

Travel Guidelines

General

Generally, you must have written or electronic authorization prior to incurring any travel expense. If it is not practical to obtain such authorization prior to travel, Millican & Associates, Inc. (Millican) may approve a specific authorization for reimbursement of travel expenses after travel is completed.

Expenses are reimbursed only for those expenses essential to the transaction of business, which include:

- Per diem expenses (lodging, meals, and incidental expenses);
- Transportation expenses;
- Miscellaneous expenses; and
- Business entertainment expenses.

In general, Millican observes the per diem expense reimbursement limitations identified in the Federal Travel Regulations for temporary locations. Exceptions may be authorized based on circumstances. Always check with your Project Manager if you have any questions.

You must exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. You are responsible for expenses over the reimbursement limits established by your travel authorization.

You must make your transportation and lodging reservations through Millican.

Tracking Billable Travel Hours

Normally, if travel is related to a client project, you should log in Millican's time tracking system one-half (1/2) of your elapsed travel time to get to your temporary location or back to your normal work location as billable time against the project. This excludes time that would be considered normal commuting time while at your temporary location.

There may be exceptions to this general policy, based on the particular requirements of the project. Always check with your Project Manager if you have any questions.

Lodging, Meals, and Incidental (Per Diem) Expenses

Generally, you are eligible for reimbursement (per diem or actual expense) when you are in a travel status for more than 12 hours. Per Diem expenses will be reimbursed by the:

- Lodgings plus per diem method; or
- Lodgings plus actual expense method.

You may be reimbursed both actual expense and per diem during a single trip, but only one method of reimbursement may be authorized for any given calendar day. Millican will determine when the transition between the reimbursement methods occurs.

Your temporary location determines your authorized per diem reimbursement rate. If lodging is not available at your temporary location, Millican may authorize a per diem rate based on the location where lodging is obtained.

Your per diem or actual expense entitlement starts on the day you depart your home, office, or other authorized point and ends on the day you return to your home, office or other authorized point.

You will be reimbursed when your travel status requires your stay to include a non-workday, (e.g., if you are on travel status through Friday and again starting Monday you will be reimbursed for Saturday and Sunday). However, Millican will determine the most cost-effective situation (i.e., remaining in a travel status and paying per diem or actual expenses or permitting your return to your normal place of work).

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Lodging Expenses

- *For conventional lodgings* (Hotel/motel, boarding house, etc.). You will be reimbursed the single occupancy rate for each night of lodging.
- *For lodging with friend(s) or relative(s) (with or without charge)*. You will be reimbursed for additional costs your host incurs in accommodating you only if you are able to substantiate the costs and Millican determines them to be reasonable. You will not be reimbursed the cost of comparable conventional lodging in the area or a flat “token” amount.
- *For nonconventional lodging*. You will be reimbursed the cost of other types of lodging when there are no conventional lodging facilities in the area (e.g., in remote areas) or when conventional facilities are in short supply because of an influx of attendees at a special event. Such lodging includes college dormitories or similar facilities or rooms not offered commercially but made available to the public by area residents in their homes.
- *For recreational vehicle (trailer/camper)*. You will be reimbursed for expenses (parking fees, fees for connection, use, and disconnection of utilities, electricity, gas, water and sewage, bath or shower fees, and dumping fees) which may be considered as a lodging cost.

When you obtain lodging on a long-term basis (e.g., weekly or monthly) your daily lodging rate is computed by dividing the total lodging cost by the number of days of occupancy for which you are entitled to per diem, provided the cost does not exceed the daily rate of conventional lodging. Otherwise the daily lodging cost is computed by dividing the total lodging cost by the number of days in the rental period. You will not be reimbursed for lodging costs that exceed the allowable daily rate for the temporary location.

Notes:

If you prepay lodging expenses and your travel is curtailed, canceled, or interrupted for business purposes or for other reasons beyond your control that are acceptable to Millican, and if you sought to obtain a refund or otherwise took steps to minimize the cost, Millican will reimburse expenses that are not refundable.

Millican will reimburse you for an advance room deposit when a deposit is required to secure a lodging reservation prior to the beginning of your scheduled travel. However, if you are reimbursed the advance room deposit but fail to perform the scheduled business travel for reasons not acceptable to Millican and resulting in forfeit of the deposit, you must repay it to Millican.

Meals and Incidental Expenses (M&IE)

Meals include expenses for your breakfast, lunch, or dinner, and related tips and taxes. However, expenses incurred as part of authorized business entertainment expenses are not included.

Incidental expenses include fees and tips given to porters, baggage carriers, bellhops, and hotel maids. Also included are expenses for transportation between places of lodging or business and places where meals are taken, if suitable meals can be obtained at the temporary location (if suitable meals cannot be obtained at the temporary location, enter such expenses separately as transportation expenses and provide justification – see Transportation Expenses).

Your reimbursement allowance for M&IE will be established by your temporary location and the following:

<i>When travel is</i>		<i>Your allowance is</i>
More than 12 but less than 24 hours		75 percent of the applicable M&IE rate.
24 hours or more, on	The day of departure	75 percent of the applicable M&IE rate.
	Full days of travel	100 percent of the applicable M&IE rate.
	The last day of travel	75 percent of the applicable M&IE rate.

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Lodging Plus Per Diem Method

You will be reimbursed for the M&IE rate established.

Note:

A meal provided by a common carrier or a complimentary meal provided by a hotel/motel does not affect your per diem. However, your M&IE rate must be adjusted for a meal furnished to you by another Millican employee or by a client, or included in the cost of a meeting, conference, training session, by deducting the appropriate amount shown in the chart below.

M&IE	\$39	\$44	\$49	\$54	\$59	\$64
Breakfast	7	8	9	10	11	12
Lunch	11	12	13	15	16	18
Dinner	18	21	24	26	29	31
Incidentals	3	3	3	3	3	3

Lodging Plus Actual Expense Method

Actual expense reimbursement may be warranted because meals or incidental expenses are included in the cost of a meeting, conference, etc.; costs have escalated because of special events; a client requires it; or Millican otherwise has determined it advantageous. You will be reimbursed for your actual expenses for meals and incidental items, subject to the limitations specified in your travel authorization.

Note:

Authorization for reimbursement under actual expense should be made in advance of travel. However, after-the-fact authorizations may be granted when Millican determines it is acceptable.

Total expenses for meals and incidental expenses, including tips, cannot exceed the allowable per diem limitation specified in your travel authorization. In addition, without justification, tips on meals should not exceed 20%, tips for baggage handling should not exceed \$1.00 per bag, and tips for hotel maid service should not exceed \$2.00 per day.

Federal government requirements specifically exclude alcoholic beverage and entertainment expenses from meal expenses for Federal projects.

When you purchase food items on a long-term basis (e.g., weekly) or for your own preparation, you still must report expenses broken down into breakfast, lunch, and dinner (incidental expenses are computed separately), with the total meal costs for the period of time supported by receipts that clearly identify food items. Use the table provided in "Lodging plus Per Diem Method" above as a guide for the appropriate breakdown. You will not be reimbursed for meal costs that exceed the allowable per diem limitation for the temporary location.

Transportation Expenses

Millican selects the most advantageous method when cost and other factors are considered, including total cost to the client. If you do not travel by the method of transportation selected by Millican & Associates, Inc., any additional expenses you incur will be borne by you. Millican & Associates, Inc. will not pay for excess costs resulting from circuitous routes, delays, or luxury accommodations or services unnecessary or unjustified in the performance of official business.

Airline, Train, or Bus

Travel by common carrier, using coach class service, is presumed to be the most advantageous method of transportation and will be used when reasonably available. You must travel to your destination by the usually traveled route unless Millican authorizes or approves a different route as advantageous to the project or client.

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If you know you will change or not use your reservation, you must take action to change or cancel it. Also, you must report all changes of your reservation in an effort to prevent losses.

Notes:

You are required by 49 U.S.C. 40118, commonly referred to as the "Fly America Act," to use U.S. flag air carrier service for all air travel funded by the U.S. Government, except as otherwise provided.

If a carrier denies you a confirmed reserved seat on a plane, you must give Millican any payment you receive for liquidated damages. You must ensure the carrier shows "Millican & Associates, Inc." as payee on the compensation check and then forward the payment to the office.

You may keep compensation an airline gives you for voluntarily vacating your seat on your scheduled airline flight when the airline asks for volunteers only when voluntarily vacating your seat will not interfere with performing your duties, and if additional travel expenses, incurred as a result of vacating your seat, are borne by you and are not reimbursed. But if volunteering delays your travel during work hours, Millican may charge you with vacation leave for the additional hours.

You may upgrade accommodations at your personal expense, including through redemption of "frequent flyer" or "frequent traveler" benefits.

Local Transit System

The use of bus, subway, or streetcar is an allowable expense for local travel between places of business at a temporary location, and between places of lodging and place of business at a temporary location.

In addition, where the nature and location of your temporary location are such that meals cannot be obtained there, travel to obtain meals at the nearest available place is an allowable expense. You must, however, attach a statement to your travel voucher explaining why such travel was necessary.

Taxicabs, Shuttle Services, or Other Courtesy Transportation

You should use courtesy transportation service furnished by hotels/motels to the maximum extent possible as a first source of transportation between a place of lodging at the temporary location and a common carrier terminal. You will be reimbursed for tips when you use courtesy transportation service.

Note:

Without justification, tips on courtesy transportation should not exceed \$2.00 per trip, or \$1.00 per bag handled.

Millican will determine when use of a taxi is advantageous and must specifically authorize such use. Your travel authorization may include a limit on the amount of reimbursement. When Millican authorizes the use of a taxi, local travel is reimbursable for the following:

- Between places of business at an official or temporary location;
- Between a place of lodging and a place of business at a temporary location;
- To and from a carrier terminal;
- Between a common carrier or other terminal and your place of business or lodging at a temporary location;
- Between the carrier terminal and shuttle terminal; and
- To obtain meals at the nearest available place where the nature and location of a temporary location is such that meals cannot be obtained there.

Rental Automobiles

Millican will determine when use of a rental vehicle is advantageous and must specifically authorize such use. You are responsible for any additional cost resulting from the unauthorized use of a rental automobile for other than business travel-related purposes. You will be reimbursed for actual expenses, including rental fees, fuel, parking fees, and ferriage, tolls, etc.

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You will not be reimbursed for collision damage waiver (CDW) or theft insurance for travel within the continental United States. Millican is insured for such loss, and any deductible amount paid by you will be reimbursed to you or directly to the rental agency if the damage occurred while you were performing Millican business. You will not be reimbursed for personal accident insurance.

Note:

You will be reimbursed for CDW or theft insurance (but not personal accident insurance) when you travel outside the continental United States and such insurance is necessary because the rental or leasing agency requirements, foreign statute, or legal procedures could cause extreme difficulty for an employee involved in an accident.

Privately Owned Vehicle (POV)

You may use a POV for travel when authorized by Millican. Compute mileage reimbursement by multiplying the distance traveled for business purposes by the applicable mileage rate. The reimbursement rate should be specified on your authorization. For Federal Government customers, Millican uses the reimbursement rates established by the GSA (refer to <http://www.gsa.gov/mileage>). For internal projects and commercial customer projects, Millican uses the reimbursement rates established by the IRS (refer to <http://www.irs.gov/taxtopics/tc510.html>), unless otherwise established by the applicable contract.

Reimbursable expenses in addition to mileage allowance: Parking fees; ferry fees; bridge, road, and tunnel fees.

Non-reimbursable expenses included in the mileage allowance: Charges for repairs, depreciation, replacements, grease, oil, antifreeze, towage and similar speculative expenses, gasoline, insurance, state and Federal taxes.

Notes:

If another employee(s) travels with you on the same trip in the same POV, mileage is payable to only one of you. No deduction will be made from your mileage allowance if other passengers contribute to your expenses. Using a POV to transport other employees is strictly voluntary.

Millican will reimburse you for parking your POV at a common carrier terminal as an allowable transportation expense not to exceed the cost of taxi fare to/from the terminal.

Miscellaneous Expenses

The following expenses will be reimbursed as miscellaneous expenses, subject to limitations specified in your travel authorization.

- Charges or tips at transportation terminals for handling Millican or client property carried by you;

Note:

Without justification, tips for baggage handling should not exceed \$1.00 per bag handled.

- Use of telecommunication or computing devices and equipment for business purposes;
- Lodging taxes paid by you, limited to the taxes on reimbursable lodging costs (for example, if Millican authorizes you a maximum lodging rate of \$50 per night, and you elect to stay at a hotel that costs \$100 per night, you can only claim the amount of taxes on \$50, which is the maximum authorized lodging amount);
- Expenses incurred for laundry, cleaning and pressing of clothing at a temporary location (however, you must incur a minimum of 4 consecutive nights lodging on business travel to qualify for this reimbursement);
- Energy surcharge and lodging fee(s) when such fees are not optional.

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Business Entertainment Expenses

Millican will determine when you are authorized to incur business entertainment expenses, and may place limitations on the amount allowed for reimbursement, either within your travel authorization or separately. You will be reimbursed for actual expenses, subject to authorization and applicable limitations.

You must fully describe the date, the number of people in the party, the name(s), title(s), and firm affiliation of the persons entertained, and the specific business purpose for the entertainment expense. Millican may require additional documentation, such as a marketing report or meeting notes, as a condition of reimbursement.