

ORDINANCE 99-53

AN ORDINANCE OF THE TOWN OF UNICOI, TENNESSEE, TO ESTABLISH TRAVEL REIMBURSEMENT REGULATIONS FOR CITY OFFICIALS AND CITY EMPLOYEES CONDUCTING OFFICIAL BUSINESS

PURPOSE

The purpose of this ordinance and referenced regulations is to bring the town into compliance with Public Acts 1993, Chapter 433. This act requires Tennessee municipalities to adopt travel and expense regulations covering expenses incurred by "any mayor and any member of the local governing body and any board or committee member elected or appointed by the mayor or local governing body, and any official or employee of the municipality whose salary is set by charter or general law".

To provide consistent travel regulations and reimbursement, this ordinance is expanded to cover regular city employees. It's the intent of this policy to assure fair and equitable treatment to all individuals traveling on city business at city expense.

ENFORCEMENT

The chief administrative officer (CAO) of the city or his or her designee shall be responsible for the enforcement of these travel regulations.

TRAVEL POLICY

- A. In the interpretation and application of this ordinance, the term "traveler" or "authorized traveler" means any elected or appointed municipal officer or employee, including members of municipal boards and committees appointed by the mayor or the municipal governing body, and the employees of such boards and committees who are traveling on official municipal business and whose travel was authorized in accordance with this ordinance. "Authorized Traveler" shall not include the spouse, children, other relatives, friends, or companions accompanying the authorized traveler on city business, unless the person(s) otherwise qualifies as an authorized traveler under this ordinance.
- B. Authorized travelers are entitled to reimbursement of certain expenditures incurred while traveling on official business for the city. Reimbursable expenses shall include expenses for transportation; lodging; meals; registration fees for conferences, conventions, and seminars; and other actual and necessary expenses related to official business as determined by the CAO. Under certain conditions, entertainment expenses may be eligible for reimbursement.

- C. Authorized travelers can request either a travel advance for the projected cost of authorized travel, or advance billing directly to the city for registration fees, air fares, meals, lodging, conferences, and similar expenses.
- D. Travel advances are available only for special travel and only after completion and approval of the travel authorization form.
- E. The travel expense reimbursement form will be used to document all expense claims.
- F. To qualify for reimbursement, travel expenses must be:
 - directly related to the conduct of the city business for which travel was authorized, and
 - actual, reasonable, and necessary under the circumstances. The CAO may make exceptions for unusual circumstances.Expenses considered excessive won't be allowed.
- G. Claims of \$5 or more for travel expense reimbursement must be supported by the original paid receipt for lodging, vehicle rental, phone calls, public carrier travel, conference fees, and other reimbursable costs.
- H. Any person attempting to defraud the city or misuse city travel funds is subject to legal action for recovery of fraudulent travel claims and/or advances.
- I. Mileage within the city in privately owned vehicles for official town business are considered eligible expenses for reimbursement.

TRAVEL REIMBURSEMENT RATE SCHEDULES

Authorized travelers shall be reimbursed according to the State of Tennessee travel regulation rates. The town's travel reimbursement rates will automatically change when the state rates are adjusted.

The municipality may pay directly to the provider for expenses such as meals, lodging, and registration fees for conferences, conventions, seminars, and other education programs.

ADMINISTRATIVE PROCEDURES

The town adopts and incorporates by reference, as if fully set out herein, the administrative procedures submitted by MTAS to, and approved by letter by, the Comptroller of the Treasure, State of Tennessee, in June 1993. A copy of the administrative procedures is on file in the office of the Town Recorder.

This ordinance shall take effect upon its final reading by the municipal governing body. It shall cover all travel and expenses occurring on or after July 1, 1999.

Voting for this ordinance was as follows:

First Reading: 12-20-99

	<u>Aye</u>	<u>No</u>
Marsha Edwards	<u>✓</u>	___
Ted Hopson	<u>✓</u>	___
Johnny Lynch	<u>✓</u>	___
Howard Street	<u>✓</u>	___
Mayor Hensley	<u>✓</u>	___

Second Reading: 1-17-00

	<u>Aye</u>	<u>No</u>
Marsha Edwards	<u>✓</u>	___
Ted Hopson	<u>✓</u>	___
Johnny Lynch	<u>✓</u>	___
Howard Street	<u>✓</u>	___
Mayor Hensley	<u>✓</u>	___

This ordinance is adopted this 17 Day of JANUARY, ²⁰⁰⁰~~1999~~.

Signed: Charles M. Hensley
Charles M. Hensley, Mayor

ATTEST: Marcia V. Johnson
Marcia V. Johnson, Town Recorder

TOWN OF UNICOI, TENNESSEE TRAVEL REIMBURSEMENT POLICY

(Adopted by reference in Ordinance 99-53-- Administrative procedures submitted by MTAS to and approved by, the Comptroller of the Treasury, State of Tennessee, in June 1993.)

TRAVEL REIMBURSEMENT

To ensure reimbursement for official travel, a pre-approved travel authorization form is required. Lack of pre-approval does not prohibit reimbursement, but pre-approval does assure reimbursement within the limits of the city/town travel policy. All costs associated with the travel should be reasonably estimated and shown on the travel request form. An approved request form is needed before advance expenses are paid or travel advances are authorized. A copy of the conference program, if applicable, should be attached to the form. If the program is not available prior to the travel, submit it with the reimbursement form.

TRAVEL DOCUMENTATION

It is the responsibility of the authorized traveler to:

1. prepare and accurately describe the travel;
2. certify the accuracy of the reimbursement request;
3. note on the reimbursement form all direct payments and travel advances made by the city/town; and
4. file the reimbursement form with the necessary supporting documents and original receipts.

The reimbursement form should be filed with the finance department within 10 days of return or at the end of the month, whichever is more practical.

TRANSPORTATION

All potential costs should be considered when selecting the mode of transportation. For example, airline travel may be cheaper than automobile travel when time away from work and increased meal and lodging costs are considered. When time is important, or when the trip is so long that other modes of transportation are not cost-beneficial, air travel is encouraged.

If the traveler goes outside the state by means other than air, the reimbursement will be limited to air fare at tourist or economy class, ordinary expenses during the meeting dates, and one day's meals and motel before and after the meeting. The traveler will be required to take annual leave for any additional time taken beyond the day before and the day after the meeting dates.

Exceptions: When the traveler extends the trip with personal time to take advantage of discount fares, the reimbursement will be limited to the lesser of:

1. the actual expenses incurred; or
2. the amount that would have been incurred for the business portion only, calculated with the least expensive rates available.

All expenses and savings associated with extending the trip must be submitted with the expense reimbursement form.

TRAVEL BY AIR

When possible, the traveler should make full use of discounts for advance airline reservations and advance registration. The traveler should request conference, government, or weekend rates (whichever is cheaper) when making lodging or rental car reservations. The city/town will pay for tourist or economy class air travel. The traveler should get the cheapest reasonable fare and take advantage of "super saver" or other discount fares. Airline travel can be paid by direct billing to the city/town.

Mileage credits for frequent-flyer programs accrue to the individual traveler. However, the city/town will not reimburse for additional expenses (such as circuitous routing, extended stays, layovers to schedule a particular carrier, upgrading from economy to first class) for travelers to accumulate additional mileage or for other personal reasons.

The city/town will not reimburse travel by private aircraft unless authorized in advance by the chief administrative officer.

TRAVEL BY RAIL OR BUS

The city/town will pay for actual cost of ticket.

TRAVEL BY VEHICLES

Automobile transportation may be used when a common carrier cannot be scheduled, it is more economical, a common carrier is not practical, or expenses can be reduced by two or more city/town employees traveling together. Fines for traffic or parking violations will not be reimbursed by the city/town. Reasonable tolls will be allowed when the most direct travel route requires them.

For travel between lodging quarters and meetings, conferences, or meals, reasonable taxi fares will be allowed. Remember, original receipts are required for claims of \$5 or more. Transportation to and from shopping, entertainment, or other personal trips is the choice of the traveler and is not reimbursable.

Reimbursement claims for taxis, limousines, or other ground transportation must be listed separately on the expense form, claiming the destination and amount of each fare.

Types Of Ground Transportation:

1. Personal Vehicle - Employees should use city/town vehicles when possible. Using a private vehicle must be approved in advance by the chief administrative officer. The city/town will pay a mileage rate not to exceed the rate allowed by the federal or state schedule, whichever the city/town adopts. The miles for reimbursement shall be paid from origin to destination and back by the most direct route. Necessary vicinity travel related to

official city/town business will be reimbursed. However, mileage in excess of the Rand McNally mileage must be documented as necessary and business-related. If an indirect route is taken, the Rand McNally mileage table will be used to determine the mileage to be reimbursed.

If a privately owned automobile is used by two or more travelers on the same trip, only the traveler who owns or has custody of the automobile will be reimbursed for mileage. It is the responsibility of the traveler to provide adequate insurance to hold the city/town harmless for any liability from using the private vehicle.

In no event will mileage reimbursement, plus vicinity travel and associated automobile costs, exceed the lowest reasonable available air fare and associated air fare travel costs.

Travelers will not be reimbursed for automotive repair or breakdowns when using their personal vehicles.

2. City/town Vehicle - The city/town may require the employee to drive a city/town vehicle. If a city/town vehicle is provided, the traveler is responsible for seeing that the vehicle is used properly and only for acceptable business. The employee will be reimbursed for expenses directly related to the actual and normal use of the city/town vehicle when proper documentation is provided. Out-of-town repair costs to the city/town vehicle in excess of \$100 must be cleared with the proper city/town official before the repair is authorized.
3. Rental Cars - Use of a rental car is not permitted unless it is less expensive or otherwise more practical than public transportation. Approval of car rental is generally required in advance by the chief administrative officer. Always request the government or weekend rate, whichever is cheaper. Anyone who uses a rental car for out-of-state travel must obtain liability coverage from the vendor.
4. Taxi, Limousine, And Other Transportation Fares - When an individual travels by common carrier, reasonable fares will be allowed for necessary ground transportation. Bus or limousine service to and from airports should be used when available and practical. The city/town will reimburse parking fees and mileage for travel to and from the local airport, provided such costs do not exceed normal taxi/limousine fares to and from the airport. Receipts are required.

LODGING

The amount allocated for lodging shall not ordinarily exceed the maximum per diem rates authorized by the federal or state rate schedule, whichever is chosen by the city/town.

1. If the city/town reimburses using the federal rates, the Federal Travel Register provides guidelines for determining the maximum

that can be reimbursed for lodging. These amounts are available by requesting a copy of IRS Publication 1542. The rates in that publication are the maximum reimbursable rates for hotel rooms. (Taxes on lodging are not included in the per diem limitation.)

If the city/town opts for Tennessee's reimbursement rate, the amount is the State rate, plus appropriate taxes.

2. Original lodging receipts must be submitted with the reimbursement form. Photocopies are not acceptable.
3. If a traveler exceeds the maximum lodging per diem, excess costs are the responsibility of the traveler.
4. If the best rate is secured, and it still exceeds the maximum lodging per diem, the chief administrative officer may authorize a higher reimbursement amount.

Even if it costs more, travelers may be allowed to stay at the officially designated hotel of the meeting; however, more moderately priced accommodations must be requested whenever possible. It will be the traveler's responsibility to provide documentation of the "officially designated meeting site" room rates if these rates are higher than the normal reimbursable amounts.

5. If two or more city/town employees travel together and share a room, the lodging reimbursement rate will be the maximum of two single rooms. If an employee shares a room with a non-employee, the actual cost will be allowed up to the maximum reimbursable amount. The receipt for the entire amount must be submitted with the expense form.

MEALS AND INCIDENTALS

Receipts are not required for meals and incidentals. The authorized traveler may be reimbursed the daily amount based on the rate schedule and the authorized length of stay. The per diem meal amounts are expected to cover meals, tips, porters, and incidental expenses. The authorized traveler will not be reimbursed for more than this.

Whether meals may be claimed depends on when the traveler leaves and returns to the official station. The traveler's official station is home or work, whichever produces the least cost to the city/town. When partial-day travel is involved, the current per diem allowance is determined as follows:

Meal:	If Departure Before:	If Return After:
Breakfast	7 a.m.	8 a.m.
Lunch *	11 a.m.	1:30 p.m.
Dinner **	5 p.m.	6:30 p.m.

* Generally, lunch won't be reimbursed unless overnight travel is involved. Lunch may be reimbursed if departure is before 11 a.m. and the employee is eligible to be reimbursed for dinner.

** When overnight travel is involved, dinner reimbursement is made regardless of departure time.

Regardless of which reimbursement rate the city/town uses, the amounts include tip, gratuity, etc. The hour and date of departure and return must be shown on the expense reimbursement form.

The excess cost of an official banquet may be allowed, provided proper documentation or explanation is submitted with the expense reimbursement form. If a meal is included as part of a conference, seminar, or air fare, then the allowance for that meal should be subtracted from the total allowance for the day. For example, if a dinner is included as part of the conference fee, the maximum meal allowance for the day should be reduced by the allowed dinner amount.

The municipality has selected to reimburse travelers at the state travel regulation rates. The city/town's rates will automatically change when the selected agency rates are adjusted.

MISCELLANEOUS EXPENSES

Employees may be reimbursed for the following miscellaneous expenses:

1. Registration fees for approved conferences, conventions, seminars, meetings, and other educational programs, generally including the cost of official banquets, meals, lodging, and registration fees. Registration fees should be specified on the original travel request form and can include a request for preregistration fee payment.
2. The traveler may be reimbursed for personal phone calls while on official travel, but the amount will be limited to \$5 per day.
3. A \$4 allowance will be reimbursable for hotel/motel check-in and baggage-handling expenses.
4. Laundry, valet service, tips, and gratuities are considered personal expenses and are not reimbursable.
5. For travel outside the United States, all expenses claimed must be converted to U.S. dollars. The conversion rate and computation should be shown on each receipt.

ENTERTAINMENT

The city/town may pay for certain entertainment expenses provided that:

1. the entertainment is appropriate in the conduct of city/town business;
2. the entertainment is approved by the chief administrative

officer;

3. the group or individuals involved are identified; and
4. documentation is attached to the expense form to support the entertainment expense claims.

To request reimbursement for authorized entertainment expenses, be sure to include with the expense reimbursement form:

1. Required receipts. All requests must be supported by original receipts from the vendor (restaurant, caterer, ticket office, etc.). Reasonable tips and gratuities included on the receipt by the vendor are reimbursable.
2. A disclosure and explanation statement, explaining the purpose of the entertainment and identifying the group and the number of people entertained (or individual names listed if not a recognized group).

If the chief administrative officer is the person filing the claim, then it must be approved by the governing board before the finance officer authorizes payment.

TRAVEL RECONCILIATION

1. Within 10 days of return from travel or by the end of the month, the traveler is expected to complete and file the expense reimbursement form. It must be certified by the traveler that the amount due is true and accurate. Original lodging, travel, taxi, parking, and other receipts must be attached.

If the city/town provided a travel advance or made advance payment, the traveler should include that information on the expense form. In the case of advances, the form should have a reconciliation summary, indicating total claimed expenses with advances and city/town prepayments. The balance due to the traveler or the refund due to the city/town should be clearly shown below the total claim on the form or in a cover memo attached to the front of the form.

2. If the traveler received a travel advance and spent less than the advance, the traveler should attach a check to the city/town for that difference.
3. The chief administrative officer will address special circumstances and issues not covered in this ordinance on a case-by-case basis.

DISCIPLINARY ACTIONS

Violation of the travel rules can result in disciplinary action for employees. Travel fraud can result in criminal prosecution of officials and/or employees.

C. USE OF City/town VEHICLES AND EQUIPMENT

All city/town vehicles and equipment are for official use only.

No other person other than a city/town employee may operate a city/town vehicle or piece of machinery. Drivers and/or operators must have a valid Tennessee driver's license and be approved by the department head or

Generally, only city/town employees engaged in transporting city/town personnel and/or material and supplies used to carry out the functions and operations of city/town departments and for whom the immediate use of a vehicle is actually necessary or convenient shall drive or ride in city/town-owned vehicles. However, the following are exceptions to that general policy:

1. In emergencies where the city/town employee has a reasonable belief, based on a totality of circumstances, that the life, safety, health, or physical welfare of a citizen would be immediately threatened without the security and/or transportation provided by the city/town-owned vehicle. Examples of such emergencies include, but are not limited to, personal injury accidents, acute illness, and actual and potential victims of crime and violence.
2. In motorist/passenger assistance where there is no immediate emergency but, under a totality of circumstances, the city/town employee has a reasonable belief that failing to transport the motorist and/or passengers in a city/town-owned vehicle could result in such people being left in real or potentially real danger, or would result in extreme inconvenience to them. The use of a city/town-owned vehicle in such cases shall be limited to transporting motorists and their passengers only to those places where they are reasonably safe and have a reasonable opportunity to obtain continued help without using the city/town-owned vehicle.
3. When it is necessary for reasons of inclement weather, late hour, lack of transportation, or other reasonable cause to transport non-city/town personnel to and from city/town-owned property; also to repair or supply shops and similar facilities so that such personnel can install, repair, or maintain city/town equipment essential to the continuation or restoration of public services essential to the safety, health, and welfare of the citizens of the city/town.
4. In the transportation of federal, state, and local officers and employees; news media; private consultants; business people; and other private people visiting the city/town for the purpose of directly analyzing, reviewing, supporting, assisting, or promoting the city/town's functions and operations.
5. When the vehicle is driven to or picked up from private maintenance or repair facilities and while it is being "road tested" while in the possession of such facilities.

6. City/town employees who are assigned city/town vehicles and are required to drive them home are permitted to carry as passengers members of their households and those non-members of their households listed in subsection (b) below, to the following destinations when the city/town employee has no other reasonably convenient means of transporting those people:
 - a. Members of a city/town employee's household may be transported:
 1. to and from school and work, using the most direct route to those destinations, when the city/town employee himself or herself is driving to and from work or carrying out other legitimate and necessary city/town business; and
 2. to and from baby sitters; child-care centers; residences and businesses of family members, friends and neighbors; or any other reasonable destination where the safety, security, comfort, and well-being of a city/town employee's household members will be secured or promoted when the city/town employee is required to respond to a call to perform legitimate and necessary city/town business.
 - b. Non-members of a city/town employee's household that may be transported include:

baby sitters, family members, friends, and neighbors who may be taken to the city/town employee's household or any other reasonable location when the purpose of transporting such people is to permit them to watch over the safety, security, comfort, and well-being of the city/town employee's household members when the city/town employee is required to respond to a call to perform legitimate and necessary city/town business.

When determining whether to transport a private person in non-emergency, city/town-owned vehicles under the emergency and motorist/passenger assistance exceptions, city/town employees shall consider whether a more appropriate vehicle operated by trained police or other emergency personnel is reasonably available. Transporting people with severe injuries and illnesses should not generally be undertaken by city/town employees who are not trained in the medical field.

7. City/town-owned vehicles, under both the general policy and its exceptions, shall not ordinarily be taken outside the city/town. However, the city/town manager, department heads, and their designees shall have the authority to grant exceptions to this policy if such exceptions are for legitimate, necessary city/town business. In addition, it is authorized for city/town employees to travel a reasonable distance outside the city/town limits under the exceptions to the policy prohibiting them from transporting non-city/town employees in city/town-owned vehicles.

Reports of such travel shall be made to the employee's department head the first working day following such travel. The report shall include the purpose, duration, and distance of the travel outside the city/town and any other information the department head requires to determine whether the travel conforms to this policy. The department head shall keep a permanent file of such reports.

Non-emergency city/town vehicles shall obey all traffic laws under this general policy and its exceptions.

DATE: December 30, 1999
TO: Aldermen
FROM: Marcia
SUBJECT: Travel Reimbursement

Contrary to the discussion held at our last BMA meeting, our new travel reimbursement ordinance DOES specifically designate which rates will be used for reimbursement, namely the State of Tennessee rates. (Please see the Rates section of the ordinance).

Enclosed is a copy of the current State of Tennessee rates, for your information.

Hot Topics

for Tennessee cities and towns



May 5, 1999

#43

Changes in Federal and State Reimbursement Rates for Travel

Federal Rates

For those cities that elected to reimburse for travel using the federal reimbursement rates, the federal government has decreased the vehicle-cents-per-mile reimbursement rate for 1999 to 31 cents per mile. This decrease became effective on April 1, 1999. Any mileage allowances paid to an employee before April 1, 1999, for mileage expenses incurred prior to April 1, 1999, still qualified for the previous rate of 32.5 cents per mile.

The standard federal reimbursement rates for lodging and meals have remained the same. The standard federal rate is \$50 per night for lodging and \$30 per day for meals and incidentals (M&I). However, there are higher reimbursement rates in some of Tennessee's larger cities. Please see the chart below for those revised rates.

City	County	Lodging	M & I	Total
Chattanooga	Hamilton	\$50	\$34	\$84
Gatlinburg	Sevier	\$70	\$38	\$108
Knoxville	Knox	\$50	\$38	\$88
Memphis	Shelby	\$79	\$38	\$117
Nashville	Davidson	\$72	\$42	\$114
Townsend	Blount	\$70	\$34	\$104

These per diem rates apply to all locations within or entirely surrounded by the corporate limits of the key city as well as the boundaries of the county, including other municipalities within the county.

Federal reimbursement rates for out-of-state travel vary from state to state. For a complete listing of federal per diem rates, please reference the IRS publication No. 1542. Or, you can find a complete listing of federal per diem rates on the Internet at:
<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd99d.html>

State Rates

For those cities that elected to reimburse travel expenses using the state rates, the only change for 1999 is an increase in the mileage reimbursement rate from 26 cents a mile to 28 cents a mile effective July 1, 1999. A complete summary of the current state travel reimbursement rates for all allowable expenses can be found in MTAS' Hot Topic No. 38, issued July 31, 1998.

For more information, please contact your MTAS management consultant or finance consultant in your area.



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May 15, 2000

#54

Changes in Federal and State Reimbursement Rates for Travel

Federal Rates

For those cities that elected to reimburse for travel using the federal reimbursement rates, the federal government has increased the vehicle-cents-per-mile reimbursement rate for 2000 to 32.5 cents per mile. This increase became effective Jan. 1, 2000.

In addition to the increase in the mileage reimbursement rate, the standard federal reimbursement rate for lodging increased from \$50 to \$55 per night. The standard federal reimbursement rate for meals and incidentals (M&I) remains \$30 per day. These standard rates apply everywhere in the continental United States except for selected nonstandard locations where higher rates apply. Please see the chart below for those nonstandard locations in Tennessee and the respective lodging and M&I reimbursement rates.

City	County	Lodging (Room Rate Only No taxes included)	M & I	Total
Alcoa	Blount (except Townsend)	\$59	\$30	\$89
Gatlinburg (May 1 - Oct. 31) (Nov. 1 - Apr. 30)	Sevier	\$80	\$38	\$118
Memphis	Shelby	\$70	\$38	\$108
Murfreesboro	Rutherford	\$57	\$30	\$87
Nashville	Davidson	\$72	\$42	\$114
Townsend	City limits only	\$63	\$34	\$97
Williamson County	Williamson County	\$57	\$30	\$87

Save and Post by Your Phone

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Visit our Web site at:
www.mtas.utk.edu

Or call **MTAS' Answer Line** and receive quick answers to short questions.
1-888-667-6827 (MTAS)

Hot Topics for Tennessee cities and towns

July 31, 1998 #38

State Revises Travel Reimbursement Rates

The state of Tennessee has revised its travel reimbursement rates. If your city adopted the MTAS model travel policy and you reimburse using the state rates, then your reimbursement rates have changed, too. Your governing body doesn't need to take any action for your city to begin reimbursing for travel at the new rates listed here.

For those cities that elected to reimburse for travel using the federal reimbursement rates, the vehicle-cents-per mile was increased to 32.5 cents. Please reference an MTAS Hot Topic dated March 17, 1998, for additional information on federal rates.

The new, higher state rates are effective August 1, 1998. In-state travelers are reimbursed at three different rates (Level I, Level II, and Level III), depending on where they travel. Out-of-state travelers are eligible for reimbursement at rates provided by the federal government.

First, here are some general state rates that have changed:

- Mileage
 - Standard mileage rate effective 8/1/98 \$.26 per mile
 - Standard mileage rate effective 7/1/99 \$.28 per mile
- Maximum parking fees without receipt \$5.00 per day
- Fees for handling equipment/promotional materials \$20.00 per hotel

Reimbursement Rates for In-State Travel

	Maximum Lodging	Maximum M&I	75% M&I
Level I	\$60 + tax	\$30	\$22.50
Level II	\$50 + tax	\$30	\$22.50
Level III	\$45 + tax	\$30	\$22.50

Level I

Counties and cities

Davidson, Hamilton, Knox, and Shelby counties, and Gatlinburg and Johnson City.

Level II

Counties

Anderson, Blount, Bradley, Carter, Coffee, Gibson, Greene, Hamblen, Hawkins, McMinn, Madison, Maury, Montgomery, Putnam, Roane, Robertson, Rutherford, Sevier, Sumner, Washington, Williamson, and Wilson.

State Parks

Paris Landing, Montgomery Bell, Natchez Trace, Pickwick, and Fall Creek Falls.

Level III

All other counties not listed above.

Reimbursement Rates for Out-of-State Travel

The State of Tennessee Comprehensive Travel Regulations authorizes the maximum reimbursement rates for out-of-state travel by state employees at the same level as those maintained by the U.S. General Services Administration for federal employees within the continental United States. Reimbursement rates vary from state to state. For a complete listing, please reference the IRS publication #1542. Or, you can find it on the Internet at <http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd98.htm>

For those city without Internet access and need CONUS reimbursement rates, please contact the MTAS finance or municipal management consultant in your area.

Explanation of Per Diem Rates for Meals and Incidentals

The maximum per diem rates include a fixed allowance for meals and for incidental expenses (M & I). The M & I rate, or fraction thereof, is payable to the traveler without itemization of expenses or receipts. Incidentals are intended to include miscellaneous costs associated with travel such as tips for baggage handling, phone calls to home, etc. Reimbursement is made only when overnight travel is required, or excessive hours of work are required outside the county of the employee's official work station or residence. Generally, the applicable maximum per diem rate for each calendar day of travel shall be determined by the location of lodging for the traveler.

The per diem rates for meals and incidentals of in-state travel are established in the section entitled "Reimbursement Rates for In-State Travel." The M & I rates for out-of-state travel are the same as those for federal employees and are available on the General Services Administration's Web site. As with lodging, there is a standard rate for the continental United States (CONUS), and a list of exceptions.

Reimbursement for meals and incidentals for the day of departure shall be three-fourths, or 75 percent, of the appropriate M & I rate (either, the in-state rate or CONUS rate for out-of-state travel) at the rate prescribed for the lodging location. Reimbursement for M & I for the day of return shall be three-fourths, or 75 percent, of the M & I rate applicable to the preceding calendar day. To assist in this calculation, the following table lists partial per diem rates for meals and incidentals for in-state and out-of-state travel.

DAILY M&I	75% M&I
\$30	\$22.50
\$34	\$25.00
\$38	\$28.50
\$42	\$31.50

The following table may also be used to determine reimbursement for a single meal when appropriate. Reimbursement may be made for an occasional meal for employees on one-day travel status working beyond their 7.5 hour workday who may leave home before 6 a.m. or do not return home until after 7 p.m.

In-State and Out-of-State/Meals & Incidentals/Allocated by Meal

Per Diem	\$30	\$34	\$38	\$42
Breakfast	\$6	\$7	\$8	\$9
Lunch	\$8	\$9	\$10	\$11
Dinner	\$14	\$16	\$18	\$20
Incidentals	\$2	\$2	\$2	\$2

Employees who are scheduled to work nonstandard shifts (official work hours begin before 7 a.m. or end after 5:30 p.m.), and are eligible for meal reimbursement shall be reimbursed at one-third of the daily M & I rate for each reimbursable meal. Total reimbursement is limited to the full day M & I allowance.

For further information contact MTAS at the office nearest to your city: Knoxville (423) 974-0411; Johnson City (423) 854-9882; Nashville (615) 532-MTAS (6827); Jackson (901) 423-3710; or Martin (901) 587-7055.

**MTAS****Municipal Technical
Advisory Service***In cooperation with the
Tennessee Municipal League***September 9, 2004****CHANGES IN FEDERAL REIMBURSEMENT RATES FOR TRAVEL****Dick Phebus, Finance and Accounting Consultant****Federal Rates Effective October 1, 2004**

Tennessee cities that elect to reimburse for travel using the federal reimbursement rates should note that the federal government has increased per diem reimbursement rates effective October 1, 2004. Cities may wish to update their travel policies to reflect this change.

Standard Rates

The standard CONUS (Continental United States) rate for lodging has been increased to \$60 (\$55 for FY2004) while the M&IE (meals and incidental expense) rate remains unchanged at \$31.

Non-Standard Rates

In addition to the increase in the standard lodging reimbursement rate, the federal rate for lodging, meals, and incidentals reimbursement has changed for select cities in Tennessee. The non-standard lodging rate for Memphis decreased \$1 while the non-standard lodging rate for Nashville decreased by \$5, and the non-standard rate for Chattanooga increased by \$4. The seasonal variances in Gatlinburg have been eliminated, while non-standard rates for Brentwood/Franklin and Knoxville have been added, effective October 1, 2004. The following table reflects the recent changes for locations in Tennessee.

LOCATION	COUNTY	LODGING	M&IE	TOTAL
Brentwood/Franklin	Williamson	\$66	\$35	\$101
Chattanooga	Hamilton	\$88	\$31	\$119
Gatlinburg/Townsend	Sevier and Blount	\$79	\$43	\$122
Knoxville	Knox	\$65	\$31	\$ 96
Memphis	Shelby	\$80	\$43	\$123
Nashville	Davidson	\$77	\$47	\$124
Tennessee	All Other Locations	\$60	\$31	\$ 91

M&IE is broken down as shown in the following table for locations in Tennessee.

M&IE Total	\$31	\$35	\$43	\$47
Breakfast	\$ 6	\$ 7	\$ 9	\$ 9
Lunch	\$ 6	\$ 7	\$ 9	\$11
Dinner	\$16	\$18	\$22	\$24
Incidentals	\$ 3	\$ 3	\$ 3	\$ 3

These federal per diem rates apply to all locations within or entirely surrounded by the corporate limits of the key city as well as the boundaries of the county, including other municipalities within the county.

Federal reimbursement rates for out-of-state travel vary from state to state. A complete listing of federal per diem rates for FY 2005 can be found at <http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd05d.html>.

State Rates

For those cities that elect to use the state of Tennessee reimbursement rates, there has been no change in lodging rates from last year. The mileage reimbursement rate increased from 32 to 35 cents per mile, effective May 1, 2004. The state reimbursement policy also provides for lodging rates and meals and incidentals maximum amounts. The state travel policy can be found in the Tennessee Comprehensive Travel Regulations at <http://www.state.tn.us/finance/act/policy8.pdf>.

Please review your city's travel policy to determine the applicable reimbursement rates for lodging and M&IE. If your city's travel policy makes reimbursements based on the "state" or "federal" rate, the changes noted above may take effect without any action by your city board. If, however, your city's policy establishes specific reimbursement rates for lodging and meals, you may need to amend the travel policy to reflect the above changes in regard to mileage and other travel expenses.

For More Information

Contact Dick Phebus, MTAS finance and accounting consultant, or your MTAS management or finance consultant for further assistance on this matter.

Visit our Web site at www.mtas.tennessee.edu for further information.

**MTAS****Municipal Technical
Advisory Service***In cooperation with the
Tennessee Municipal League***December 19, 2005****CHANGES IN FEDERAL AND STATE LODGING
REIMBURSEMENT RATES FOR TRAVEL****Dick Phebus, Finance and Accounting Consultant****FEDERAL RATES EFFECTIVE
OCTOBER 1, 2005**

Tennessee cities that elect to reimburse for official travel using the federal reimbursement rates should note that the federal government has increased per diem reimbursement rates effective October 1, 2005. Cities may wish to update their travel policies to reflect this change. These rates are effective until September 30, 2006.

The FY2006 standard CONUS (continental United States) rate for lodging remains the same at \$60 (\$60 for FY2005) while the M&IE (meals and incidental expenses) rate increases to \$39 (\$31 for FY2005).

In addition to the increase in the standard lodging reimbursement rate, the federal rate for lodging, meals, and incidentals reimbursement has changed for select cities in Tennessee. The table below lists those changes. It should be noted that the lodging reimbursement rate for Memphis decreased effective October 1, 2005; however, an amendment to the nonstandard rate for Memphis increased the rate effective November 20, 2005. Additionally, requirements for M&IE rates for all locations for the first and last days of travel are calculated at 75 percent of the authorized rates.

CITY OR LOCATION	COUNTY	LODGING	M&IE	TOTAL
*b230W Brentwood/Franklin	Williamson	\$75	\$49	\$124
Chattanooga	Hamilton	\$77	\$44	\$121
Gatlinburg/Townsend	Sevier and Blount	\$66	\$49	\$115
Knoxville	Knox	\$69	\$49	\$118
Memphis (Oct. 1-Nov. 19, 2005)	Shelby	\$73	\$49	\$122
Memphis (Nov. 20-Sept. 30, 2006)	Shelby	\$78	\$49	\$127
Nashville	Davidson	\$96	\$54	\$150
All other Tennessee locations		\$60	\$39	\$ 99

December 19, 2005

**CHANGES IN FEDERAL AND STATE LODGING
REIMBURSEMENT RATES FOR TRAVEL**

Dick Phebus, Finance and Accounting Consultant

IN-STATE MEALS & INCIDENTALS ALLOCATED BY MEAL		
Per Diem Rate	\$31	\$38
Breakfast	\$ 6	\$ 8
Lunch	\$ 8	\$10
Dinner	\$14	\$17
Incidentals	\$ 3	\$ 3

FINANCE OFFICE REVIEW

Please review your city's travel policy to determine the applicable reimbursement rates for lodging and M&IE. If your city's travel policy makes reimbursements based on the "state" or "federal" rate, the changes noted may take effect without any action by your city board. If, however, your city's policy establishes specific reimbursement rates for lodging and meals, you may need to amend the travel policy to reflect the above changes in regard to other travel expenses.

For more information, please contact the MTAS management or finance consultant in your area.

MTAS OFFICES

Knoxville (Headquarters) . . . (865) 974-0411	Jackson (731) 423-3710
Johnson City (423) 854-9882	Nashville (615) 532-6827
(423) 282-0416	Martin (731) 881-7057

The Municipal Technical Advisory Service (MTAS) is a statewide agency of The University of Tennessee Institute for Public Service. MTAS operates in cooperation with the Tennessee Municipal League to provide technical assistance services to officials of Tennessee's incorporated municipalities. Assistance is offered in areas such as accounting, administration, finance, public works, ordinance codification, and wastewater management.

MTAS Hot Topics are information briefs that provide a timely review of current issues of interest to Tennessee municipal officials. Hot Topics are free to Tennessee local, state, and federal government officials and are available to others for \$2 each. Photocopying of this publication in small quantities for educational purposes is encouraged. For permission to copy and distribute large quantities, please contact the MTAS Knoxville office at (865) 974-0411.

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December 19, 2005

CHANGES IN FEDERAL AND STATE LODGING REIMBURSEMENT RATES FOR TRAVEL

Dick Phebus, Finance and Accounting Consultant

Meals and incidental expenses are broken down as shown in the following table for locations in Tennessee.

M&IE	\$39	\$44	\$49	\$54
Breakfast	7	8	9	10
Lunch	11	12	13	15
Dinner	18	21	24	26
Incidentals	3	3	3	3

These federal per diem rates apply to all locations within or entirely surrounded by the corporate limits of the key city as well as the boundaries of the county, including other municipalities within the county.

Federal reimbursement rates for out-of-state travel vary from state to state. A complete listing of federal per diem rates for FY 2006 can be found at http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC.

STATE OF TENNESSEE RATES

The table below lists lodging rates for Tennessee cities for use by cities that elect to use the state of Tennessee reimbursement rates. The state reimbursement policy also provides for meals and incidentals maximum amounts that are slightly different from the federal rate. The state travel policy can be found in the Tennessee Comprehensive Travel Regulations at <http://www.state.tn.us/finance/act/policy8.pdf>.

IN-STATE TRAVEL LODGING REIMBURSEMENT RATES

Level I Counties and Cities	Maximum Lodging	Maximum Meals & Incidentals
Shelby County, Davidson County Gatlinburg, Pigeon Forge <i>(Includes Montgomery Bell, Pickwick Landing, and Fall Creek Falls State Parks)</i>	\$75	\$38 (Pigeon Forge \$31)
Level II Counties and Cities	Maximum Lodging	Maximum Meals & Incidentals
Knox, Hamilton, Sullivan, Washington and Williamson counties <i>(Includes Henry Horton, Paris Landing, and Natchez Trace State Parks)</i>	\$65	\$31
Level III Counties and Cities	Maximum Lodging	Maximum Meals & Incidentals
All locations not listed in Level I or II	\$60	\$31