

Thank you for participating in SPO training. This workshop is designed to assist state personnel understand the policies and procedures when making travel arrangements. Workshop #155 is mandatory for all personnel making travel arrangements and for those who review travel documents. If employees make their own travel arrangements, they are required to take this workshop. Boards and commission members are not required to take this workshop, but are responsible to know the applicable policies & procedures.

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There are several governing authorities pertaining to travel. They include;

- *collective bargaining agreement
- *Hawaii Administrative Rules, Chapter 3-10, Travel Rules
- *Ethics Commission Memorandum
- *Procurement Circulars
- *Price/vendor lists
- *Comptroller Memoranda
- *Department Policies & Procedures

I will be covering the important aspects of each of these governing authorities.

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Collective Bargaining Agreements supersedes all other authorities. For intra-state travel per diem is \$90.00 per 24 hour day. Calculations are based on $\frac{1}{4}$ days with travel beginning 60 minutes prior to departure and ends upon return to home airport. Hotel allowance is \$50.00, anything in excess of \$50.00 is excess lodging, which requires prior approval to obtain reimbursement.

Most employees are entitled to \$20.00 same day allowance. There are a few bargaining units whose same day allowance is \$24. Check with your personnel department if you are unsure which allowance applies to you.

In September of 2000 HGEA and the State arrived at an agreement called Travel Time off for Same Day Travel. This was an agreement to compensate employees who have to travel before and after normal work hours. Travel Time Off for Same Day Travel will be discussed in depth in a later section.

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Collective bargaining agreement also dictates per diem for out-of-state travel which is \$145 per 24 hr/day based on $\frac{1}{4}$ days. Per diem starts 24 hours prior to start of business based on Hawaii time. Hotel allowance for out-of-state travel is \$85.00 and excess lodging requires prior approval. Travelers are reminded that advance per diem does not include excess lodging. If meals and lodging are provided at no cost to the employee, collective bargaining agreements allows the State to adjust per diem amounts. Often, conference, symposium, and seminar are used interchangeably. Comptroller memorandum, CM2012-15) defines conference programs to be any program that meet two criteria:

- 1) Must be sponsored by a governmental agency or organization whose functions are directly related to the State's department or agency functions; and
- 2) Must be supported by published program that includes dates and agenda.

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The Hawaii Administrative Rules, Chapter 3-10, Travel Rules applies to all persons uniformly regardless of funding. This includes employees, boards and commission members, and all persons representing the State on official business. Employees are considered on travel status when conducting official business and while traveling to and from official business site.

The routing of travel must be the most direct routes available to the point of business. Direct route does NOT mean nonstop, it means no side trips, extra stops or circuitous routes. Any personal preferences, including specific airlines, routing, side trips, which impacts the cost of an airline ticket is the responsibility of the traveler.

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Hawaii Administrative rules also dictates travel and subsistence allowances. Per diem allowances are provided to cover meals, lodging, tips, laundry, and other expenses. Reimbursable expenses include such things as taxi, shuttle service, and parking. Subsistence allowance is provided when lodging is provided at no cost to the traveler. Meals are calculated at 8% for breakfast, 12% for lunch, and 20% for dinner. For example out-of-state subsistence allowance would be \$12.00 for breakfast, \$17.00 for lunch and \$29.00 for dinner.

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Ethics Commission Memo and Comptroller Memorandum both address travel benefits. Basically benefits earned with on State business belongs to the State and must be used for subsequent State business or transferred (if applicable) to another employee for State travel. Travel benefits earned on business travel may not be used for personal travel.

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There are only two SPO price lists; one is for car rental services and the other for intra-island air travel.

Price List No. 12-14 is a mandatory price list for participating jurisdictions. It is a fixed price contract with guaranteed availability. This price list will be discussed in greater detail in later slides.

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The second vendor list is the Interisland Airline Price Agreement. The only vendor on this list is Hawaiian Airlines, using the corporate program. Benefits of using the corporate program include, waived baggage fees and change fees and same day standby. Department and agencies must sign up for Hawaiian Airlines corporate program to take advantage of these benefits.

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In 1998 for about 9 years the State had a contract with travel agencies to book air, hotel, and car rentals. The first contract was with Panda Travel. The State then decided to re-procure to give employees more choices with Panda Travel and Regal Travel. Then in 2007, with the surge in online booking engines, the State decided to terminate the contracts and established travel procedures and policies to provide guidance and consistency.

Travel policies and procedures are governed by Procurement Circulars 2007-03 and amendments 1 -3. The procedures include worksheets A, B, C, D, the Travel Approval Form and the Statement of Completed Travel.

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Worksheet A is completed for airfare. Intra-state travel requires only 1 quote for the authorized travel and the itinerary must be the most economical. The pCard may be used only for the authorized travel. If there is any deviation or personal preferences, the employee is responsible for any additional cost.

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Out of-state travel requires a minimum of 2 authorized quotes from two different sources. The sources can be two online travel booking engines (i.e. Expedia, Travelocity, or Orbitz), or travel agencies, or airlines direct or any combination. Calling a single travel agency (or online booking agency) getting two quotes is still only one source. The authorized quote must be the most economical itinerary to the business destination. The pCard may only be used for authorized airfare. The employee is responsible for any additional cost due to deviation or any personal preference.

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Baggage fees must be itemized on Worksheet A. Only 1 bag is authorized, unless otherwise approved. Checked baggage must meet standard airline regulations and the employee is responsible for the cost of extra bags or oversize luggage. If more than one bag is required, the justification must be noted on the worksheet. It may include such items such items as training materials and exhibit boards, etc.

If not using the most economical airfare, the justification must be annotated on Worksheet A.

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This slide reflects an example of out-of-state travel. This is a Land Management Conference in Boston, MA. The conference starts on May 9 at 8:00 am and ends on May 13, at 2:00pm. Two authorized quotes were obtained, one from Expedia at \$832.00 and the other from Cheap Tickets for \$764.00 The itineraries are very similar but one less expensive by \$68. There would be no justification to use the higher cost airfare.

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Worksheet A has space for three itineraries as a courtesy to travelers. This is to allow for personal deviations. However, the TAF should reflect the authorized itinerary only.

If not using the most economical itinerary there must be a justification annotated on the worksheet.

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Worksheet B is used to calculate Per Diem for both intra-state and out-of-state travel. On the top portion of the form, fill in the appropriate information. In this example the flight departs the home airport at 6:30am on 5/9 and returns at 5:00pm on May 10.

In section A, under departure day the traveler is entitled to 1 full day. There are no other full days in between. On the return day the traveler is entitled to $\frac{3}{4}$ of a day, for a total of 1.75 days. This is multiplied by the current rate of \$90 which then equals \$157.50.

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If an employee is doing a same day travel he/she may be entitled to Same Day Travel Allowance of \$20.00. In that case only Section B is completed.

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For overnight travel when lodging had been provided at no cost to the traveler, the traveler would be entitled to only meal allowance, which is a percentage of per diem. Breakfast is 8%, lunch 12% and dinner 20%. For example 1 breakfast=\$7.00, 1 lunch = \$11.00 and 1 dinner = \$18.00.

Breakfast is allowed if travelling before 8:00am;

Lunch allowed is travelling before 12:00 noon or returning after 12:30pm, and

Dinner if travel ends after 7:00 pm.

Similarly if meals are provided then those meals would be deducted at the rate, \$7.00 for breakfasts, \$11.00 for lunches and \$18.00 for dinners.

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Employees are encouraged to travel within their normal work hours. However, sometimes that is not possible. Therefore, the Hawaii Government Employees Association (HGEA) came to an agreement with the State to compensate employees for traveling outside the normal work hours for SAME DAY travel only. Does not apply to any overnight travel.

This applies only to employees who could qualify for overtime pay. The calculations start 30 minutes prior to flight time and ends when the flight returns to the home airport and is computed at 1 and $\frac{1}{2}$ times, rounded to the nearest 15 minutes.

For example an employee's regular hours are 7:45 am to 4:30 pm. The flight leaves at 6:05 am arriving at 6:41 am. That same day the return flight leaves at 5:15 pm, arriving at the home airport at 5:51pm.

To calculate Travel Time Off you account for only the time before and after normal working hours. For example, on the outbound trip calculations start at 5:35 am (which is 30 minutes prior to flight) to 7:45 am for a total of 130 minutes.

On the return calculations are from 4:30pm to 5:51pm for 81 minutes. The two combined would be 211 minutes x 1.5 for a total of 316.5 converted minutes or 5.25 hours.

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Per diem for out-of-state travel is more complicated. Per diem starts 24 hours prior to start of business based on Hawaii time or whenever the flight departs whichever is more. In our sample conference, business started at 8:00 am in Boston. Normally that would mean per diem starts at 2 am on May 8 (Daylight savings time). However, the employee had to leave on May 7 at 10:58 pm, which entitles him to $\frac{1}{4}$ day per diem on departure day. In between there was 6 full days. On the return day the employee return to the home airport at 7:16pm which entitles him to 1 full day. The total per diem days would be $7.25 \times \$145.00 = \1051.25 .

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If lodging was provided at no charge to the employee, traveler is only entitled to meal allowances, except for the travel days. Meals are based on percentage of per diem. Breakfast 8% or \$12, lunch 12% or \$17 and dinner 20% or \$29. Conversely if meals are provided then the same percentages for each meal is deducted.

If meals are provided at conference programs, the collective bargaining agreement dictates that meals are NOT deducted.

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Worksheet C is used to document hotel accommodations and rates. Both Intra-state and out-of-state travel requires a minimum of 2 authorized quotes. If the traveler is staying at the conference hotel, no quotes are required. Simply check the appropriate box. Conference hotels are defined as a block of room reserved by the conference organizers, which have pre-arranged and rates negotiated. Just a list of hotels that offer government rates, or in the vicinity of the conference would not qualify as a conference hotel.

Excess lodging is the difference between the hotel allowance, \$50 for intra-state travel, and \$85, for out-of-state travel. Excess lodging requires prior approval and must be noted on Worksheet C along with the travel approval form.

When making hotel reservations the pCard shall not be used. Travelers must use their personal card to guarantee and pay for hotel accommodations. If not using the most economical hotel, the reason must be annotated on Worksheet C.

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Worksheet D is used for ground transportation expenses, both intra and out-of-state travel. If a car rental is necessary for intra-state travel, SPO Price List No. 12-14 is required. www.hawaiistatecars.com is the dedicated website for making reservations. Worksheet D must be completed with applicable information, including pick up and return dates, along with pickup and return locations. There is no SPO requirement to choose the lowest cost vendor. Unless specified by the department or participating jurisdiction, the choice can be made from any of the three vendors, Enterprise, Alamo or National Car Rental.

The selected vendor, for example Enterprise x the contracted rate of \$46.00 x the number of rental days equals the total cost.

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The requirements of SPO PL 12-14, Commercial Car Rental Services include:

- Driver need not be pCardholder, but the coordinator is required to submit pCard information when the reservations are made.
- Employee must have a valid driver's license
- Compact size, unless justified/authorized for larger car size
- Gas included, therefore the traveler is NOT required to refuel before returning the rental car
- Compact cars are guaranteed available Monday-Friday (excluding Holidays) on all Islands. Reservations are required.
- The State is self-insured therefore insurance is not required and will NOT be reimbursed; and
- Employee personally responsible for deviations which may include upgrades, personal overtime or extensions. If a traveler wishes to extend his trip for personal reasons, the car used for authorized business must be returned and new reservations made for the personal deviation. This does not include same day travel as the car is rented on a 24 hour basis.

If any accident or incident should happen, the traveler is required to report the occurrence to Risk Management immediately. The car rental companies have been directed to submit any and all claims directly to Risk Management.

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If for some reason Price List 12-14 cannot be used an exception to the Price list is required. This approval process has been delegated to the department head and must be obtained prior to travel.

Failure to obtain prior approval will require submission of SPO-016, Procurement Violation. Check with the Administrative Service Office for departmental policies and procedures.

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Worksheet D is also used to document Out-of-state Car rental. Car rentals should only be obtained when necessary and not for convenience. Employees should use airport/hotel shuttles whenever possible. If a rental car is determined to be necessary a minimum of 2 quotes is required. A compact car is the authorized size, unless written justification is made and approved for larger car size. Unlike intra-state car rentals, the pCard may NOT be used. The traveler must use a personal card as means of payment.

For out-of-state travel, employees may purchase collision damage waiver (CDW). Sometime this insurance may be called loss damage waiver (LDW) or physical damage waiver (PDW). All other insurance, like supplemental insurance, personal accident insurance are the responsibility of the traveler and not reimbursable.

On worksheet D in the area designated for Out-of-state car rental, complete the pickup and return dates along with pick up and return locations. Indicate the 2 vendor quotes, the date quotes received, and total cost. Be sure to include all taxes and mandatory fees.

If not selecting the most economical car rental, a reason must be noted on the worksheet.

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Worksheet D is also used to annotate other kinds of ground transportation which may include taxis, shuttles, parking, rail, and or bus transporation.

The bottom half of Worksheet D is used to describe the type of ground transportation and the estimated cost. The estimated total cost should include all anticipated ground transportation that will be supported with proper documentation and/or receipts.

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The Travel Approval Form or simply called the TAF, SPO-030, is used to consolidate all the information on one sheet including estimated expenses from the applicable worksheets and obtain travel approval.

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The top portion of the form will include information regarding intra or out-of-state travel, name of traveler, contact information, position or title of the employee, collective bargaining unit, department/division/office. The name of the person who can be contacted in case of any inquiries, and his/her contact information and travelers billing address. The form must include a justification for the trip. Additional sheets may be used if the justification section is inadequate.

Complete information is needed when the business/conference/meeting starts and ends, including date and times. It is very important this information is accurate. The entire trip revolves around authorized dates and times. In the event the traveler is participating in pre-post business the form must reflect this information.

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The TAF is a compilation of the worksheets. The cost from each of the applicable worksheets, Air, per diem, hotel, and transportation, is transferred to the TAF. There is a section in the TAF to allow for other expenses like registration and training material costs.

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Each line in the cost information section should be filled in even if there is no associated cost. The purpose is two-fold, 1) don't forget any line item, and 2) inform approving authority of the expense amount.

Other expenses would include such items as registration fees, training materials and books (if allowed), visas, passport etc.

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Once the TAF is complete, attach all applicable worksheets. It is then sent to the employees Requesting Authority for signature, and finally to the Approving authority for signature.

The only reasons the TAF is amended are:

- 1) Dates of travel changed (not a day because of flights), but changes to the conference or meeting dates
- 2) Destination changed (i.e. from San Diego to Texas)
- 3) Purpose of the travel changed (i.e. for example Building conference to Safety Training)

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SPO has set the minimum requirements for travel. The department may impose additional approvals, policies, or procedures.

Definite travel arrangements should not be made until all approvals are obtained. It may be necessary to redo the worksheets, particularly Worksheet A, if the airfare quote has changed. The quote need not be from the same travel agency, online travel provider or airlines. A minimum of two authorized quotes are needed and justification must be provided if the most economical airfare is not chosen.

Failure to follow the travel procedures is considered a procurement violation and may result in submitting a SPO 16,

Travelers must keep all receipts (including boarding passes as proof of travel) to submit with the Statement of Completed Travel. Receipts must be submitted to receive reimbursement.

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The Statement of Completed Travel should be submitted within 10 working days of return to the regular place of business.

Employees must follow departmental policies and procedures use the Statement of Completed Travel established by the department.

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When completing the Statement of Completed Travel, traveler must indicate the type of travel, intra-state, out-of-state or same day travel. Information shall also include :

- Name of the traveler's Division or Branch,
- Date form is completed
- Travel origin and destination
- Authority to travel (i.e. TAF)
- Date of departure and return.

Section A is used to compute per diem based on quarter days. In this example , the traveler is entitled to .25 days on departure date. There was a total of 6 full days and on the return day, the traveler is entitled to 1 full day for a total of 7.25 days x \$145 which is the current rate of per diem for out-of-state travel.

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Section B would be completed when lodging is provided at no cost to the employee, and per diem is not provided.

Section C would be completed when meals are provided in connection with approved travel, with the exception of conference programs.

Section D is used to itemize reimbursable expenses, such as taxi, baggage, and parking.

Section E is the total claim f due to the employee

If advance per diem was provided, the amount would be deducted from the total claim resulting in the Total due to the employee and the amount indicated in Section G.

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Travel information, including FAQs can be found on the SPO website, which is spo.hawaii.gov

At the home page select the tile labelled Manual for State & County Personnel.

On the next page select TRAVEL PROCEDURES.

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On the TRAVEL PROCEDURES page you will find a lot of information to guide in doing travel arrangements properly.

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1. Written delegation is not required. This is a mandatory workshop for ALL staff making travel arrangements, or staff involved in Pre-Post travel review.
2. Use the forms on the website as they are the most current. Obsolete forms may be rejected.
3. Keep all receipt, including boarding passes for the Statement of Completed Travel.
4. Submit Statement of Completed Travel within 10 days of returning to work

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If additional assistance is required, please contact:

Bonnie Kahakui at 587-4702 or email at bonnie.a.kahakui@hawaii.gov

Or

Michael Ong at 586-0562 or email at Michael.lt.long@hawaii.gov

Thank you for participating in this workshop. Please take a couple of minutes to complete the survey which will pop up shortly.