



BUSINESS SERVICES CENTER

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New York State Business Services Center (BSC)

Finance Policies

Travel and Expense

I. Governing Policy

All travel and expense transactions are processed by the Business Services Center (BSC) in accordance with all rules and regulations applicable to Executive Department agencies including:

1. Office of the State Comptroller (OSC) travel reimbursement rules and regulations and OSC Travel Manual at:
<http://osc.state.ny.us/agencies/travel/travel.htm>
2. Office of General Services (OGS) statewide travel contracts and trip calculator at:
<http://ogs.ny.gov/BU/SS/Trav/default.asp>
3. Statewide Financial System (SFS) at:
<http://www.sfs.ny.gov/>
4. Division of the Budget (DOB) B-1184 policies and procedures at:
http://www.budget.ny.gov/guide/bprm/bulletins/b-1184_reissue.html
5. New York Codes, Rules and Regulations
 - Title 2, Part 8 Traveling Expenses
6. OSC Guide to Financial Operations; Employee Travel Expense Reimbursement at:
<http://www.osc.state.ny.us/agencies/guide/MyWebHelp/Content/XIII/4/4.htm>
7. State Finance Law
 - Article 7, Section 109 Proofs Required Upon Audit by the Comptroller.
Travelers are required to retain original receipts for three years (seven years for Federal funds) pertaining to expense reports paid with state funds as supporting documentation proof.
8. Penal Law
 - Title K, Article 175, Section 175.35 Fraudulent Claims – Offering a false instrument for filing is a Class “E” felony. Employees including supervisors, who knowingly misrepresent the facts concerning travel for official business or who file or sign any travel form that contains deliberate false statements with intent to defraud the State may be subject both to administrative and/or disciplinary action, including the possibility of termination and criminal charges.

II. General Policies and Procedures

Agency is responsible for:

1. Completing required travel preauthorization following OSC guidelines and their own policies for specific business purposes, e.g. conferences, meetings, etc.

2. Ensuring that the most economical method of transportation available is utilized unless there are circumstances that would make such use unreasonable. Utilize OGS Trip Calculator for trips including single day travel over 100 miles.
3. Securing B-1184 approval, when required.
4. Securing Third Party Agreements Ethics Review (Conflict of Interest Form), when required. The form and instructions are available at <http://bsc.ogs.ny.gov>.
5. Encouraging employees who travel at least once a year to apply for a State Travel Credit Card to utilize for travel expenses incurred.
6. Completing and approving travel card and Non-Employee Travel (NET) card applications. NET cards are issued to an agency for travel expenses of non-employees traveling on behalf of the agency.
7. Keeping an employee's default coding current including updates to chartfield information at the beginning of the fiscal year.
8. Ensuring any "due state" expense reports are satisfied prior to the employee retiring, leaving state service, or transferring to another agency.

Agency Employees are responsible for:

1. Completing and submitting expense reports in SFS timely, on their own or through their proxy. The suggested best practice for timely submission is within 10 business days after a trip.
2. Including only one overnight trip per expense report (may be multiple nights for same trip); each report can include multiple day trips (employees in continuous travel status may combine and submit expense reports every 10 business days).
3. Utilizing the State-issued travel card for only their travel expenses. Travel cards are not to be shared amongst employees. Travel cards are not to be used for personal business.
4. Attaching required receipts and documentation to their expense reports in SFS.
 - If receipts or documentation are required, the expense report will be returned to the traveler with comments noting the missing required receipts for audit/payment. The traveler must link the documentation to the expense report, and resubmit.
5. Maintaining all supporting documentation and receipts for three years for State monies and seven years for Federal monies.
6. Contacting Citibank directly at 1-800-248-4553 if the travel card does not work.
7. Knowing the billing zip code for vendors and Citibank inquiries: 12232.
8. Charging and reconciling each NET card by the designated cardholder.

Business Services Center is responsible for:

1. Issuing employee travel credit cards as part of the credit card administration service (Credit Card Unit of the BSC).
 - Issuance of new cards must be approved by the designated agency approver, or designee.

2. Issuing NET cards, upon request of the designated agency approver or designee, to an agency employee for travel expenses of non-employees traveling on behalf of the agency.
3. Providing training to all travelers on travel guidelines and policies and the use of SFS to reconcile travel credit card charges by creating expense reports.
4. Providing ongoing technical assistance and telephone support to agency staff, including travel specific issues regarding SFS.
5. Auditing, but not modifying, expense reports for accuracy and completeness in SFS.
 - If changes to expense reports are required or receipts/documentation are missing, the expense report will be returned to the traveler for correction and resubmission; travelers are to check the BSC comments in the returned expense reports for clarification and information.
6. Auditing travel that is part of a contract or other invoice payment before being processed by Accounts Payable.
7. Following up directly with the traveler on unreconciled travel card charges via email, with a cc to the traveler’s supervisor and proxy (if applicable).
8. Processing travel reimbursement within 5 business days from the receipt of a properly submitted expense report, to the time it is sent to OSC for payment.

III. Specific Policies and Procedures

Procedures for processing travel transactions in conjunction with the BSC are detailed below by:

- A. Travel Authorization
- B. Expense Reports

A. Travel Authorization

Authorization for an employee to travel including B-1184 approval (when required), is the responsibility of the agency. While the BSC is not involved in the approval process, given existing State travel directives/policies, BSC staff will expect a travel authorization to be linked to any expense report that includes:

<u>B-1184 Approval Required:</u>	<u>Travel Authorization Required:</u>
<p>Out-of-state travel (including Commissioner travel, and exempt class employees) <u>regardless of cost (including \$0)</u></p> <p>*Submit directly to executive chamber, no DOB approval</p>	<p>Travel to a conference or seminar at a facility that exceeds the maximum lodging rate.</p>

(Attachment A)

Travel to a conference or seminar over \$500

Non-Contract fares when the fare saves \$200 or more per round trip

In-state travel expenses of \$500 or more

Lodging exceeding the maximum rate

***Approved by Agency Head
(Attachment B)**

Agency-specific waivers from OSC and established guidelines (e.g., trip calculator, specific project exemptions, etc.)

Agencies may require preauthorization for other types of travel not listed above or other information not included in the SFS travel authorization module. In both instances, it is the discretion of the agency to determine the best mechanism for the authorization process. This may include attaching documents to the SFS travel authorization record.

While the BSC travel audit staff may review such documents for information for the standard BSC audit process, the BSC will not verify travel documentation for agency specific requirements.

B. Expense Reports

1. Responsibilities

Agency employees involved in the travel expense reimbursement process are responsible for the following:

Agency Employee and Proxies

- Knowing all applicable travel policies and procedures, both statewide and agency specific.
- Knowing and understanding the employee's official station and its effect on eligibility for travel reimbursement.
- Obtaining necessary authorization for travel, including method of travel.
- Using the Travel Credit Card to minimize out-of-pocket expenses including airfare and vehicle rentals.
- Accounting for all travel credit card charges on an expense report.

- Maintaining an accurate record of expenses including departure/return times, and mileage; obtaining receipts.
- Indicating traveler's residence (city and state) in the comment field of the general information section on the expense report.
- Using the OGS trip calculator and claiming the mileage indicated on the calculator when renting a vehicle would have been more economical for the State, but a personal vehicle was used and personal car mileage was incurred.
- Utilizing the OSC proximity rule for travel to alternate worksites within 35 miles of home and official station and claiming the lesser mileage – either from home to worksite or official station to worksite (refer to the OSC Travel Manual for details).
- Submitting expense reports timely. The suggested best practice for timely submission is within 10 business days after a trip (see Appendix B).
- Attaching, in SFS, required receipts to expense reports as well as required justification and supporting documents for any deviation from standard practice (e.g., over the maximum rates for lodging, vehicle upgrades, conflict of interest forms, agency specific waivers varying from OSC and established guidelines, etc.).
- Retaining original travel records for three years (seven years for expense reports reimbursed with federal funds). While copies of documents and receipts are scanned and attached to the SFS expense report, it is recommended that employees retain originals.
- Using the travel credit card in accordance with established rules, failure to do so may result in disciplinary action and suspension or termination of account.
- Arranging for State business travel in keeping with existing OGS contracts (<http://ogs.ny.gov/BU/SS/Trav/default.asp>) for travel services such as travel agent and vehicle rentals (do not use online booking agents such as Expedia, Hotels.com, etc.).
- Presenting tax-exempt forms when goods or services are to be paid for by New York State while performing official duties, e.g. hotel, vehicle rentals, etc.
- Deducting incidental personal charges incurred on the travel credit card from any travel reimbursement due or directly reimbursing the agency for these charges.
- Making restitution for any money owed to the State agency.
- Contacting the travel agent or Amtrak to secure a refund if your travel plans change after charging a ticket to your travel credit card. Amtrak tickets may be used for up to one year from date of purchase.

Agency Supervisor

- Knowing all applicable travel policies and procedures, both statewide and agency specific.
- Reviewing the traveler's itinerary to make sure travel is in the most economical method possible and is consistent with employee time records.
- Assisting staff in obtaining travel related documents and making sure they are properly trained on travel policies.
- Ensuring the official station designation is in the best interest of the State and knowing the effect of such designation on their travel reimbursement.
- Approving requests for staff to be in travel status only when necessary.
- Authorizing attendance at conventions or seminars and similar events and obtaining all required authorizations from agency officials.
- Reviewing and approving expense reports within a week of submission in SFS.
- Verifying that the expense report is within allowable rates and all required receipts and supporting documentation is attached (e.g., lodging receipts, vehicle rentals, expenses over \$75, over the maximum rates for lodging, vehicle upgrades, conflict of interest forms for third party travel, trip calculators, agency specific waivers, etc.).
- Monitoring each traveler's work location for the one-year rule (IRS requires employers to report travel reimbursements and withhold income and employment taxes if employment away from home at a single location is realistically expected to last for more than one year); notifying the BSC when an employee's travel becomes taxable.
- Communicating to the BSC Travel Unit if the agency currently has employees that are affected by the one-year rule.

Agency Finance Office

- Verifying that the chartfield coding is correct in SFS for the expense report.
- Ensuring that agency and/or B-1184 authorizations are in place prior to travel.
- Approving transactions within a week of submission in SFS.
- Reconciling outstanding travel card charges for retirees or employees that have left the agency.
- Ensuring travelers with negative expense reports make full restitution to the State timely.

BSC

- Issuing updates to agency travel liaisons on travel guidelines including rate changes, SFS changes, taxable use of state vehicle, etc.

- Providing training and guidance to travelers and supervisors on travel-related topics (including videos, guides, and webinars).
- Answering questions regarding travel policies, guidelines, reimbursement rates and using SFS.
- Auditing and processing expense reports in accordance with the BSC policies and OSC Travel Guidelines.
- Issuing travel credit cards upon request from the designated agency approver or designee and record card information in SFS.
- Verifying all travel credit card charges are accounted for in SFS.
- Providing reports to travelers and supervisors on unreconciled charges.
- Reporting one-year rule mileage or mileage reimbursements in excess of maximum federal rate to the appropriate Payroll Unit.

2. Expense Report Process

- a. Employees complete their expense reports or provide information to their proxy to complete in SFS (see Appendix B). The suggested best practice for timely submission is within 10 business days after a trip.
 - Employee submits expense report (even if completed by proxy). If report is to be submitted by the proxy, the proxy ensures that a traveler-signed AC132-S, noting the expense report number is attached to the expense report.
 - Travel credit card charges are downloaded daily into SFS from the credit card company. Employee must link appropriate charges to each expense report. Any required receipts are attached to the SFS record. (See Appendix A for required receipts).
- b. Submitted expense reports are reviewed and approved by the employee's supervisor.
- c. Expense reports are then routed to the agency budget role (Agencies may classify the role differently) for verification of coding.
- d. BSC audits each expense report and contacts the employee directly via email and/or within the expense report comment field with any concerns or adjustments.
 - The BSC will hold an expense report for 2 business days after requesting information/documentation. The BSC will deny the expense report back to the traveler if the requested information is not received within two business days.
- e. If the traveler owes the State money, the BSC will audit the expense report and approve, if correct. The BSC will send an email to the traveler (copying their supervisor) providing instructions to make the check or money order payable to their agency with the exact amount due state.
 - The traveler must mail a check or money order in the exact amount owed to: OGS Business Services Center, Attn: Accounts Receivable

Unit, PO Box 2117 Empire Plaza Station, Albany, NY 12220-0117. The check or money order must contain the traveler's name, GLBU, and expense report number.

- f. The BSC will check to ensure that all travel credit card charges are properly linked to each expense report and required receipts are attached.
- g. Once BSC auditor approves an expense report it is forwarded to OSC for payment.
- h. BSC follows up with employees directly on any travel credit card charges not reconciled timely. If employee does not resolve the matter timely, it is referred to the agency travel liaison, and in extreme cases to OSC.

Appendix A – Reimbursable Expenses & Receipt Requirements

Reimbursable Travel Expenses		Non-Reimbursable Expenses
Receipts and/or Documentation Required	Receipts Not Required	
<p>Receipts Required:</p> <ul style="list-style-type: none"> - Lodging Receipts (receipted method) - Receipts of \$75 or more for travel expenses including tolls, parking, taxis, local bus, subway, gas, etc. - Amtrak ticket stubs and airline tickets - Long distance bus tickets - Meals if not in overnight status and claiming higher rate <p>Documentation Required:</p> <ul style="list-style-type: none"> - Car rental agreements - Trip calculator for personal car mileage when rental car would have been more economical and for PCM 100 miles and more per trip - Conference brochure or agenda - Justification for over the Maximum rate for lodging and rental car upgrades 	<ul style="list-style-type: none"> - Receipts under \$75 for travel expenses including: <ul style="list-style-type: none"> o tolls o parking o taxis o local bus o subway o car washes for state fleet cars and rental vehicles 	<ul style="list-style-type: none"> - Parking tickets - Traffic tickets - Laundry - Valet Service - Entertainment - Maid Service
<p>Non-Travel Reimbursements: Receipts for all non-travel related expenses are required</p>		

Appendix B – SFS Expense Report Data Requirements

- Accurately complete the General Information section of the expense report including; description, business purpose, default location (destination of trip), comments (if necessary), Division of the Budget B-1184 Approval Code, and any agency reference number if applicable, travel dates, normal work hours, for out-of-state travel check appropriate box.
- If traveling to multiple destinations on an expense report put one city in the default location under the general information section then specify your other destinations in the details section of the corresponding expense line.
- The comment field must contain the traveler's city and state of legal residence in order to determine official travel status. Any other comments regarding travel or extenuating circumstances should also be noted in this field.
- Ensure Accounting Defaults are present and accurate for trip taken; agencies may have a unique accounting code for a specific trip – travelers should check with their agency finance/budget office for coding details.
- Travel credit card charges are specified correctly in "My Wallet" prior to allocating charges to a report. Hotel bills including room service, parking or other expenses are itemized and properly recorded in the expense report as travel card, "Return to State" or "Non-Reimbursable" expenses. All meals placed on travel cards must be specified "Return to State" as an offset with a meal expense/per diem.
- Enter expenses accurately into report including correct dates, amount spent, payment type and for billing type select either in-state-billable or out-of-state billable.
- Only one overnight trip per expense report (may be multiple nights for same trip); each report can include multiple day trips (employees in continuous travel status may combine and submit expense reports bi-weekly).
- Lodging expenses are within allowable rates and lodging receipts must be attached to the expense report.
 - If lodging obtained is over the maximum allowance justification, Agency Finance Office approval must be attached to the expense report.
- Meal per diems are claimed based on rates for the county of lodging; extra meals (breakfast on the day out/dinner on the day of return) must meet time eligibility requirements and are noted in the START and END time fields in the details section of the expense line.
- When claiming personal car mileage, travelers are to follow the proximity (lesser of mileage rule) and/or rental vehicle (trip calculator) policies and claim the most economical for the trip. If travelers combine mileage incurred on one expense line in the expense report, clear and concise trip details such as legible AC160 - Statement of Automobile Travel, in date order must be linked to the expense report or include details in the comments field.

- All rental vehicle and trip calculator upgrades must be justified and approved by the agency/supervisor.
- Electronically attach all required receipts, trip calculators, justifications, supporting travel documents to expense reports.
- Employees should check their profiles to ensure their supervisors are correct prior to submitting expense reports and report any errors to their Employee Data Administrator.
- Expense reports are to be submitted timely. The suggested best practice for timely submission is within 10 business days after a trip. Continuous travelers may submit expense reports bi-weekly.