

Travel & Transportation Reform Act (TTRA)
Implementation Procedures

Effective for Travel Performed On or After May 1, 2000

Revised: February 5, 2001

Provisions Covered:

- A) Mandatory Use of the Travel Charge Card
- B) Exemptions
- C) Penalties for Non-compliance With the Mandatory Use Policy
- D) Timely Reimbursement of Travel Expenses to Employees, Including Late Payment Penalties - Employee, Approving Official, and Finance Office Requirements.

Procedures:

A) Mandatory Use of the Travel Charge Card:

The Department's policy regarding Mandatory Use of the Charge Card was issued by the Assistant Secretary - Policy, Management and Budget on March 29, 2000 (copy attached). It is mandatory to use the Government-sponsored charge card for all temporary duty travel, and intra-bureau relocations for house hunting and en route travel performed by employees.

B) Exemptions:

1) General exemptions as authorized by the General Services Administration:

- Expenses incurred at a vendor that does not accept the Government-sponsored travel charge card,
- Laundry/dry cleaning,
- Parking,
- Local transportation systems,
- Taxi,
- Tips,
- Meals, when use of the card is impractical, e.g. group meals or the Government-sponsored charge card is not accepted,
- Phone calls, when a Government calling card or prepaid calling card is available for use in accordance with agency policy,
- Employees who have an application pending for the travel charge card,
- Individuals traveling on invitational travel,
- New appointees for a period of 30 days after appointment, and
- Interviewees travel expenses excluding transportation.

Please note that a formal exemption as described in "B.2." below is not required for non-use of the government-sponsored travel charge card in the above cases. However, it should also be noted

that an employee **may** charge official travel related expenses such as laundry, dry cleaning, parking, local transportation, meals, tips, etc., using the government-sponsored charge card.

2) Other Exemptions From the Mandatory Use of the Travel Card Policy:

Program Assistant Secretaries have been delegated authority to grant exemptions to the Department's mandatory use policy. Exemption requests must describe fully the extenuating circumstances beyond the employee's control that preclude the employee from using the Government-sponsored charge card. A simple refusal to obtain the travel charge card will not constitute grounds for granting an exemption. The procedures governing exemptions follow:

- a) the employee's exemption request must be made in writing and be submitted to the appropriate Assistant Secretary for consideration through the appropriate intermediate levels,
- b) all exemption requests will be returned to the requestor indicating approval or denial, and
- c) a copy of all approved exemptions will be immediately provided to Departmental Office of Financial Management (PFM) by the approving official in order that the Department complies with the requirement to report all exemptions to the General Services Administration (GSA) within the 30 days.

C) Penalties for Non-compliance With the Mandatory Use Policy:

Formal disciplinary actions should be considered by the employee's immediate supervisor if there is evidence that the charge card was not used for official purposes without an authorized exemption. However, before issuing any formal notices to the employee, the supervisor must contact the bureau's servicing personnel office to ensure that all the necessary requirements are satisfied. Please refer to the Department's ***Handbook on Charges and Penalty Selection for Disciplinary and Adverse Actions***. Disciplinary action may include:

Oral or written warning or admonishment;
Reprimand;
Suspension;
Reassignment;
Reduction in pay; or
Employment termination.

D) Timely Reimbursement of Travel Expenses to Employees, Including Late Payment Penalties:

GSA implementation regulations in support of the Travel and Transportation Reform Act require that travel vouchers be paid within 30 days of receipt of a *proper voucher* by the agency's *designated approving office*. If payment is not made within the 30 day time frame, the agency is required to pay a late payment penalty to employees.

Definitions:

Proper Voucher - A voucher that is substantially complete in every material respect (as to documentation and receipts) and which has been signed by the traveler. That is: (1) the

trip was authorized and performed; (2) the appropriate receipts/ticket stubs and other required documentation appear to be in order and are attached to the voucher; and (3) the traveler has signed and dated the travel voucher certifying to its correctness (e.g. block 13 SF 1012).

Approving Official - The person with the authority to review, verify and approve the travel voucher.

Designated Approving Office - The office (location/address) where the designated approving official resides.

As a point of clarification, there are two distinct levels of reviews for travel vouchers: 1) a general review performed by the traveler's supervisor (or designated approving official) to ensure that the trip was authorized and that the claimed transactions appear reasonable, and 2) a detail review performed by a voucher examiner or certifying officer in the Finance Office prior to or subsequent to payment. Because of the 30 day requirement for payment, **it is extremely important that approving officials review and approve proper vouchers and forward them to the paying office within 5 days of receipt.**

If a voucher is determined "improper" it is to be returned to the traveler as soon as possible. (Note: Effective May 1, 2002, a voucher not considered proper must be returned to the employee within 7 working days from receipt in the agency's designated approving office).

It is strongly recommended that travel vouchers be "date stamped" upon receipt by the designated approving office. If for some reason a voucher is not date stamped upon receipt in the approving official's office, then the constructive date of receipt in the approving official's office **will be 5 calendar days after the date the voucher was signed by the employee.** Vouchers submitted electronically to the designated approving official will be the date considered received unless submitted after normal working hours -- in such cases the next business day will apply. To avoid a late payment penalty, the payment should be processed so that it will be received by the traveler not more than 30 days from the date the voucher was received in the designated approving official's office, or not more than 30 calendar days from the constructive date of receipt based on the date the voucher was signed by the employee (the latter only applies in cases where the voucher's receipt date was not annotated by the designated approving office). The amount of the late payment penalty is set by the table provided in item 3)d), below.

For normal temporary duty travel voucher processing, it is anticipated that the Finance Office (the paying office) will be able to process and submit payment within 20 days. This time should be adequate in most cases for the employee to be reimbursed in time to pay his/her charge card billing. (The qualification "in most cases" is dependent on when the charge was actually made relative to the billing cycle and the time the employee takes to file the voucher upon trip completion.)

1) Employee Requirements:

a) Employees are required to prepare the travel voucher and submit it to their designated approving office within 5 workdays after completion of travel, after each 30 day segment of extended temporary duty travel, or each segment of permanent change of station travel. However, it is emphasized that for late payment purposes, the clock begins when the voucher is received by

the designated approving office.

b) Employees are responsible for correcting/completing a travel voucher and resubmitting it either to the approving official (if a new voucher had to be prepared for approval) or to the Finance Office. This depends on which Office returned the travel voucher to the employee. An employee does not usually need to prepare an entirely new voucher when it is returned by the Finance Office.

c) An employee may submit a supplemental claim for Bank of America late penalties and/or Interior's late payment penalty if he/she believes that these were not correctly paid.

2) Approving Official Requirements:

Upon submission of the travel voucher, approving officials do the following:

a) If the voucher and its attachments appear to meet the criteria for a proper voucher (e.g., the trip was authorized and performed; the appropriate receipts/ticket stubs and other documentation appear to be in order and are attached to the voucher; and the traveler has signed the voucher certifying its correctness), then the voucher should be signed by the approving official as soon as possible (try to complete within 5 calendar days of receipt by the approving office) and immediately forwarded to the finance office. Or,

b) If the voucher is incomplete or otherwise fails to meet the criteria for a proper voucher, the approving official will return it to the employee as soon as possible. (Note: Effective May 1, 2002, a voucher not considered proper must be returned to the employee within 7 calendar days from receipt in the agency's designated approving office). In such cases, the "clock" for determining late payment is reset to zero, and begins again when a proper voucher is received by the designated approving official.

3) Finance Office Requirements:

a) Establishes and maintains a record keeping system to verify payment performance, and compliance with TTRA and its implementing regulations. The basic requirement is to be able to document the aging of a particular voucher through payment. On May 1, 2002, such aging records need to document that a voucher determined improper was returned to the traveler within the 7 calendar days allowed. In cases where travel vouchers are submitted electronically, the date the voucher was transmitted to the approving official will be the constructive date received in the approving official's office for tracking purposes (unless submitted after normal working hours -- in such cases the next business day will apply).

b) Reviews/audits the voucher and submits it to Treasury for payment if all supporting documents and amounts claimed are in order.

c) Returns the voucher to the traveler if it is incomplete with an explanation of why the voucher was considered insufficient to pay. Each bureau must use a satisfactory record keeping system to track submission of travel claims. The aging process of the voucher will continue where it left off upon receipt of the voucher back in the Finance Office.

d) Includes a late payment penalty if payment is not made such that it will be received in the Traveler's bank account within the allotted 30 days time. The late payment fee will be automatically added to the travel reimbursement that the employee would otherwise be entitled using the following table:

Amount of Claim	28 -57 th Day	58-87 th Day	88-117 th Day	118-147 th Day	148-177 th Day	178-207 th Day	208+ Days
\$1 - \$500	\$5	\$10	\$15	\$40	\$65	\$90	\$115
\$500.01 +	\$10	\$20	\$30	\$60	\$90	\$120	\$150

Table Assumptions:

- All payments are made by electronic funds transfer (EFT).
- "Amount of Claim" for intra-bureau relocation travel is based on en route and house hunting trips only and must be claimed on a separate travel voucher.
- Table allows 2 days for EFT payment to be processed to traveler's bank account, that is why the table begins on day 28 rather than 30.
- On the 118th Day, the table includes \$20 additional for amount that could be charged by Bank of America.
- On the 148th Day, the table includes \$40 additional for amount that could be charged by Bank of America.
- On 178th Day table includes \$60 additional for amount that could be charged by Bank of America.
- On 208th Day table includes \$80 additional for amount that could be charged by Bank of America.

Important Note:

The Internal Revenue Service (IRS) has ruled that late payments of the type accruing through day 117 above, constitute an interest payment and must be reported annually on IRS Form 1099-INT. Every effort should be made by Bureau Finance Offices to ensure that travel reimbursement vouchers are paid before day 118, since the incremental \$20 penalty in subsequent monthly late payment fees thereafter constitutes W-2 earnings to employees, which would require additional Payroll Office reporting.