance web site at: http://fin.admin.state.ak.us/dof/travel/resource/POV_Rate_Table.pdf or the common carrier rate to the same destination. Bargaining unit agreements may supersede this rate.

AAM 60.160 Charters and Group Transportation (01-10)

When it is necessary to hire a boat, aircraft, or other special conveyance, an explanation stating the facts constituting the necessity must be included with the travel authorization. When two or more travelers travel as a group or with a group, the names and business relationship of each member of the group shall be included with the travel authorization of each traveler.

All charters must be handled in compliance with the policies and provisions of AS 36.30, purchasing regulations 2 AAC 12, and the agency's delegation of purchasing authority. E-Travel may be used for chartering transportation.

AAM 60.170 Alternatives to Travel (04-05)

Agencies are to develop and implement alternatives to travel, as well as less expensive means of travel. These methods should include, but are not limited to:

- Teleconferencing and video conferencing.
- Video recordings and published reports.
- Reduced frequency of regularly scheduled out of town meetings.
- Restrictions on the number of staff traveling to the same destination.
- Coordinating between agencies for joint travel arrangements when more than one agency is involved.

If an agency determines that a seminar, workshop, or training program is essential to staff development for five or more employees, the agency will investigate the option of bringing the trainer on-site instead of authorizing employees to travel to an off-site location. The agency will document the comparative cost of an on-site session and retain such documentation on file with the agency's travel records. The agency must also explore the practicality of fulfilling the desired staff development goals through use of video teleconferencing or web-based conferencing where these options may be more cost-effective.

AAM 60.180 Boards and Commissions (01-07)

Except for those board and commission members specifically covered in statute, each state board and commission member is entitled to the same reimbursement for lodging and M&IE allowances as provided to state officials and employees in this section of the administrative manual.

When the meeting or other business takes place in the vicinity of the member's residences (see definition at AAM 60.020), members are not in

travel status and are not entitled to reimbursement or a per diem for lodging. However, the commissioner of the department with oversight authority of the board may authorize reimbursement of such lodging expenses when deemed necessary and in the best interests of the state. For example, it might be authorized if the travel home would present a hardship due to the age and health of the board member. When such payments are authorized, approval must be noted on the travel authorization.

A board or commission member, who is not a state employee, attending a board or commission meeting is entitled to a prorated M&IE if meals are not provided. To be eligible for each meal period allowance requires the member to be in attendance for at least three consecutive hours within that meal period as defined in AAM 60.250. See AAM 320 for when this allowance may be taxable to board and commission members.

State employees serving as board or commission members as part of their official duties are not entitled to an M&IE allowance or reimbursement for lodging expenses when the board or commission meeting is in the vicinity of their residence and/or duty station. (AS 39.20.180, AS 39.20.185)

AAM 60.190	Health and Safety of Travelers (01-10)
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The health and safety of travelers is a top priority in the conduct of state travel related activities. It is advantageous to the state for agencies to establish and alter travel plans and itineraries with consideration of hazardous weather and other situations that could threaten the health and safety of state personnel. When this occurs, travelers should note the reason for any additional expense on the travel authorization.

Travelers with Physical and Medical Conditions

The impact of the medical conditions of travelers on state travel should be considered on a case-by-case basis. For travelers weighing over 300 pounds, the state can pay for two seats in coach class or one first class ticket, whichever costs less. Similar accommodations can be made for travelers weighing less than 300 pounds if the airline requires the purchase of a second seat.

Compliance with the Americans with Disabilities Act (ADA) is mandatory. Each department has the authority to provide reasonable accommodations during state travel for travelers with disabilities. Decisions regarding specific situations not addressed by policy shall be made and documented by the department, conferring with the Division of Personnel and Labor Relations as necessary.

All state personnel are to be afforded equal opportunity to perform travel for official state business even if the travel costs for disabled travelers will exceed what would normally be most economical to the state. For example:

- When a traveler uses a wheelchair and it is necessary to pay more for an airline ticket so the traveler can fly on a larger airplane that can accommodate the wheelchair.
- When a traveler has hearing or vision impairments and there is a cost of providing auxiliary aids and services to enable the traveler to successfully accomplish the purpose of the travel.

All special needs of travelers should be documented in their travel profile.

The extra travel costs required to comply with the ADA shall be documented and reviewed by the Division of Personnel and Labor Relations. ADA supporting documentation should remain confidential with no details on the travel authorization beyond a statement added indicating the agency file location.

AAM 60.200 Travel Related to Contracts (10-08)

Agencies are encouraged to require the policies of AAM 60 in the terms of their professional service contracts which include travel. When the state reimburses a contractor for travel under these policies, the travel account codes in AKSAS may be used because the travel reimbursements are excludable under the rules governing IRS accountable plans.

When contract terms for travel reimbursement differ from the policies of AAM 60, or the contractor does not account to the state for travel costs, the services account codes must be used to ensure that travel reimbursements are reported as taxable income to the contractor.

AAM 60.210 Completion of the Travel Authorization (01-10)

Each agency will prepare their employees' travel authorizations, and bill other agencies via adjusting journal entry when appropriate. Exceptions to this policy may be agreed to between agencies.

All travel expenses incurred by State of Alaska employees will be reimbursed based upon bargaining unit contracts, Alaska Statutes, and this section of the Alaska Administrative Manual. Lack of adherence to State of Alaska travel policies may result in non-reimbursement.

Within five business days after travel is complete, the traveler, or someone acting for the traveler, is required to complete a travel authorization in a

form approved by the Department of Administration. The travel authorization summarizes the trip details, including actual costs, and calculates reimbursement due. Required receipts and evidence of pre-approval must be included.

If the traveler is due an additional amount, final payment shall be made within ten business days of the receipt of a properly completed travel authorization. However, if the final amount to be reimbursed is \$.49 or less, no reimbursement will be processed. If the final amount to be reimbursed is \$.50 or more, the amount to be paid will be rounded up to \$1.00.

Reimbursements to the traveler will be deposited directly into the traveler's bank account unless the traveler chooses non-electronic payment. Any monies owed the State of Alaska by the traveler may be deducted from employee paychecks. When money is owed the State of Alaska and no payroll deduction is done, a personal check or money order must accompany the travel authorization.

If, in an emergency situation, it is necessary for an employee to book travel outside of the E-Travel Office, written documentation will be necessary to explain the circumstances in the travel authorization. This documentation is required for reimbursement.

AAM 60.220	Travel Expenses – Required Receipts and Documentation (07-09)
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The following shall be attached to the travel authorization when submitted for final payment:

- A copy of the final itinerary
- Itemized commercial lodging facility receipts (short-term per diem)
- Receipts for expenses exceeding \$25
- ATM receipt for any cash advances on state credit cards
- A copy of the rental car agreement
- Leave slips, if the trip includes leave

Though receipts for expenses of \$25 or less are not required, total reimbursement for which receipts are not available shall not exceed a cumulative total of \$30 per trip.

Receipts are strongly encouraged. All expenses claimed are subject to review. Reimbursement of unsupported expenses may be disallowed. Fraudulent claims may be subject to disciplinary action.

The following travel-related expenses are not reimbursable:

- Lost or stolen articles
- Alcoholic beverages
- Damage to personal cars, clothing, or other items
- Services to gain entry to a locked car
- Movies charged to hotel bills
- All expenses related to the personal negligence of the traveler, such as fines, parking tickets and traffic citations
- Entertainment expenses
- Tips and gratuities
- Towing charges
- Expenses for children, spouses, and companions while in travel status
- Personal phone calls or faxes

The above list is not all-inclusive.

AAM 60.230 Third Party Reimbursements (01-07)

Occasionally a third party (outside entity) may agree to pay all or a part of a traveler's travel expenses. In such cases, the travel authorization will indicate the third party's involvement in the trip. The traveler is only entitled to reimbursement for travel expenses, per diem or other expense allowances, etc., in accordance with state policies and is to be paid by the state agency for which they are traveling and/or employed. Travelers may not accept honorariums as long as they are traveling for and representing the state.

The third party should be instructed to reimburse the state directly for the travel expenses to reduce potential tax consequences to the traveler. When this is not possible, any third party reimbursement made directly to the traveler for travel expenses, per diem, and/or meal allowances shall be turned over to the traveler's state agency for deposit into the state treasury.

Payments by a third party for state agency travel expenses must be recorded appropriately in the state accounting system. If the travel is material to the agency's travel budget and is part of the agency's regular duties or is connected with carrying out the purpose of the agency, the costs must be recorded as an expenditure with an offset recorded as a revenue. If the state incurs the expenditure and is reimbursed by the third party, the reimbursement is to be recorded as revenue.

However, if the travel is not directly related to the state agency's program, is not a recurring event, or is immaterial to the agency's travel budget, this transaction does not need to be recorded as an expenditure and a revenue of the state agency. If the state incurs the expenditure and is reimbursed by the third party, the reimbursement may be recorded as an abatement. If the third party pays directly for state expenses, such as purchasing the airline

ticket for the state traveler, these expenses do not need to be recorded. However, any receipts obtained by the traveler showing the cost of the airline ticket or lodging must be attached to the travel authorization.

Any time a third party is paying for a state traveler's travel expenses, the state agency must avoid the appearance of or the fact of any conflict of interest. The agency should also ensure the transaction does not violate the code of ethics and if there is any question, the Department of Law should be consulted on the matter.

AAM 60.240 Lodging Types and Rates (04-07)

Travelers are permitted actual costs or an allowance for lodging and an allowance for meal and incidental expenses (M&IE). Refer to AAM 60.250 for policies on M&IE. The combined costs for lodging and M&IE are referred to as the per diem allowance. Where applicable, travel provisions of collective bargaining agreements supercede AAM per diem allowance policies and rates.

A traveler is not entitled to a lodging allowance when provided lodging by the state or a third party with whom the state is conducting business. Travelers are not entitled to a lodging allowance when staying in their own residence(s).

The term of a stay (short- or long-term), type of lodging facility, and location of overnight lodging determine applicable lodging types and rates. Agencies should take into consideration the length of stay in one location in determining the type of lodging accommodations.

For current lodging rates, refer to the State of Alaska Per Diem Rates published on the Division of Finance web site at:
http://fin.admin.state.ak.us/dof/travel/index.jsp#trav_acct.

In- and Out-of-State, Short-Term Lodging (Actuals or Allowance)

Travelers on short-term travel status in or outside of Alaska are eligible for reimbursement of actual lodging expenses. Actual costs for short-term lodging are authorized for moderately priced commercial lodging. Each agency must ensure that lodging costs are reasonable and necessary and that government or other discount rates are used. Travelers must submit original itemized commercial lodging receipts with their travel authorizations.

Actual lodging expenses that exceed \$300 room rate per night must be approved in advance by the director of the Division of Finance, or, the commissioner of the Department of Administration may delegate this approval to department commissioners. All requests shall include justification that clearly demonstrates the lodging is a government rate and

cannot be acquired for less than \$300 per night. Quotes from at least three moderately priced hotels in the same vicinity should be included with the justification.

Travelers on short-term travel status in Alaska are eligible for a daily noncommercial allowance when the travelers are required to stay in a community or location where commercial lodging facilities and state- or vendor-provided facilities are not available.

In-State, Long-Term Lodging (Allowance)

Agencies should provide in-state long-term lodging accommodations when the assignment is expected to be longer than 30 days at any one location.

- The long-term commercial lodging allowance rate is authorized when a traveler stays in commercial lodging facilities.
- The long-term noncommercial lodging allowance rate is authorized when a traveler is required to stay in a community or location where commercial lodging facilities and state- or vendor-provided facilities are not available.

These rates apply beginning the first day of travel status. Brief interruptions for business or personal convenience do not change the status from long-term.

Out-of-State, Long-Term Lodging (55% of Federal Lodging Allowance)

The long-term lodging rate outside Alaska is 55 percent of the federal lodging allowance. A link to the federal per diem rates is located on the Division of Finance web site at:

http://fin.admin.state.ak.us/dof/travel/index.jsp#trav_acct.

Required Approvals for Short- and Long-Term Travel Assignments

The short-term lodging allowance rate may not be used after a traveler's 30th consecutive day in one location unless a continuation has been approved in advance by the director of the Division of Finance, Department of Administration.

When travel status is expected to extend beyond six consecutive months in one location, the traveler's agency must receive advanced approvals for the assignment and for use of the long-term lodging rate from the department's administrative services division and the director of the Division of Finance. The approvals are requested on the Long-Term Travel Assignment form. Refer to the form for specific information required for the approvals. Page 2 of this form is used to request continued travel status that extends beyond a year and requires the requestor(s) to justify why it is in the state's best interest to pay per diem rather than

move the traveler to the project location. This form is published on the Division of Finance web site at:
<http://fin.admin.state.ak.us/dof/travel/resource/longterm.pdf>.

See AAM 320 for a summary of tax implications related to state travel reimbursement policies.

AAM 60.250

Meals and Incidental Expense Allowances (01-10)

Meal and incidental expense (M&IE) allowances and prorated M&IE allowances are provided to the state traveler to cover the cost of meals and incidental expenses such as discretionary tips, laundry expenses, etc. Where applicable, M&IE provisions of collective bargaining agreements supercede AAM M&IE allowance policies and rates.

There are two types of M&IE allowances, short-term and long-term/noncommercial. The appropriate M&IE allowance rate for a day is the rate established for the community in which the traveler is required to obtain overnight lodging. On the day of return, a traveler is entitled to the M&IE allowance rate applicable for the preceding day. When travel involves crossing the International Date Line, the M&IE allowance shall be calculated based on the total number of hours in flight.

For current M&IE allowances, refer to the State of Alaska Per Diem Rates published on the Division of Finance web site at:
http://fin.admin.state.ak.us/dof/travel/index.jsp#trav_acct.

In-state M&IE rates are reviewed annually and adjusted as appropriate.

A link to the federal per diem rates is located on the Division of Finance web site at: http://fin.admin.state.ak.us/dof/travel/index.jsp#trav_acct.

Short-Term M&IE (Allowance)

Travelers on short-term travel status in Alaska are eligible for a daily M&IE allowance.

Travelers on short-term travel status outside of Alaska, including travel to Hawaii and foreign destinations, are eligible for the federal M&IE rate for the location.

A traveler is eligible for the short-term M&IE allowance rate in two circumstances: when a traveler in short-term travel status is expected to incur expenses from dining at commercial establishments; and when a traveler in long-term travel status will incur expenses from dining at commercial establishments because the traveler is required to stay in a lodging facility that does not provide cooking facilities to its guests.

Long-Term/Noncommercial M&IE (Allowance)

Travelers on long-term travel status in Alaska are eligible for a daily M&IE allowance.

Travelers on long-term travel status outside of Alaska, including travel to Hawaii and foreign destinations, are eligible for 55% of the federal M&IE rate for the location.

A traveler is eligible for a long-term/noncommercial M&IE allowance in two circumstances: when a traveler in long-term travel status, is expected to prepare meals; and when a traveler is in short-term travel status in a location where there are no commercial dining establishments.

M&IE Rules for Specific Situations

Whenever a traveler is in travel status and is entitled to reimbursement for lodging under both the short-term and long-term/noncommercial per diem rules, the traveler is entitled to only the M&IE allowance that applies to the location where the traveler is staying.

If a traveler maintains a dwelling at their destination and it is available to them, they will be entitled to only an M&IE allowance for normal workdays. An M&IE allowance for other than normal workdays is not allowed.

If a traveler is temporarily returned to the traveler's duty station while on a long-term assignment and is continuing to receive a long-term lodging per diem, the traveler is not entitled to any M&IE allowance while at the duty station.

Prorated M&IE Allowances

The normal meal periods are published on the Division of Finance web site at: <http://fin.admin.state.ak.us/dof/travel/resource/rates.pdf>, and a table of the prorated short- and long-term M&IE rates for Alaska and out-of-state travel are published at: http://fin.admin.state.ak.us/dof/travel/resource/M&IE_AK_&_CONUS_Rates.pdf.

A traveler must be in travel status at least three consecutive hours during a meal period to be entitled to the M&IE for that meal.

On the days of departure and return, the traveler receives a prorated M&IE based upon scheduled flight (or other common carrier) departure and actual return times as follows:

<u>Departure Time</u>	<u>Before 9:01 AM</u>	<u>Before 2:01 PM</u>	<u>Before 11:01 PM</u>
M&IE	Full day	Lunch & Dinner	Dinner
<u>Return Time</u>	<u>12:00 PM (Noon)</u>	<u>Before 5:00 PM</u>	<u>After 4:59 PM</u>
M&IE	Breakfast	Breakfast & Lunch	Full day

This table factors in a two-hour check-in period for departures and one hour for luggage retrieval upon arrival. In circumstances where the traveler is required by the carrier to report to the terminal more than two hours prior to departure (such as for international flights), the traveler is to note in the travel authorization the additional time required by the airline and the traveler's actual check in time. In the above table, this additional time (beyond two hours) is added to the departure time to determine the allowable prorated M&IE. For example, if required check in time is three hours before flight time, "Before 9:01 AM" departure time would be adjusted to "Before 10:01 AM."

When travelers drive to a destination, on the days of departure and return, the travelers are entitled to prorate M&IE when they are in travel status at least three consecutive hours during a normal meal period.

Travel Status Less Than 24 Hours, More Than 12 Hours

Travelers who are in travel status less than 24 hours but more than 12 hours and who return to their residence and/or duty station rather than obtaining overnight lodging at their travel destination, may be entitled to an M&IE allowance. For air travel, the M&IE allowance is calculated using the departure and return times presented in the prorated M&IE table above. If the scheduled flight (or other common carrier) departure is before 9:00 a.m., the travelers are entitled to the breakfast M&IE. Travelers may be entitled to the M&IE for lunch and dinner if they are in travel status for at least three consecutive hours during these meal periods.

A traveler, who travels by means other than common carrier, must be in travel status at least three consecutive hours during a meal period to be entitled to the M&IE for that meal.

Travelers who are normally scheduled to work more than ten hours per day must be in travel status at least two hours more than their regular scheduled workday to be eligible for the M&IE allowance. See AAM 320 for details on taxability of such an allowance.

Meals Provided to Travelers

Occasionally, a traveler is provided a meal while at a conference, training, seminar, etc., or as part of a lodging package such as at bed and breakfast inns (where the state is paying for actual lodging costs). When a traveler is provided a meal in these or similar circumstances, the traveler is not

eligible for the related M&IE allowance unless sufficient justification is provided by the traveler and approved to obtain the M&IE allowance.

AAM 60.260 Contracting for Subsistence (07-05)

The state may enter into agreements with restaurants, hotels, and lodging houses to furnish subsistence to a traveler or groups of travelers when in the best interest of the state (AS 36.30). A contract for subsistence must comply with appropriate procurement regulations. Such agreements require the vendor to provide itemized invoices for services.

