

<b>HUMAN RESOURCES MEMORANDUM 16-022</b>		DATE ISSUED: 10/4/2016
SUBJECT: <b>Travel/Relocation Programs – Business, Travel, and Relocation Policy and Reimbursements for Employees in BU 2, 7, 9, and all Excluded Employees</b>		REFERENCE: PML 2016-010
TO: DGS Managers, Supervisors, Accounting Officers, Budget Officers, Travel Coordinators, Personnel Liaisons, and Attendance Clerks		SUPERCEDES:

**PLEASE ENSURE THAT THIS INFORMATION IS SHARED WITH YOUR EMPLOYEES**

**Purpose** Effective September 13, 2016, this HR memorandum establishes and announces state business, travel and relocation expense reimbursement rates and policies for employees represented by Bargaining Units (BU) 2, 7, and 9.

**Excluded Employees** For all Excluded employees, the rates and policies in this memo have an effective date of July 1, 2016.

**BU with existing MOU** For those BUs with an existing Memoranda of Understanding (MOU), if the MOU contains state business, travel and relocation language that is in conflict with this memo, the MOU language shall be controlling.

**Personal Vehicle Mileage** The personal vehicle mileage reimbursement rate will continue to be tied to the most current Federal Standard Mileage Reimbursement (FSMR) rates for all employees.

**Business and Travel Policy** Each state agency shall determine the necessity for and the mode of travel to be reimbursed. In accordance with CalHR policy, reimbursement shall be for actual, necessary, and appropriate business and travel expenses incurred fifty (50) miles or more from home and headquarters. Lodging and/or meals included in hotel expenses, conference and registration fees, transportation costs such as airline tickets, or otherwise provided shall not be claimed for reimbursement. Employees who are unable to consume meal(s) provided by the state as noted above due to time constraints or other considerations, such as reasonable accommodation, may be reimbursed in accordance with the rates established in policy, provided an alternate meal was purchased. Snacks and continental breakfasts such as rolls, juice, and coffee are not considered to be meals.

**Meals / Incidentals** Meals/Incidentals Reimbursement Rate:

Type	Reimbursement Rate
Breakfast	Up to \$7.00
Lunch	Up to \$11.00
Dinner	Up to \$23.00
Incidentals	Up to \$5.00

Meals/Incidentals Reimbursement Policy:

Employees must maintain meal receipts to substantiate the amounts claimed were not in excess of the amount of the actual expense.

CalHR must comply with current IRS policy. The IRS currently defines an “incidental” as fees and tips given to porters, baggage carriers, hotel staff, and staff on ships. Expenses for laundry, cleaning and pressing of clothing, taxicab fares, lodging taxes or the cost of telegrams or telephone calls may not be claimed as an incidental.

For travel lasting 24 hours or more, employees may claim meals (at the rates noted above), based on the following timeframes:

- First day of travel:
  - Trip begins at or before 6 am – Breakfast may be claimed
  - Trip begins at or before 11 am – Lunch may be claimed
  - Trip begins at or before 5 pm – Dinner may be claimed
- Continuing travel after 24 hours:
  - Trip ends at or after 8 am – Breakfast may be claimed
  - Trip ends at or after 2 pm – Lunch may be claimed
  - Trip ends at or after 7 pm – Dinner may be claimed
- Fractional day travel (trips less than 24 hours):
  - Trip begins at or before 6 am and ends at or after 9 am – Breakfast may be claimed
  - Trip begins at or before 4 pm and ends at or after 7 pm – Dinner may be claimed
  - If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any twenty-four (24) hour period.
  - Employees may not claim lunch or incidentals on one-day trips.
  - When trips are less than 24 hours and there is no overnight stay, meals claimed are taxable.

**Lodging  
Reimbursement  
Rates / Policy**

Lodging Reimbursement Rates:

<b>County</b>	<b>Max. Lodging Reimbursement Rate</b>
All counties except those listed below	\$90.00
Sacramento, Napa, Riverside	\$95.00
Marin	\$110.00
Los Angeles, Orange, Ventura & Edwards AFB, less the city of Santa Monica	\$120.00
San Diego, Monterey County	\$125.00
Alameda, San Mateo, Santa Clara	\$140.00
City of Santa Monica	\$150.00
San Francisco	\$250.00

Lodging Reimbursement Policy:

When employees are required to obtain lodging due to state business, reimbursement will be for actual receipted lodging plus applicable mandatory taxes and fees, in accordance with policy and the published lodging maximums. Employees shall only use commercial lodging establishments such as a hotels, motels, bed and breakfast inns, or public campgrounds that cater to the general public. Lodging will not be reimbursed without a valid receipt.

Reimbursement of lodging expenses in excess of specified amounts, excluding taxes, requires advance written approval from CalHR. CalHR may delegate approval authority to departmental Appointing Powers or increase the lodging maximum rate for the geographical area and period of time deemed necessary to meet the needs of the state. Employee may not claim lodging, meal, or incidental expenses within 50 miles of his/her home or headquarters.

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## **Long-term Travel**

Actual expenses for long-term meals and lodging substantiated by a receipt will be reimbursed when the employee, who at the onset of the assignment knows that he/she will be away from the home or headquarters area more than 30 days but less than one year, incurs expenses in one location comparable to those arising from the use of establishments catering to the long-term visitor.

- Full Long-term Travel - In order to qualify for full long-term travel reimbursement, the employee on long-term field assignment must meet the following criteria:
  - The employee continues to maintain a permanent residence at the primary headquarters, and
  - The permanent residence is occupied by the employee's dependents, or
  - The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.
  
- Employees on full long-term travel who live at the long-term location may claim either:
  - Reimbursement for actual individual expense, substantiated by receipts, for lodging, water, sewer, gas and electricity, up to a maximum of \$1,130 per calendar month while on long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of twelve (12) to twenty-four (24) hours and up to \$5 for actual meals and incidentals for each period of less than twelve (12) hours at the long-term location, or
  - Long-term subsistence rates of \$24 for actual meals and incidentals and \$24 for receipted lodging for travel of twelve (12) hours up to twenty-four (24) hours; either \$24 for actual meals or \$24 for receipted lodging for travel less than twelve (12) hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to the long-term visitor.

An employee on long-term assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of twelve (12) hours up to twenty-four (24) hours at the long-term location; either \$12 for actual meals or \$12 for receipted lodging for travel less than twelve (12) hours at the long-term location.

Employees, with their supervisor's approval, will receive full per diem for Friday, if, after completing their work shift, they remain at the job or LTA location past the Friday twelve (12)-hour clock period of time. Those staying overnight shall not receive any additional per diem regardless of the Saturday departure time. An employee returning to the temporary residence on Sunday will receive full per diem. This does not change policy regarding the per diem clock which starts at the beginning of the work shift on Monday. If the normal workweek is other than as stated above, the same principle applies.

CalHR policy regarding an employee leaving the LTA location on personal business is as follows:

- The reference to leaving the LTA location for personal business and not claiming per diem or transportation expenses assumes that the employee stays overnight at a location other than the long-term accommodations.

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**Out-of-State  
Travel Policy**

For short-term out-of-state travel, reimbursement will be for actual lodging, supported by a receipt. Reimbursement will be for actual meal and incidental expenses in accordance with the in-state meal and incidental rates. If lodging costs exceed ninety dollars (\$90) per night, employees must first obtain and submit three (3) quotes in an effort to obtain the lowest cost lodging. Employee may choose any of the three establishments; however, reimbursement will be limited to the lowest of the three (3) quotes. Failure to furnish either quotes or lodging receipts will limit reimbursement to in-state meal/incidental rates. Long-term out-of-state travel will be reimbursed in accordance with the provisions of long-term travel.

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**Out-of-Country  
Travel Policy**

Reimbursement for short-term out-of-country travel shall be for actual lodging, substantiated by a receipt. Reimbursement for actual meals and incidentals shall be up to the maximums published in column (B) of the Maximum Travel per Diem Allowances for Foreign Areas, section 925, U.S. Department of State Standardized Regulations and the meal/incidental breakdown in Federal Travel Regulation Chapter 301, Travel Allowances, Appendix B.

Long-term out-of-country travel will be reimbursed in accordance with the provisions of long-term travel, or as determined by CalHR.

Subsistence shall be paid in accordance with procedures prescribed by CalHR. Employees shall be responsible for maintaining receipts for their actual meal expenses.

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**Transportation  
Reimbursement  
Rates / Policy**

Each state agency shall determine the necessity for travel, and the mode of travel to be reimbursed. Transportation shall be accomplished and reimbursed in accordance with the best interest of the state. Employees using an approved alternate method of transportation will be reimbursed only for the method that is in the best interest of the state. Transportation expenses include, but are not limited to: mileage reimbursement, bus/taxi fares, rental cars, parking, airplane, train, and tolls reasonably and necessarily incurred while conducting state business.

Transportation Reimbursement Rates:

Type	Reimbursement Rate Per Mile
Personal Vehicle (Approved business / travel expense)	\$0.54
Personal Vehicle (State-approved relocation)	\$0.19
Private Aircraft	\$1.29

Personal Vehicle Mileage Reimbursement Policy:

When the Appointing Power or designee authorizes employees to operate a privately owned vehicle on state business, reimbursement will be made at the Federal Standard Mileage Rate (FSMR). Mileage reimbursement expenses cover the maintenance and use of the vehicle, including but not limited to: gasoline, up-keep, wear and tear, tires, all insurance including liability, collision and comprehensive coverage, breakdowns, towing and any repairs, and any additional personal expenses that may be incurred by employees as a result of mechanical breakdown or collision.

- When an employee is required to report to an alternate work location, the employee may be reimbursed for the number of miles driven in excess of his/her normal commute to work.
- Mileage to/from a Common Carrier – When the employee's use of a privately owned

vehicle is authorized for travel to or from a common carrier terminal, and the employee's vehicle is not parked at the terminal during the period of absence, the employee may claim double the number of miles between the terminal and the employee's headquarters or residence, whichever is less, while the employee occupies the vehicle. Exception to "whichever is less": if the employee begins travel one hour or more before he normally leaves his home, or on a regularly scheduled day off, mileage may be computed from his/her residence.

Private Aircraft Mileage Reimbursement Policy:

When an employee is authorized by his/her department, reimbursement for the use of the employee's privately owned aircraft on state business shall be, effective July 1, 2016, made at the rate of \$1.29 per statute mile. Pilot qualifications and insurance requirements will be maintained in accordance with CalHR regulations 599.628.1 (Excluded employees) and 599.628 (Represented employees) as well as applicable policy and procedures published by the [Department of General Services' Office of Risk and Insurance Management](#).

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**Moving and Relocation Policies**

Whenever an employee is reasonably required by the state to change his/her place of residence, the state shall reimburse the employee for approved items in accordance with the lodging, meal, and incidental rates and time frames established via CalHR's annual reimbursement rate administrative policy PML.

Unless otherwise specifically noted in an employee's MOU, existing CalHR Excluded employee moving and relocation rules shall be used to determine the requirements, time frames and administrative policy for determining the reimbursement of employee moving and relocation expenses.

For new-hires to state service, the provisions of CalHR regulations 599.723.1 (Excluded employees) and 599.723 (Represented employees) shall remain in effect with the exception of the following:

- CalHR delegates to departmental Appointing Powers the authority to reimburse a maximum of 30 days of temporary lodging and meals at the new headquarters location, limited to the conditions, maximums and receipt requirements set forth in CalHR Travel Reimbursement policy. Up to 14 of the 30 days may be used for pre-move house hunting at the new headquarters location, reimbursable after the report date. Reimbursement for up to \$200 of receipted expenses for installation, connection, or assembly of appliances, antennas or utilities that are related to the establishment of the new household. Deposits are not reimbursable.

Advance approval of the employing Appointing Power and the Department of Finance is still required for any reimbursement or combination of reimbursements that exceeds \$1,000. Claims for reimbursement of relocation expenses for new-hires to state service must be submitted no later than 6 months from the reporting date. No reimbursement will be issued prior to the employee reporting to the new headquarters.

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**Receipt Policy**

Reimbursement will be claimed only for actual and necessary business, travel, and relocation expenses. Regardless of any exceptions to receipt policy, the approving officer may require additional certification and/or explanation from an employee to determine expenses were actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

Receipts shall be submitted for every item of expense of \$25 or more. When receipts are not required to be submitted with a travel expense claim, it is the employee's responsibility to maintain receipts and records of their actual expenses. Receipts must be made available for audit upon request by employing departments, state control

agencies and/or the Internal Revenue Service. Receipts are required for every item of transportation and business expense incurred as a result of conducting state business.

The following actual expenses are an exception to the receipt policy:

- Railroad and bus fares of less than \$25 when travel is wholly within California.
- Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in receipt policy.
- Telephone, fax, or other necessary state business costs of \$5 or less.
- The absence of a receipt shall result in the reduction of the amount claimed to the non-receipted amounts above.

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**Questions**

For questions regarding this HR memorandum, please contact your designated Travel Coordinator.

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**LISA YORK**, Personnel Officer  
Office of Human Resources

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