TRAVEL

Policies
& Regulations

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The policies and regulations in unshaded text below were issued by the Office of State Budget and Management and apply to all state agencies.

DEQ policies and procedures are inserted in shaded areas following each topic as appropriate to ensure DEQ compliance with state policies and regulations and sound management practices.

5.0.1 Purpose

Statutory regulations for per diem, transportation, and subsistence allowances for state departments, agencies, boards, commissions, committees, and councils are contained in G.S. 138-5, 138-6, and 138-7. It is the intent of this section to provide statements of policy to enable state departments and agencies a comprehensive reference for uniform interpretation to pay or reimburse allowable state travel expenses pertaining to official travel and subsistence.

The travel rates and reimbursement amounts found in this chapter generally represent upper not to exceed limits. State agencies, universities and component units, are not prohibited from establishing lower rates or more conservative agency policies.

5.0.2 Employee Responsibility

An employee traveling on official state business is expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds. Excess costs, circuitous routes, delays, or ***luxury accommodations*** and services unnecessary, unjustified, or ***for the convenience or personal preference of the employee*** in the performance of official state business are ***prohibited***.

Employees will be responsible for unauthorized costs and any additional expenses incurred for personal preference or convenience.

The State has authorized the use of credit cards for employees during travel on official state business. These cards are distributed at the discretion of the department head. Employee misuse of state-issued credit cards is grounds for termination. Pursuant to G.S. 138-6(c), requests for reimbursement shall be filed within 30 days after the travel period ends for which the reimbursement is being requested.

5.0.3 Official State Business

These policies are intended to apply only to those state employees or other persons on official state business. Official state business occurs when the State employee or other person is traveling to attend approved job-related training, work on behalf of, officially represent, or provide a state service upon the State's request. Travel that would not directly benefit the state will not be reimbursable.

5.0.4 Accountability

State agencies, universities and component units should comprehensively review and update their internal travel policies and procedures, consistent with this chapter on a periodic basis. Agency management is responsible for implementing a system of controls to ensure proper oversight, compliance, and accountability with travel policies.

5.0.5 Travel Authorizations

To ensure timely processing and auditing of travel expenses, all travel forms from Employees, Contractors, and Board Members must be submitted to the Financial Services Division (FSD) Accounts Payable (A/P) Section. Expense reports must be submitted within 30 days of the last travel date to comply with auditing and reimbursement guidelines.

Prior Authorization Requirement:
All employee travel must receive prior authorization. Employees are considered in travel status when away from their normal duty station or home while performing official work activities.

Submission Process:
Before submitting forms to FSD Accounts Payable section, travelers must provide all required information and supporting documentation to their Division Director, Supervisor, or Business Officer for review, approval, and signatures. Forms should only be sent to FSD A/P after obtaining all necessary approvals.

Types of Travel Forms:
1. **Travel Expense Reimbursement Form –** Required for each business-related trip (e.g., conferences, training). Must be approved before payment of any training registration fee, even if no travel expenses or reimbursements are incurred.
2. **Annual Travel Status Authorization Form –** Used for employees whose routine travel is essential and documented in their job description.
3. **Travel Authorization Form –** Required for travel outside an employee's regular job duties or designated locations.

Approval Delegation:

Secretary's Office Approval:
 Out-of-Country Travel

FSD Budget Section Approval:
 Charter Aircraft
 Use of Non-State Facilities
 Retreats

Division Director Approval:
 Excess Hotel
 Food/Refreshments
 Out-of-State Travel
 Travel involving 5 or more people

- Meetings/Training/Conferences
- Rental Cars
- Registrations
- Reimbursement for Non-State Employees

Additionally, the **FSD Accounts Payable Technician may require additional documentation to be scanned and submitted via SharePoint upon request.**

Your cooperation in following these guidelines ensures timely reimbursements and compliance with financial auditing standards.

For any questions, please contact **FSD Accounts Payable at FSD.ACCTs-Payable@deq.nc.gov**.

5.1 TRAVEL POLICIES FOR STATE EMPLOYEES

5.1.1 Per Diem Compensation

Per Diem compensation is not applicable for state employees, only to members of State Boards, Commissions, Committees and Councils who do not receive any salary from state funds for their services.

5.1.2 Subsistence Rates (Meals & Lodging)

Employees are eligible for subsistence allowances when in travel status. Subsistence is an allowance related to lodging and meal costs (including gratuities) (G.S. 138-6). ***Travel status*** means being away from the employee's normal duty station or home and, while traveling, the employee must be acting in his/her official capacity as required by his/her work activities.

For the 2023-25 biennium, the standard state reimbursement rate for meals and lodging (subsistence) is $135.60 for in-state travel and $154.90 for out-of-state travel. The Director of the Budget revises the subsistence rate on July 1 of each odd-numbered year based on the percentage change in the Consumer Price Index for All Urban Consumers (G.S. 138-6(a)(5)).

- **The Payment of sales tax, lodging tax, local tax, or service fees applied to the cost of lodging is allowed in addition to the lodging rate and is to be paid as a lodging expense (G.S. 138-6(a)(3))**.

- **The employee may exceed the part of the ceiling allocated for lodging without approval for over-expenditure provided that the total lodging and food reimbursement that the**

employee is entitled to for that day does not exceed the maximum allowed daily subsistence (G.S. 138-6 (a)(3)).

The following schedule (effective July 1, 2023) shall be used for reporting allowable subsistence expenses incurred while traveling on official state business:

	In-State	Out-of-State
Breakfast	$ 10.60	$ 10.60
Lunch	$ 14.00	$ 14.00
Dinner	$ 24.40	$ 27.70
Lodging (actual, up to)	$ 94.10	$111.10
Total	**$143.1**	**$163.40**

5.1.3 Tips and Gratuity

Reimbursable gratuity or tips must be considered reasonable for items that are not already covered under subsistence. Excessive tips will not be reimbursed. A reasonable tip would be one that a prudent person would give if traveling or conducting personal business and expending personal funds.

Baggage handling tips and other tips (except for meals or food service) may be claimed as "Miscellaneous."

For further guidance, the following information is provided when calculating a tip:

- Airports: Baggage Handling/skycaps = no more than $2 per bag; Shuttle Drivers = no more than $2 per bag.
- Parking/Auto Related: Valets = $2 per car when collecting the car.
  Taxi or car service drivers = no more than $5.00 per trip.

5.1.4 In-state and out-of-state travel

Subsistence costs are reimbursable for in state and out-of-state travel on official state business. Out-of-state travel status begins when the employee leaves the state and remains in effect until the employee returns to the state. However, in-state allowances and subsistence rates apply when employees and other qualified official travelers use hotel and meal facilities located in North Carolina immediately prior to and returning from out-of-state travel during the same travel period.

5.1.5 Conditions for Lodging Reimbursement

Prior written approval by the agency head or their designee must be obtained to qualify for reimbursement for overnight stays. Supervisory personnel certifying the reimbursement request as necessary and proper must require documentation from the traveler to substantiate that the overnight lodging was necessary and accomplished. The travel reimbursement calculations must involve mileage from the starting address of the employee's regularly assigned duty station or home, whichever is less, to the final travel destination, to receive approved reimbursement.

Overnight lodging may only be authorized and paid to support business needs and final travel destinations that equal or exceed 35 miles, calculated from the employee's home or duty station, whichever is less, to the final travel destination. "Duty station" is defined as the location where the employee is assigned. The designation of an employee's home as the duty station requires the approval of the agency head.

DEQ Secretary designates Division Directors to approve lodging authorizations. Directors may delegate this authority to Supervisor, or Business Officer as needed. Approval of the **Travel Expense Reimbursement Form** is sufficient when no excess charges apply.

Each division must complete a **Delegation of Authority** form and submit it to the FSD Accounts Payable section. Employees must adhere to the standard daily rate for food and lodging.

5.1.6 Reimbursement for Lodging

Each employee is responsible for his or her own request for reimbursement. Specific dates of lodging must be listed on the reimbursement request, which shall be substantiated by a receipt from a commercial lodging establishment.

5.1.7 Excess Lodging

A "**Travel Authorization Form**" must be completed **and approved in advance** for each trip involving excess.

Agency heads have the authority to grant excess lodging reimbursements above the standard state rates or the agency-specific rates as applicable per Section 5.1.5. Excess lodging authorization for in-state, out-of-state, and out-of-country travel must be obtained in advance from the agency head or their designee. Excess lodging is allowed for the following reasons:

- Employee is in a high-cost area and the current allowance is insufficient to secure lodging,
- Cost of the excess lodging is less than the cost of lower cost lodging plus transportation costs, or
- Employee or agency deems that lower cost lodging would put the employee at risk for safety or security.

Excess lodging authorization is not allowed for reason of convenience or personal preference for the employee. The employee may exceed the part of the ceiling allocated for lodging without approval from agency head or their designee provided that the total lodging and food reimbursement does not exceed the maximum allowed daily subsistence.

5.1.8 Third Party Lodging

Reimbursement for lodging in an establishment that is being rented out by a third party or an establishment treated as an apartment building by state or local law or regulation is allowed only if the agency can document that per day lodging rates will cost less than standard in-state or out-of-state lodging rates described in Section 5.1.2. Agency heads should set internal policies regarding third party lodging.

Internal agency approved third party lodging requests must include documentation contained in travel or accounts payable records that provide evidence of savings to the State.

Third party lodging agreements are not allowed among family members or where such agreements or payments create a financial conflict of interest to the traveling employee or other agency managers or employees. Third party lodging may include, yet is not limited to, online website house or room rental services.

In each case where third-party lodging is being considered, the applicant must provide their budget officer the following details regarding the arrangement:

1. The amount to be charged
2. The length of stay
3. Projected cost savings compared to standard lodging rates
4. Contact information

To receive reimbursement the employee must submit documentation of the budget officer’s approval as well as a signed rental agreement, or a reservation and receipt.

5.1.9 Penalties and Charges Resulting from Cancellations

Penalties and charges resulting from the cancellation of travel reservations (including airline, hotel, or other travel reservations and conference registration) shall be the department's obligation if the employee's travel has been approved in advance and the cancellation or change is made at the direction of and/or for the convenience of the agency.

If the cancellation or change is made for the personal benefit of the employee, it shall be the employee's obligation to pay the penalties and charges. However, in the event of accidents, serious illness, or death within the employee's immediate family or other critical circumstances beyond the control of the employee, the agency may pay the penalties and charges.

Division Directors, as authorized by the Secretary, may approve the payment of penalties and charges when all required conditions are met and submit them to the FSD A/P section for processing.

DEQ does not reimburse for trip insurance, including but not limited to car rental insurance, flight insurance, and related coverage.

5.1.10 Authorization for Meals

Prior written approval by the department head or his or her designee must be obtained in order to qualify for reimbursement for meals. Supervisory personnel certifying the reimbursement request as necessary and proper must require documentation from the traveler to substantiate that the payment for meals was necessary and accomplished.

DEQ Division Directors, as designated by the Secretary, are authorized to approve meal reimbursements. They may delegate this authority to Supervisors and/or Budget Officers as appropriate within their organizational structure. Approval of the "**Travel Reimbursement Request**" form is sufficient when no excess charges apply. A completed "**Delegation of Authority"** form must be submitted to the FSD A/P section.

Under the OSBM Travel Policy, meal reimbursements, specifically for lunches, are only allowable under specific conditions for state employees. The guidelines are as follows:

Meal Reimbursement for State Employees: Employees may only be reimbursed for meals, including lunch, if they are in overnight travel status for official state business.

Meals at External Conferences: State funds cannot be used to pay for meals at external conferences unless a conference fee was charged. The only exception is when all the following conditions are met:

- Federal grants, other grants, state, or institutional trust funds explicitly allow for meal provisions at meetings.
- The agency maintains documentation verifying the funding conditions permit meal provisions.
- Under these circumstances, meals may be provided to state employees even if no conference fee was charged.
- Employees cannot request reimbursement for these meals.

Meals at Internal Conferences: State funds cannot be used to pay for meals at internal conferences unless the employee meets overnight travel criteria.

Routine staff meetings do not qualify as internal conferences.

Any meal expenses that do not *clearly* meet these conditions require prior approval from OSBM. Detailed meal reimbursement rules are outlined in the relevant sections below.

5.1.11 Reimbursement for Meals

Each employee is responsible for his or her own request for reimbursement. **Tips for meals are included in the meal allowance**. Each meal reimbursement rate must be listed on the reimbursement request. Departure and arrival times must also be listed on the reimbursement request. The costs of meals included

in other related activities (registration fees, conference costs, hotel registration, etc.) may not be duplicated in reimbursement requests. Each employee may be reimbursed, if requested, for breakfast even if their lodging establishment offers a free continental breakfast.

If funding sources involve federal or non-state sources and the overseeing grant entities allow travel reimbursement rates that exceed state reimbursement rates and per diem amounts, state agencies shall utilize the lower state rates. Exceptions to this policy can be approved by the Agency head or his designee and must be included in the non-state grant records.

DEQ Directors, Supervisors, and Business Officers approving traveler reimbursement forms for meals certify that all state policies and regulations have been met and that meal costs are not duplicated before submission to the FSD A/P section for processing.

5.1.12 Meals during Overnight Travel

A state employee may be reimbursed for meals including lunches, while on official state business **when the employee is in overnight travel status**.

Employees may be reimbursed for meals for partial days of travel when in overnight travel status and the partial day is the day of departure or the day of return. The following applies:

- Breakfast: depart duty station prior to 6:00 am.
- Lunch: depart duty station prior to Noon (day of departure) or return to duty station after 2:00 p.m. (day of return).
- Dinner: depart duty station prior to 5:00 p.m. (day of departure) or return to duty station after 8:00 p.m. (day of return).

The travel must involve a travel destination located at least 35 miles from the employee's regularly assigned duty station or home, whichever is less.

5.1.13 Meals during Day Travel

The **Internal Revenue Service (IRS)** considers meal reimbursement outside of overnight travel status as **taxable compensation payments**. If an employee receives breakfast or dinner, then the agency must treat the payment as employee compensation for purposes of withholding federal, state, and FICA taxes. The Office of State Controller (OSC) has established payroll system payment mechanisms to ensure withholding of taxes for meal compensation. Taxable compensation payments will be reported on the employee's W-2 form.

Pursuant to G.S. 138-6(c), requests for reimbursement shall be filed within 30 days after the travel period ends for which the reimbursement is being requested. **For employees seeking reimbursement for meals, procurement cards (P-Cards) may not be used to purchase meals.** The Taxable Meals Form must be submitted with approved signatures by the 15th of each month to reflect on the current month's pay

statement. Documentation received after the 15th of the month is subject to not being processed for the current month and will reflect on the following month's pay statement.

The employee's supervisor is required to verify all working time listed on the Taxable Meals Form with the working time listed in the Integrated HR Payroll System. All travel is subject to review by DEQ's Financial Services Division and/or Internal Audit.

An employee may be reimbursed for breakfast and dinner meals for day travel while on official state business **when the employee is not in overnight status.**

By state statute, lunches cannot be reimbursed unless the employee is in overnight travel status or otherwise specified in G.S 138-6. To be eligible for meal reimbursement, the following criteria must be met.

- Breakfast (morning): depart duty station prior to 6:00 am **AND** extend the workday by 2 hours
- Dinner (evening): return to duty station after 8:00 pm **AND** extend the workday by 3 hours.
- Any time worked prior to the departure time or after the return time will be included in the extended workday calculation. (Normal workday is 8 hours)
- Calculation of workday hours should not include lunches.
- The travel must involve a travel destination located at least 35 miles from the employee's regularly assigned duty station or home, whichever is less.

** Meal criteria and travel distance must be met to be eligible **

Breakfast Examples:
Employee departs duty station and starts work at 5:59am and ends the workday at 5:00pm **(Eligible Employee departs duty station prior to 6:00am and extends the workday by 2 hours)**

Employee departs duty station and starts work at 12:00am and ends the workday at 12:00pm. **(Eligible Employee departs duty station prior to 6:00am and extends the workday by 2 hours)**

Employee departs duty station by 5:59am. Employee starts work at 4:00am prior to departure and ends workday at 1:00pm **(Ineligible-Employee departs duty station prior to 6:00am but did not extend the workday by 2 hours. Employee completed an 8-hour workday and 1 extended hour)**

Employee departs duty station and starts work at 6:01am and ends the workday at 5:30pm **(Ineligible Employee extended the workday by 2 hours, but did not depart from duty station prior to 6:00am)**

Dinner Examples:
Employee returns to duty station by 8:01pm. Employee starts work at 8:00am and ends the workday at 8:01pm **(Eligible-Employee returns to duty station after 8:00pm and extends the workday by 3 hours)**

Employee returns to duty station by 10:00pm. Employee starts work at 11:00am and ends the workday at 10:00pm **(Eligible-Employee returns to duty station after 8:00pm, extends the workday by 3 hours without a lunch break)**

Employee returns to duty station by 10:00pm. Employee starts work at 10:30am with a 1-hour break from 12:00pm to 1:00pm and ends the workday at 10:00pm **(Ineligible-Employee returns to duty station after 8:00pm but did not extend the workday by 3 hours. Employee completed an 8-hour workday with a lunch break, and 2.5 extended hours)**

Employee returns to duty station by 7:00pm. Employee starts works at 7:00am and ends workday at 7:50pm **(Ineligible- Employee extended the workday by 3 hours, but did not return to the duty station after 8:00pm)**

5.1.14 Meals and Day-to-Day Activities

State employees **may not be reimbursed** for meals eaten in conjunction with a congress, conference, assembly, convocation or **meeting**, or by whatever name called, of the employees within a single state department, institution or agency, or between the employees of two or more state departments, institutions or agencies to discuss issues relating to the employee's normal day-to-day business activities.

5.1.15 Meals for Required Employee Attendance

A state employee may be reimbursed for meals, including lunches, when the employee's job requires his attendance at the **meeting of a board, commission, committee, or council** in his official capacity and the meal is preplanned as part of the meeting for the entire board, commission, committee or council. Such board, commission, committee, or council must include persons other than the employees of a single state department, institution, or agency.

5.1.16 Deleted 5.1.17 Excess Meals

No excess reimbursement will be allowed for meals unless there are predetermined charges, or the meals were for out-of-country travel. The department head or his or her designee may grant excess subsistence for meals for out-of-country travel.

DEQ Secretary approves all out-of-country travel. Division Directors are delegated the authority to approve conference meals within state rates. Prior approval of a "Travel Authorization Form" is required. For conferences planned and conducted by DEQ divisions, please refer to the Internal and External Conferences section before submitting to the FSD A/P section for processing.

5.1.18 Convention Registration

State law allows reimbursement of the actual amount of convention registration fees as shown by a valid receipt or invoice (G.S. 138-6(a) (4)).

5.1.19 Passports

Reimbursement for costs incurred in obtaining or renewing a passport may be made to an employee who, in the regular course of his duties, is required to travel overseas in the furtherance of official state business. Passport expenses are chargeable to the same fund that supports the employee's trip.

5.1.20 Transportation by Common Carrier

Reimbursement for air, rail, or bus fare is limited to actual coach fare, substantiated by receipt. Reimbursement for check – in, seat assignments and baggage are limited to actual costs substantiated by receipt.

Employees must ensure travel is conducted efficiently and at the lowest reasonable cost to the State, considering ticket prices and associated fees. DEQ Directors, Supervisors, and Business Officers approving traveler reimbursement forms certify that all supporting documentation is attached and approved before submission to the FSD A/P section for processing.

5.1.21 Super Saver Rates

When traveling by common carrier to conduct official state business, employees traveling to their destination earlier than necessary and/or delaying their return to avail the state of reduced transportation rates may be reimbursed subsistence for additional travel days if, in the opinion of the department head or his or her designee, the amount saved due to the early and/or delayed travel is greater than the amount expended in additional subsistence.

For example, when the reduced airfare rates require staying overnight one Saturday night, to be eligible for reimbursement, the state employee must stay overnight on the Saturday closest to the first or last day of official state business to which the employee is attending.

With sufficient justification, the department head or his or her designee can make an exception to this requirement prior to travel commencing.

DEQ Division Directors are designated by the Secretary of the Department to approve additional travel days when the above conditions are met. Approval of a “Travel Authorization” form is required prior to submitting to FSD A/P for processing.

5.1.22 Transportation by International Flights

Employees traveling internationally on overseas flights may be reimbursed actual business class fare (substantiated by receipt) with prior approval of the department head or his or her designee.

For DEQ employees, all international travel must be approved by the DEQ Secretary, the designated Division Director, and FSD Budget Manager. Prior approval through a "Travel Authorization" form is required prior to submitting to FSD A/P section for processing.

5.1.24 Coupons or Certificates for Reduced Air Fare

Coupons or certificates for reduced air fare if acquired by a state employee while traveling on state business at state expense ***are the property of the State*** **and should be used, to the extent possible, by the state employee on future state business trips.**

5.1.25 Fees and Service Charges

With sufficient justification and documentation and with approval of the department head or his or her designee, state employees can be reimbursed for usual, customary, and reasonable fees and services charges imposed by travel agents for assistance in making travel arrangements.

DEQ Division Directors, as designated by the Secretary, are authorized to approve mileage reimbursements and may delegate this authority to Supervisors and/or Budget Officers. Employees must submit sufficient documentation, including internet-based mileage proof (Google Maps, MapQuest, etc.), to verify the distance traveled. All required documentation must be reviewed and approved by division leadership before submission to the FSD A/P section for processing.

5.1.26 Transportation by Personal Vehicle

It is the intent of the State that state employee travel shall be conducted in the most efficient manner and at the lowest and most reasonable cost to the state. Regarding passenger vehicle travel, whether in- or out-of-state, agency travel policies shall:

- Maximize utilization of state-owned vehicles (agency-owned or agency-assigned vehicles owned by the Department of Administration),
- Make use of State term contracts for short-term rentals (State Term Contract 975B Vehicle Rental Services), and
- Reimburse for use of personal vehicles on a limited basis in situations when the use of state-owned vehicles or state term contract rental vehicles are not readily available.

Agencies are encouraged to establish policies that promote efficient travel, such as ride-sharing. When State-owned resources are not available, the agency may procure vehicles through the State's term contracts or reimburse use of personal vehicles. If a state employee chooses to use a personal vehicle, actual mileage is reimbursable. Mileage is measured from the closer of duty station or point of departure to destination (and return).

A state employee shall be reimbursed the business standard mileage rate set by the Internal Revenue Service (**72.5 cents per mile effective January 1, 2026**) when using their personal vehicle for state

business. Parking fees, tolls, and storage fees are reimbursable when the required receipts are obtained. Fines for traffic and parking violations are the responsibility of the state employee. Internal agency exceptions to this policy can be granted by agency heads, or their designees, if an agency has a unique clearly documented business need that is not directly addressed by this OSBM policy. These exceptions are public records and shall be made available upon request by OSBM staff, auditors or interested third parties.

Mileage calculation example.# of Business miles Traveled * .70= Reimbursement

5.1.27 Transportation by a Rental Vehicle

For both in-state and out-of-state travel, rental vehicles shall be obtained through the State's term contracts when available. Unless prior approval has been obtained from the department head or his or her designee, the state employee shall bear the difference in cost when renting a vehicle from a class that exceeds the cost of a standard vehicle on the State's term contract for short-term vehicle rentals. No reimbursement will be made for rental insurance purchased because state employees are covered under the State's auto insurance program. However, reimbursement for automobile rental insurance will be permitted for individuals engaged in state business during travel to international destinations. Rental vehicles are not authorized for personal use.

5.1.28 Transportation by State Vehicle

Procedures for obtaining and using state vehicles owned by the Division of Motor Fleet Management (Department of Administration) are set out in the Rules and Regulations provided by that division.

5.1.29 Transportation by Chartered Aircraft

The use of charter aircraft must be approved by the department head or his or her designee provided the following is substantiated and put in writing:

- A state aircraft is not available or not appropriate for the size of the party traveling or the destination airport.
- The use of a charter flight is more economical than a commercial flight.
- The use of a charter flight is necessary because of unusual travel circumstances.

The DEQ Secretary, the designated Division Director, or FSD Budget Manager? must approve any use of charter aircraft. Prior written approval (form OC10) is required.

5.1.31 Non-state Employee Riders

Non-state employees may accompany state employees in state-owned vehicles when they have a business interest in the purpose of the trip and their presence is related to state business. Students at state universities, colleges, and institutions may be passengers in state-owned vehicles to attend athletic events and other activities officially sanctioned by the institution, provided the proper account is reimbursed at the standard mileage cost rate by the student activity fund involved. Spouses and children of state employees may accompany them in state-owned vehicles, if ample space is available and all travel is strictly for official state business. (G.S. 143-341.8(i)(7)) grants Department of Administration rulemaking authority in this area. Hitchhikers are not permitted to ride in state-owned vehicles.

5.1.32 Transportation by State Vehicle at Destination

At the employee's destination, state-owned vehicles may be used prudently for travel to obtain meals and for de minimis personal purposes. Examples of de minimis personal travel would include stopping for lunch, picking up a prescription at a pharmacy and related errands. No common carrier or public transportation fares are reimbursable on a trip on which an employee uses a state-owned vehicle, unless it is shown that such transportation was more economical in a particular situation.

5.1.33 Commuting

No reimbursement shall be made for the use of a personal vehicle in commuting from an employee's home to his duty station. (No mileage reimbursement is allowed to employees on "call back" status). For the state's policy on compensation to employees on "call back" status, see the State Human Resources Manual.

5.1.34 Use of Public Safety Vehicle for Commuting

No state employee shall be exempt from payment of reimbursement for commuting except as provided for in G.S. 143-341(7a). The provisions of this rule do not apply to clearly marked police and fire vehicles or unmarked law-enforcement vehicles that are used in undercover work and are operated by full-time sworn law enforcement officers whose **primary duties** include carrying a firearm, executing search warrants, and making arrests. The Department of Administration shall report quarterly to the Joint Legislative Commission on Governmental Operations on individuals who use state owned vehicles between their official workstations and their homes, who do not reimburse the State for these trips.

The rate of reimbursement shall approximate the benefit derived from the use of the vehicle as prescribed by federal law and shall be determined by the Department of Administration. Reimbursement shall be for 20 days per month regardless of how many days the individual uses the vehicle to commute during the month. Reimbursement shall be made by payroll deduction each month from the employee's check and deposited as a refund of expenditure to the fund/center and account where the motor fleet bill is paid.

5.1.35 Travel to/from Airport at Employee's Duty Station

Reimbursement for travel between the employee's duty station or home (whichever is less) and the nearest airline terminal (or train/bus station if applicable) and for parking is authorized under the following circumstances. For travel by:

- Taxi, car service, mobile phone ordered car service, or Airport Shuttle – actual costs with receipts.
- Private car - the business standard mileage rate set by the Internal Revenue Service for a maximum of two round trips with no parking charge, or for one round trip with parking charges. Receipts are required for airport parking claims.
- Use of Public Transportation – In lieu of using a taxi or airport shuttle, employees can be reimbursed without receipts $5 for each one-way trip from the airport to hotel/meeting or from the hotel/meeting to the airport or the actual cost of the travel with the submission of receipts.

5.1.36 Travel to/from Airport at Employee's Destination

Reimbursement for travel to and from the airline terminal (or train/bus station if applicable) at the employee's destination may be made where travel is via most economical mode available as listed below:

- Taxi, car service, mobile phone ordered car service, or Airport Shuttle service – actual costs with receipts.
- Rental vehicles - may be used with the prior approval of the department head or designee (receipt required).
- Use of Public Transportation – In lieu of using a taxi or airport shuttle, employees can be reimbursed without receipts $5 for each one-way trip from the airport to hotel/meeting or from the hotel/meeting to the airport or the actual cost of the travel with the submission of receipts.

Authority to approve the use of a rental vehicle is delegated to DEQ Division Directors only.

5.1.37 Parking

Parking expenses are reimbursable while in the course of conducting official State business as long as such expenses are determined reasonable and clearly show that there was care taken to keep the costs to the State as low as possible.

DEQ employees should use the least expensive form of transportation to/from airports. This will vary depending on the cost of taxis or shuttles, and the length of time a personal vehicle would be

parked at the airport. Use of a private car must also be less expensive that the use of a state vehicle. Any parking rates considered excessive and only for the convenience of the traveler will not be reimbursable. An example of excessive or inappropriate parking would be the use of an airport's hourly parking lot for an overnight trip. **Parking at RDU airport not to exceed $10 per day with receipt.** If you have any questions or concerns, please contact **FSD Accounts Payable at FSD.ACCTs-Payable@deq.nc.gov**.

5.1.38 Travel Involving Trips Other than to and from the Airport

The actual cost of taxi and shuttle service fares are reimbursable when required for travel on official state business. The request must be documented with a receipt. The use of public transportation is reimbursable for actual costs with a receipt.

5.1.39 Authorization for Out-of-Country Travel

All out-of-country travel must be authorized by the department head or such department official designated by him or her.

Out-of- country travel status begins when the employee leaves the country and remains in effect until the employee returns to the country. If the employee and other qualified official travelers use hotel and meal facilities located outside North Carolina, but within the continental United States, immediately prior to and upon returning from out-of-country travel but during the same travel period, out-of-state subsistence rates shall apply.

For DEQ employees, all international travel must be approved by the DEQ Secretary, the designated Division Director, and FSD Budget Manager. Prior approval through a "Travel Authorization" form is required prior to submitting to FSD A/P section for processing.

5.1.40 Travel Advances

All employees who travel on state business may be issued advances when authorized by the department head or his or her designee in order that personal funds will not be required. Fiscal records must be maintained by the department for proper control.

Eligibility for advances and reporting requirements are as follows:

- State employees who have **not** been issued state credit cards for travel purposes.

- **Travel advances for occasional travel** must not exceed the estimated cost of the trip. Advances must be deducted from the reimbursement request on the travel expense report that is to be submitted within 30 days after the travel period.

- **Travel advances for regularly scheduled travel** for employees who travel each month may be made through an annual advance of funds equal to the average monthly expense. All reimbursement requests shall be filed and paid monthly for incurred expenses and the advance must be repaid as of June 30 annually or earlier if required by the agency. If it is determined that the monthly reimbursement has averaged less than the annual advancement, the advance must be reduced to the newly established amount.

DEQ Division Directors are delegated authority to approve the issuance of travel advances within the above regulations (use form OC7). Division Directors may delegate authority to supervisors, as appropriate within their organizational structure. This delegation of authority must be provided to DEQ **FSD Accounts Payable** . Travel Advances will **not** be issued for the month of June.

5.2 TRAVEL POLICIES FOR STATE OFFICIALS

5.2.1 Political Functions

State officials, both elected and appointed, sometimes attend political functions or meetings. The following policies are intended to be guidelines for the payment from state funds for travel and subsistence costs surrounding the attendance of state public officials at political functions or meetings:

5.2.2 Travel Related to a Political Function

No state funds may be used to pay travel and/or subsistence costs for a state official while attending a political function or meeting. In the event a state-owned aircraft is used; the reimbursement rate will be the actual operating cost rate per flight hour. If a state-owned vehicle is used, the reimbursement rate to the state will be the motor pool rate.

5.2.3 Travel Related to Official State Business that includes Political Functions

If a trip includes both official state business and political functions or meetings, state funds may be used to pay up to one-half of the travel and/or subsistence costs. If a state-owned aircraft is used, the cost to the State will be charged at the regular rate per flight hour and the charge to a non-state source will be at the actual operating cost rate per flight hour. If a state-owned vehicle is used, the reimbursement rate to the State will be the motor pool rate.

5.2.4 All Other Travel

Travel reimbursement policies and regulations for all other travel for state officials is the same as for state employees.

5.3 TRAVEL POLICIES FOR MEMBERS OF STATE BOARDS, COMMISSIONS, COMMITTEES, AND COUNCILS (Other than Licensing Boards and Members of the General Assembly)

5.3.1 Per Diem Compensation

Members of state boards, commissions, committees, and councils are authorized, pursuant to G.S. 1385(a)(1), to receive $15 per day stipend or per diem compensation for their official service. State employees and members of all state boards, commissions, and councils whose salaries or any portion of whose salaries are paid from state funds shall receive no per diem compensation, that would be in addition to their salaries or hourly pay rates that are funded from state funds for their services.

Internal Revenue Service (IRS) audit responses issued in 2016 and 2017 have for certain boards concluded that these stipends or per diem compensation payments should be treated as employee compensation for purposes of federal and state withholding tax and FICA tax. As a result, boards commissions, committees and councils should consult their respective General Counsel or tax attorney to ensure compliance with IRS employee compensation requirements. The Office of State Controller (OSC) has also established payroll system payment mechanisms to ensure withholding and FICA tax deductions are deduced from applicable member stipend or compensation payments. If your board or commission does not utilize the OSC payroll system, you should contact your payroll provider for assistance.

5.3.2 Subsistence for Non-State Employees

Subsistence for members of state boards, councils, commissions, or committees is the same as those for state employees, provided that meals are not furnished. Meals may be furnished if preplanned as part of the meeting for the entire board, commission, committee or council while on official state business. Meals that are furnished to the entire board, commission, committee or council may include required staff who, in the regular course of his or her duties, is expected to attend the meeting and any other employee whose presence is necessary to accomplish a purpose of the meeting.

5.3.3 Excess Subsistence for Non-State Employees

Authorization for excess expenses for non-state employee members of state boards, councils, commissions, or committees for in state or out-of-state travel may be granted by the department head or board chairperson or his/her designee when such costs are included in registration fees and/or there are predetermined charges.

5.3.4 Authorization for Out-of-State travel

Expenses for out-of-state travel on official business shall be reimbursed only upon authorization obtained in the manner prescribed by regulations governing out-of-state travel for state employees.

5.3.5 Transportation

Transportation policies and regulations are the same as for those for state employees.

5.3.9 Meetings

Refreshments may be served at official board meetings. Reimbursement may be paid from state funds for actual cost not to exceed $5.00 per member and required staff, per meeting per day. "Required Staff" shall be defined as an employee who, in the regular course of his duties, is expected to attend the meeting and any other employee whose presence is necessary to accomplish a purpose of the meeting.

Meetings that do not last all day are not entitled to full day reimbursement. Half day meetings are only reimbursable up to $2.50, per member and required staff, per meeting per day.

5.3.10 Exceptions

With prior approval provided by the Department head or board chair, expenditures in excess of the amounts described in sections 5.3.1 through 5.3.9 may be reimbursed to Board members. All exceptions must be in writing, are subject to public records disclosure requests and shall include clearly documented business reasons that serve as a basis for the exception.

5.4 Travel Policies for Agency Committees Not Established by G.S. 143B-10(d)

An employee of any department, institution, or agency that operates from funds deposited with the State Treasurer, who is appointed to an agency committee not established by G.S. 143B-10(d), is subject to subsistence policies and regulations that apply to state employees.

Non-state employees who are members of agency committees not established by G.S. 143B-10(d) shall follow the travel policy in section 5.7 - Travel Policies for Non-State Employees.

5.5 TRAVEL POLICIES FOR LICENSING BOARDS (OTHER THAN STATE EMPLOYEES)

5.5.1 Per Diem Compensation

Pursuant to G.S. 93B-5, non-state employee members of licensing boards shall receive $100.00 per day of official service. State employees and members of all licensing boards whose salaries or any portion of whose salaries are paid from state funds shall receive no per diem compensation from state funds for their services.

5.5.2 Subsistence

Subsistence policies and regulations are the same as for those for state employees.

5.5.3 Convention Registration

Convention registration policies and regulations are the same as for those for state employees.

5.5.4 Transportation

Transportation policies and regulations are the same as for those for state employees, except that a mileage reimbursement rate set by any other law by reference to G. S. 138-6(a) (1) is established at 25 cents per mile, not the IRS rate.

5.5.5 Meetings

Refreshments may be served at official board meetings. Reimbursement may be paid from state funds for actual cost not to exceed $5.00 per member and required staff, per meeting per day. "Required Staff" shall be defined as an employee who, in the regular course of his duties, is expected to attend the meeting and any other employee whose presence is necessary to accomplish a purpose of the meeting.

5.5.6 Exceptions

With prior approval provided by the Department head or board chair, or their designee, expenditures in excess of the amounts described in sections 5.5.1 through 5.5.5 may be reimbursed to Board members. All exceptions must be in writing, are subject to public records disclosure requests and shall include the business reasons that serve as a basis for the exception.

5.7 TRAVEL POLICIES FOR NON-STATE EMPLOYEES

5.7.1 Non-state Employees

For the purposes of this section, non-state employees are those on official state business whose expenses are paid by the State and subject to state regulations, such as prospective professional employees, public school and community college employees, students on official state business, service contractors, hourly temporary employees and attendants of handicapped state employees traveling on official state business (provided advance approval is obtained from department head or designee).

Non-state employees traveling on official state business whose expenses are paid by the state are subject to these regulations, including statutory subsistence allowances, to the same extent as are state employees. Travel expenses for members of a non-employee's family are not eligible to be paid by the state. No travel advances will be made to non- state employees.

5.7.2 Prospective Professional Employees

A department head or his or her designee is authorized to approve reimbursement of transportation expenses of prospective professional employees visiting state departments for employment interviews. These expenses are limited to transportation and subsistence for 3 days (5 days if one is a Saturday) at the in-state rate. The department head or his or her designee may approve excess lodging expenses**.**

Only DEQ Division Directors are delegated authority to approve reimbursement of travel expenses of prospective professional employees, within the above regulations.

5.7.3 Post-secondary Students

Student travel expenses while working as an employee of the State are considered official state business when traveling on behalf of their position and shall be paid from the same source of funds from which the employee is paid. Non-employee students at state institutions who travel on official state business are reimbursed from the General Fund consistent with payments for state employees. Non-employee students who travel to fulfill a course requirement for academic credit and whose expenses are paid or reimbursed by the General Fund are subject to these regulations, including statutory allowances, to the same extent as are state employees. Funds specifically appropriated or legally directed for student travel are authorized to be used for student travel expenses. Official state business is defined in Section 5.0.3.

Approval for non-employee General Fund student travel to fulfill course requirements for academic credit must have written prior approval of the Vice Chancellor for Finance or his/her designee.

The purchase of food or beverage for students at higher education institutions is not allowable unless the student is in travel status. However, non-General Funds may be used for these purposes if such funds have been established and authorized for such purposes.

5.7.4 Attendants

Payment of travel and subsistence expenses (hotel and meal costs) for attendants for handicapped employees while traveling on official state business may be reimbursed to the same extent as are state employees if advance approval is obtained from the department head or his or her designee.

5.7.5 Expert Witness Fees

A person used by any State department, agency, commission, committee, licensing board, or council as an expert witness may be reimbursed an agreed upon fee by said group. All travel costs will be reimbursed the same as for state employees.

5.8 CONFERENCES, SEMINARS, WORKSHOPS, TRAINING SESSIONS AND RETREATS

5.8.1 External Conference Definition

External conferences are those that involve the attendance of persons other than the employees of a single state department, institution, or agency. Payment for meals is allowable if included in the registration fee, but such fee must not consist exclusively of meals, or it will not be allowable unless meeting overnight travel criteria. The registration fee is typically made for defraying the cost of speakers, building (room) use, handout materials, breaks and lunches at conferences and conventions. These fees are charged to Account 532930 - "Registration Fees." The agency may require itemizations and/or documentation of expenses. Conferences sponsored or co-sponsored by a state department are authorized when they meet the limitations and requirements listed below

5.8.2 Exception Regarding Conference Meals

Pursuant to G.S. 138-6(a)(3), a university or State agency cannot use funds to pay for conference meals for state employees at which a conference fee was not charged, unless the following conditions are met:

Federal grants, other grants, state or institutional trust funds (as defined in G.S. 116-36.1) may be used for meals if the conditions attached to those funds allow for the provision of meals for a conference. The university or agency must have documentation of the conditions. If this is the case, then meals may be provided to state employees even if a registration fee was not charged. The employee may not request reimbursement for the meal.

5.8.3 Requirements and Limitations for External Conferences

The conference is planned in detail in advance, with a formal agenda or curriculum.

There is a written invitation to participants, setting forth the calendar of events, the social activities, if any, and the detailed schedule of costs.

Assemblies should be held in state facilities; however, non-state facilities can be rented, and the cost charged to a state agency without allocation to participants' daily subsistence allowances.

Registration fees may be charged by the sponsoring department to participants for costs of external conferences.

DEQ divisions must obtain the written approval of the Division Director entering any agreement with a non-state facility.

Any registration fees collected more than the actual cost of a conference are required to revert the General Fund. Therefore, a budget of estimated expenses must be prepared for all conferences planned by DEQ divisions, and a registration fee to cover these estimated costs may be charged.

Registration fees may not include costs of entertainment, alcoholic beverages, setups, flowers, and/or promotional (gift) items.

Registration fees collected and not used to defray expenses of the conference may not be used for other programs and must revert to the general or highway fund as applicable (G.S. 138-6(a)(4).

Sponsoring departments may provide refreshments for "coffee breaks" provided there are ten (10) ~~twenty~~ or more participants and costs do not exceed five dollars ($5.00) per participant per full day.

Half-day activities are limited to $2.50 per participant per day.

All conferences/trainings/meetings providing meals or snacks are required to have a designated sign in sheet for all participants.

When assemblies are to be held under the sponsorship of a state department in which the funding for all participants is budgeted, lump-sum payments to a conference center or an organization may be made upon written authorization from the department head or his or her designee. The authorization must provide the following:

- The purpose and duration of the conference.
- The number of persons expected to attend.
- The specific meals to be served at the conference (law prohibits lunches being provided to state employees unless registration fees are charged to all attendees).
- The approximate daily subsistence cost per person.
- The name of the conference center, hotel, caterer, or other organization providing the service.

It is the responsibility of the departments to ensure that reimbursement for meals included in the lumpsum payment is not also included in reimbursement payments made to state employees who are conference participants.

5.8.4 Internal Conference Definition

Internal conferences are those that involve the attendance of employees within that department, institution or agency only. **No payment for meals is allowable unless overnight travel criteria are met. A routine staff meeting is not an internal conference.**

5.8.5 Requirements and Limitations for Internal Conferences

- The conference is planned in detail in advance, with a formal agenda or curriculum.

- There is a written invitation to participants, setting forth the calendar of events and the detailed schedule of costs.

- **No excess travel subsistence may be granted for internal departmental meetings, conferences, seminars, etc., and such meetings must be held in state facilities when available**. No registration fee may be charged.

- Sponsoring departments may provide refreshments for "coffee breaks" provided there are ten or more participants and costs do not exceed five dollars ($5.00) per participant per day.

Half-day activities are limited to $2.50 per participant per day.

All conferences/trainings/meetings providing meals or snacks are required to have a designated sign in sheet for all participants.

- Low-cost conference items that are intended to promote employee recognition, improve morale or appreciation, communicate agency contact information when compare to more expensive pay and salary adjustments, are permissible as long as they are infrequent, prudent, and reasonable in their scope.

- A department cannot use state funds to support or underwrite a meeting, assembly, conference, seminar, rally, celebration, or similar function by whatever name called that promotes any cause or purpose other than the mission and objective of the department.

5.8.6 Training Session Definition

Employee training involves courses that develop an employee's knowledge, skill, and ability to perform the duties of his/her present job, such as, courses on computer usage or management skills development. These courses generally have a set fee, are of relatively short duration, and are not part of a curriculum the employee is participating in leading to an educational degree.

An approved Travel Authorization Form is required for the payment of any training registration fee, regardless of whether any other travel expenses will be incurred, or reimbursement will be requested. An approved "Travel Authorization" form is to be submitted to FSD Accounts Payable section for processing.

5.8.7 Requirements and Limitations for Training Sessions

- Fees for training courses that provide training in specific areas are charged in the Accounting system to "Employee Training" under "Other Services."

- Departments sponsoring training sessions may provide refreshments for "coffee breaks" provided there are ten or more participants and costs do not exceed five dollars ($5.00) per participant per day.

Half-day activities are limited to $2.50 per participant per day.

All conferences/trainings/meetings providing meals or snacks are required to have a designated sign in sheet for all participants.

- Departments may reimburse employees for training books and materials related to training sessions, provided those books are required to participate in the training sessions. These books are considered property of the department and not the personal property of the employee.

5.8.8 Management Retreat Definition

A management retreat is a meeting or series of meetings consisting of a department or division head and his or her top assistants and coworkers. Retreats are sometimes held at a site other that the usual workplace and ***are held no greater that once a year***.

5.8.9 Requirements and Limitations for Management Retreats

State employees who are elected by a vote of the people or appointed by the governor, the president of The University of North Carolina, the chancellors of the constituent institutions of the university, the executive director of University of North Carolina Hospitals at Chapel Hill, chairman of the State Board of Education, and the president of the Community College System may authorize an annual management retreat.

Expenditures are permissible in a manner as if it were an internal conference.

5.9 INFORMAL MEETINGS WITH GUESTS OF DEPARTMENT HEADS

5.9.1 Informal Meeting Definition

An informal meeting is a meeting consisting of a department head and his or her designee and non-state employees during which official state business is the discussed for the majority of the meeting. Informal meetings are one-time occurrences and are not held on a recurring or routine basis.

5.9.2 Requirements and Limitations for informal meetings

State employees who are elected by a vote of the people or **appointed by the governor**, the president of The University of North Carolina, the chancellors of the constituent institutions of the university, the

executive director of University of North Carolina Hospitals at Chapel Hill, chairman of the State Board of Education, and the president of the Community College System, **or their designees,** when given prior written approval by the department head for a specific event, may be reimbursed from state funds for **actual costs of meals** for themselves and individuals who are not state employees who are their guests, when accompanying them in the course of conducting official state business.

- ***Cost of meals and other expenses for family members of the above referenced state officials are not reimbursable.***

5.10 TELEPHONE AND MOBILE DEVICE USAGE

5.10.1 Periodic Accounts Payable and Internal Audit Reviews of Telephone and Mobile Device Usage

Each respective state agency, university or component unit is responsible for establishing appropriate use policies concerning telephone and mobile devices. At a minimum, these policies should address:

1. Business criteria that justify the issuance of a mobile device for employees or positions.
2. Business criteria that justify the issuance of a payroll related mobile device reimbursement or allowances for employers who require employees to maintain and use their personal phones for state business purposes. Actual call charges can be processed as accounts payable reimbursements. Mobile Device allowances shall be paid through your agency's central payroll system. These criteria and policies must comply with state public records laws and IRS issued guidance on the tax treatment of these payments.
3. Internal business control policies to ensure monthly telecommunication vendor bills are reviewed before payment is issued to ensure errors, waste and fraud are eliminated or addressed in an appropriate manner.
4. Internal business control policies to ensure that under-utilized devices or high-cost devices are terminated or replaced with more cost-effective alternatives.
5. Internal business control policies to ensure personal material and non de minimis use of state funded mobile devices is prohibited.
6. An annual inventory of the number of states funded mobile devices shall be completed, reviewed and approved by each agency, university or component unit's Chief Financial Officer or equivalent executive manager. At a minimum, the inventory shall include employee names and positions who are issued devices, division or office employee is assigned to, device summary description, initial device purchase cost, monthly and annual vendor billing rates per device.

Definitions

Employee's Duty Station

"Duty station" is defined as the headquarters or job location at which the employee spends the majority of his or her working hours [G.S. 138-6(a) (1)]. For an employee in travel status, the duty station should be the point where traveling begins the majority of the time (home or office). The designation of an employee's home as the duty station by a department head requires ***prior approval*** by the Office of State Budget and Management (OSBM) on an annual basis. (For additional information, see on Designation of Duty Station Report.)

DEQ's Financial Services Division (don't have specific position of who in FSD) will coordinate all requests for designation of an employee's home as the duty station with the Secretary and will file all reports required by OSBM.

Departments, institutions, and agencies must make one submission for the entire department, institution, or agency by the second week in December of each preceding calendar year of all employees whose home is also their duty station.

When hiring new employees or designating the home as the duty station of current employees during the calendar year, a revision to the annual report must be submitted to OSBM for its prior approval.

Employees assigned to regional offices or who are living in state-owned facilities should not be listed on the report.

External Conference

External conferences are those that involve the attendance of persons other than the employees of a single state department, institution, or agency. Payment for meals is allowable if included in the registration fee, but fee must not consist exclusively of meals, or it will not be allowable unless meeting overnight travel criteria. Refreshments, (i.e., coffee, soft drinks, cookies, doughnuts) may be served at an external conference if the cost is incorporated into the conference fee. Reimbursement for refreshments may be paid for actual cost more than $5.00 per member and required staff, per meeting per day, incorporated into the conference fee.

Informal Meeting

An informal meeting is a meeting consisting of a department head and his or her designee and non-state employees during which official state business is the discussed for the majority of the meeting. Informal meetings are one-time occurrences and are not held on a recurring or routine basis.

Internal Conference

Internal conferences are those that involve the attendance of employees within that particular department, institution, or agency only. No payment for meals is allowable unless overnight travel criteria are met. A routine staff meeting is not an internal conference.

Management Retreat

A management retreat is a meeting or series of meetings consisting of a department or division head and his or her top assistants and coworkers. Retreats are sometimes held at a site other that the usual workplace and are held no greater that once a year.

Out-of-Country Travel

Out-of-country travel status begins when the employee leaves the country and remains in effect until the employee returns to the country. If the employee and other qualified official travelers use hotel and meal facilities located outside North Carolina immediately prior to and upon returning from out-of-country travel but during the same travel period, out-of-state subsistence rates shall apply.

Out-of-State Travel

Out-of-state travel status begins when the employee leaves the state and remains in effect until the employee returns to the state. However, in-state allowances and reimbursement rates apply when employees and other qualified official travelers use hotel and meal facilities located in North Carolina, but within the continental United States, immediately prior to and returning from out-of-state travel during the same travel period.

Per Diem Compensation

Applicable only to members of state boards, commissions, committees and councils who do not receive any salary from state funds for their services.

Registration Fees

The registration fee is typically made for defraying the cost of speakers, building (room) use, handout materials, breaks and lunches at conferences and conventions. These fees are charged to other services "Registration Fees." The agency may require itemization and/or documentation of expenses. An employee cannot be reimbursed for meals included in a registration fee.

Required Staff

Required staff is a state employee who, in the regular course of his or her duties is expected to attend the meeting and any other state employee whose presence is necessary to accomplish a purpose of the meeting.

Subsistence (Meals and Lodging)

Subsistence is an allowance related to lodging and meal costs, and gratuities thereon.
General Statute 138-6 provides for allowances to be paid in amounts or rates specified.

For purposes of determining eligibility for allowances, travel status means being away from the employee's normal duty station. The duty station is defined as the location or near vicinity of the employee's workplace. To be eligible for allowances in connection with travel, the employee must be acting in official capacity as required by his/her work activities.

Training Session

Employee training involves courses that develop an employee's knowledge, skill, and ability to perform the duties of his/her present job, such as, courses on computer usage or management skills development. These courses generally have a set fee, are of relatively short duration, and are not part of a curriculum the employee is participating in leading to some educational degree.

Transportation

Includes personal automobile, taxi, bus, train, airplane, motor pool charges, auto rental, tolls, and parking fees. All travel expenses must be incurred by and for state employees or other eligible travelers in conducting official state business in order to be eligible for reimbursement.

When travel by car is determined to be feasible, a state-owned vehicle, when available, should be used instead of a private vehicle. State departments must determine whether state-owned vehicles are considered to be available. State departments must periodically review employee duty stations (see paragraph above on "Duty Station") for the purposes of determining cost effectiveness of having a state vehicle permanently assigned to the geographical area (department/institutions duty station location or vicinity). If found to be cost-effective, state-owned vehicles should be requested for assignment on a permanent basis.

Travel Period

Travel period is defined as the first day an employee enters travel status through the last day of travel status for each individual business trip. Travel reimbursement forms are due in the calendar month after which the travel ended – except at year-end when all travel reimbursements must be submitted by May 31.