



STATE OF ALABAMA
Department of Finance
Office of the Director


State Capitol, Suite N-105
Montgomery, Alabama 36130
Telephone (334) 242-7160 Fax (334) 353-3300
www.finance.alabama.gov



Kay Ivey
Governor

Clinton Carter
State Finance Director

TO: Department and Agency Directors
Chief Fiscal Officers

FROM: State Finance Director Clinton Carter 

SUBJECT: Guidance for new travel policies – Effective July 1, 2018

DATE: June 20, 2018

After a thorough review of current travel policies and procedures, a number of changes have been made to the pre-approval and reimbursement procedures for both in-state and out-of-state travel. Pursuant to Act 2018-203, these new policies and procedures have been put into place to give Agency Directors more flexibility and oversight for official travel and to make the pre-approval and reimbursement process more user-friendly, straightforward and efficient.

Below are some of the more significant changes to the travel procedures and policies, with a full description of the new policies available in the attached draft of the travel section of the Fiscal Policies and Procedures manual (FPPM).

Out-of-State Travel & In-State “Conference”

Out-of-State Travel & qualifying In-State “Conference” Travel will now be referred to as “Actual” Reimbursement for Travel:

- Employee and non-employee travel will be now approved by the Agency Director per policies and procedures established by Finance Department, as opposed to the previous policy of approval through the Governor’s Office
- Agency Director travel will continue to be approved by the Governor’s Office per policies and procedures established by Finance Department.
- Travel to attend or assist hosting a conference or similar function of a national, regional or state organization in which the state or individual is a dues-paying member will qualify for in-state “actual” reimbursement with certification from the Agency Director.
- Agency Directors will now have the discretion to allow the traveler to arrive at the destination on the day prior to the start of an event and to depart the destination on the day following the end of the event. Agency Directors will still remain responsible for ensuring that arrival/departure days are appropriate and not abusive.

- This new rule (1 day prior, 1 day after) mirrors the Federal travel policy and will allow for necessary and sufficient time for travelers to arrive safely prior to start of their official state business.
- Further, the new rule allows for greater flexibility in scheduling airline flights and other travel accommodations.
- Travelers will now receive the daily Continental United States (CONUS) rate for meals and incidental expenses (M&IE) in accordance with federal per diem amounts.
 - Daily CONUS (M&IE) rates will vary according to destination.
 - Incidental expenses (i.e. tips related to transit, lodging and meals) will now be covered with a \$5 per day rate (included in the CONUS rate). The State will continue to reimburse actual expenses for other reasonable and necessary travel-related costs incurred during out-of-state travel and in-state travel where actual expenses are authorized.
 - Similar to federal travel rules, CONUS (M&IE) will be prorated to 75% of that location's amount for "travel days".
- Travelers will be allowed to participate in social events or outings that are included on the event agenda and for which the costs of the event are included in the registration fees.
- The Comptroller's Office and State Business Systems are in the process of redesigning the Out-of-State Travel website to allow all travel events, including qualifying in-state "conference" events, to be entered electronically for processing. All travelers will still utilize the website for pre-travel approval. The online workflows will also be amended to reflect Agency Director approval (rather than approval by the Governor's Office) for employees and non-employees. Agency Director travel will continue to be routed through the Governor's Office. Upon return, the traveler will continue to use the Out-of-State Travel website to complete their reimbursement form.
- Blanket authorizations previously approved by the Governor will be honored through the end of FY18 (September 30, 2018). All other blanket travel requests must be approved by the State Finance Director. For all approved blanket authorizations, expenses will continue to be filed on the manual travel statement after the trip is completed. This manual form may be found on the Comptroller's website.

In-State Per Diem

In-State Per Diem will now be referred to as "Per Diem":

- Current law allows the Governor to set the per diem rate at "not less than \$75 per day". The current per diem rate is \$75 per day and has not been changed since 2005.
- New Per Diem Rate effective July 1, 2018:
 - 1 night on the road → \$85 per day
Example: Leave Monday & return to base Tuesday = \$170
 - 2+ nights on the road → \$100 per day
Example: Leave Monday & return to base Wednesday = \$300

These new policies and procedures are effective July 1, 2018. Until that date, please continue to utilize the current travel authorization rules and procedures.

If you are unable to enter your travel into the Automated System or if you have additional questions about travel policies and procedures, please contact travel@comptroller.alabama.gov for assistance.

CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 5 CONTRACTS

Page 38

5-4 PERSONAL AND PROFESSIONAL SERVICES CONTRACTS

B. REQUIRED CONTRACT INFORMATION

Personal and professional service contracts must include the following information:

1. Name - to include contracting department and contractor (**contractor name must match tax identification number as it appears on the contractor's Form W-9**). A contract cannot be established with multiple vendors. A separate contract must be negotiated for each contractor.
2. Contract Number - for personal services contracts, the department is not required to assign a contract number. The department should designate "CONTRACT EMPLOYEE" in place of a contract number on the contract documents. For professional service contracts, a 9-digit contract number should be issued by the department as follows:

C _ _ _ _ _

- a. The first digit will be a "C" indicating a contract.
 - b. The second digit will be a number to designate the applicable fiscal year (8 for budget fiscal year 2018, 9 for budget fiscal year 2019, etc.)
 - c. The third through the fifth digits will be your department's agency number.
 - d. The sixth through the ninth digits will be a sequential 4-digit number assigned by the department (not required to use all 4 digits)
3. Scope of contract - what is to be done, the purpose, goal, job, etc.
 4. Term of Contract - The beginning and ending dates must be specified in the contract. The effective date of the contract must be a date that is after the date the contract is approved by the Governor. No retroactive approval will be granted.
 5. Total Contract Amount - The method of payment (hourly, bi-weekly, monthly, by the job, etc.) as well as the maximum amount to be paid must be specified in the contract. If the contract covers expenses, there should be a statement about the kind of expenses to be paid. Unless otherwise specified, travel expenses are to be paid in accordance with state regulations (see section on travel reimbursement). The contract must include a maximum amount to be paid for expenses. The contract must include the total dollar amount over which the contract may not exceed (compensation plus expenses).
 6. Termination Clause/Alternative Dispute Resolution Clause – The contract must contain a statement allowing for the termination of the contract by either party within a specified period of time. In addition, all contracts must include the following Alternative Dispute Resolution language:

In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail and the

dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama.

For any and all ~~other~~ disputes arising under the terms of this contract ~~which are not resolved by negotiation~~, the parties ~~agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center For Dispute Resolution of the Alabama State Bar.~~ ~~hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation by and through the Attorney General's Office of Administrative hearings or where appropriate, private mediators.~~

7. Merit System Exclusion Clause - The contract must contain a clause stating that the contractor is not to be considered a merit system employee and is not entitled to any benefits of the State Merit System.

CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 6 EXPENDITURES AND DISBURSEMENTS

Page 56 – 64 Delete the current information and insert the following:

6-5 PAYMENT TYPES

F. PAYMENT FOR REIMBURSEMENT OF TRAVEL EXPENSES

This section details the policies and procedures for the pre-approval and reimbursement of travel expenses of persons traveling on official business for the state or any of its departments, institutions, boards, bureaus, commissions, councils, committees, or other like agencies. Travel approvals and reimbursements shall be on the basis of in-state per diem or actual and necessary incurred expenses for qualifying in-state travel and all out-of-state travel. Guidance for in-state per diem travel may be found in Section 1 below. Actual and necessary reimbursements are allowed only for out of state travel and qualifying in-state travel in keeping with the policies and procedures detailed below in Section 2.

1. IN-STATE PER DIEM TRAVEL

Employees who travel in state should submit travel vouchers to the department as soon as possible after travel concludes. Expenses should be itemized on an in-state travel Form FRMS-6. The expense form must be signed by the traveler by either original or acceptable electronic signature. If the signature is not legible, the traveler must print their name below the signature. The Comptroller's Office requires that the points of travel be shown for reimbursement of mileage. The points of travel must be notated as the city. In addition, the hour of departure from and the hour of return to base should be shown on the travel expense form, ONLY when the employee is away from base for six hours or more and is entitled to per diem. These times should be notated in the standard time format, not military time. For travel related expenses, your base is defined as a city or town. Emergency and necessary expenditures incurred in connection with travel require supporting documentation and should be held to a minimum. Any expenses not related to travel should be submitted on a General Reimbursement Form and not on a travel form that is processed through payroll.

a. Per Diem Allowance and Providing Meals with Public Funds

Alabama law gives authority to the Governor to fix the amount allowable to a person traveling in-state in service of the state at not less than \$75 per day. Code of Alabama § 36-7-20(a).

The current allowance for overnight per diem is \$85.00 or \$100.00 per day, depending on the length of the trip. For travel requiring one overnight stay, the traveler will be paid \$85.00 per day. For travel requiring stays of two or more nights, the traveler will be paid \$100.00 per day.

The term overnight, as used in Code of Alabama § 36-7-20, as amended, will be given its plain meaning. The common law meaning of night usually means the period between sunset and sunrise. "Overnight" means that a period of rest is needed to meet the demands of work while away from home. Employees within reasonable travel distance from their home or base are expected to return to their home or base. For travel related expenses, your base is defined as a city or town.

The per diem is not to be paid to an employee stationed at the same place in the State for a period in excess of two consecutive months. After two consecutive months, the per diem is reduced to \$75.00 per day (75% of daily rate for trips lasting two nights/three days or longer). The per diem includes all charges for meals, lodging, fees, and tips. Attorney General's Opinion issued September 8, 1952, vol. 68, p.63.

Under no circumstances will an employee be paid an overnight travel allowance at the official station or base or primary residence. For travel related expenses, your base is defined as a city or town. If state business requires the traveler to be away from the base or official station on weekends or holidays, the traveler will be entitled to reimbursement for travel for those days.

If the individual's travel is interrupted for personal convenience or through the taking of leave, the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel. This has been interpreted by the Attorney General as applying to mileage and per diem. AG Opinion 89-00371. The mileage claimed can only be the amount claimed had the traveler left and returned to their base.

No travel allowance shall be paid for a trip of less than six hours' duration. For travel that does not require an overnight stay, the traveler shall be paid a meal allowance of \$12.75 (15% of the regular per diem rate of \$85.00) for a trip of six to twelve hours' duration. For travel in excess of twelve hours' duration, the traveler shall be paid \$34.00, which represents one meal allowance and one-fourth of the per diem allowance.

No meal allowance will be paid if the traveler remains in the city where his/her home or base is located. For travel related expenses, your base is defined as a city or town.

The general rule is that the State may not purchase meals for state employees using public funds. However, there are limited exceptions to the general rule. The state may provide meals when an employee is required to attend training sessions, seminars, or other like group functions or when an employee is required to remain at their duty station to prepare for or respond to an emergency event. Code of Alabama 36-7-20(e); AG Opinion 2014-054. Public funds may also be used to pay for meals and refreshments served at a business meeting when the meeting lasts all day and the participants work through lunch. AG Opinion 2014-072. Food may be provided for shorter meetings when the employee would otherwise be entitled to a per diem allowance. AG Opinion 2014-072. If a meal is provided, the state employee may not claim a meal allowance and the cost of the meals and refreshments provided throughout the day may not exceed the amount allowable to an individual employee for in-state travel. AG Opinions 88-00340; 2001-168. For questions regarding when these specific, limited exceptions might apply, please contact the Department of Finance, Legal Division at (334) 242-4220.

b. Reimbursement for Mileage Expenses

Effective January 1, 2018, persons traveling on official business for the state or any of its departments, institutions, boards, bureaus, commissions, councils, committees, or other like agencies in privately owned vehicles shall receive \$.545 per mile in lieu of their actual expenses for transportation. Officers and employees of the state are entitled to mileage allowance from their base to destination and return or for miles actually traveled from home to destination and return, whichever is less. For travel-related expenses, your base is defined as a city or town.

Mileage is to be reported in whole miles, rounded to the nearest whole number. To calculate the amount to be reimbursed, all mileage listed on the in-state travel form must be totaled and then multiplied by the applicable rate. The reimbursement rate for mileage expenses is equal to the mileage rate allowed by the Internal Revenue Code for income tax deductions. Employees based in the city of Montgomery are required to use State Motor Pool vehicles rather than privately owned vehicles. Reimbursement for mileage will not be paid unless the employee has a "for cause" exemption approved by the Director of State Motor Pool or a certification from the State Motor Pool that no motor pool car was available for use. A copy of the applicable document should be submitted with the travel claim. An exception applies when

the traveler will be away from his base a maximum of 50 miles (one-way). In this case, it is not necessary to obtain a State Motor Pool exemption.

An employee who is either called in after hours or required to work on scheduled off days, due to an emergency or other exceptional duty, is entitled to reimbursement for necessary mileage incurred in the performance of that duty. AG Opinion 81-00345. When this occurs, it should be notated on the travel form so that it is verified that only "allowable" commute miles are being claimed.

If the individual's travel is interrupted for personal convenience or through the taking of leave, the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel. This has been interpreted by the Attorney General as applying to mileage and per diem. AG Opinion 89-00371. The mileage claimed can only be the amount claimed had the traveler left and returned to their base.

Note: Any motor pool exemptions will need to be resubmitted and approved by the Director of State Motor Pool for the time frame of one fiscal year (October 1 – September 30), and should be limited in scope.

c. Required Receipts

Receipts and/or proof of payment are required to support the following expenses, except when the disclosure of the identity of the traveler would be detrimental to the State's interest:

Registration fees - include itemized breakdown, if applicable.

Operating expenses of state-owned vehicles, such as gasoline and oil, emergency repairs or expenses of these vehicles, such as punctures, parts, etc. Receipts for repairs must be itemized and conform to the requirements of Purchasing (Section 6-5, B). The State tag number must also be referenced on the receipt.

Travel related fees such as parking, toll and/or taxi fees with notation of "to" and "from".

Miscellaneous expenses. Receipts must be itemized and conform to the requirements of Purchasing (Section 6-5, B).

d. Travel Document Corrections

1. Correct Travel Errors Before Payroll Pick Up

If an in-state travel document (GAXT1) has been finalized and it has been verified with the Comptroller's Office that Payroll has not captured the travel file yet, the document in STAARS can be edited to create a modified version of the original document. The necessary changes can be made to the document and resubmitted to the Comptroller's Office for processing. It is very important to contact the Accounts Payable section directly so the modified payment document can be processed with the same payroll file as the original, incorrect document.

2. Correct Travel Errors After Payroll Pick Up

- a. If a duplicate travel document was paid or if a traveler was overpaid for travel expense, a negative in-state travel document should be created in STAARS. This allows the overpayment to process through payroll to include any necessary tax effects that may be related.
- b. If an in-state travel document was finalized using an incorrect object code, the correction will need to be made on a new GAXT1 document. This allows the

transaction to process through payroll to include any necessary tax effects that may be related.

2. TRAVEL QUALIFYING FOR ACTUAL AND NECESSARY EXPENSE REIMBURSEMENT – IN-STATE AND OUT-OF-STATE

a. General Guidance

The guiding principle behind the policies and procedures governing travel is to travel responsibly. The word “responsibly” means that the traveler exercises the same care in incurring expenses for travel in service of the state that a prudent person would exercise if traveling at personal expense.

Traveler Responsibility. An individual traveling in service of the state is responsible for 1) obtaining authorization and any required certifications from the head of his or her agency prior to traveling; 2) incurring only those costs that are reasonable and necessary for carrying out service to the state; and 3) seeking reimbursement for qualifying expenses in accordance with the procedures outlined below. A traveler must submit a request for reimbursement within ninety (90) days of the conclusion of travel.

Agency Head Responsibility. Agency heads are expected to exercise good judgment and sound fiscal policy when approving travel. The traveler’s agency head must authorize, in writing, any travel for which a traveler intends to seek reimbursement from the state. The written authorization must contain the agency head’s certification that the traveler’s estimated reimbursable travel expenses have been reviewed and approved by the agency head as being necessary. Additionally, for in-state travel where actual expenses are authorized, the agency head must certify 1) that the person is traveling in service of the state for the purpose of attending or assisting in hosting a convention, conference, seminar, or other meeting of a state, regional or national organization; and 2) the State of Alabama or person traveling is a dues-paying member of the state, regional, or national organization and has documentation of membership on file.

Travel by agency heads will continue to require the Governor’s approval prior to departure. Other persons will seek pre-approval from their agency head following the policies and procedures outlined below.

The Agency Head shall be responsible for recovering public funds paid to a traveler in the event 1) duplicate expenses are claimed and reimbursed; or 2) expenses are claimed as personal, but the State was billed directly. Should the Agency Head be unable to recover funds owed to the State, he or she shall immediately notify the Comptroller and the Attorney General so that appropriate legal action may be instituted to recover public funds owed under this chapter.

OOS Website. The out-of-state travel website (oos.alabama.gov) will be utilized for all travel pre-authorizations and reimbursement requests, with the exception of in-state per diem travel. Agency heads will use the website for pre-authorization of travel and for all certifications or justifications that might be required before and after official travel. Individuals must utilize the website for all travel pre-authorizations and post-travel reimbursement requests relating to reimbursement of actual and necessary expenses, whether for in-state or out of state travel events.

Deviations from Pre-Authorized Travel. There are situations beyond a traveler’s control which may cause the amount of actual expenses to exceed the amount of pre-authorized travel expenses. For example, a flight may be delayed or canceled, requiring a traveler to return to base a day later than expected and causing the traveler to incur additional travel expenses, such as an extra night in a hotel. In order for such unforeseen expenses to be reimbursed, a traveler should provide receipts along with an explanation

of the circumstances when submitting a request for reimbursement. Additionally, the agency head should certify the increased expense as necessary.

b. Guidance for In-State Travel for Actual and Necessary Reimbursement

In-state travel for reimbursement of actual and necessary expenses is authorized in § 36-7-21 Code of Alabama 1975, as amended, which states:

"Persons traveling in the service of the state or any of its departments, institutions, boards, bureaus, commissions, councils, committees or other agencies...within the State of Alabama for purposes of attending or assisting in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization of which the state or individual is a dues-paying member that is held within the state shall be allowed all of their actual and necessary expenses in addition to the actual expenses for transportation. In-state travel authorized under this section is subject to the same documentation requirements as out-of-state travel."

The law was amended by Act 2018-203 which requires the head of the traveler's agency, not the Governor as under the previous law, to authorize any travel for which a traveler intends to seek reimbursement from the state before the traveler's departure. The traveler's agency head must also certify that the person is traveling in service of the state to 1) attend or assist in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization 2) of which the State or traveler is a dues-paying member and has documentation of membership on file.

c. Travel Authorization for In-State Actual and Out-of-State

Act 2018-203 amended Alabama Code § 36-7-21 to require agency heads to approve all travel for which a traveler intends to seek reimbursement from the state prior to the traveler's departure.

Travel by agency heads will continue to require the Governor's approval prior to departure. Other persons will seek pre-approval from their agency head following the policies and procedures outlined below.

For in-state travel to attend or assist hosting a national, regional, or state organization conference or similar function, in addition to the above requirements, an agency head must certify that the person is traveling in service of the state to 1) attend or assist in hosting a convention, conference, seminar, or other meeting of a state, regional, or national organization 2) of which the State or traveler is a dues-paying member and has documentation of membership on file.

Individuals traveling out-of-state in service of the state or in-state to attend or assist hosting a national, regional, or state conference will utilize the out-of-state travel website (oos.alabama.gov) to request agency head pre-authorization. Agency heads will utilize the website to review and approve travel requests and provide any required certifications.

Any existing travel exemptions (excluding motor pool exemptions) must be resubmitted and approved by the Finance Director for the time frame of one fiscal year (October 1 – September 30), and should be limited in scope.

d. Travel Expenses for In-State Actual and Out-of-State

Individuals traveling out-of-state in service of the state or in-state to attend or assist hosting a national, regional, or state conference will utilize the out-of-state travel website (oos.alabama.gov) to submit reimbursement requests. Requests for reimbursement should include all required forms, receipts,

itineraries and other required documentation. The electronic request and reimbursement forms can be accessed at oos.alabama.gov. These forms, receipts, itinerary and any other attachments to the payment request should be audited by the employee's department before submission to the Comptroller's Office. Agency heads will utilize the website to review and approve travel requests and provide any required certifications.

Meals and Incidental Expenses. Individuals traveling under this section will receive a daily per diem for meals and incidental expenses (M&IE) based upon the location (city) of duty in an amount that corresponds with the U.S. General Services Administration M&IE per diem rates for the continental United States ("CONUS"). Current per diem rates can be found at <https://www.gsa.gov/travel/plan-book/per-diem-rates>. Per diem is a flat-rate allowance intended to cover costs for meals and incidental expenses. A traveler will not be required to submit receipts for these items, nor will they be allowed to claim any extra expense related to them. A traveler will receive per diem, as outlined above, regardless of actual expenses.

Incidental expenses include tips and service charges related to lodging, baggage, and transportation.

On travel days, the traveler will be entitled to per diem for M&IE at a rate of seventy-five percent (75%) the daily rate. For all other days for which the individual is traveling, full per diem for M&IE will be paid. M&IE will not be paid for personal days.

Travel-related expenses other than meals and incidental expenses require a receipt for reimbursement of actual expenses.

Departure and Return. An individual traveling under this section will be allowed to depart home base one day before the event for which the individual is traveling begins and return to home base one day after the event concludes, regardless of the event start time or end time if it is determined by the agency head to be necessary. Agency heads are expected to exercise good judgment and sound fiscal policy when approving travel departure and return dates. The Comptroller's office may require written justification in cases where departure and return dates appear excessive.

Social Events & Activities. Individuals traveling under this section will be allowed to participate in social events or activities that are part of the event for which the individual is traveling (i.e. a conference sightseeing activity) so long as the cost of the social event or activity is included in the overall cost of the conference (i.e. registration fee). The State will not pay additional fees for a traveler to attend such events. Additionally, if the social event or activity requires additional time away from home base that would not occur but for the social event or activity, the travel pre-approval must include written justification from the agency head.

Baggage. For travel under this section, the state will reimburse baggage fees charged by commercial carriers based upon the duration of travel. For trips that last two nights/three days, the state will reimburse a traveler the actual cost for one checked bag. For trips that last three nights/four days to six nights/seven days, the state will reimburse a traveler the actual cost for two checked bags. For trips that last longer than seven days, the state will reimburse a traveler the actual cost for two checked bags plus the actual cost of laundry service.

A traveler will be required to submit receipts for the cost of checked baggage and laundry service, if applicable, to be reimbursed.

If a traveler is entitled to reimbursement for two checked bags (i.e. if a trip lasts three nights/four days or longer), but instead chooses to check one overweight bag, the state will reimburse the actual cost of the overweight fee provided that it does not exceed the cost of checking a second bag. Receipts for the cost of overweight baggage are required for reimbursement.

Tips for skycaps or baggage handlers are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Transportation. The traveler is responsible for selecting the mode of transportation, preferably the least costly to the State, and obtaining approval from agency head. The traveler is entitled to reimbursement for actual and necessary expenses incurred based on the authorized mode of transportation. Below are policies and procedures regarding transportation. If a travel scenario exists that is not specifically addressed in the following policies and procedures, agency heads will use discretion in deciding whether to approve a mode of transportation considering the best interest of the state and sound fiscal judgment.

For short distance travel (i.e. less than 8 hours travel time via vehicle), the order of preference for mode of transportation is 1) an agency-owned vehicle; 2) state motor pool vehicle; and 3) the traveler's personal vehicle. Commercial airfare may be utilized for long distance trips. Personal vehicles may be utilized for long distance trips only if the mileage cost for the trip is less than the cost of a round-trip commercial airline ticket or motor pool costs to the travel destination.

An agency head may pre-approve up to \$150 for a traveler to utilize local transit such as taxi or subway service while at the travel location. A traveler must submit receipts for local transit in order to qualify for reimbursement. A traveler who spends more than \$150 on local transportation may be reimbursed for actual expenses in excess of \$150 by providing receipts and additional written justification for the local transit in excess of the pre-approved amount.

If a traveler has an agency-owned vehicle, a motor pool vehicle, or a personal vehicle at the travel site, the traveler may still be authorized by the agency head to utilize local transit during the travel provided that the use of local transit is work-related, reasonable and not excessive. For example, going to dinner while in travel status or to an off-site conference-sponsored event will qualify for reimbursement; going to a nightclub, bar, or sightseeing will not qualify for reimbursement. In cases that qualify for reimbursement, a traveler will be expected to provide an explanation for the expenditure, provide receipts, and will be reimbursed for actual expenses incurred. This is intended to provide flexibility to travelers who are working in a location where driving or parking is particularly difficult or onerous.

The State will reimburse reasonable parking fees. An agency head should only authorize self-parking unless valet parking is 1) the only option available; or 2) no more costly than self-parking; 3) medical, safety or other reasons justify paying for alternative parking options. If other than self-parking is authorized, the reimbursement should contain an explanation and justification for incurring a greater expense for parking.

Tips related to transportation (shuttle, UBER, taxi) are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Mileage Expenses. Reimbursement for mileage expenses for persons traveling in privately owned vehicles is covered by Code of Alabama § 36-7-22, as amended. Effective January 1, 2018, the mileage reimbursement rate is \$.545 per mile. The approved electronic map with mileage calculation must be attached. Mileage reimbursement must be approved by the agency head on the Request for Out of State Travel. Employees who are authorized to travel in either a State or privately-owned vehicle shall be reimbursed for the amount of parking paid while on travel status. Attorney General's Opinion issued September 8, 1952.

Mileage is to be reported in whole miles. The total number of miles is to be calculated and then multiplied by the current mileage rate for the entire travel statement.

Lodging. A traveler should stay at the hotel that is hosting the conference or event for which travel occurred and obtain the government or conference lodging rate. A traveler may choose a less-expensive hotel provided that the choice of hotel will not substantially increase transportation costs. Incurring lodging costs that exceed the conference or government rate must be justified in writing and approved by the agency head prior to travel.

Tips for bellhop and maid services are included in per diem for M&IE and will not be reimbursed as a travel-related expense.

Annual Leave or Personal Time Before or After an Official Travel Event. Individuals traveling under this section may desire to take annual leave or personal time before or after official travel. In such cases, the State will reimburse a traveler for costs incurred as if the personal time were not included. For example, a traveler attends a conference in service of the state in Scottsdale, Arizona. The conference begins on Monday and concludes on Friday. The traveler desires to spend the weekend sightseeing in Scottsdale, and returns to Montgomery on Sunday. The State will reimburse the traveler the lesser of 1) actual costs of airfare; or 2) for the cost of a round-trip airline ticket as if the traveler departed on Sunday before the conference and returned to Montgomery on Saturday following the conference. The traveler will not be entitled to reimbursement for any expenses incurred following the official travel day. In the hypothetical involving travel to Scottsdale, the traveler would be entitled to reimbursement for lodging costs on Friday night, and partial per diem for Saturday (the official return travel day), but no other expenses would be reimbursed.

Receipts Required. Receipts will be required for the following expenditures, except where the disclosure of the identity of the traveler would be detrimental to the State's interest:

Commercial transportation (economy fare), vehicle rental (the State does not pay for rental insurance), and gasoline purchases.

Motel / hotel lodging (single rate only).

Registration fees with itemized breakdown.

Operating expenses of state-owned vehicles, such as gasoline, oil, and emergency repairs. Repairs must be itemized and conform to Purchasing requirements (Section 6-5, B).

Travel related fees such as parking, toll and/or taxi fees and miscellaneous expenses. Receipts must be itemized. Taxi fees should be shared whenever possible during an event. Miscellaneous expenses must conform to Purchasing requirements (Section 6-5, B).

Completing and Assembling the Payment Request. The Comptroller's Office requires that the hour of departure from and the hour of return to base be shown on the itemized travel form for audit purposes. The approved travel request, pre-authorization, and any required receipts should be attached to requests for reimbursement. If the official travel is attendance at a conference or other planned event, attach a copy of the itinerary. All pre-approval travel requests should be submitted via oos.alabama.gov and reimbursement requests should utilize the form generated by OOS.

CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

CHAPTER 6 EXPENDITURES AND DISBURSEMENTS

Page 69

6-5 PAYMENT TYPES

J. REIMBURSEMENT FOR EMPLOYEE MOVING EXPENSES

A permanent employee that moves from one community to another within the state, at the request of the department, is entitled to reimbursement for actual moving expenses incurred in moving household goods, not to exceed \$1,250. Reimbursement will not be allowed when the transfer is made at the request of the employee (*Code of Alabama 1975, §36-7-40, as amended*). The State cannot be held liable for any damages to persons or property that may result from the moving of household goods (*Code of Alabama 1975, §36-7-42, as amended*).

No travel expense (per diem, mileage, or meals) may be claimed as moving expense. Transfers can only be for full-time permanent departmental employees and does not apply for transfers between state agencies. Only reimbursement for moving expenses of household goods will be paid to the employee. Household goods are generally considered to be the contents of a dwelling other than fixtures. It includes articles commonly used by a household. If an employee moves a mobile home rather than household goods, the employee may be reimbursed. However, the employee will not be reimbursed for the cost of disconnection or reconnection of any utility service or plumbing, anchoring, tying down, or leveling of the mobile home. When processing the payment request a copy of the transfer orders, signed by the department head, and the paid receipt for moving expenses must be attached.

The department head is authorized to establish rules to determine the eligibility of the employee for reimbursement of actual moving expenses and amount to be paid, not to exceed the amount permitted under *Code of Alabama 1975, §36-7-40*. Such rules may be amended or changed at the discretion of the department head in keeping with the needs of the department. Reimbursement may be made upon approval of the department head after submission of documented expenses by the employee, as required by departmental rules (*Code of Alabama 1975, §36-7-41, as amended*).

K. REIMBURSEMENT OF EMPLOYEE TRAINING AND RELATED EXPENSES PAYMENT FOR PROFESSIONAL LICENSES, CERTIFICATION, TRAINING, AND MEMBERSHIP DUES

~~The expense of successfully completed continuing education courses, books, and/or supplies may be reimbursed by the State. Only those courses providing job-related training that directly benefits the employee in the performance of current duties will be approved. Tuition fees for college-level courses will not be reimbursed. Employees will not be reimbursed for the cost of "cram" refresher or review courses to enhance professional credentials (e.g., State Bar, CPA, EDP, CLU). Under no circumstances will the State pay for examination (testing) fees applicable to professional certification.~~

Under certain circumstances, a Department, Board, Commission, or Agency may pay or reimburse employees for the cost of a professional license, certification, training, or organization membership. If licensure, certification, or organization membership is required for an employee to carry out his or her duties, the State will pay or reimburse an employee for such expenditures. One example is the cost of an attorney's license and membership dues with the Alabama State Bar Association because both are required to carry out the duties of a full-time attorney employed by the State. Another example is when a

commercial driver license (CDL) is a job requirement, the State will pay the cost for obtaining a CDL, including the cost of examination, and subsequent CDL renewal fees above and beyond the cost of a non-commercial driver license. These are just two examples; there may be other scenarios that meet the criteria. Training that is eligible for payment or reimbursement includes, but is not limited to, continuing professional education required to maintain a professional license or certification that is required for an employee's job duties.

If a professional license, certification, training, membership dues, or other related expenses are desired, but not required for an employee to carry out the duties of his or her job, a Department, Board, or Agency may pay or reimburse an employee for such expenses if the following criteria are met: 1) the expenditure is necessary, related, or beneficial to the employee's duties; and 2) the agency has determined, based on the individual facts related to the employee and the specific expenditure, that the expenditure serves a public purpose. In other words, the expenditure must benefit both the employee and the employing Department, Board, Commission, or Agency. Training leading to certification may qualify. For example, in one instance, an agency properly paid for an employee to attend training on two areas of the Certified Public Accountant examination, and both areas—accounting practice and business law—directly related to the employee's official duties, thus benefiting the agency. AG Opinion No. 82-00183.

Absent express legal authority, a Department, Board, Commission, or Agency may not pay for an employee to pursue higher education (i.e. no tuition reimbursement or tuition assistance programs); for the examination or fees associated with obtaining a professional certification; or for review or refresher courses that do not constitute training as outlined in the preceding paragraph.

In order for the Comptroller to approve payments outlined in this section, written certification is required from the Director or Head of an Agency detailing how the expenditure or reimbursement is necessary, related, or beneficial to the employee's duties and how it serves a public purpose.

For questions relating to specific scenarios within your agency, please contact the Department of Finance, Legal Division, at (334) 242-4220.

L. PAYMENTS TO CONTRACTORS FOR PROFESSIONAL SERVICES

The department will receive an invoice for payment of a contract for professional services. The department should audit the vendor invoice and make corrections on the face of the invoice, where necessary. A vendor invoice correction form is not required. Similar to payment of a purchase order, the document must include the contract delivery order number on the payment request to liquidate the encumbrance established for that contract.

Chapter 5, Contracts, of this manual includes the requirements for approval and establishment of a professional service contract by the Comptroller's Office. The contractor must be established as a vendor on the vendor database in order for the contract to be established and payment to be made.