

CLAIMS

The use of standardized reimbursement forms, manual or electronic, that are easy to follow is recommended. Required information should include the purpose and dates of travel; lodging and meal charges; mileage and other transportation costs such as tolls, parking and rental car costs; and a certification statement signed by the employee to attest to the accuracy of the information presented. A sample form that can be used as a general guide and adapted to your specific needs can be found at www.osc.state.ny.us/agencies/travel/ac132a.pdf.

Employees should submit an itemized claim in a timely manner after returning from official business travel. Required documentation generally includes:

- An original, signed copy of your standardized travel form
- A copy of the approval form for travel or conference attendance
- Original receipts for all actual and necessary expenses
- A certificate of attendance and/or completion if travel was for a conference or training.

The audit of claims, required by law, is an essential internal control for ensuring that travel policy requirements are followed by all employees. The auditing body (usually the governing board) or official (e.g., the town comptroller or county auditor) is responsible for the audit of claims, including claims for reimbursement of travel expenses, prior to payment.

Additional Resources

For more information on this topic, see the Local Government Management Guide entitled *Travel and Conference Expense Management* at www.osc.state.ny.us/localgov/pubs/lgmng/travel_expense.pdf.

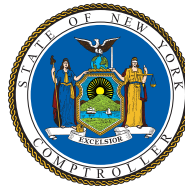
Other government travel information may be found at www.osc.state.ny.us/agencies/travel/travel.htm.

For more information on claims auditing, see the Local Government Management Guide entitled *Improving the Effectiveness of Your Claims Auditing Process* at www.osc.state.ny.us/localgov/pubs/lgmng/claimsauditing.pdf.

OFFICE OF THE STATE COMPTROLLER



DIVISION OF
LOCAL GOVERNMENT AND
SCHOOL ACCOUNTABILITY



Thomas P. DiNapoli
State Comptroller
110 State Street
Albany, New York 12236

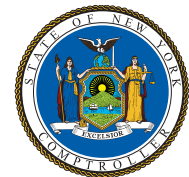
localgov@osc.state.ny.us



LOCAL GOVERNMENT
FINANCIAL TOOLBOX

Managing Your Travel and Conference Expenses

This brochure will assist your government in developing policies and procedures for employees and officials who travel for business purposes.



Thomas P. DiNapoli
State Comptroller

Many local government and school district employees and officers need to travel for business purposes, such as to attend meetings, conferences, conventions or training classes. Often, business travel involves expenditures for lodging, meals, transportation, and more. It is important for travelers to document their expenses to obtain timely reimbursement, and for management to ensure that reimbursement is only for actual and necessary expenses. This brochure summarizes a number of issues relating to travel and conference expenses; more complete information including legal requirements can be found in the *Local Government Management Guide* as noted in the Additional Resources section of the brochure.

COMMON ISSUES

Governing boards generally should provide guidance for managing travel and conference expenses, and a nonexistent or inadequate travel policy can be a major risk factor. Among the issues that can cause difficulties are:

- Not obtaining required approvals for conferences
- Purchasing alcoholic beverages with taxpayer dollars
- Paying for travel for non-employees, such as spouses
- Extending trips after the end of conferences at taxpayer expense for personal reasons
- Missing or insufficient documentation of expenses incurred
- Failing to adequately audit travel reimbursement claims.

TRAVEL POLICY

A travel policy that applies to, and is understood by, all employees and officers should be adopted officially, generally by the governing board. The policy should include a description of the pre-approval process, a list of expenses that typically are and are not reimbursable, and a list of maximum rates. The process for reimbursement should be spelled out, including the requirements for submitting receipts and other supporting documentation. The policy should also detail the process for auditing claims.

If the policy allows employees to extend their travel for personal reasons beyond the time needed for a conference, they must pay for such expenses themselves and charge time to leave credits. Such expenses should not be billed to the local government or school district, or claimed for reimbursement by the traveler. Employees who travel with a spouse or other non-employee cannot be reimbursed for any expenses that are incurred by or because of the spouse or other non-employee. In particular, ensure that hotel charges are only reimbursed at the lower, single-occupancy rate.

REIMBURSEMENT

You may wish to adopt federal lodging, meal, and mileage guidelines as your maximum rates for travel reimbursement. Federal guidelines can be found at www.gsa.gov/perdiem. To obtain these rates at hotels, ask for the government rate when making reservations. Exceptions should

be allowed to maximum rates to accommodate special circumstances, such as when lodging is unavailable at or below the maximum, or if a specific traveler has requirements such as health concerns or handicapped access. Exceptions should be approved in advance.

Meal reimbursements may follow the per diem method, in which the governing board provides for a fixed per diem allowance payable regardless of what the traveler actually spent on meals, or can be for actual and necessary expenses for which the employee provides receipts. A fixed per diem allowance should not exceed the standard meal allowance for business-related travel prescribed for federal income tax purposes. Alcoholic beverages are not reimbursable.

For employees who use their personal vehicles for business travel, IRS reimbursement rates for miles traveled can be found at www.irs.gov/taxpros/article/0,,id=156624,00.html.

Note that local government and school district employees who are traveling for official business purposes are exempt from State tax on hotel occupancy in New York State and should provide an exemption certificate, known as Form ST-129, at registration. This form is available at www.tax.state.ny.us/pdf/2000/st/st129_1000_fill_in.pdf.

Cash advances for conference travel must be authorized by resolution of the governing board in anticipation of conference travel. If actual expenditures are less than the amount advanced, the employee must return the surplus upon submitting a travel voucher.