



State of Arizona Accounting Manual

Topic 50 Travel

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Section 05 General Travel Principles and Policies

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INTRODUCTION

The sections in this topic of SAAM are frequently collectively referred to as the “State Travel Policy” and they serve as the directives for both employees and non-employees when traveling on State business.

State Travel Policy exists not merely to provide guidance, but to ensure, to the extent possible:

- Compliance with Arizona Revised Statutes, the Arizona Administrative Code and the U.S. Internal Revenue Code is maintained.
- Travel expenses incurred while conducting business for the State of Arizona are authorized, necessary, reasonable, and appropriate.
- Appropriate, safe and reasonable accommodations are provided for those traveling on State business.

Non-compliance with State Travel Policy or the improper claim for travel expenses may result in appropriate disciplinary action.

POLICIES

1. Agency management and all those traveling on State business should be familiar with and have an understanding of State Travel Policy; all travel arrangements and practices should reflect that familiarity and understanding.
2. Travel arrangements should be fair and equitable, but planned for the convenience of the State using the most reasonable and economic means. In general, the practical travel alternative most beneficial and cost effective for the State should be chosen, with a focus on the total cost of the trip rather than any specific component of that cost.
3. Travelers and agencies are required to do travel planning for individuals and group travel and for meetings and conferences that involve travel by participants. In general, the best travel alternative is that which results in the most favorable cost-benefit result for the State and involves a traveler spending the least, as may be reasonable under the circumstances, time away from his duty post. Travel planning should begin far enough in advance to limit:
 - 3.1. The number of overnight stays.

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- 3.2. Meal, lodging and transportation expenses.
- 3.3. Time in travel status (cost vs. benefit).
- 3.4. The number of travelers necessary to meet the needs of the State.
- 3.5. Use of private versus public facilities.
4. Unless specifically elsewhere prohibited, an agency head may delegate his authority related to travel to others in his agency.
 - 4.1. This is a delegation of authority, but not of responsibility for the actions taken by the delegate.
 - 4.2. All such delegations must be writing and retained by the agency in according with the directives issued by LAPR.
5. Agency travel-related policies and procedures.
 - 5.1. Agency management may draft travel-related policies and procedures, if necessary, to cover circumstances specific to their agencies such as:
 - 5.1.1. Restrictions or limitations on travel.
 - 5.1.2. Non-standard work shifts.
 - 5.1.3. Use of State equipment, such as fleet vehicles.
 - 5.1.4. Unique approval requirements.
 - 5.1.5. Charging travel expenses to various funding sources.
 - 5.1.6. Travel request and travel claim approval and validation processes.
 - 5.2. Agency management must draft travel-related policies and procedures that address:
 - 5.2.1. Definitions with respect to in-state and out-of-state destinations. At the discretion of agency management, travel to U.S. states within one hundred (100) miles of their border with Arizona may be deemed to be in-state travel when determining reimbursement limits for lodging, meals and incidentals.
 - 5.2.1.1. Travel on official business that is within one hundred (100) miles of the Arizona border will be considered in-state, unless designated as out-of-state travel by agency management.

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- 5.2.1.2. Agency management, in drafting agency travel-related policies, makes this determination based upon the reimbursement rates for lodging and meals in the area of travel as well as other considerations, such as the mission of the agency, the frequency of employee travel beyond the Arizona border, but within the hundred-mile (100-mile) zone discussed herein, the overall cost to the agency of anticipated meal and lodging reimbursements, etc.
- 5.2.1.3. When travel within one hundred (100) miles of the Arizona border is to be considered out-of-state travel, all provisions of State Travel Policy relating to out-of-state travel—such as those that might relate to prior authorization, use of State equipment, use of personally owned vehicles for out-of-state business, etc.—apply.
- 5.2.2. The circumstances under which a traveler may be reimbursed for charges or fees relating to cancellations, re-bookings, early or late arrival or departure charges, or charges related to changes involving reservations or travel arrangements. Agencies, however, should not reimburse a traveler for such charges when incurred for personal reasons or are considered avoidable.
- 5.3. Agency travel-related policies:
 - 5.3.1. Must be consistent with and complement State Travel Policy.
 - 5.3.2. May be more restrictive, but not more generous or liberal, than State Travel Policy.
 - 5.3.3. Must be applied equitably to all agency personnel.
6. Reimbursements are to be made only for qualified travel expenditures necessary to conduct the business of the State.
7. Consideration should be given to alternatives to travel to accomplish State business more efficiently and economically. Such alternatives include, but are not limited to, conference calls and web conferencing. Travel should be authorized only when there is a need for personal contact, intervention or observation.
8. Except as provided immediately below, reimbursement of travel expenses are limited to those actually incurred while traveling on State business.
 - 8.1. The State motor vehicle mileage rate may be used instead of actual expenses when operating a privately owned vehicle on State business. The amount claimed, however, is to be based upon the lesser of actual miles driven or miles that would have been driven had the most economical route been chosen.
 - 8.2. The State personal aircraft rate may be used instead of actual expenses when operating a privately owned aircraft on State business. The amount claimed, however, is to be based upon the lesser of actual miles flown or miles that would have been flown had the most economical route been chosen.

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9. In the following cases, reimbursement is subject to the limits published in SAAM 5095:
 - 9.1. Mileage.
 - 9.2. Lodging.
 - 9.3. Meals and incidentals.
10. All documentation related to travel for the State must be maintained in accordance with the Records Retention Schedules published by LAPR. Such documentation includes, but is not limited to, travel requests, travel claims, receipts and conference brochures.
11. Employee travel is conducted and reimbursed in accordance with State Travel Policy, regardless of the funding source that pays for the travel.
 - 11.1. Even when if the travel is financed using monies that were provided by the Federal Government or some other organization, individual or program, employee reimbursements for meals and lodging are limited to State rates.
 - 11.2. With respect to cost recovery from a Federal program or grant, travel costs are considered reasonable when they do not exceed State Travel Policy.
 - 11.3. Travel reimbursements to employees for costs in excess of those set forth in State Travel Policy may, when applicable, jeopardize an agency's or the State's ability to recover such costs from the Federal Government.
12. Agencies may, but are not required to, use and pay for the services of a commercial travel agency. Agency management, however, must consider the cost associated with the use of a travel agency vs. the benefits, other than mere convenience, of such arrangements.
 - 12.1. The costs associated with the use of a travel agency include, but may not be limited to:
 - 12.1.1. The fee paid to the travel agency for making travel arrangements.
 - 12.1.2. The opportunity cost incurred when the travel agency does not book the most economical travel alternative available.
 - 12.1.3. The cost of additional time spent when a travel agency makes travel arrangements that do not comply with State Travel Policy. Such time might include that required to request a policy exception.
 - 12.2. The benefits that might be associated with the use of a travel agency include:

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- 12.2.1. Potentially lower fares or lodging rates.
- 12.2.2. Possibly better travel reporting.
- 12.2.3. Feasibly a reduction of staff time required to research and book travel.
- 13. When operating a motor vehicle on State business within the U.S., whether that vehicle is a State vehicle, rented or privately owned, the driver must possess:
 - 13.1. A valid driver's license; a driver's manager or supervisor is responsible for verifying this before authorizing travel and, if applicable, before approving a travel reimbursement related to the operation of a motor vehicle.
 - 13.2. Mandatory insurance coverage as required by applicable State laws and regulations, primarily issued by ADOT.
 - 13.2.1. Risk Management should be consulted with respect to the operation of a vehicle on State business outside of the U.S.
- 14. When operating an aircraft on State business, whether that aircraft is a State aircraft, rented or privately owned, the pilot must possess:
 - 14.1. A valid pilot's license; a pilot's manager or supervisor is responsible for verifying this before authorizing travel and, if applicable, before approving a travel reimbursement related to the operation of an aircraft.
 - 14.2. Insurance coverage as required by the Federal Aviation Administration or other authority with jurisdiction.
- 15. The most reasonable and customary mode of transportation and the most commonly traveled route should generally be selected.
- 16. Attendance at out-of-state conventions or meetings should only be approved when such occurrences are directly related to the job. Travel should be limited to personnel whose attendance, as determined by agency management, is essential to State business.
- 17. Reimbursements are limited to the expenses incurred or that would have been incurred by using the most efficient route. The most efficient route is that which is the most direct, most traveled or most economical, taking all circumstances into consideration. (It may, for example, be less direct to take an expressway than surface streets. However, travel by expressway would be generally the most traveled route and, given the additional cost of employee time to travel by surface streets, the most economical.)
- 18. Avoidable travel time in excess of that which is necessary to conduct State business, such as that used to conduct personal affairs, incurred during normally scheduled work hours is to be charged to annual leave. Non-avoidable travel time,

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such as delays imposed by weather, mechanical failures, etc., experienced during normally scheduled work hours is to be charged to regular pay.

19. Additional travel expenses incurred by taking an uneconomical route, are not in the best interest of the State or are for personal business will not be reimbursed.
20. Travel expenses paid directly by the State to a travel agency, hotel, restaurant, rental car company, etc., on an employee's behalf are subject to applicable State Travel Policy reimbursement limitations. Claims for this manner of payment must reference the traveler(s) to whom they apply. When they would be otherwise required, as for lodging, car rentals, etc., itemized receipts are required for direct payment of these expenses.
21. The agency head or his delegate must approve all out-of-state travel in advance. The request for out-of-state travel should be submitted to allow ample time to take advantage of the availability of discounted airfares, conference lodging, a traveler's special needs, etc. A copy of the approved out-of-state travel request must accompany the out-of-state travel claim.
22. Travel expenses of one thousand dollars (\$1,000) or more related to a single trip and to be paid from an appropriated fund must be encumbered.
23. Agency managers and supervisors may, as directed by their respective agency heads:
 - 23.1. Authorize in-state and out-of-state travel that conforms (i.e., the travel arrangements have no exceptions) to State Travel Policy.
 - 23.2. Determine that travel to U.S. states with one hundred (100) miles of the Arizona boarder to be in-state travel.



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INTRODUCTION

Travel is a costly undertaking for an agency; out-of-State travel particularly so. While accomplishing the State's business often requires travel, there are frequently ways in which travel can be reduced or eliminated with little or no negative impact upon achieving an agency's mission. The following policies are provided to agency management and travelers when contemplating travel or the approval of travel requests. No set of guidelines, considerations or policies can ever be complete or may be absolutely applicable in every set of circumstances. Still, it is hoped that these policies will prove helpful in making favorable decisions for the State more likely.

POLICIES

1. No travel should be conducted, unless it is demonstrably in the best interest of the State.
2. All travel should be arranged in such a way that, while in all respects safe and reasonably accommodating the needs of the traveler, the best interests of the State take precedence.
3. When contemplating, planning or arranging travel, the overall cost of travel is to be considered. The overall cost of travel involves more than merely air fare, meals, lodging, etc. It also involves the cost of the time employees spend traveling.
 - 3.1. The cost of an employee's time while traveling includes both the employee's compensation and all employee related expenses, such as taxes, retirement contributions, health care coverage, etc.
 - 3.2. The cost of an employee's time while traveling also involves an opportunity cost; when an employee is traveling, he might be more productively involved in performing other duties for the State.
4. The following questions should be asked concerning any travel to be paid for by the State:
 - 4.1. Can travel be avoided? Are there other, more cost effective alternatives to travel?
 - 4.2. Can unavoidable travel be reasonably conducted more efficiently and economically?

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5. Travel, when necessary, should be conducted as economically as circumstances reasonably permit.
 - 5.1. This means, for example, that air travel, when there is not more than a very remote likelihood of incurring a penalty for change or cancellation, should be booked sufficiently in advance to qualify for a discounted fare.
 - 5.2. When arriving at his destination and arranging local transportation, the most economical means should be sought.
 - 5.2.1. Many hotels offer free shuttle services to and from airports.
 - 5.2.2. Even when they charge a fare, shuttle services of various kinds are frequently less expensive than taxis.
 - 5.2.3. When more than one State traveler is going to a given location, travel should be arranged in such a way that they travel together. This way, they can share taxi, limousine or shuttle services and reduce costs to the State.
 - 5.2.4. Depending upon the amount of luggage, length of local travel, schedule, employee time, physical condition of the traveler, safety, and familiarity with the destination, the use of mass transit and public transportation should be considered and often favored over more expensive means.
 - 5.3. An employee shall not be reimbursed for a given meal, including a lighter offering like a continental breakfast, if that meal's cost is included in a conference registration fee.
 - 5.4. Travelers should consider a range of departure times when flying. Sometimes, leaving an hour earlier or later can result in considerable savings for the State.
6. In the case of lodging, sometimes there is a wide range of costs for similar appropriate facilities within fairly close proximity of each other. When booking lodging, one should look for the most economical comparable combination of lodging and local transportation (including, when reasonable, walking).
7. In the cases of conferences, training events, seminars, etc., the benefit of sending multiple staff members versus the cost of doing so should always be scrutinized. While at times, it may be necessary or significantly beneficial to send several staff to such events, it is frequently the case that one or two people can cover all the presentations of interest and can communicate the information of value to other members of the staff.
 - 7.1. Attendance at conferences and the like should not be thought of as an award, fringe benefit, or morale booster.
 - 7.2. It should be borne in mind, as stated above, that the cost of attendance at these events includes not merely registration, travel, lodging, etc., but the cost of

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- participants' compensation and benefits as well as the possible loss of staff productivity.
- 7.3. Particularly at conferences, many of the presentations may be of little or no value and the information being sought can be acquired and communicated more efficiently, effectively and economically by other means.
 8. In the case of training, consideration should be given to the availability of teleconferences, webinars or other means or media that provide the desired instruction while avoiding the costs of travel.
 9. When arranging training for multiple participants, consideration should be given to transporting the trainer to the students, rather than the students to the trainer.
 - 9.1. Many training organizations offer on-site training or might do so upon request.
 - 9.2. If the cost of providing transportation, meals and lodging to a single trainer to provide on-site instruction is more economical than providing travel costs for a number of students to a training facility or conference, agency management and staff should take advantage of this option.
 10. When considering meetings that involve significant travel, the following questions should always be asked:
 - 10.1. Are face-to-face meetings, when such meetings involve significant travel, really necessary? If not, travel should be avoided.
 - 10.2. Could the same business be conducted as effectively and more economically by telephone, teleconference, web conference, email or other means? If so, travel should be avoided.
 11. Travelers should be kept mindful that all travel for the State is subject to the State's statutes and policies, including a number of limitations. Among these are:
 - 11.1. Reimbursements for lodging and meals shall not exceed the lower of the actual amounts incurred or the maximum amounts allowable for the type and location of the expense.
 - 11.2. Reimbursements for lodging while attending a conference shall not exceed the least expensive single room rate published in the conference brochure for its designated lodging establishments.
 12. Travelers should always investigate the availability of special lodging rates and take advantage of them when they are available and produce a savings for the State.
 - 12.1. Sometimes, particularly in the case of conferences, there are lodging rates at the conference hotel, such as a governmental rate, that are less expensive than the conference rate.

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- 12.2. Frequently, lodging is available at a hotel neighboring the conference hotel for less than the rates available at the conference hotel.
13. Advance planning is a key factor affecting the cost of travel.
- 13.1. In the case of conferences or similar out-of-town events, travel arrangements should, to the extent practicable, be made within one (1) calendar week of learning of the event.
- 13.2. If possible, travel arrangements—the booking of flights and lodging—should be made between ninety (90) days and thirty (30) days before the date of departure to take advantage of discounted fares, conference lodging rates, etc.
14. Except when required by the traveler's physical condition or debility, which is to be documented on the travel claim, special seating charges on airplanes, e.g., window or aisle seating by request, are the responsibility of the traveler and will not be reimbursed.
15. Charges involving upgrade from coach or economy fares to first class are the responsibility of the traveler.
16. Charges relating to the cancellation of or a change to a flight or hotel reservation are generally the responsibility of the party initiating or at fault for the cancellation or change. Whenever the agency pays the charges relating to the cancellation or change of travel arrangements, the circumstances must be fully documented and the documentation retained with the travel claim.
- 16.1. If the change or cancellation is initiated by the agency, then the agency is responsible for paying the charge.
- 16.2. If the traveler initiates the change or cancellation, either the traveler or the traveler's agency may, depending upon circumstances, be responsible for paying the charge.
- 16.2.1. If the charge results from a change in travel plans because of a personal emergency (e.g., hospitalization or death in the family, fire or burglary at home, etc.), the agency is responsible for paying the charge.
- 16.2.2. If the charge results from a change initiated by the traveler that produces an overall savings (i.e., the savings less the charge still results in a reduction of cost) to the State (e.g., taking an earlier return flight that avoids additional meal and lodging costs, etc.), the agency is responsible for paying the charge.
- 16.2.3. If the charge results from a change initiated by the traveler for his convenience and does not produce an overall savings to the State, the traveler is responsible for paying the charge.

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17. Spending on travel reduces money available for other initiatives and programs. Travel extravagance exposes the State to public criticism. Because of these and other factors, agency management should consider making compliance with travel policy, including a traveler's efforts to reduce costs to the State, an element in measuring employee performance.

17.1. Employees who repetitively violate travel policy or conduct or arrange travel in ways that do not serve the best interests of the State, should be appropriately disciplined.

17.2. Agency management should consider an employee's record of compliance with State Travel Policy when reviewing travel requests.