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COMPTROLLER'S MEMORANDUM

#01-2

October 31, 2001

TO: Agency Heads/Fiscal Officers

FROM: Joseph Trapani

SUBJECT: Updates to Comptroller's Directive 6 – *Travel, Meals, Lodging and Miscellaneous Agency Expenses*

This Comptroller's Memorandum (CM) updates certain provisions of Comptroller's Directive 6, *Travel, Meals, Lodging and Miscellaneous Agency Expenses,* which was issued on October 23, 1996. Three subject areas are affected: the personal automobile mileage reimbursement rate; payments for overtime meal allowances; and the per diem travel rates for meals, lodging and incidentals.

The personal automobile and overtime meal allowance revisions are necessary to reflect recent changes in the *Citywide Contract* between the City of New York and its municipal labor unions.

The per diem travel rate revisions have been made to reflect what has become our practice of referring agencies to appropriate Federal agency Web sites for this information. When Directive 6 was reissued in 1996, it incorporated Appendices A, B and C which are copies of the then current Federally established rate schedules for various travel destinations in the United States and around the world. Because the Federal agencies responsible for establishing these rates revise them continuously and have now established reliable Web sites, our view is that these sites are the most effective way for agencies to obtain up-to-the minute rates for all travel destinations.

Each section of the Directive that has changed is reproduced here in its entirety, showing all new language in *italics.* In addition, replacement pages 1/2, 11/12, 17/18, 19/20/20a and 37/38 are attached for insertion in your copy of Directive 6. Please keep this CM with your copy of the Directive for future reference.

Revised Paragraphs

Section 4.5, on page 11 of the Directive has been revised to increase the mileage reimbursement allowance to 28 cents in accordance with the revised *Citywide Contract*.

§4.5 Personal Vehicle

4.5.1 Employees may be reimbursed for personal vehicle use at the rate of *28* cents per mile, with a minimum guarantee of 30 miles, for each day of use even if the actual mileage incurred for City business is less. The rates and the minimum payment guarantee are based on the *Citywide Contract.*

Agencies may establish lower mileage rates and/or eliminate the daily guarantee for management employees or those whose collective bargaining agreements do not specifically provide for the rate or minimum allowance.

* * *

Section 5.6, on page 17 of the Directive has been revised to incorporate the three Web addresses where Federal agencies maintain per diem travel rates. Additional clarification has also been provided for room taxes and other miscellaneous travel expenses. Appendices A, B and C, should be removed from your copy of Directive 6 and discarded. Agencies must now refer to the Federal Web sites for this information

§5.6 Lodging

5.6.3 Lodging Rates

(1) Employees lodging at domestic or foreign destinations will be reimbursed at the rates established by the U.S. government for federal travelers. *The Federal per diem schedules indicate the maximum lodging rates that will be paid. Employees who spend less will be reimbursed only for actual lodging expenditures. Current maximum per diems for lodging, meals and incidentals, which differ by destination and season traveled, may be accessed as follows:*

(a) Destinations in the continental United States (CONUS) are available at the U.S. General Services Administration's Web site:

http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd01d.html

- *These lodging per diems do not include room taxes. Such taxes are reimbursable as a miscellaneous travel expense. [New York State lodgers see (3) below.]*

- *Laundry and dry cleaning expenses are not part of the per diem rates for travel within the continental United States. Separate reimbursement for these expenses is permitted in accordance with §5.9.4 of this Directive.*

(b) Destinations in Alaska, Hawaii, Puerto Rico, and U.S. possessions (OCONUS) are available at the U.S. Department of Defense's Web site:

http://www.dtic.mil/perdiem/pdrates.html

- *These lodging per diems do not include room taxes. Such taxes are reimbursable as a miscellaneous travel expense.*
- *Laundry and dry cleaning expenses are covered under the incidental portion of the per diem rate and may not be claimed as a separate expense.*

(c) Destinations in foreign countries are available at the U.S. Department of State's Web site:

http://www.state.gov/m/a/als/prdm/

- *Room taxes are included in the lodging per diems.*
- *Laundry and dry cleaning expenses are covered under the incidental portion of the per diem rate and may not be claimed as a separate expense.*

(2) *Travelers who do not have Internet access* must obtain per diem rates from the Mayor's Office of CityWide Services or their agency travel coordinator or fiscal office.

(3) New York State Hotel Occupancy Taxes - Employees lodging within New York State are exempt from hotel occupancy taxes. To qualify for the exemption, employees must present the lodging establishment with either an Exemption Certificate For Tax on Occupancy of Hotel Rooms or a statement on agency letterhead indicating that the named employee is conducting official business and is exempt from this tax. Employees may request forms from their agency travel coordinator or fiscal office.

* * *

Section 5.8, on page 20 of the Directive has been revised to refer the reader to the three Federal Web sites where meal rates and meal related information can be found.

5.8 Meals

5.8.1 Reimbursement Rates

The maximum daily meal reimbursement, *which includes taxes and tips,* will be in accordance with the *rates posted at the Federal Web sites referred to in §5.6.3. Travelers who do not have Internet access* must obtain per diem meal rates from the Mayor's Office of Citywide Services or their agency travel coordinator or fiscal office.

(1) Federal meal allowances *for destinations within the continental United States* vary according to the travel destination, *and consist* of *individual breakfast, lunch, dinner and incidental expense components. The incidentals allowance is $2 in all cases. Individual component details are available at:*

http://www.policyworks.gov/org/main/mt/homepage/mtt/ftr/newftr/301-11_18.html

(2) Partial meal reimbursement, in accordance with the breakfast, lunch and dinner components will be made when employees travel less than a full day as described in §5.8.3 below.

* * *

Section 13.0, on page 37 of the Directive has been revised to increase the meal allowances for overtime worked, and to conform operative language to the revised *Citywide Contract*.

§13.0 OVERTIME MEAL ALLOWANCES

13.1 The following meal allowances are payable for those non-management employees who work two or more continuous hours of overtime *and are compensated in time at the rate of straight time* for the overtime worked.

Employees who are paid in cash or who are compensated in time at the rate of time and one-half are not entitled to this meal allowance.

'Number of Continuous Overtime Hours	Rate *(as of 11/26/99)*
Two	*$ 8.25*
Five	*8.75*
Seven	*10.75*
Ten	*11.75*
Fifteen	*12.75*

These meal allowance provisions have been established in accordance with the *Citywide Contract.*

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Questions regarding this Comptroller's Memorandum should be sent to Joseph Trapani, Chief, Bureau of Management and Accounting Systems, (212) 380-8201, Municipal Building - Room 1005, New York, NY 10007.

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Please use the following
pages as replacements
in your copy of Directive 6
dated October 23, 1996.

4.4.2 Whenever possible, gasoline should be obtained from a Department of General Services' facility. The Mayor's Office of Citywide Services', *Out-of-City Travel Guidelines*, issued February 1, 1996, lists locations of these facilities.

4.4.3 Mayoral agencies must follow the detailed procedures related to obtaining and using City owned vehicles as provided in the Mayor's Office May 21, 1990 memorandum entitled, *The City of New York Procedures for Assignment and Use of City Vehicles.*

4.5 Personal Vehicle

In certain instances it may be appropriate for employees to use their personal vehicle for Local, Long Distance or Overnight Travel.

4.5.1 Employees may be reimbursed for personal vehicle use at the rate of 28 cents per mile, with a minimum guarantee of 30 miles, for each day of use even if the actual mileage incurred for City business is less. The rates and the minimum payment guarantee are based on the *Citywide Contract.*

Agencies may establish lower mileage rates and/or eliminate the daily guarantee for management employees or those whose collective bargaining agreements do not specifically provide for the rate or minimum allowance.

4.5.2 Tolls and parking, except for airport parking in excess of seven days, are reimbursable. When parking at airports, "long term" parking must be used when available and appropriate.

4.5.3 Repairs and maintenance items of any kind are not reimbursable.

4.5.4 Gasoline, motor oil and other vehicular fluids are not reimbursable.

4.5.5 Reimbursement is generally not permitted for using a personal vehicle between the employee's residence and first work location or between the employee's last work location and residence, even when the employee has been authorized to use a personal vehicle for agency business.

There are two exceptions:

(1) The *Citywide Contract* permits reimbursement between an employee's residence and the first or last work location when the employee is required to carry special equipment or materials which cannot feasibly be transported via Public Mass Transit.

(2) At the agency's discretion, employees may also be reimbursed for travel between an employee's residence and the first or last work location when the

employee is required to travel to a Field Location to which Public Mass Transit is unavailable or the agency otherwise deems to be overly burdensome.

Such reimbursement must be justified and, whenever possible, approved in advance, by an appropriately responsible manager determined by the agency.

4.5.6 Employees are required to document personal vehicle usage on the *Personal Expense Reimbursement Request* (see Appendix F) or similar form prescribed by their agency. Detailed instructions are provided in §18.0.

4.6 Taxicab and Car Service

As a rule, taxicabs and car services must not be used for City business, however, the cost of taxicab or car service transportation, whether incurred locally or at a Long Distance or Overnight Travel destination, may be allowable under certain exceptional circumstances. Considerable discretion is required in authorizing the use of taxicabs or car services. Whenever possible, taxicab and car service use should be approved in advance at an appropriately high level of authority as determined by the agency.

4.6.1 The following describe exceptional situations when taxicab or car service transportation may be appropriate:

(1) When employees must transport valuable, heavy or bulky items and a City vehicle is not available or its use is deemed impractical.

(2) For transportation to or from an airport or transportation hub or other transit station or connection, when Public Mass Transit, courtesy transportation or other more economical means is not available or is impractical.

(3) When travel is required outside the normal operating hours of Public Mass Transit or other more economical means of transportation, or when Public Mass Transit is otherwise inappropriate or unavailable.

(4) When any employee, either managerial or non-managerial, is required to work three hours or more of overtime, and the workday, including the overtime, ends after their official working hours, *and* this results in travel between 8:00 p.m. and 6:00 a.m.

Employees whose usual work hours end between 8:00 p.m. and 6:00 a.m. may not be paid for taxicabs or car service for transportation unless in an overtime situation as described in the prior paragraph.

Albany or Washington, the meeting or other business is scheduled for 11:00 a.m. or earlier.

Exceptions are allowed only if deemed appropriate by the Agency Head or Designee. The justification for the exception must be clearly documented and must bear the Agency Head or Designee's written authorization.

(2) Employees should use rail, City-owned, or personal vehicles for travel to or from these cities.

5.6 Lodging

5.6.1 Overnight Lodging Criteria

Payment for overnight lodging is permitted whenever authorized in accordance with §5.2 and *one or both* of the following conditions are met:

(1) The distance the employee travels is more than 75 miles from Columbus Circle *and* more than 75 miles from the traveler's home; and/or

(2) The travel results in, or would result in, a work day of more than 11½ hours from departure from home to return home.

5.6.2 Nights Eligible for Payment

Payment for overnight lodging is generally allowed for the evening of any day that business is conducted under the travel conditions described in §5.61 above. To limit lodging costs to the greatest degree possible, it is expected that the employee will arrive on the day the official business starts and will return immediately on the day the official business concludes. Lodging costs for additional nights are the employee's responsibility except under the following circumstances:

(1) When the employee arrives the night before because the meeting or other business begins so early in the morning that it would be impossible or constitute a hardship for the employee to travel and arrive in time for the start of the meeting;

(2) When the employee stays an additional night because:

(a) the meeting or other business ends too late for the employee to make the last available transportation to the employee's return destination or the scheduled carrier's departure time is 9:00 p.m. or later; or

(b) if the employee is driving, will result in arrival at the employee's residence after 11:00 p.m.

(3) If staying additional nights, either prior to, or subsequent to the date(s) of the meeting or training, results in a net savings to the City when all costs are considered. As an example, this rule may be applied when savings afforded by a Saturday night stay over, due to airline pricing structures, results in a lower net cost.

5.6.3 Lodging Rates

(1) Employees lodging at domestic or foreign destinations will be reimbursed at the rates established by the U.S. government for federal travelers. The Federal per diem schedules indicate the maximum lodging rates that will be paid. Employees who spend less will be reimbursed only for actual lodging expenditures. Current maximum per diems for lodging, meals and incidentals, which differ by destination and season traveled, may be accessed as follows:

(a) Destinations in the continental United States (CONUS) are available at the U.S. General Services Administration's Web site:

http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd01d.html

- These lodging per diems do not include room taxes. Such taxes are reimbursable as a miscellaneous travel expense. [New York State lodgers see (3) below.]

- Laundry and dry cleaning expenses are not part of the per diem rates for travel within the continental United States. Separate reimbursement for these expenses is permitted in accordance with §5.9.4 of this Directive.

(b) Destinations in Alaska, Hawaii, Puerto Rico, and U.S. possessions (OCONUS) are available at the U.S. Department of Defense's Web site:

http://www.dtic.mil/perdiem/pdrates.html

- These lodging per diems do not include room taxes. Such taxes are reimbursable as a miscellaneous travel expense.

- Laundry and dry cleaning expenses are covered under the incidental portion of the per diem rate and may not be claimed as a separate expense.

(c) Destinations in foreign countries are available at the U.S. Department of State's Web site:

http://www.state.gov/m/a/als/prdm/

- Room taxes are included in the lodging per diems.

- Laundry and dry cleaning expenses are covered under the incidental portion of the per diem rate and may not be claimed as a separate expense.

(2) Travelers who do not have Internet access must obtain per diem rates from the Mayor's Office of Citywide Services or their agency travel coordinator or fiscal office.

(3) New York State Hotel Occupancy Taxes - Employees lodging within New York State are exempt from hotel occupancy taxes. To qualify for the exemption, employees must present the lodging establishment with either an Exemption Certificate For Tax on Occupancy of Hotel Rooms or a statement on agency letterhead indicating that the named employee is conducting official business and is exempt from this tax. Employees may request forms from their agency travel coordinator or fiscal office.

5.6.4 Documentation

Lodging establishment receipts are required to support payment/ reimbursement requests.

5.7 Special Convention, Seminar and Conference Rate

Because conferences, seminars and conventions are frequently held in downtown areas or expensive hotel districts, it may not be possible to find convenient lodging within the Federal rate schedule allowances.

It is recognized that both the City and the traveler may benefit by having employees lodge in nearby establishments, because lodging at, or in close proximity to the convention, seminar or conference hotel, can facilitate or significantly add to the achievement of the event's objectives due to the scheduling of conference seminars or events, and/or arrangements made by the event sponsor. Therefore, if in the judgment of the Agency Head or Designee, such lodging is deemed desirable, travelers may be allowed to incur the conference lodging rate provided in this subsection. Authorization to incur the conference rate must be explicitly provided in advance by the Agency Head or Designee.

5.7.1 Special Conference Rate

Hotel accommodations at the convention, seminar or conference site may be paid at the lower of actual cost or 150 per cent of the "maximum lodging amount"

component of the per diem rate allowed for the locality in the Federal rate schedules.

Employees may not incur the conference rate at lodging establishments which are not designated conference hotels or are not in close proximity to the conference site.

5.7.2 Application

The special conference rate does not apply to conventions, seminars and conferences conducted by City agencies.

5.7.3 Transportation at Conferences

Every effort must be made to use shuttle services or other transportation provided by conference hotels or sponsors for transportation between the lodging establishment and the conference site.

5.7.4 Meals

(1) Meals are reimbursed in accordance with the guidelines in Section5.8.

(2) In those cases where the registration fee includes one or more meals, the per diem allowance must be reduced as indicated in Section 5.8.

5.8 Meals

Payment or reimbursement for meals is permitted only when the traveler engages in Overnight Travel as defined in paragraph 3.3.3.

5.8.1 Reimbursement Rates

The maximum daily meal reimbursement, which includes taxes and tips, will be in accordance with the rates posted at the Federal Web sites referred to in §5.6.3. Travelers who do not have Internet access must obtain per diem meal rates from the Mayor's Office of Citywide Services or their agency travel coordinator or fiscal office.

(1) Federal meal allowances for destinations within the continental United States vary according to the travel destination, and consist of individual breakfast, lunch, dinner and incidental expense components. The incidentals allowance is $2 in all cases. Individual component details are available at:

http://www.policyworks.gov/org/main/mt/homepage/mtt/ftr/newftr/301-11_18.html

[The next page is 20A]

(2) Partial meal reimbursement, in accordance with the breakfast, lunch and dinner components will be made when employees travel less than a full day as described in §5.8.3 below.

5.8.2 Documentation

The per diem rates for meals and incidentals are allowances which employees receive regardless of actual expenditures. No receipts are required.

5.8.3 Partial Days Reimbursement

Employees traveling for less than a full day are entitled to only part of the per diem reimbursement rate depending on the time of day travel begins and ends.

(1) Payment for breakfast, lunch and/or dinner will be allowed when Overnight Travel requires leaving home or the Primary Work Station before the following hours:

[The next page is 21]

(2) Subscriptions must be entered in the name and address of the agency, however, the address may include the name of the employee to whose attention the subscription is directed.

(3) Reimbursement claims for subscriptions must include a copy of the subscription order form.

13.0 OVERTIME MEAL ALLOWANCE

13.1 The following meal allowances are payable for those non-management employees who work two or more continuous hours of overtime and are compensated in time at the rate of straight time for the overtime worked.

Employees who are paid in cash or who are compensated in time at the rate of time and one-half are not entitled to this meal allowance.

Number of Continuous Overtime Hours	Rate (as of 11/26/99)
Two	$ 8.25
Five	8.75
Seven	10.75
Ten	11.75
Fifteen	12.75

These meal allowance provisions have been established in accordance with the *Citywide Contract.*

13.2 These allowances do not apply when meals are furnished by the City at no cost to the employee.

13.3 Time off for meals is not computed as overtime. However, such time off does not affect the "continuous overtime hours" requirement.

13.4 Employees in management service are not eligible for overtime meal allowances.

13.5 If the overtime is worked when the employee is on Overnight Travel, employees who receive the overtime meal allowance or are paid for the overtime, are not eligible for the Overnight Travel meal allowance provided in §5.8.

Note: Formerly employees accounted for overtime meal allowances on the *Personal Expense Reimbursement Requests*, however, the City began paying this allowance via employee paychecks starting December 1, 1990.

14.0 SUNDRY EXPENSES

14.1 Conventions, Seminars, Conferences

The following provisions apply to all non-City conducted conventions, seminars and conferences whether held at local, long distance, or overnight travel destinations:

14.1.1 Registration, workshop and other fees, as itemized in the conference literature, must be paid at cost.

14.1.2 Costs for nonessential activities unrelated to official business are considered personal expenses and must not be paid by agencies.

14.2 Tipping and Gratuities

Payment for customary and reasonable tips and gratuities such as at lodging establishments and for transportation services is permitted. The cost of tips for meal service is incorporated into the per diem and other meal rates provided in this directive and must not be paid as separate items.

14.3 Incentive and Recognition Awards

Expenditures for employee incentive and recognition awards as defined under Section 814(9) of the City Charter are allowed if in accordance with the following guidelines:

14.3.1 Mayoral agencies sponsoring employee incentive and recognition programs must conform to the Department of Citywide Administrative Services' *Agency Guidelines for Incentive Programs*, issued July 24, 1992. Such expenditures may not exceed the allowances provided in this Directive.

14.3.2 Non-mayoral agencies sponsoring employee incentive and recognition events must have Agency Head or Designee approval for all expenses.

14.3.3 During award ceremonies, Light Refreshments, up to a maximum of $3 per attendee, may be provided.

14.3.4 Receipts and supporting documentation, which indicates the number of attendees, are required.

14.4 Employee Gifts and Awards

Agencies may not pay the cost of personal items such as pictures, brochures, certificates, medallions, awards and prizes unless purchased as part of an employee incentive and recognition award or for a function sponsored by the Mayor's Office of Special Events. The value and nature of gifts must be in accordance with the Department of Citywide Administrative Services' *Agency Guidelines for Incentive Programs,* issued July 24, 1992.