

CHAPTER 10

TRAVEL

SCOPE

This chapter describes the various regulations and processes related to travel by state employees. Multiple links are provided for access to further detail of these regulations and processes.

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10.1 STATUTORY AUTHORITY

10.1.1 Authority to Promulgate and Enforce

IC 4-13-1-4, **Duties and functions** (of Department of Administration), states in paragraph 7 that the Department shall: “Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:

- (A) Per diem
- (B) For expenses necessarily and actually incurred
- (C) Any combination of the methods in clauses (A) and (B)

The rules must require the approval of the travel by the commissioner and the head of the officer's or employee's department prior to payment.”

IC 4-12-1-13(e), **Review by budget agency**, states: “The budget agency shall review and approve the policy and procedures governing travel prepared by the department of administration under IC 4-13-1, before the travel policies and procedures are distributed.”

Currently approved state travel rules are recorded in Financial Management Circular 2014-01, with effective date of July 1, 2004. This Circular is included in its entirety in section 10.4.5 of this chapter.

10.1.2 Approval of Vehicle Purchases

IC 4-13-1-4, **Duties and functions** (of Department of Administration), states in paragraph 6 that the Department shall: “Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.”

10.2 INTERNAL CONTROLS

Each state agency should establish controls to ensure that all payments and reimbursements for travel expenses are legitimate, accurate and in compliance with State travel rules and regulations. Travel reimbursements should not be made for travel of a personal nature. All claims for reimbursement should be approved by an authorized person.

If Travel and Expense in ENCOMPASS is utilized by the agency, the Travel Approver should always be someone other than the T & E User.

If "Travel Cards" are used, items of a personal nature should not be charged on these cards.

10.3 ACCOUNTING THEORY AND PROCESSES

10.3.1 Accrual Accounting

As reimbursements for travel are posted in the ENCOMPASS financial accounting system, they become liabilities and expenses of the State. Upon payment, the liability account is reduced. State employees are coded for immediate payment once the liability is posted and approved.

10.4 BUSINESS PROCESSES

10.4.1 Forms

The following State approved forms are required as documentation of employee travel expenses. Electronic copies of forms with SF numbers are available at <http://www.in.gov/icpr/webfile/formsdiv/index.html>. The State Employee Log In is necessary to access most forms. Use the same log in information that you use for HR and financial systems.

. Links to other forms and additional sources for forms are included in this section.

- *Travel Voucher, SF 980 – to request reimbursement for travel expenses, whether in state or out of state. Instructions on completing the form are noted on the 'Instructions' tab in the Excel file.*

Travel Advance, SF 49630 – to request travel advance. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>.

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- *Authorization for Out of State Travel, SF 823 – to request permission for out of state travel. This form and instructions for completion are available at <http://www.in.gov/idoa/2459.htm>. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>.*

- *Travel Request Form* – to assist Travel Agency in booking reservations, available at <http://www.in.gov/idoa/2459.htm>.
- *Certification for Missing Receipt, SF 42275* – to certify that expenses were incurred, but receipt is missing, available at <http://www.in.gov/idoa/2459.htm>. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>.
- *P-Card/Travel Card Program Missing Receipt Record, SF 53879* – to certify to missing receipt for expenses charged to P Card or Travel Card. To access form, go to <http://www.in.gov/idoa/2453.htm>.
- *Vehicle Use Agreement, SF 34193* – to request use of motor vehicle from IDOA Fleet Management. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>. Form also available on page 18 at http://www.in.gov/idoa/files/State_of_Indiana_Vehicle_Fleet_Management_Policy.pdf
- *Justification of Take Home Vehicle Assignment, SF 53846* – to justify take-home vehicle for state employee. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>. Form also available on page 18 at http://www.in.gov/idoa/files/State_of_Indiana_Vehicle_Fleet_Management_Policy.pdf
- *Report of Vehicle Mileage and Costs, SF 13696* – to record details of use of state-owned motor vehicle. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>. Form also available on page 18 at http://www.in.gov/idoa/files/State_of_Indiana_Vehicle_Fleet_Management_Policy.pdf
- *Employee Statement of Employer Provided Vehicle Use, SF 49631* (annual lease value method) or *SF 49632* (daily commuting and cents per mile method) to document agreement in lieu of mileage reimbursement. To access form through Public Records, go to: <http://www.in.gov/icpr/webfile/formsdiv/index.html>. To access these forms and related regulations, access pages 16 and 17 of the *Vehicle Fleet Management Policy* at http://www.in.gov/idoa/files/State_of_Indiana_Vehicle_Fleet_Management_Policy.pdf

10.4.2 Processes Related to Travel Voucher

10.4.2.1 Documentation

A travel voucher must be completed and filed in order to obtain reimbursement for authorized travel expenses. Original receipts must be attached to support claims for lodging, airfare, parking and tolls, and other miscellaneous travel expenses. Receipts are not required for claims of personal vehicle mileage or for per diem (subsistence/meal) allowances. Whenever possible, with the exception of out of state travel, all claims for travel for a particular biweekly or monthly period should be filed on the same voucher. Also, the current travel voucher allows for only one fund for payment on a single voucher.

If the Travel and Expense module in ENCOMPASS is utilized, a travel voucher can be created to attach original receipts as required. If receipts are not required, no printout is necessary.

10.4.2.2 Authorization

It is the sole responsibility of the agency to pre-audit all travel vouchers to assure that the travel was authorized and reasonable, and complies with the travel rules, including, but not limited to those listed below:

- In-state lodging does not exceed the current maximum reimbursement rate stipulated by the Indiana Department of Administration (IDOA).
- Meal allowances or per diem agrees with times listed for travel status. Provisions for non-employee Board Members differ from those of employees.
- Prior approval of IDOA is documented for all claims for weekend or holiday stays and out-of-state travel.
- The agency's written determination is attached to support a claim for an overnight stay fifty miles or less from the home (or station).
- Out-of-State travel claims are limited to amounts and types of expenses approved in advance.
- Travel vouchers should be signed and dated by the employee and signed as verification of authenticity by the administrative head of the agency or other authorized personnel. The accuracy of the claim should be verified.

10.4.2.3 System Requirements

The current travel voucher, effective September 2009, includes detail requirements necessary for input into the ENCOMPASS financial accounting system. For those already implementing the Travel and Expense module of ENCOMPASS, these fields are available on the system and, upon completion, a paper copy similar to the Excel version may be printed if desired.

10.4.3 Out of State Travel

10.4.3.1 Authorization

Written authorization is required before an employee begins official out-of-state travel, whether or not travel expenses are paid by the state. Authorization requirements are specified in the travel rules (see 10.4.6)

IT IS OF UTMOST IMPORTANCE THAT THE "AUTHORIZATION FOR OUT-OF-STATE TRAVEL" FORM IS PROCESSED WELL IN ADVANCE OF THE INTENDED TRAVEL. Agency officials must submit the form to the Department of Administration a minimum of 30 days prior to the trip. Employees should not begin travel until the IDOA approval is received by the agency. Employees traveling without prior approval could forfeit reimbursement for their expenses.

Certain agencies obtain annual authority for incidental cases of crossing state lines or partial day out-of-state travel, which does not require an overnight stay. Copies of the approval letter for the specified travel purpose must then be attached to applicable travel claims.

10.4.3.2 Travel Management Office – Travel Agency

The Travel Management Office performs the following functions:

- Assists state employees with business travel arrangements
- Enforces state travel rules and regulations
- Works to minimize state business travel costs

The Travel Management Office also drafts and implements policies dealing with state employee business travel. All out-of-state business travel by state employees, board and commission members, persons under contract with the state, and all others seeking state travel reimbursement must be reviewed and approved by the Travel Management Office.

The approved travel agency (Travel Leaders Indianapolis) contracted for arrangement of official state travel is the sole source for all airline travel, whether the destination is in-state or out-of-state. By use of a new software process, Trip Manager, you can also locate the most reasonable rates and reserve rooms, rental cars, or conference centers. This may be used only by current state employees conducting state business with travel approved by the Travel Management Office. If a state employee is accompanied by a non-state employee while traveling on state business, the travel agent may make reservations to accommodate both parties with written approval from the agency head. Extended-state reservations may also be made for a current state employee.

Further information about travel policies can be found at <http://www.in.gov/idoa/2459.htm>

10.4.3.3 Claims for Reimbursement

The approved Authorization for Out-of-State Travel form must accompany all vouchers for state payments related to the trip.

Travel vouchers for out-of-state travel must be prepared, pre-audited and processed in the same manner as in-state travel claims. Attach the approved Authorization for Out-of-State Travel form to the travel voucher with the required receipts. All claims for a particular out-of-state trip should be filed at the same time. Identify the travel expenses as payable from state or federal funds. The expenses may be allocated between the state and federal objects as appropriate. Out-of-state travel accounts, as included in the drop down box on the travel voucher or in the Travel and Expense module in ENCOMPASS are as follows:

Account	Description
595510	Out-of St Travel – Mileage

- 595520 Out-of St Travel - Per Diem & Meal
- 595530 Out-of St Travel – Lodging
- 595540 Out-of St Travel – Airfare
- 595550 Out-of St Travel - Ground Transportation
- 595560 Out-of St Travel - Motor Pool
- 595570 Out-of St Travel – Parking & Toll
- 595575 Out-of St Travel – Marine
- 595592 Out-of St Travel – Internet Access
- 595580 Out-of St Travel - Board Member - for non employee board members
- 595590 Out-of St Travel – Special & Senior Judge

If reimbursements are requested through ENCOMPASS Travel and Expense and agency prepaid (or to be paid) expenses are included, those expenses must be noted as such using the appropriate drop down selection.

10.4.4 Use of State Owned/Rental Vehicles

State owned vehicles are to be used for official business whenever available and practical in order to incur the lowest possible travel cost. A Vehicle Fleet Management Policy is maintained by the IDOA Fleet Management section; the purpose of this policy is to establish a uniform state policy for the procurement, assignment, operation and reporting of state owned, leased, or rented vehicles, and applies to the assignment, operation and reporting of all state owned, leased, or rented vehicles by all agencies.

The Vehicle Fleet Management Policy is available at: http://www.in.gov/idoa/files/State_of_Indiana_Vehicle_Fleet_Management_Policy.pdf

The State of Indiana has entered into an agreement with Enterprise Rent-a-Car (Enterprise Daily Vehicle Leasing: QPA 10667) which is also available for certain vehicle rentals.

Details of this agreement and use of rental vehicles are available at <http://www.in.gov/idoa/2457.htm>.

A Wright Express card is used to purchase fuel for state owned vehicles when used for state business. Federal and state taxes are removed from billings from the use of this card.

Necessary forms for vehicle use are described and referenced in 10.4.1 of this chapter.

10.4.5 Other Travel Processes

Other travel processes include cash advances, leave of absence, travel cards, and direct payments made on behalf of a state employee.

10.4.5.1 Cash Advances for Travel

With the appointing authority approval, cash advances can be issued from the agency's SDO account to a state employee traveling on state business for one hundred percent (100%) of the estimated eligible expenses. Eligible expenses include bus or train tickets, hotel base rate plus applicable taxes, and registrations. Cash advances are not to be issued for subsistence or other expenses.

An employee receiving an advance must sign a form acknowledging the amount received and agree to reimburse the agency the full amount of the cash advance upon receipt of his/her travel reimbursement through the Auditor's office. (A standard travel advance form is referenced in section 10.4.1.) Employees must submit travel vouchers timely after completion of the trip.

Agencies giving cash advances must have procedures for employees to request the advance, obtain supervisory or management approval of the advance, and ensure advances are reimbursed timely. Agencies must have a record of all cash advances. This record must include the date advance was made, to whom, the dollar amount, and when the advance was reimbursed.

10.4.5.2 Leave of Absence

A "leave of absence" taken while in travel status -- such as weekends, holidays, vacation, or personal leave -- must be shown on the travel voucher. Neither subsistence nor lodging expenses may be claimed when the employee is using vacation or personal leave. Weekends or holidays are only reimbursed if prior approval was granted by the Department of Administration, resulting in a savings for the state.

The cost of an automobile rented for the combination business/personal trip should be allocated properly. List the calculation on the travel voucher, and enter only the amount claimed as state business use for reimbursement.

10.4.5.3 Travel Cards

Travel cards are issued through the Department of Administration-- See State Form 54699. Agencies must receive authorization for category "9" on the SDO account prior to using travel cards. The agency should pre-audit all travel vouchers to ensure the travel was authorized and verify expenses to determine compliance with state travel rules.

10.4.5.4 Direct Payments

When direct payments of travel expenses are made, the payment voucher must list the names and titles of those for whom the expenses are being paid. Each individual's travel voucher should then be cross referenced to the direct pay document by noting the description of payment and the ENCOMPASS Voucher ID. For example, registration fee paid by AP20012 – in the payment voucher, reference the name and title of the traveling employee; on the travel voucher,

include AP20012 in the from/to section, add in the amount in the non-mileage line amount and then deduct the same amount on the next line. If several travel vouchers are submitted in a control group for payment, the AP Voucher ID may be entered on the title page of each packet only and one copy of the direct payment attached to each packet.

If reimbursements are requested through ENCOMPASS Travel and Expense and agency prepaid (or to be paid) expenses are included, those expenses must be noted as such using the appropriate drop down selection.

SF 823, Authorization for Out-of-State Travel, must be submitted with each claim for such travel expenses whether paid direct or reimbursed.

If airline tickets are paid directly by the agency, the agency must still require the traveler to submit the passenger itinerary. It should be attached to the original voucher sent to the Auditor's Office, if available at the time. If the tickets are paid for prior to the trip dates, the itinerary should be filed with the paid invoice in the agency files.

Note: It is strictly prohibited for personal travel companion tickets to be placed on state accounts.

10.4.6 Official Travel Policy – effective July 1, 2014

Note: Financial Management Circulars are available at <http://www.in.gov/sba/2512.htm>.

This Financial Management Circular #2014-01 replaces the version of the State Travel Policies and Procedures FMC #2003-1 that became effective on January 1, 2004.

The revised circular will become effective on July 1, 2014 and consists of policy changes, clarification and some modifications to the travel rules.

The following list of Section Numbers should be reviewed carefully for any changes that will have an impact on your agency or travelers for your agency.

<u>Section Number</u>	<u>Changes</u>
2-7 (A), (B), (C)	State Contracts
3-4 (A), (B)	Authorized Travel Out-of-State
3-6 (A), (B)	Travel Arrangements
4-3 (C)	State Travel Expense Limitations
5-1 (A), (B)	Preferred Ground Transportation
5-5 (A), (B), (C), (D)	Travel by Air
5-9 (A), (C), (F), (H)	Vehicle Rental updates
6-1 (B), (C)	Preferred Lodging
6-5	Lodging Rates-Limitation
7-4	Same day per diem no longer allowed
7-6	Subsistence allowed with paid lodging bill
7-8	Eliminated – no longer effective
7-9	Eliminated - Same Day per diem no longer allowed

All changes will be effective on July 1, 2014

Financial Management Circular: #2014-01

Effective Date: July 1, 2014

General Subject: Travel, Moving and Interviewing Policies for the State of Indiana;

Repeals: FMC #2004-1

Specific Subject: Same as General Subject

Authority: IC 4-12-1-13(e)
IC 4-12-1-13(h)
IC 4-13-1-4(7)

Application: This Circular applies to all State employees, board and commission members, potential employees, and persons under contract with the State.



STATE OF INDIANA

Indiana Department of Administration

State Travel Policies and Procedures

July 1, 2014

INDIANA DEPARTMENT OF ADMINISTRATION
State Travel Policies and Procedures

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 Chapter 2. General Provisions
 Chapter 3. State Travel Authorizations
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Chapter 1. Definitions

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- Section 1-18 Application of Definitions

Section 1-1 "Agency" means an administrative agency or department, authority, board, branch, commission, committee, department, division, or other instrumentality of the executive branch of State government, and any entity required by State Statute to be included as a State Agency. It does not include the judicial branch, or the legislative branch. "Agency" also refers to the agency paying for the travel.

Section 1-2 "Agency Head" means the chief executive officer of an Agency.

Section 1-3 "Commissioner" means the Commissioner of the Indiana Department of Administration.

Section 1-4 "Department" means the Indiana Department of Administration established by IC 4-13-1-2.

Section 1-5 "In-State Travel" means State Travel within the State of Indiana or within the State of the traveler's station.

Section 1-6 "Out-of-State Travel" means State Travel that starts or ends in the State of Indiana, or within the State of the traveler's station, and includes crossing the State Line into any other State.

Section 1-7 "Reimbursement for State Travel" means the State's payment of a subsistence allowance, mileage allowance, or a reimbursable expense to a State Traveler.

Section 1-8 "State" means the State of Indiana.

Section 1-9 "State Budget Director" means the Director of the Indiana State Budget Agency.

Section 1-10 "State Business" means permitted lawful activity by a State Traveler on behalf of the State or an Agency, which advances or is reasonably calculated to advance the goals and purposes of the State or Agency on whose behalf the activity is undertaken.

Section 1-11 "State Travel" means travel by a State Traveler who is engaged in the performance of State business on a trip away from the individual's home or station.

Section 1-12 "State Traveler" means a State employee, commission or board member, a person under contract with the State, and all others previously approved by the Indiana State Budget Agency, who is in Travel Status.

Section 1-13 "State Travel Expense" means the additional reasonable costs incurred by a State Traveler resulting from traveling for the State on State Business, excluding all items personal in nature or items not resulting from State Travel.

Section 1-14 "Station" means:

- (A) For a State employee, the location of the employee's assigned permanent office and
- (B) For all other persons, in the following order:
 - (1) the place stipulated in a contract with the State;
 - (2) the person's office; or
 - (3) the person's home.

Section 1-15 "Travel Allowances" means the rates of reimbursement established for State Travelers by the State Budget Director and the Commissioner and which are based on the Acts of the General Assembly.

Section 1-16 "Travel Office" means the Travel Division of the Department and any contractor assisting with travel services for the State.

Section 1-17 "Travel Status" means the status of a State Traveler who has started to travel on State Business, whether or not travel expenses will be reimbursed by the State.

Section 1-18 Application of Definitions

The definitions in this Chapter apply throughout this Circular unless otherwise indicated.

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Section 2-1 Policy and Application of This Circular

This Circular sets forth the State's policies, and procedures for traveling and for claiming reimbursement for travel expenses incurred by any person who has traveled on State Business. This

Circular supersedes all other formal and informal policies, procedures, Circulars and practice, whether or not codified, and whether now existing or hereafter arising of any Agency, with respect to or otherwise related to State Travel or reimbursement for State Travel. All State Travel must be authorized, arranged, carried out, and

paid for in accordance with this Circular. Reimbursement for State Travel shall only be made in accordance with this Circular. This Circular is applicable to all State Travelers.

Section 2-2 Spirit of This Circular

All State Traveler's seeking reimbursement should incur the lowest reasonable travel expense (examples-sharing a room or riding together) and should exercise care to avoid impropriety or the appearance of impropriety, including the public perception that a business trip has been taken for personal reasons. Public funds may never be used for personal gain. If a circumstance arises that is not specifically addressed, either the most conservative course within the "spirit" of this Circular shall be adopted or consultation for guidance with the Department shall be pursued.

Section 2-3 Authority of the Department

The Department shall:

- (A) Administer and enforce this Circular in accordance with IC 4-13-1-4;
- (B) Possess the authority and power that is necessary and proper to discharge its duties under IC 4-13-1-4 and this Circular. This includes, without limitation, the authority and power to design, promulgate, and require the use of such documentation, including State Travel forms, as the Department deems essential or convenient to the administration and Enforcement of this Circular; and
- (C) Provide the travel services and related services and products to the agencies required to use them under this Circular.

Section 2-4 Delegation Allowed and Limitation

If this Circular requires an Agency to take some action, the action may be taken by the designee or the Agency Head. If this Circular requires an Agency Head to take some action, the action may not be delegated by the Agency Head.

Section 2-5 Exceptions to This Circular

The State Budget Director and the Commissioner, or the respective designees, may authorize exceptions in writing, jointly, to this Circular. An Agency Head requesting an exception shall state the request in writing and submit it to the Department. Reasons for exceptions include, but are not limited to the following: emergency, loss or harm to the State or others.

Section 2-6 Agency Travel Policy

An Agency may develop internal policies and procedures relating to State Travel by State Travelers. Such policies and procedures may not be inconsistent with this Circular and must be approved by both the State Budget Director and the Commissioner, or their respective designees.

Section 2-7 State Contracts

- (A) Agencies that enter into contracts which provide for specific reimbursement of travel expenses must specify in the contract that travel reimbursement to persons under contract will be consistent with this Circular and paid via their contract purchase order. State Employees Travel Expenses are never to be paid or reimbursed through a purchase order.
- (B) A State Traveler is authorized to engage in State Travel under the following terms and conditions:
 - (1.) Out-of-State Travel must be approved in advance and in writing by the Commissioner, and the Agency Head, or their designees.
 - (2.) In-State Travel must be approved in advance by the Agency.
 - (3.) At the discretion of the Department or upon request from an Agency, additional approvals may be requested.
- (C) Travel arrangements for all contractors and speakers are required to be made through the Agency Travel Coordinator. The first option for booking will be to use the State travel contract vendor online booking tool. The second option would be by working with the Department to determine when the State travel Contract vendor should be contacted directly, i.e., the State travel contract vendor may be contacted directly for assistance with lodging when lodging cannot otherwise be located.

Section 2-8 Budget and Compliance Responsibility

Notwithstanding the timely receipt of applicable approvals, the Agency has the responsibility to assure that

actual travel expenses do not exceed budgeted travel expenses. It is also the responsibility of the Agency to ensure that travel expenses incurred on behalf of the Agency are in compliance with this Circular.

Chapter 3. Travel Authorization and Procedure

Section 3-1 Authorized State Travel Generally

Section 3-2 Authorized State Travel by a State Traveler

Section 3-3 Authorized State Travel

Section 3-4 Authorized Travel Out-of-State

Section 3-5 Criteria for Approval of State Travel

Section 3-6 Travel Arrangements

Section 3-1 Authorized State Travel Generally

A State Traveler shall only be authorized to engage in State Travel in accordance with Sections 3-2 through 3-6 of this circular.

Section 3-2 Authorized State Travel by a State Traveler

A State Traveler is authorized to engage in State Travel under the following terms and conditions:

(A) Out-of-State Travel must be approved in advance and in writing by the Commissioner, and the Agency Head, or their designees.

(B) In-State Travel must be approved in advance by the Agency.

(C) At the discretion of the Department or upon request from an Agency, additional approvals may be requested.

Section 3-3 Authorized State Travel

The Agency shall be responsible for the prior authorization of travel for both In-State and Out-of- State Travel. It shall be the duty of the Agency to review the authority for travel prior to filing travel claims with the Auditor of State.

Section 3-4 Authorized Travel Out-of-State

(A) Any person who is assigned to a duty station within any state of the United States of America and who is required to be outside the State of the duty station while in travel status for the State, regardless of the source of funds financing the travel, must request and receive written or electronic authorization prior to leaving that State. Failure to receive proper authorization can result in denial of reimbursement for the expenses.

(B) Either written or electronic approval must be given before a person begins Out-of-State Travel.

Agencies must complete and approve all requests for Out-of-State Travel prior to submission.

Signatures by the Head of Agency or designee must be original, no signature stamps will be allowed.

All requests must include a breakdown of the source of funding (i.e., Federal, Dedicated, and/or General).

(1) State Form 823 "Authorization For Out of State Travel" must be approved in writing or electronically by the Department for all Agency Heads, board or commission members, and employees.

(2) A written or electronic request for all other persons, if necessary, must be approved by the Agency in accordance with Financial Management Circular #2000-1.

(3) State Form 823 should be submitted to the Department at least thirty (30) days prior to the date of departure in order to allow sufficient time for the out-of-state request to be processed by the Department, and in order for the ticket to be purchased in time to take advantage of twenty one (21) day advance purchase prices. If it is not possible to submit State Form 823 thirty (30) days in advance, a written justification from the Agency head detailing the reason must be attached to the request. This does not include emergency travel.

Section 3-5 Criteria for Approval of State Travel

(A) State Travel is designed to reimburse the expenses of a person on State Business and allowing up to one (1) day of travel time the day before and up to one (1) day of travel time the day after the meeting, depending on actual circumstances, as approved by the Department.

- (B) In keeping with the "Spirit of the Circular", travel status should not start prior to, or end after, the normally required periods of time necessary to complete the official State Business. (See Section 2-2)
- (C) The primary purpose for travel must be State Business, but occasionally a person may be approved to take a trip that includes both personal time and business travel. The State Form 823 "Authorization For Out of State Travel" must indicate the complete period of time the person will be Out-of-State, including personal time. No Out-of-State Travel will be approved if it encompasses personal leave both before and after the official State Business. A combination trip benefits the traveler to some extent. A State Traveler shall exercise special care not to seek reimbursement for expenses that could be construed to be personal. If vacation leave or time off is combined with any trip, the lodging and subsistence for the extra days of travel time are not eligible for reimbursement.
- (D) Persons traveling to locations within four (4) hours drive time are generally expected to travel by automobile (example from Indianapolis to Chicago). However, individual circumstances and time commitments before and/or after travel may necessitate airline use. Airline use in these circumstances must be approved by the Agency and the Department.
- (E) Normally "side-trips" are not approved in conjunction with State Travel. However, special calculations are required when the travel includes "side-trips" not required for State Business. If State Business requires the State Traveler to travel from city "A" to city "B" and the State Traveler actually travels to city "C" either before or after going to city "B", the allowable reimbursement would be the prorated commercial carrier fare actually paid between city "A" and city "B" times two (2), or the map mileage times two (2) if driving a personal vehicle.

Section 3-6 Travel Arrangements

- (A) When two (2) or more employees are traveling the same general route, the Department requires that only one (1) vehicle be driven if it is administratively feasible or otherwise appropriate. The mileage calculator provided on the Department of Administration website shall be used to compare and find the most cost effective mode of travel.
- (B) Prior to submitting the request for Out-of-State Travel, the agency travel coordinator shall be contacted regarding reservations for lodging accommodations and airfare, or other travel arrangements. Estimates must be obtained by accessing the state contract online booking tool or contacting the state travel contract vendor.

Chapter 4. Reimbursement for State Travel

- Section 4-1 Reimbursement for State Travel
- Section 4-2 Paying a State Travel Expense
- Section 4-3 State Travel Expense Limitations
- Section 4-4 Conference Expenses
- Section 4-5 Allowable Reimbursements-Legally Required
- Section 4-6 Allowable Reimbursements-Limitations
- Section 4-7 Rates of Reimbursement
- Section 4-8 Travel Bonuses
- Section 4-9 Recovery of Expenses Erroneously Paid
- Section 4-10 Preferred Travel Expense Method

Section 4-1 Reimbursement for State Travel

The State shall only make payment for, or reimburse for State Travel to or on behalf of a State Traveler who is entitled to it under this circular and in compliance with the terms and provisions of this Circular.

Section 4-2 Paying a State Travel Expense

The State may pay a State Travel expense to or on behalf of a State Traveler under the following terms and conditions;

- (A) Payment of the State Travel expense is approved in writing by any person whose approval is required for authorization or ratification of the State Traveler under Section 3-2;
- (B) The State Travel giving rise to the State Travel Expense has been authorized or ratified in accordance with this Circular;
- (C) With respect to a State Travel Expense, the State Traveler submits an original receipt for the State

- Travel Expense along with such supporting documentation as is required by Chapter 9;
- (D) Paying the State Travel Expense does not violate any law, statute, circular or regulation, or court order; and
 - (E) The State Travel Expense was incurred in compliance with this circular.

Section 4-3 State Travel Expense Limitations

- (A) The State may not pay a State Travel Expense where another person or entity, other than the authorized State Traveler, pays the expense or subsistence allowance.
- (B) If a State Travel Expense has been approved in advance by the appropriate State Agency and the Travel Office, the actual State Travel Expense incurred by the State Traveler is payable only to the extent it is less than or equal to the approved State Travel Expense.
- (C) For Out-of-State Travel, if the actual expenses exceed the estimated expenses that were submitted for approval by fifty dollars (\$50) and if electronic approval was received, the reimbursement expense must be completed with the actual expenditures. If electronic approval was not received, the traveler must submit a new SF-823 form with the actual expenditures for approval by the Commissioner and the Agency.

This requirement may be waived by the Department and appropriate State Agency if its enforcement, under the circumstances, would be unfair, inequitable, impractical, unreasonable or otherwise not consistent with the policies and principles underlying this Circular.

Section 4-4 Conference Expenses

A State Traveler may be reimbursed for the cost of registration fees associated with attendance at conferences. Only the State Traveler's portion of the registration fee, and not fees for any other individual accompanying the State Traveler, shall be paid. Section 7-5 applies when the registration fee covers the cost of meals.

Section 4-5 Allowable Reimbursements-Legally Required

An Agency or State Traveler may not receive, accept, or retain State Travel expense, lodging, transportation, meal or any other good or service with respect to State Travel that is provided by another person or entity who is not legally obligated to do so unless such receipt, acceptance, or retention is legal, ethical, and does not raise the appearance of impropriety. Any such expense, allowance, good, or service that has been improperly paid or accepted shall forthwith be refunded or otherwise paid for by the State Traveler.

Section 4-6 Allowable Reimbursements-Limitations

Each person requesting reimbursement for State Travel expenses shall submit a claim covering only the person's own expenses. No reimbursement may be made for the expenses of another state authorized traveler. However, a person may receive reimbursement for the State Travel expenses of pupils, wards, patients, or offenders of State facilities, schools, agencies or institutions. The request for reimbursement for these expenses must be separately itemized and justified in the request for reimbursement. The state traveler who is paying the expenses of the individual that is unable to pay their expenses upfront may require their co-traveler to sign an agreement to reimburse them for the expense. Each agency may develop an internal agreement for use by their employees.

Section 4-7 Rates of Reimbursement

- (A) The rates of reimbursement for Travel Allowances shall be those established, in accordance with law, by the State Budget Director and adopted by the Commissioner.
- (B) Reimbursement rates for travel allowances, and/or maximum rates, are provided in Chapter 10.
- (C) The rates of reimbursement for actual expenditure amounts actually expended, subject to any limits per the provisions of Section 4-7 (B).
- (D) All amounts claimed must be converted to United States currency. Proof of conversion rate(s) at the time the expense was incurred must be submitted for expenses paid in any other currency.
- (E) In addition to the subsistence allowance, a person in travel status outside of the continental United States may be reimbursed for the reasonable expenses associated with the travel. Such expenses include, but are not limited to, the cost of:
 - (1) Visa, passport and other travel documents;

- (2) photographs for travel documents;
- (3) inoculations;
- (4) currency exchange; or
- (5) airport taxes.

Section 4-8 Travel Bonuses

(A) It is the policy of the State that any premium, bonus, or compensation acquired by any individual as a result of travel either paid for or reimbursed by the State under this Circular is the property of the State. This includes but is not limited to bonuses, premiums and compensation for the following:

- (1) airline Travel;
- (2) other common carrier;
- (3) hotel or motel; and
- (4) rental cars.

(B) Any individual who earns any compensation, premium or bonus while the person is traveling for the State and is governed by this Circular shall turn in the compensation, premium or bonus to the Agency. The Agency which is responsible for paying such expenses shall be considered to be the owner of the compensation, premium or bonus, and shall be entitled to the benefits of such travel bonuses, promotions, and the like. All such travel bonuses, promotions, and the like shall be reported to the Travel Office when they are being redeemed. Each Agency shall establish procedures to implement this policy and submit a copy of the procedures to the Department.

Section 4-9 Recovery of Expenses Erroneously Paid

The State may recover any expense or allowance paid to any person or entity:

- (A) which was erroneously paid for any reason;
- (B) which was paid because of illegality or fraud on the part of any person or entity; or
- (C) which was paid under the mistaken belief, at the time payment was made, that such payment was in accordance with this Circular.

Section 4-10 Preferred Travel Expense Method

The State shall make payment when travel is by the preferred traveling method. The preferred Traveling method is the least expensive or most cost effective means of travel which is also:

- (A) available at the time and place where it is needed;
- (B) necessary for the State Travel involved;
- (C) appropriate, sufficient, and timely for the State Travel involved;
- (D) reasonably safe; and
- (E) reasonably comfortable.

Chapter 5. Transportation

Section 5-1 Preferred Transportation

Section 5-2 Reimbursement for Vehicle Use

Section 5-3 Mileage

Section 5-4 Parking and Tolls

Section 5-5 Travel By Air

Section 5-6 Non-Commercial Air Transportation

Section 5-7 Other Main Travel Modes

Section 5-8 Transportation to Terminal

Section 5-9 Vehicle Rental

Section 5-1 Preferred Transportation

(A) When the State Travel is within the State or within two hundred fifty (250) miles of the State Traveler's station, the preferred traveling method ranks as follows when it is the most cost effective, efficient mode of transportation:

- (1) By State owned vehicle;
- (2) By rental vehicle through the state vehicle lease contractor;
- (3) A State employee may choose to drive their personal vehicle. You are instructed to check the

terms and conditions of your personal vehicle insurance to assure coverage in the event of damage incurred while using your vehicle for state employment purposes. In the event you have not notified your insurance carrier that you use your vehicle for employment purposes, it is strongly recommended that you do so prior to engaging in such use.

(B) When the State Travel is outside the State and greater than two hundred fifty (250) miles from the traveler's home or station, whichever is closest, the preferred traveling methods rank as follows:

- (1) By commercial air (or State owned aircraft);
- (2) By other commercial transportation;
- (3) By State owned vehicle;
- (4) By rental vehicle through the state lease contractor;
- (4) A State employee may choose to drive their personal vehicle. You are instructed to check the terms and conditions of your personal vehicle insurance to assure coverage in the event of damage incurred while using your vehicle for state employment purposes. In the event you have not notified your insurance carrier that you use your vehicle for employment purposes, it is strongly recommended that you do so prior to engaging in such use.

Section 5-2 Reimbursement for Vehicle Use

- (A) If the travel of an employee will be by vehicle, State owned vehicles shall be used when and practical.
- (B) When driving a personal vehicle, a driver will be paid a mileage allowance for travel starting from their home or station; whichever is closest to their point of destination, and as provided for by Section 5-3, since normal travel to work is not a reimbursable expense.

Section 5-3 Mileage

Payment of mileage with respect to State Travel shall be made in compliance with this mileage section. A State Traveler is entitled to payment of mileage under the following terms and conditions:

- (A) The mileage is incurred through the use of a private vehicle in accordance with this Circular;
- (B) The route or routes taken to and from the destination are the shortest and most cost effective, and use the appropriate points of departure and return;
- (C) Additional mileage, not to exceed 10% of the "Shortest Route" mileage, may be claimed when the usually traveled route entails the use of an interstate highway which is not the "Shortest Route".
 - (1) The 10% additional mileage is a maximum deviation and not an automatic additional charge.
- (D) For In-State, mileages are to be computed from the current official State of Indiana Highway Map, but adjusted where appropriate; (i.e.; detours which must be documented on the travel voucher in order to claim mileage reimbursement)
- (E) If local mileage is to be claimed within a city complete addresses shall be documented on the travel voucher. (State Form 980).
- (F) For Out-of-State, the mileages are computed from a current reliable atlas.
- (G) Internet websites shortest route option may be utilized either in-state or out-of-state, as a tool, but in no case shall the allowable mileage exceed the actual map mileage.

Section 5-4 Parking and Tolls

A person in travel status may be reimbursed for the cost of parking and tolls when using either a personal vehicle or a State vehicle. Valet parking will be reimbursable when "self-parking" is not available, or is cost effective and practical. (i.e., cost less, one fee with in/out privileges). Receipts satisfying the requirements of Section 9-1 must be included with the claim for reimbursement. (For parking at public transportation terminals see Section 5-8).

Section 5-5 Travel by Air

- (A) The coach class cost of travel by commercial air carrier will be reimbursed. Cancelled tickets carry a penalty fee and may be reimbursable if a legitimate emergency exists or if legitimate State Business prohibits the employee from traveling. Guidance shall be sought from the Department of Administration.
- (B) Agencies are required to make all Out-of-State travel arrangements in accordance with this policy. The Department must approve air travel prior to an Agency purchasing airline tickets. An Agency must utilize the State Travel Contract Vendor's online booking tool and work with the Department to determine when tickets should be purchased by the State Travel Contract Vendor.

(C) The most cost effective, efficient airline ticket shall be purchased. If a direct flight is in the best interest of the State, either by cost or efficiency, it is to be utilized.

Section 5-6 Non-Commercial Air Transportation

Written approval from the Department is required before making arrangements for non-commercial or charter air transportation, as well as rental of any other commercial mode of transportation (bus, van, train, etc).

Section 5-7 Other Main Out of State Travel Modes

The cost of travel by railroad or bus may be reimbursed. To be reimbursed, a person must submit acceptable receipts with the travel claim. The costs of sleeping cars are not allowable for reimbursement. The travel time provisions of Section 3-5 apply to train and bus travel.

Section 5-8 Transportation to Terminal

(A) The cost of taxi and other public transportation between a person's station and a terminal may be reimbursed. However, the State will not reimburse the cost of taxi fare between the home and terminal in an amount in excess of taxi fare between the station and the terminal.

(B) The cost of transportation between the terminal, the place of lodging and other place of business may be reimbursed. The person must either itemize such trips on the travel voucher or submit a log of such trips with the travel voucher stating the nature of each of the trips.

(C) The cost of parking at a terminal may be reimbursed at long-term rates. A State Traveler may use a personal vehicle for transportation to a terminal instead of using public transportation and may be reimbursed the cost of round-trip mileage between the station or home, whichever is closest, and the terminal.

(D) Reimbursement for a second round-trip instead of reimbursement for parking at the terminal is allowable; however, reimbursement for a second round-trip may not exceed the avoided long-term parking fees.

Section 5-9 Vehicle Rental

(A) Vehicle rental expense is reimbursable for travel when it is efficient and cost effective. Vehicle rental must be approved by the agency level for in-state travel and by the Department for out-of-state travel. The least expensive practical vehicle shall be rented utilizing the state vehicle lease contract vendor.

(B) The cost of renting a vehicle, in connection with travel by other modes of transportation, may be reimbursed if suitable local public transportation is not available or when rental is considered more advantageous to the State than the use of public transportation due to routing or scheduling considerations.

(C) If a vehicle rental is approved, the agency travel coordinator shall make advanced reservations for traveler utilizing the State vehicle contract vendor.

(D) Collision Damage Waiver (CDW), or Liability Damage Waiver (LDW), insurance covering use of the vehicle is a reimbursable expense. The cost of any other insurance will not be reimbursed and such costs must be deducted from the claim for reimbursement.

(E) Initial payment of the cost of renting a vehicle is the responsibility of the person. The person may be reimbursed for:

- (1) the cost of renting the vehicle;
- (2) the cost of additional fuel;
- (3) the cost of Collision, or Liability, Damage Waiver (CDW) or (LDW) Insurance;
- (4) parking; and
- (5) tolls.

(F) Each item of cost must be supported by receipts required by Section 9-1. The claim for reimbursement must itemize the business usage of the vehicle, showing point-to-point travel, the same as for a personal vehicle. The person may be reimbursed for vehicle rental, excluding any personal usage.

(G) It is the responsibility of the traveler to make sure both the beginning and ending mileages are on the receipt.

(H) When utilizing a rental vehicle, SF-13696 is to be filled out upon return of the rented vehicle and turned into the employee's agency.

Chapter 6. Lodging

- Section 6-1 Preferred Lodging
- Section 6-2 Reimbursement for Lodging
- Section 6-3 Shared Accommodations
- Section 6-4 Lodging Provider-Limitation
- Section 6-5 Lodging Rates-Limitation

Section 6-1 Preferred Lodging

- (A) Lodging arrangements with respect to State Travel shall be made in compliance with this preferred lodging Section
- (B) Reimbursement for In-State lodging is limited to the In-State Lodging Rate as set in Section 10-5, without the prior written approval of the Travel Office via written or electronic submittal.
- (C) Reservations for Out-of-State lodging shall be made through the agency travel coordinator. First option is to use the state contract online booking tool. The second option is for your agency travel coordinator to call the state travel contract vendor.

Section 6-2 Reimbursement for Lodging

A person in travel status may claim reimbursement for actual lodging expenses not exceeding the single occupancy room charge, including taxes, for over-night stays only. It is the traveler's responsibility to check out of the accommodations in sufficient time to not be required to pay additional expenses for late check-out.

Section 6-3 Shared Accommodations

- (A) If accommodations are shared by "State Travelers"
 - (1) The total room charge cannot be claimed by either traveler.
 - (2) Each traveler shall request a hotel bill issued in the traveler's name
 - (3) Each traveler shall claim a prorated share of the total room charge as listed on the traveler's individual bill.
- (B) If accommodations are shared by non-State Travelers:
 - (1) A separate bill need not be issued if the expense of lodging is being shared with another person:
 - (a) The State Traveler can claim the total bill divided by the number of occupants, if applicable; or
 - (b) the State Traveler can claim the Single Occupancy Room Rate.
 - (2) The State Traveler shall request the Room Clerk to record the payments and/or the Single Occupancy Room Rate on the hotel bill.

Section 6-4 Lodging Provider-Limitation

A person may not claim reimbursement for lodging when the lodging was provided by another person who is not in the business of providing lodging.

Section 6-5 Lodging Rates-Limitation

All State Travelers and those traveling on behalf of the state are urged to stay in hotels which offer reasonable government rates. These reduced rates must be requested of the hotel in advance. The State contract online booking tool may be used to secure reasonable government rates as well. Conference hotels may be utilized, but every effort must be made to secure any reduced rates. In order to receive government rates, the lodging establishment may require State Travelers to provide State government identification which may be in the form of a picture ID or a current payroll stub. The Department or Indiana State Budget Agency may disapprove full reimbursement if a good faith effort is not made to secure government or other reduced/reasonable rates or if the lodging expense exceeds the In-State lodging rate. The State Travel Contractor may be contacted to give assistance with locating economic lodging and guidance on reasonable rates in specific geographic areas.

Chapter 7. Subsistence Allowance

- Section 7-1 Subsistence Allowance
- Section 7-2 Reimbursement for Subsistence Allowance
- Section 7-3 Computation of Allowance-For Over-Night Travel
- Section 7-4 Elimination of Same Day Per Diem
- Section 7-5 Meals Provided
- Section 7-6 Subsistence Allowed Without Paid Lodging Bill
- Section 7-7 50 mile Restriction/Exception
- Section 7-8 Weekend Travel Status-Exception
- Section 7-9 Board or Commission Member-Special Allowance

Section 7-1 Subsistence Allowance

Payment of a subsistence allowance shall be made in compliance with this subsistence allowance Chapter of this Circular. The State shall pay a subsistence allowance to a State Traveler for any day during which such State Traveler is in travel status for the required length of time. The values for the rates are explained in Section 10-1.

Section 7-2 Reimbursement for Subsistence Allowance

A person in travel status is entitled to a subsistence allowance not to exceed the amount as provided for by Section 7-3.

Section 7-3 Computation of Allowance-For Over-Night Travel

The subsistence allowance Daily Rates are to be claimed as follows:

	<u>IN-STATE</u>	<u>OUT-OF-STATE</u>
Departure before 12:00 P.M.	\$26.00	\$32.00
Departure between 12:00 P.M. and 4:30 P.M.	\$13.00	\$16.00
Departure after 4:30 P.M.	NONE	NONE
Return before 12:00 P.M., but after 7:30 A.M.*	\$13.00	\$16.00
Return after 12:00 P.M.	\$26.00	\$32.00

*No subsistence is paid for travel segments that are less than 7 ½ hours.

Travel to Specific Countries (See Section 10-2) divide by four (4), one quarter is to be claimed for Breakfast, one quarter for Lunch and the remaining half (½) for Dinner.

Elsewhere outside Continental USA (See Section 10-2) is to be claimed at Rate C, fifty dollars (\$50.00), divide by four (4), twelve dollars and fifty cents (\$12.50) for Breakfast, twelve dollars and fifty cents (\$12.50) for Lunch and twenty five dollars (\$25.00) for Dinner, with the same departure and return times in the chart above applied.

An original paid lodging bill is required to claim subsistence for over-night travel. (See Section 9-1)

Section 7-4 Elimination of Same Day Per Diem

Subsistence may not be claimed for same day travel. Overnight travel must be involved in order to claim subsistence.

Section 7-5 Meals Provided

If a meal is provided, no subsistence shall be claimed for that meal and is to be deducted as follows:

	<u>IN-STATE</u>	<u>OUT-OF-STATE</u>
Breakfast	\$ 6.50	\$ 8.00
Lunch	\$ 6.50	\$ 8.00
Dinner	\$13.00	\$16.00

The State of Indiana must not pay for a person's meal more than once. This includes, but is not limited to, meals included in registration fees or by hotels in the room charge. If a person in travel status received a meal without charge, then the subsistence allowance must be reduced. However, no deductions from subsistence shall be taken for continental breakfasts or meals served on airplanes.

Section 7-6 Subsistence Allowed Without Paid Lodging Bill

If lodging is provided to a person in travel status at no cost to the person this is to be documented on their reimbursement request and signed by their Agency.

Chapter 8. Work Stations and Moving

Section 8-1 Coverage

Section 8-2 Establishment of a Work Station

Section 8-3 Reimbursement for Moving Expenses Due to a Change of Work Station

Section 8-4 Reimbursement for Interview Expenses

Section 8-5 Pre-employment Travel

Section 8-6 Reimbursement of Relocation Expenses For New Hires

Section 8-1 Coverage

This Chapter contains policies and procedures for the establishment of work stations and for claiming reimbursement for travel expenses incurred by any person who is required to move a household as a requirement of being employed by and/or continuing employment for the State. Payment for moving of households shall be made in compliance with this Circular. A State Traveler is entitled to payment of moving or relocation under the following terms and conditions as provided for by this Circular:

- (A) This Circular applies to all moving of households conducted on behalf of the State by current and/or prospective employees.
- (B) Expenses are reimbursed for both current State employees and for prospective State employees.
- (C) The required qualifications for the position must be submitted with the request.
- (D) Reimbursement of expenses is limited to ESM SAM/PAT 1, II & III positions and PAT or SAM/Pat positions with Recruitment Differentials.
- (E) Prior approval is required by both the Department and the State Budget Agency before the Agency can give the authorization for any move or relocation.

Section 8-2 Establishment of a Work Station

An Agency Head may wish to designate the work station of an employee to be a place other than the central office or a branch office of the Agency. A State Traveler can qualify for a remote work station under the following conditions:

- (A) If an employee spends less than fifty percent of the time, over a period of at least ninety (90) days, within thirty (30) miles of an office of the Agency;
- (B) If the Agency Head explains in writing how the designation maximizes efficiency and economy for the State; and
- (C) If the determination is made at least once per fiscal year and submitted to the Auditor of State with copies to the Department and the State Personnel Department.

Section 8-3 Reimbursement for Moving Expenses Due to a Change of Work Station

If an Agency requires an employee to change to a new work station and as a result of the change the employee must relocate a residence, the employee shall be reimbursed for moving expenses under the following conditions:

- (A) The employee must have been employed by the State for at least six (6) months prior to the required change of station except when the employee attends established training programs approved by the Department.
- (B) Both the change of station and the change of residence must be greater than thirty (30) miles.
- (C) The Agency Head must explain the Agency's need for the change of station.
- (D) The Department must approve the change of station prior to the move.
- (E) The approval by the Department shall be based on the following:
 - (1) More economical to the State than assignment to a central branch or district office.
Example—Station would be the center of proposed territory;
 - (2) Type of work –field work in a territory, etc.;
 - (3) Number of required days in the vicinity of permanent office;
- (F) Reimbursement is also allowable if the change of station is required because the employee becomes employed by a different State Agency. The employing Agency may make:

- (1) The request;
 - (2) The determination of the Allowable Amount:
 - (a) Either the Allowable Reimbursement; or
 - (b) Actual Expenses up to the Allowable reimbursement; and
 - (3) Payment for the move;
- (G) The allowable amount of reimbursement for a change of work station is limited to one-way mileage and one (1) of the following rates:
- (1) Moving Rate A – if the employee moves an entire household;
 - (2) Moving Rate B – if the employee moves an entire household using a State-owned vehicle; or
 - (3) Moving Rate C – if the employee must move only minor household items and personal effects;
- (H) To receive the allowable reimbursement, proof of the move must be attached to the travel voucher and shall include all original receipts when claiming actual expenses.
- (1) For Rate A this proof can be in the form of original receipts for the move from a moving company, for a lease-rental van, etc.
 - (2) For Rates B and C evidence of a change of residence can be in the form of utility bills addressed to the employee at both locations.
 - (3) It shall be the duty of the employee's immediate supervisor to secure sufficient information to be able to certify on the face of the travel voucher which of the above mentioned provisions apply and that the change of station was necessary.
 - (4) A copy of the prior approval must also be attached.

Section 8-4 Reimbursement for Interview Expenses

An Agency may reimburse persons seeking employment for interview expenses under the following terms and conditions:

- (A) The commitment for reimbursement is at the discretion of the Agency Head, but reimbursement may not be promised to any person unless it is a necessary condition and only after it has had Administrative Approval as defined in subsection "C".
- (B) The Agency Head must certify in writing that the interview of the person is in the best interest of the State.
- (C) Administrative approval is required, in writing, prior to incurring the obligation, in the following sequence:
 - (1) The Department, and
 - (2) The Budget Agency.
- (D) The required qualifications for the position must be submitted with the request.
- (E) Reimbursement of expenses is limited to ESM SAM/PAT I, II & III positions and PAT or SAM/PAT positions with Recruitment Differentials.
- (F) Travel expenses for current and prospective employees will be reimbursed in accordance with this Circular and the rates in effect at the time of the travel.
- (G) If lodging for overnight travel is approved, compliance with Section 6 shall be explained to the prospective employee.
- (H) The proper expense classification is 519900 and is to be paid from the account from which the person's salary will be paid. The person's social security number is required.
- (I) A person shall only be reimbursed for one (1) trip related to each position interviewed.
- (J) The number of persons interviewed for the same position should be limited to a reasonable number.
- (K) The allowable reimbursement is limited to the usual travel expenses actually and necessarily incurred for the person only—either round-trip coach fare or mileage and up to two (2) nights including three (3) days of travel status, based on this Circular, subject to actual circumstances.
 - (1) Arrangements for airfare must be secured through the Departments' Travel Division.
 - (2) Transportation expense may include round trip mileage for one (1) personal vehicle.
 - (3) All Reimbursements, except food and mileage, shall be supported by original receipts.
- (L) The claim for reimbursement for the Interview shall be processed upon completion of the travel.

Section 8-5 Pre-employment Travel

- (A) On occasion it is desirable and in the best interest of the State for an individual who has accepted employment with the State but has not actually begun work to attend meetings or otherwise engage in activities on behalf of the State. Examples include orientation sessions and scheduled meetings of a State board or commission with which the employee will be working.
- (B) Expenses incurred in such activities may be reimbursed by a State Agency as a part of the Interviewing and Relocation Expenses so long as the expenses are in accordance with this Circular.
- (C) Such expenses count towards the overall maximum limitation on interviewing and relocation expenses.

Section 8-6 Reimbursement of Relocation Expenses for New Hires

- (A) The commitment for reimbursement is at the discretion of the Agency Head, but reimbursement may not be promised to any person unless it is a necessary condition of employment and only after it has had Administrative Approval as defined in subsection "C".
- (B) The Agency Head must certify in writing that the hiring of the person is in the best interests of the State.
- (C) Administrative approval is required, in writing, prior to incurring the obligation, in the following sequence:
 - (1) The Department, and
 - (2) The Budget Agency.
- (D) The required qualifications for the position must be submitted with the request.
- (E) Reimbursement of expenses is limited to ESM SAM/PAT I, II & III positions and PAT or SAM/PAT positions with Recruitment Differentials.
- (F) Requests for Administrative Approval for relocation shall be accompanied by, at least, three (3) written estimates from either moving companies or equipment rental companies if it is a self-move.
- (G) Prospective employees, who have never before been reimbursed for moving as a new hire by the State, residing outside the State may be reimbursed for these expenses.
- (H) Prospective employees, who have never before been reimbursed for moving as a new hire by the State, residing inside the State seeking employment in excess of one hundred fifty (150) miles from the current home or station may be reimbursed for these expenses.
- (I) Travel expenses for current and prospective employees will be reimbursed in accordance with this Circular and the rates in effect at the time of the travel.
- (J) If lodging for over-night travel is approved, compliance with Section 6 shall be explained to the prospective employee.
- (K) The proper expense classification is 519900 and is to be paid from the account from which the person's salary will be paid. The person's social security number is required.
- (L) Relocation expenses are limited to the usual travel expenses actually and necessarily incurred for house hunting trips (including expenses of a spouse or equivalent) and transportation of household items and family at the time of the move.
 - (1) House hunting trips may include airfare for up to two (2) persons, or round trip mileage, lodging for the family and subsistence for up to two (2) persons, subject to the prior approval.
 - (2) Arrangements for airfare must be secured through the Department's Travel Division.
 - (3) Transportation expense may include one-way mileage for one (1) personal vehicle.
 - (4) All Reimbursements, except food and mileage, shall be supported by original receipts.
- (M) Based on the actual circumstances, the person may be approved for no more than three (3) nights of lodging, including the corresponding days of subsistence, for the combination of house hunting and moving.
- (N) Payment of all necessary relocation expenses actually incurred may not exceed the lesser of Moving Rate D times the starting salary authorized for the position or Moving Rate E, less any payments for interviews or pre-employment travel to the same person.
- (O) Reimbursement for relocation expenses will only be made after the employee has completed the move and paid all expenses. An original paid receipt, which either includes an itemized bill, or together with an itemized bill from the moving company, shall be attached to the claim for reimbursement.
- (P) Agencies should strive to expediently process properly completed claims within two weeks or less.

Chapter 9. Record Keeping

Section 9-1 Requirements for Receipts

Section 9-2 Lost Receipts Procedure

Section 9-3 Claim Forms

Section 9-4 Claim Amounts

Section 9-1 Requirements for Receipts

Except as provided below, a person requesting reimbursement for the actual cost of any item of expenditure must include an original paid receipt with the claim for reimbursement. (Most credit card receipts will not qualify as a receipt by themselves, but they can be used as a "Proof of Payment" if a lodging bill does not indicate it has been paid.) This includes, but is not limited to: lodging bills, passenger coupons, and taxi or cab receipts (including tip), all indicating "paid in full". Other items such as tip to airport porters are not reimbursable. Original receipts may not be altered, and to prevent distortion they may not be marked up with "High-Lighters". The type and acceptability of receipts are as follows:

(A) The type of receipts may be hand written or preprinted, but must be legible and conform to the following standards:

(1) Written receipts:

- (a) must be signed by payee;
- (b) must indicate amount paid;
- (c) can not contain alterations to dollar amounts;
- (d) must indicate purpose for payment;
- (e) must give name of payer, and
- (f) must give date of payment.

(2) Preprinted receipts:

- (a) must give name of payee;
- (b) must indicate amount paid; and
- (c) must indicate purpose of payment.

(B) Examples of acceptable receipts are as follows:

(1) For lodging—a hotel/motel bill must contain the following:

- (a) name of payee and address of lodging;
- (b) number of persons in the room;
- (c) daily charge for the room;
- (d) dates or room usage; and
- (e) indication that payment was made for the room.

(2) For air fare—the passenger coupon portion of the airline ticket;

- (a) is required for either direct payment or reimbursement;
- (b) must indicate the name of the passenger; and
- (c) must indicate the routing and dates of travel.

(3) For taxi or cab fare, must also indicate the starting point and destination (i.e. airport to hotel).

Section 9-2 Lost Receipts Procedure

If a receipt for any item of expense has been lost or is unobtainable, the following may be substituted:

(A) Airfare: documentation from the airline or travel agent.

(B) Lodging: statement from provider or copy of lodging bill and paid receipt.

(C) Moving: statement from provider or copy of moving bill and paid receipt.

(D) Other: Certificate of Missing Receipt. (State Form No. 42275) A copy of this form has been distributed to each agency and should be used as a master for reproduction as needed. The form is to be attached to the claim for travel and must be approved by the Commissioner's designee.

(E) All claims for reimbursement which are accompanied by substitutions for original receipts must all be approved by:

- (1) for employees, the Agency Head and the employee's immediate supervisor;
- (2) for contractors and board or commission members, the Agency Head;
- (3) for the Agency Head, the Commissioner.

Section 9-3 Claim Forms

All requests for reimbursement must be submitted on forms provided by the Agency and prescribed or approved by the State Board of Accounts. The forms to be used are travel vouchers for all State employees, Board or Commission members, and claim vouchers for all others. All vouchers must be pre-audited and approved by the Agency prior to be submitted to the Auditor of State's Office for payment.

Section 9-4 Claim Amounts

Travel Claims totaling less than ten dollars (\$10.00) shall be filed no more frequently, than quarterly less than fifty dollars (\$50.00) shall be filed no more than once per month; more than fifty dollars (\$50.00) shall be filed at least within sixty (60) days of the first trip.

Chapter 10. Rate Schedule *Effective January 1, 2004

Section 10-1 Subsistence Allowance Daily Rates

Section 10-2 Specific Countries Daily Rates

Section 10-3 Mileage Allowance Rates

Section 10-4 Moving Rates

Section 10-5 Other Rates of Reimbursement

Section 10-6 Expenditure Classifications

Section 10-1 Subsistence Allowance Daily Rates for overnight travel Maximum Allowable Reimbursement Rates:

A = \$26.00 B = See Section 10-2 C = \$50.00* D = \$32.00

*subject to I.R.S. Limits

Section 10-2 Specific Countries Daily Rates:

Japan = \$90.00

Korea and Taiwan = \$85.00

China, France, Germany, Great Britain, the Netherlands & Singapore = \$65.00

Section 10-3 Mileage Allowance Rates

(A) In-State Mileage Reimbursements Rates

(1) Must be computed using the current State of Indiana Highway Map.

(2) Personal Automobile Mileage Rate A = \$0.44 per mile

(B) Out-of-State Mileage Reimbursement Rates

(1) Apply to the total round-trip mileage per trip.

(2) Each trip starts and ends at the person's home or station whichever is closest to destination.

(3) The total miles shall be computed from a current reliable atlas or on-line booking tool using shortest route option.

Section 10-4 Moving Rates-Maximum Allowable Reimbursement Rates:

Personal Automobile Mileage Rates:

\$0.44 per mile for all approved business miles

\$0.235 per mile for relocation/moving expenses

Mileage will not be approved for trips in excess of 2,500 miles.

A=\$780

B=\$390

C=\$234

D=10%

E=\$5,000

Section 10-5 Other Rates of Reimbursement

Maximum Allowable In-State Lodging Rate = \$89.00 plus tax

Section 10-6 Expenditure Classifications

(A) For State Employees, Board or Commission Members:

(1) Use Object 580000 series for In-State Travel

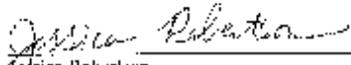
(2) Use Object 590000 series for Out-of-State Travel

(B) For All other Persons, Contractors, and Companies:

(1) Use Object 519900 when using a Social Security Number

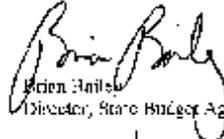
- (2) Use Object 519800 when using a Federal ID Number
- (C) For Interview and Relocation Expenses:
 - (1) Use Object 519900 when using a Social Security Number
 - (2) Use Object 519800 when using a Federal ID Number

Financial Management Circular 2007-1 is hereby revised



Jessica Robertson
Commissioner, Department of Administration

6/18/14
Date



Brian Bailey
Director, State Budget Agency

06/23/14
Date

