

# CAPS PROPOSAL

**Bargaining Unit:** 10

**Date:** March 9,  
2021; 3:52PM

**Exclusive Representative:** CAPS

**Article:** 6

**Subject:** Business and Travel Expenses, Allowances, and Reimbursements

## 6.1 Business and Travel Expenses

~~The State agrees to reimburse employees for actual, necessary, and appropriate business and travel expenses in accordance with CalHR rules and Online HR Manual sections 2201 (Travel and Relocation Policy), 2202 (Mileage Reimbursement), and 2203 (Allowances and Travel Reimbursements).~~

~~Effective upon ratification of this agreement by both parties, lodging, transportation, and per diem expenses incurred will be reimbursed in accordance with the time frame requirements and rates set by CalHR. Personal vehicle mileage reimbursement rates will continue to be tied to the Federal Standard Mileage Reimbursement (FSMR) rates.~~

The State agrees to reimburse employees for actual, necessary and appropriate business expenses and travel expenses incurred 50 miles or more from home and headquarters, in accordance with existing CalHR rules and set forth below. Each State agency shall determine the necessity for and method of travel.

Lodging and/or meals provided by the state or included in hotel expenses or conference/registration fees or in 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 or included in hotel expenses or conference/registration fees because of time constraints or other considerations including but not limited to a reasonable accommodation may be reimbursed, provided an alternate meal was purchased, in accordance with the rates established in section (A)(1) of this Article.

Each item of expenses of \$25 or more requires a receipt; receipts may be required for items of expense that are less than \$25. When receipts are not required to be submitted with the claim, it is the employee's responsibility to maintain receipts and records of their actual expenses, and make them available for audit upon request by their department, state control agencies and/or the Internal Revenue Service.

A. Meal/Incidentals.

Meal expenses for breakfast, lunch and dinner will be reimbursed in the amount of actual expenses up to the agreed upon maximums. Receipts for meals must be maintained by the employee as substantiation that the amount claimed was not in excess of the amount of the actual expense. CalHR must comply with the current IRS definition of "incidentals". The IRS definition of "incidentals" includes fees and tips for porters and baggage carriers. It does not include expenses for laundry, pressing of clothing, dry or wet cleaning services, taxicab or ride-sharing fares, lodging taxes or the costs of telephone calls.

1. Rates.

Actual meal/incidental expenses incurred will be reimbursed in accordance with the maximum rates and time frame requirements outlined in accordance with CalHR rules and Online HR Manual section 2203 (Allowances and Travel Reimbursements) or the Federal U.S. General Services Administration Per Diem Rates for meals and incidentals, whichever is greater.

B. Lodging.

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, public campground, or short-term rental (such as Airbnb, etc.) that caters to the general public. Employees must provide valid receipts to claim reimbursement; no reimbursement will be paid without a valid receipt. Valid receipts are receipts that meet the IRS "Accountable Plan" requirements.

1. Regular State Business Travel:

- a. When employees are required to do business and obtain lodging, reimbursement will be for the actual receipted lodging up to the identified maximums in CalHR Manual Section 2203 (Allowances and Travel Reimbursements), plus applicable mandatory taxes and fees or the Federal U.S. General Services Administration Per Diem Rates for lodging, whichever is greater.
- b. State employees who are required to travel for official state business must submit Excess Lodging Rate Requests (STD 255C) for advance approval of lodging rates that exceed the state's maximum lodging reimbursement rates. Effective March 7, 2018, CalHR delegates authority to departments to make determinations regarding Excess Lodging Rate Requests up to \$250 per night. All Excess Lodging Rate Requests for amounts above the delegated amount of \$250 per night will continue to require CalHR approval in advance. Excess Lodging requests shall not be unreasonably denied. Any reasons for denial shall be provided to Unit 10 employees in writing within twenty-one (21) days.
- c. All copies of Excess Lodging Requests (approvals and denials) will be transmitted to the Union on an annual basis.

2. State-Sponsored Conferences or Conventions:

- a. State employees will be reimbursed actual lodging, supported by a receipt for lodging while attending state-sponsored conferences and conventions, when the lodging is contracted by the state sponsor for the event, and the appointing authority has granted prior approval for attendance and lodging at the contracted rate and establishment.

3. Non-State Sponsored Conferences or Conventions:

- a. State employees will be reimbursed actual lodging, supported by a receipt, for lodging while attending Non-State sponsored conferences and conventions, when the lodging is contracted by the sponsor for the event, and the appointing authority has granted prior approval for attendance and lodging at the contracted rate and establishment.

- C. Long-term Travel: Actual expenses for long-term meals and receipted lodging 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.
1. Actual long-term travel expenses incurred will be reimbursed in accordance with the maximum rates and time frame requirements outlined in accordance with CalHR rules and Online HR Manual sections 2201 (Travel and Relocation Policy), 2202 (Mileage Reimbursement), and 2203 (Allowances and Travel Reimbursements).
- D. Out-of-State Travel: For short-term out-of-state travel, State employees will be reimbursed actual lodging, supported by a receipt, and will be reimbursed for actual meal and incidental expenses in accordance with CalHR rules and Online HR Manual sections 2201 (Travel and Relocation Policy), 2202 (Mileage Reimbursement), and 2203 (Allowances and Travel Reimbursements). If lodging costs exceed the listed limit per night, employees must first obtain and submit an Excess Lodging Request, consisting of three (3) quotes in an effort to obtain the lowest-cost lodging. While the employee may choose any of the three establishments, reimbursement will be limited to the lowest of the three (3) quotes. Failure to furnish either quotes or lodging receipts will limit reimbursement to the meal/incidental rate listed in the CalHR Manual sections above. Long-term out-of-state travel will be reimbursed in accordance with the provisions of Long-term Travel, above.
- E. Out of Country Travel: For short-term out of country travel, State employees will be reimbursed actual lodging, substantiated by a receipt, and will be reimbursed actual meals and incidentals 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 above, or as determined by CalHR. Subsistence shall be paid in accordance with procedures prescribed by the California Department of Human Resources. It is the responsibility of the individual employee to maintain receipts for their actual meal expenses.
- F. Transportation.  
Transportation expenses include, but are not limited to, airplane, train, bus, and taxi fares, rental cars, parking, mileage reimbursement and tolls that are reasonably and necessarily incurred as a result of conducting State business. Each State agency shall determine the method of and necessity for travel. Transportation will be accomplished and reimbursed in accordance with the best interests of the State. An employee who chooses and is approved to use an alternate method of transportation will be reimbursed only for the method that reflects the best interest of the State.
1. Mileage Reimbursement:
    - a. When an employee is authorized by the departmental appointing authority or designee to operate a privately owned vehicle on State business, the employee will be allowed to claim and be reimbursed at the Federal Standard Mileage Rate (FSMR). Mileage reimbursement includes all expenses related to the use, and maintenance of the vehicle, including but not limited to gasoline, up-keep, wear and tear, tires, and all insurance including liability, collision and

comprehensive coverage; breakdowns, towing, and any repairs, and any additional personal expenses that may be incurred by an individual as a result of mechanical breakdown or collision.

b. When an employee is required to report to an alternative work location, the employee may be reimbursed for the number of miles driven in excess of their normal commute.

2. Specialized Vehicles: Employees who must operate a motor vehicle on official State business and who, because of a physical disability, may operate only specially equipped or modified vehicles may claim reimbursement at the FSMR, with certification. Supervisors who approve claims pursuant to this Subsection have the responsibility of determining the need for the use of such vehicles.
3. Private Aircraft Mileage: When an employee is authorized by their department, reimbursement for the use of the employee's privately owned aircraft on State business shall be made at the rate of \$1.29 per statute mile. Pilot qualifications and insurance requirements will be maintained in accordance with CalHR rule 599.628.1 and the State Office of Risk and Insurance Management.
4. 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 they normally leaves their home, or ends travel one hour or more after the end of the work day or travel occurs on a regularly scheduled day off, mileage may be computed from/to their residence.

G. Receipts.

Receipts or vouchers shall be submitted for every item of expense of \$25 or more. In addition, receipts are required for every item of transportation and business expense incurred as a result of conducting State business except for actual expenses as follows:

1. Railroad and bus fares of less than \$25.00 when travel is wholly within the State of California.
2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle or hotel bus fares, and parking fees of \$10.00 or less for each continuous period of parking or each separate transportation expense noted in this item.
3. Telephone, fax, tax or other business charges necessary to State business of \$5.00 or less.
4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
5. Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

- H. Overtime Meal Allowance: An overtime meal allowance of up to \$7.50 will be provided when an employee is required to work two (2) consecutive hours prior to or two (2) consecutive hours after the regular work shift. To be eligible for an over-time meal allowance on a holiday or regular day off, employees must work the total number of hours of their regular work shift and work either two (2) consecutive hours prior to or two (2) consecutive hours after the start or end of their regular work shift.