**18 DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES**

**119 OFFICE OF THE STATE CONTROLLER**

**(***formerly* **BUREAU OF ACCOUNTS AND CONTROL)**

**Chapter 1: TRAVEL AND EXPENSE REIMBURSEMENT POLICIES**

**SUMMARY**: These regulations specify official policy which governs travel and expense reimbursement for State employees and officials, the definition of which expenses are reimbursable and the levels of such reimbursement.

**INTRODUCTION**

The traveling expenses of State officials and employees as well as members of State boards and commissions, incurred in connection with official State business, are reimbursed through a properly prepared and approved Travel and Expense Account Voucher. (BP Form 22)

Statutory PER DIEM allowance for personal services in connection with official State business may be included with traveling expenses on the Travel and Expense Account Voucher in the column provided at the extreme right hand side of the form.

**DEFINITION OF TERMS**

"Official Headquarters" - The limits of the city, town or unorganized place from which any State official regularly conducts his/her official State duties.

"Residence" The permanent home address or domicile of any State employee.

"Official" Any elected, appointed, classified, and unclassified employee or members of any State commission or board.

"Department Head" - The officially designated individual who directs the daily operation of any department.

**GENERAL PROVISIONS**

The provisions in this manual are designed to provide the minimum requirements considered necessary for administering travel and expense accounts. Departments are authorized to supplement this manual as long as the minimum requirements are met.

It shall be the responsibility of each department head, bureau or division chief or designated person to insure that the provisions of this section are carried out and that all claims submitted are fair and just to the State and to the employee concerned.

Any or all of the following rules may be superseded by the results of collective bargaining agreements.

**ASSIGNMENT OF OFFICIAL HEADQUARTERS**

Each State employee will be assigned an official headquarters by the department head concerned. Every expense account will show an official headquarters which will be established as follows:

1. Employees whose duties require their presence in Augusta at least two days each week, or where no other location is indicated as proper, Augusta shall be designated as their official headquarters.

2. For employees who are in the field virtually all the time and travel to Augusta only on rare occasions, the designated official headquarters may be the place of the employee's residence, but only if such will prove advantageous to the State and without prejudice to the employee.

3. For employees whose official duties require their presence at some location other than Augusta for such a major portion of their time that it can logically be considered as the headquarters of their work for the State, then that location shall be designated as their official headquarters.

**TRANSPORTATION - AUTOMOBILES**

**Use of State-owned Vehicles**

1. The use of State-owned vehicles for non-official travel or for personal purposes is prohibited. Transportation to personal residence may be authorized when made for the purpose of storing a State-owned vehicle. Assignment will not be made when necessary duties of the State fail to require a material amount of travel on State business.

2. The driver of a motor vehicle shall be responsible for operating the vehicle in a safe and prudent manner in accordance with all motor vehicle laws. Any fines or penalties arising from the operation of a motor vehicle in an unlawful manner shall be the responsibility of the driver.

**Use of Privately-owned Vehicles**

1. The mileage allowance for privately-owned passenger vehicles shall be in accordance with current statutes or collective bargaining agreements. Mileage reimbursement shall be for miles actually traveled on official business. All charges for such travel shall show the point where such travel started and ended as well as the number of miles traveled. Vicinity mileage must be shown separately. Travel shall be by the most practical direct route. Any person traveling by an indirect route shall assume any extra expense incurred. When it is required that several persons from any agency travel to and from the same point, for the same general purpose, reimbursement for the use of privately-owned vehicles will be as follows so as to obtain the maximum benefits to the State: When four or less State employees are involved, reimbursement will be for one car; five to eight employees, reimbursement will be for two cars; nine to twelve, three cars, etc.

2. Privately-owned motor vehicles shall not be used whenever State-owned vehicles are assignable and available.

3. Actual expenditures for parking and tolls incurred while on official travel status are reimbursable. Receipts are required only for those claims exceeding $3. However, charges for gasoline, lubrication, repairs, antifreeze, towage, and other similar expenditures will not be allowed as reimbursable when privately-owned vehicles are used.

**TRAVEL BY AIR, BUS OR TRAIN**

1. Travel by air, bus or train should be at the most economical and practical rate. Advantage should be taken of excursion fares, business flights, etc. Any charges for first class air transportation will not be allowed except in most unusual circumstances.

2. Air script should be used whenever the cost of commercial transportation is to be charged to the State. Any official traveling on State business may purchase an airline ticket directly and request reimbursement on the travel and expense account form. However, no advance will be made to assist the direct purchase of airline tickets. Air script can now be directly issued by departments which are willing to centralize this function. Contact the Bureau of Accounts and Control for more information.

3. If only one person is traveling out-of-state (Boston or beyond) and wishes to take his personal car, actual expenses will be allowed only if less than air fare. Air fare in lieu of actual travel expenses will include the price of coach air fare only and will not include meals, lodging or other expenses en route. When more than one person travels out-of-state in the same car, mileage and actual expenses will be allowed if less than the total cost of coach air fares.

**HOME - TRAVEL TO AND FROM**

No official of the State will be reimbursed for any travel expenses between his/her official headquarters and personal residence, except when a statutory provision expressly provides differently, or when in the opinion of the State Controller such charges are justified by being less expensive to the State or necessary because of unusual circumstances. This prohibition is to include use of State-owned motor vehicles, except in those cases where employees are so authorized by the department head concerned.

**RENTAL OR CHARTER OF SPECIAL CONVEYANCES**

1. No official or employee of the State will be reimbursed for the use of rented or chartered vehicles or airplanes unless it is clearly demonstrated to the State Controller that such rental will be in the best interest of the State. Prior approval is required except in emergency situations.

2. When two or more employees are traveling on official business they should check on the availability of the State plane before making final plans for travel.

**MEAL REIMBURSEMENT**

Actual meal expenses shall be reimbursed only when one of the following conditions are met:

1. The expenses are incurred while an employee is traveling on State business and lodging is required. (In State meals may be subject to employee bargaining contract limitations).

2. The expenses relate to a meal associated with an official meeting which is part of a formal program. Attendance at the meeting should have prior departmental approval. (The meeting's agenda must be attached to the expense voucher when submitted for reimbursement.)

3. The expenses are incurred by members of State boards or commissions as provided by law. (5 M.R.S. - Section 13)

When an employee is required to perform services beyond his/her normal work day, or is recalled after regularly assigned duties, reimbursement for meals may be authorized after obtaining the approval of the department head. However, only those charges for meals taken "outside" his/her normal work day hours are reimbursable. (Subject to bargaining contract limitations)

The employee must indicate on the expense account the town or city in which the meals were taken, the number of meals claimed, if more than one, and the names and business relationship of any other individuals for whom reimbursement is claimed. While on overnight travel status, no more than three meals may be claimed in one 24 hour day.

Supporting receipts are required for any one meal exceeding $8, including tax and gratuity. List all meals separately on the expense voucher, for example:

$1.95 (B-Breakfast)

$3.50 (L-Lunch)

$8.50 (D-Dinner) - Receipt attached

**LODGING REIMBURSEMENT**

**Hotel or Motel**

1. Reimbursement for actual expenses for hotel room charges incurred in travel will be on the following basis:

a) Lodging in New York City, Washington, D.C. and other major cities outside of the New England area will be allowed up to $50.00 per day plus tax; (Major city is over two hundred thousand population)

b) Lodging in Boston, Hartford, and Providence will be allowed up to $40.00 per day plus tax; and

c) Lodging in all other cities and towns will be allowed up to $30.00 per day plus tax.

d) The above rates may be adjusted by the Commissioner of Finance and Administration with the approval of the Governor.

2. These daily amounts are the maximum allowed for each employee and are not to be considered as per diem amounts. Supporting receipts are required for all hotel reimbursement costs.

3. Waivers of the above hotel/motel room charges are provided for as follows:

a) When attending a national or regional conference, room charges at the conference site or the rooms prearranged by the sponsoring organization will be reimbursed if the expense account bears the signed approval of the department or agency head. Brochures, agendas or other documentation of the conference site should be attached to the expense account if this waiver is utilized. This waiver is for the actual amount of the room charges incurred.

b) Other travelers at State expenses are allowed a waiver of up to $10.00 per day plus tax if they are unable to obtain lodging within the limitations of subsection 1; a), b), c), above. The employees signature on the expense account will be accepted in lieu of a formal request for a waiver.

c) Room charges in excess of the waiver limitations will be considered as personal non-reimbursable expenditures, except as they may be authorized in writing by the Governor's Office.

4. When accommodations are made under the American Plan, the receipts must show the amount applicable to meals and the amount applicable to lodging.

5. Reimbursement for lodging where ONE State official travels on official State business shall not exceed the single room rate subject to limitations. The single room rate should be indicated on the receipted bill. This provision is to clarify the situation for those who take members of their family to meetings or conventions. If, for example, the double occupancy rate is $33 and single rate is $28, reimbursement will be allowed for the amount of $28 provided the single room rate is shown on the receipted bill, otherwise only two-thirds (2/3) of the double occupancy rate will be allowed ($22).

**Alternate Lodging**

The use of trailers as a substitute for other lodging and meals may be authorized with the rates to be established by the department head concerned. However, authorization to use trailers will be permitted only when determined to be more advantageous to the State.

**REQUIRED RECEIPTS**

Original receipts must be attached to expense vouchers in support of the following expenses:

1. Lodging;

2. Any one meal exceeding $8 including gratuities and taxes;

3. Registration fees;

4. Airline, train or bus tickets;

5. Claims for chartered or personally rented aircraft or automobile (prior approval of Controller required); and

6. Other items exceeding $3.00.

**ORGANIZED MEETINGS, CONFERENCE, TRAINING SESSIONS, ETC.**

Expenses incurred while attending conference, seminars, conventions and training sessions must be supported by a program of literature setting forth the opening and closing dates of the events. Claims for meals and lodging incurred under this section shall be in accordance with the travel allowances set forth elsewhere in this policy. However, in many cases, registration fees entitle registrants to meals. In NO case, will reimbursement for a meal be made if the accompanying program shows that a meal is provided.

Whenever possible, the costs for a State-sponsored meetings should be billed to the State on a single invoice. Approval is required from the department head for all organized meetings, conferences, training sessions or promotional gatherings. Payment requests shall contain, as a minimum, the following information; (1) the purpose and location of the meetings; (2) a copy of the agenda; (3) the names of all consultants and participants for whom the department will make payment; and (4) the breakdown of all costs involved.

**MISCELLANEOUS**

Reimbursement of costs of items of a personal nature will not be made. Such items classified as personal include overnight bags, briefcases, desk sets, drugs, alcoholic beverages, laundry, valet service, baby sitting fees, Christmas cards and flowers. Any dispute or question concerning reimbursable expenses may be appealed to the Commissioner of Finance and Administration.

While direct sales to the State of Maine are exempt from the Maine Sales and Use Tax, State officials and employees in official travel status within the State should pay the tax levied for meals and rental charges and include the amount of tax paid on the Travel and Expense Account Voucher submitted for reimbursement. Also, sales taxes levied by other states or political subdivisions outside the State of Maine should be paid by the traveler and included on the voucher submitted for reimbursement.

Toll telephone charges made in conjunction with State business are reimbursable in full and may be claimed on expense accounts. It is recommended that employees use the Infoswitch System whenever possible to eliminate the use of the cost of telephone credit cards. The Infoswitch System is the new long Distance Control System recently installed in the Capital Complex 289 telephone system. In the future, credit cards will be issued in limited numbers by the Bureau of Public Improvements and whenever possible limited to the employee that is traveling out of state. To use the Infoswitch System for Long Distance Calls from anywhere In Maine (except the 289 system) dial

1. 1-800-322-2108

2. An operator will ask you for your I.D. number and the number to be called.

3. The call will be placed for you without making any determination as to your calling parameters.

4. Stay on the line until your call is completed or you receive a busy signal.

5. If you receive a busy signal, hang up and try again.

Telephone credit cards expire annually on January 31st, and are not automatically renewed.

Whenever employees of the State are traveling with committed or other patients, prisoners, or any person in the care or custody of such employees, necessary expenses for assistance will be allowed, but charges must be fully explained and the name of the person given.

Emergency purchases of equipment or supplies in excess of $3.00 must be supported by receipts. Any purchase over $10 must be approved by department head. The State Purchasing Agent, however, must approve purchase of all supplies and materials.

Miscellaneous expenses, not enumerated herein, when necessarily incurred by the traveler in connection with the transaction of official business, are allowed only when the necessity and nature of the expense are cleanly, fully and satisfactorily explained and the travel expense voucher is approved by the department head or his authorized agent.

Cash advances are available by properly preparing a BP-14 Form, Request for Out-of-State Travel and/or Travel Advance. To request an advance, submit a BP-14 form to the Bureau of Accounts and Control approximately ten (10) days prior to your scheduled departure in order to allow for processing and mailing. If an employee's expense voucher is not settled within fifteen (15) days of the return date, further cash advances may be refused. The State reserves the right to settle overdue cash advances by payroll deduction.

**PREPARATION OF TRAVEL VOUCHER** (Appendix 2)

The Travel and Expense Account Voucher, must be used by State officials and others to claim reimbursement for per diem salaries and all travel related expenses incurred while on official State business.

The authority to approve travel vouchers may be delegated by a department or agency head to an employee under their jurisdiction by filing a properly prepared and approved BP Form 21, Signature Authorization Card, with the Bureau of Accounts and Control. (NOTE: Department or agency heads must sign all out-of-state travel vouchers.)

Expense accounts must be rendered at least once a month. Make sure that the names and addresses are legible and that zip codes are included in all addresses. Detailed instructions relating to preparation of the travel voucher are printed on the reverse side of the standard form.

Whenever an employee's travel expenses are to be reimbursed by the Federal Government or other non-State Sponsor, only one expense account should be filed. For example, if the expense account is filed between the individual and the sponsor, then an expense report should not be filed with the State.

**JUSTIFICATION AND APPROVAL OF OUT-OF-STATE TRAVEL** (Appendix 1)

Prior approval of the Budget Office for Out-of-State travel is required when:

1. More than one person from the same agency will be traveling outside a radius of 700 miles of Augusta.

2. The travel will be outside the continental United States with the exception of neighboring cities of the Canadian Provinces within a radius of 700 miles of Augusta.

3. The cost, when added to the current year expenditures, will be in excess of the proposed expenditures approved in the budget from the same department/agency.

When one or more of the above conditions exist, a properly prepared BP Form 14, Request for Out-of-State Travel and/or Travel Advance, should be presented to the Bureau of the Budget no sooner than fifteen (15) working days not later than ten (10) working days prior to the expected departure date.

The Department or Agency Head must personally approve all vouchers for out-of-state travel. The authority for approving out-of-state travel vouchers may not be delegated. The revised Travel and Expense Account Vouchers include the following statements to be signed by the department or agency head: "I certify that the above out-of-state travel expenditures are within the specified limits." (This statement or similar wording must be added to older BP-22 forms if they are used for reimbursement of out-of-state travel.) The specified limits are defined to be budgeted expenditures for out-of-state (C&O 4300-4399).

Should the amount of the voucher exceed the specified limit, a waiver is required from the Budget Officer. Attach the related BP-14 with approval from the Budget Office to the voucher before submitting it to Accounts and Control for payment.

**PERSONNEL TRANSFER AND HIRING EXPENSES**

Whenever it shall be necessary to effect the transfer of an employee of the State, including promotion, from one official station to another by direction of the department head, said employee shall be reimbursed for reasonable and necessary moving expenses actually incurred if both of the following conditions are met:

1. The transfer is made for the convenience of the State and not for the convenience or at the request of the employee.

2. The distance from the employee's former residence to the new official station is greater than 35 miles.

A Financial Order is required as authority for payment of relocation costs to coterminous department or agency heads. Other individuals appointed to positions within the Executive Branch may be reimbursed for moving expenses provided that the prior approval is obtained from the appointing and salary setting authorities and the Budget Office. Relocation reimbursements are limited to actual direct moving costs and are limited to those situations when it is necessary to recruit a person with unique qualifications that would substantially benefit the State.

Travel expenses of persons appearing at a State Department or Agency for an interview for employment will not be reimbursed unless accompanied by prior written authorization of the department head.

STATUTORY AUTHORITY:

Title 5 Section 1541, subsection 13.

EFFECTIVE DATE:

August 23, 1979

AMENDED:

May 30, 1982

EFFECTIVE DATE (ELECTRONIC CONVERSION):

May 1, 1996

REPLACED:

August 13, 1996 - Converted version contained language never formally adopted through the A.P.A. This language was dropped, and minor non-substantive corrections were made.

AGENCY NAME CHANGE:

Occurred in 2004.