

TRAVEL POLICY & GUIDELINES

For the

Niagara Frontier Transportation Authority and the Niagara Frontier Transit Metro System, Inc. (collectively referred to as “NFTA” or “Authority”)

Revision Date: 04-27-2023

INTRODUCTION

This document defines the policy and guidelines to follow when traveling on Authority business. This policy applies to all Authority employees and commissioners. It's intended that a consistent and equitable practice with respect to incidence and reimbursement of expenses be maintained throughout the Authority. The Chief Financial Officer or designee has final responsibility for interpretation of this Travel Policy.

BEFORE TRAVELING - TRAVEL AUTHORIZATION IS MANDATORY

Trips within the local area of Erie and Niagara Counties involving overnight travel and **all non-local travel is to be requested on a Travel Request Form (Attachment A) including** a justification memorandum and any relevant documentation such as an agenda. The approval process is as follows:

- **The Executive Director will approve the propriety of ALL requests.**
- Directors/CFO/General Counsel – approve the travel requests for all branch personnel within their respective branch.
- The Chair of the Board will approve the propriety of the Executive Director and Commissioners requests.
- The Vice-Chair will approve the propriety of the Chair's requests.
- Executive Director, or Chair of the Board of Commissioners as appropriate, for approval of business purpose and necessity.

The approved travel request will be returned to the traveler by the Executive Director's administrative assistant or designee. Travel Request forms must be processed far enough in advance to permit circulation for the approvals, purchase of tickets, and return the approved copy to the traveler. No expenditures are allowed for any travel expenses until the final approvals are obtained.

Receipt of Travel Requests on or after the beginning date of travel will be summarily disapproved unless extenuating circumstances warrant a post-approval by the Executive Director. These circumstances must be thoroughly documented via a memorandum with the travel request.

REIMBURSABLE EXPENSES

The following types of expenses, if incurred in compliance with this travel policy and while on Authority business, may be submitted for reimbursement. It's expected that all transportation of seventy (70) miles or less will be by automobile, bus or rail. Travelers are to utilize the most reasonably economical and practical means of ground transportation available between the transportation terminal, lodging or business meeting location. Commuting costs and time shall not be reimbursed.

- **Parking** - receipts are required for all parking expenses while on company business.
- **Tolls** - tolls are reimbursable if paid while on approved Authority business. Receipts are required for reimbursement. For employees who use E-ZPass, a copy of their E-ZPass statement should be submitted to identify the charge for reimbursement.
- **Mileage** - is based on the rate established by the Authority pursuant to IRS regulations. *The mileage rate will be continually updated as amendments are promulgated by the I.R.S.* The current and historical business mileage rates are available at the following website address: <https://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates>

The Chief Financial Officer, or designee, will distribute notice of changes in travel allowance limitation when received. Mileage reimbursement is applicable only in use of a personal vehicle while on Authority business. Mileage on an employee's personal vehicle is allowed from residence or work location to/from the departure point (airport, train station, bus terminal, or destination(s)) while on travel status.

When travel is from an employee's home to the departure point, or from a departure point to home, at a minimum, transportation expenses must be reimbursed using the lesser of 1) mileage between the employee's home and the departure point, or 2) mileage between the employee's work location and the departure point, multiplied by the IRS mileage reimbursement rate. This reimbursement method is called the "**lesser of mileage rule.**" Examples of the application of the "lesser of mileage rule" are available at the follow web address: <http://www.osc.state.ny.us/agencies/travel/lesser.pdf>.

All mileage must be documented in detail on the travel reimbursement form.

- **Taxicabs/Shuttle/Uber/Lyft** - For use of common carriers such as taxicabs and hotel shuttles, reimbursement is allowed for actual charges up to Fifteen Dollars (\$15.00) without a receipt, or actual charges over Fifteen Dollars (\$15.00) supported by a receipt. Upon request, the traveler must justify transportation costs that appear excessive. No reimbursement will be made for personal use transportation (e.g., travel from lodgings to a restaurant, etc.).
- **Air Travel** - Travelers must use less than first class accommodations except as approved by the Chair of the Board. It is the policy of the company to use the lowest fare wherever possible. Travelers are required to schedule trips far enough in advance to permit utilization of special, lower fares, e.g., super-saver. Coach or economy class will be used on all flights. Frequent flyer benefits can be retained by the employee but should not be the basis for switching air schedules, hotel accommodations or car rentals unless such choice is reasonably equivalent in cost to the lowest acceptable alternative. The company will not reimburse any associate/membership fees for frequent flyer clubs.

****SAVE BOARDING PASSES FOR EXPENSE REIMBURSEMENT****

Cancellations - All unused non-refundable airline tickets must be reported to the employee's Director immediately. Unused non-refundable tickets will be noted, and the employee will use them for a future Authority business trip. There are service charges that will apply; however, it will reduce the cost of the employee's next trip. Refundable tickets are to be submitted to the applicable airline for credit.

- **Public Transportation** - the cost of public transportation is a reimbursable expense. Receipts are necessary for reimbursement.
- **Automobile Rentals** - Automobile rentals are **not allowed** unless there is no other means of ground transportation, or it is the most cost-effective means of transportation. This

must be documented when seeking reimbursement for these expenses. Travelers should procure insurance coverage. Reimbursement for auto rental expense should be for the amount actually paid for business use. Receipts are required to support car rental expenses.

- **Lodging** - The Authority utilizes the U.S General Services Administration (GSA) per diem rates as a guideline for all lodging. The maximum daily amounts for lodging are designated by location at the following website address:

<http://www.gsa.gov/portal/content/104877>

Certain hotels will honor our request for government lodging rates. These rates should be requested at the time reservations are made. If rates are not available, please check an additional two (2) hotels within walking distance. If none of the hotels offer a government rate, or it is not available, documentation should be attached to the travel request listing the hotels contacted and rates offered. Original hotel receipts are required when submitting for travel reimbursement.

Exemption from New York State Taxes

New York State Authority employees should request exemption from payment of occupancy taxes in New York State while on Authority business, by presentation of a letter of tax exemption to the lodging establishment. See **Attachment C**.

Hotels are not required to honor the exemption. In the event that the hotel does not honor the letter of exemption, documentation of the denial of tax exemption must be submitted with the travel expense reimbursement form.

- **Meals and Incidental Expenses** - The Authority utilizes the U.S General Services Administration (GSA) per diem rates for all meals and incidental expenses for overnight travel (no receipts are required). Employees on travel status are entitled to the maximum daily amounts for meals and incidentals as designated by location at the following website address:

<http://www.gsa.gov/portal/content/104877>

Meals applicable to non-local overnight travel are to be pro-rated, based on the applicable meal and incidental allowance amount. **No receipts are required for meals.**

Example:	Breakfast	- 20% of the M&IE allowance
	Lunch	- 30% of the M&IE allowance
	Dinner	- 50% of the M&IE allowance

Eligibility for each meal allowance will be determined as follows when the employee is leaving to go on their trip and when the employee arrives back from their trip:

	<u>Leave Home or Office</u>	<u>Return Home or Office</u>
Breakfast	before 7:00 a.m.	after 8:00 a.m.
Lunch	before 12:00 p.m.	after 1:00 p.m.
Dinner	before 7:00 p.m.	after 7:00 p.m.

In the event of any non-local travel that doesn't include an overnight stay, meals and incidental expense reimbursements are considered to be a taxable fringe benefit. Per IRS Guidelines, meals and incidental expense reimbursements for non-overnight travel (for example, a day trip to Albany and back that does not include an overnight stay) is considered to be a taxable fringe

benefit, and the applicable state and federal employment taxes must be withheld and reported as wages on Form W-2.

When travel is from an employee's home to the departure point, or from a departure point to home, time of departure/return is determined using the lesser of 1) estimated travel time between the employee's home and the departure/return point, or 2) time/mileage between the employee's work location and the departure point. Commuting time to the employee's work location shall not be included to determining time of departure/return. **Meal allowance is not allowed if a meal is provided at no cost to the employee (such as breakfast with egg(s) at a hotel). No additional reimbursement will be allowed if an employee exceeds their maximum allowance for any meal.**

NON-REIMBURSABLE EXPENSES

Purely personal expenses while traveling are not reimbursable by the company. The following is a partial listing of items that are considered non-reimbursable:

- All costs pertaining to spouses or other non-Authority personnel accompanying the traveler on an Authority business trip
- Parking tickets, fines, and the like are deemed to be personal to the employee
- Telephone calls beyond those made for business purposes and occasional calls home. Long distance telephone calls presented on expense reports must be referenced to the individual called and the business connection.
- Gifts of any value
- Damages to an employee's vehicle while on company business
- Purchase of clothing and other personal items such as haircuts, shoeshines, newspapers, magazines, tobacco, alcohol, etc.
- Entertainment (e.g., theater tickets, in-room movies)
- Loss of personal property while on company business
- Cost of personal credit cards
- Purchase of life or travel insurance during travel
- Loss of cash advance, company paid airline tickets, or personal funds
- Alcoholic beverages
- Health care items such as aspirin, etc.

CONFERENCES AND SEMINARS

It is common for sponsors of conferences, seminars and similar events to arrange for blocks of rooms in order to ensure room availability and close proximity to the meeting site. Thus, an authorized attendee utilizing such lodgings could be required to pay a higher lodging rate for the particular area. Employees should ask for the government rate when booking the hotel room to determine availability. If the government rate is not available, as noted in the lodging section, obtain rates from two (2) other hotels within the same area. If they have a government rate, the employee should book their room at the government rate hotel, and if not, document the reason the employee was unable to obtain the government rate. The documentation must be attached to the employee's travel request and travel reimbursement.

- Meals provided at a conference or seminar will not be reimbursed.

- Expenses incurred for attending a conference must be supported by an **agenda** or a conference brochure identifying the opening and closing dates of the conference, and the times of conference events. This information must be submitted with the Travel Request form and Travel Expense Reimbursement form.
- Return Memo - a memo from the employee to their “Immediate Supervisor or Director” should be submitted with the Travel Expense Reimbursement form, that simply states what you learned, why it was beneficial to the company.
- If a registration fee includes an extra charge for social activities, such as site-seeing tours, golf outings, etc., these charges are considered personal expenses and will not be reimbursed.

OPTIONAL PERSONAL USE OF AUTOMOBILE

Use of a personal automobile for business travel to a non-local city will be compensated for in the following manner:

- Reimbursement will be based on the lesser of the total cost of the round-trip mileage reimbursement using a personal vehicle versus the cost of flying using the most economical airfare. It is the responsibility of the traveler to provide the approving Manager the calculation of the requested amount due for mileage **prior** to the approval of the Travel Request Form.
- Excessive work time required to travel by auto (or bus or train) as compared to air flight time will not be compensated.
- Other Modes of Transportation - Reimbursement for other, costlier forms of transportation (e.g., taxicabs) will be limited to an amount that would have been incurred had the employee used his personal auto and is calculated in the manner noted above.

TRAVEL OUTSIDE THE CONTINENTAL UNITED STATES

Travel allowance and guidelines set forth will also apply to trips out of the country. However, the traveler must convert payments from foreign funds to equivalent U.S. dollars at the current rate of exchange for their destination. First class travel is prohibited. It is extremely important for employees who are traveling internationally to notify the Authority well in advance of the trip in order to verify requirements and set the entry application process in motion if necessary. When traveling internationally employees should ensure that they have the necessary visa, immunization(s), and passport(s). If a visa is required, the fee should be placed on the employee’s expense report for reimbursement. Also, be aware any pertinent customs regulation fees for passports, visas and any necessary vaccinations or medications will also be reimbursed. All international travelers should provide the Authority with a copy of their passport so assistance can be provided in the event of theft or loss during travel abroad. Foreign Per Diem Rates are indicated on the GSA website, as necessary.

TRAVEL EXPENSE REIMBURSEMENT

A Travel Expense Reimbursement Form (Attachment B) must be submitted within thirty (30) days of travel.

Mileage reimbursements must be submitted at least quarterly within five (5) business days of the end of the quarter using the Travel Expense Reimbursement Form. Requests for reimbursement may occur more frequently. Details of the mileage request must be provided on the travel reimbursement form.

Any requests that are not submitted within the designated time frames may be denied reimbursement.

IMPORTANT TIPS TO COMPLETE THE TRAVEL EXPENSE REIMBURSEMENT FORM:

- Agenda included.
- Return Memo- for conferences and seminars
- Boarding Passes must be attached.
- Document the actual departure and return time.
- Meals will only be reimbursed based on the per diem. No receipts are required.
- Lodging will only be reimbursed based on original receipts.
- **Original** receipts required for such items as taxis, airfare, bus or rail transportation, tolls or copy of the most recent toll calculator.
- For travel out of the country, the traveler must convert payments from foreign funds to equivalent U.S. dollars at the current rate of exchange.
- Cash advances must be deducted from the travel expense reimbursement form if received.
- Any deviations from this travel policy must be documented via a memorandum attached to the travel reimbursement form.

Travel Expense Reimbursement Form Approval Process:

- Below Manager level - by the Manager or Director
- Department Managers - by their Director
- Directors - reviewed by the Chief Financial Officer and then approved by the Executive Director
- Executive Director - reviewed by the Chief Financial Officer and then approved by the Chair of the Board
- Commissioners - reviewed by the Chief Financial Officer and then approved by the Chair of the Board
- Chair of the Board - reviewed by the Chief Financial Officer and then approved by the Vice Chair.

Approved expense reports that are completed in accordance with the allowances set forth in the guidelines are to be routed directly to the Chief Financial Officer. Reimbursements will be made by company check, if the amount of expenses exceeds the amount of any cash advances or prepaid items.

TRAVEL EXPENSE REIMBURSEMENT FOR AUTHORITY COMMISSIONERS

Authority Board members shall be entitled to reimbursement of actual and necessary expenses incurred, provided proper documentation is submitted with the Travel Expense Reimbursement Form.

CASH ADVANCES

Cash advance requests to facilitate payment of costs incurred while traveling on Authority business will be honored only in those instances where hardship would result. Such requests are to be made in advance in the form of a Request for Check form to the Chief Financial Officer. Any excess of cash advances over allowable out-of-pocket costs must be refunded to the Authority within thirty (30) days of travel.

In the event excess cash advances are not refunded within thirty (30) days, with the approval of the Chief Financial Officer, wages may be garnished.

AUTHORITY CREDIT CARDS

Authority Credit Cards may not be used for meals while on travel status except with the prior approval of the Executive Director. Cash Advances may be requested for travel related expenses.

DISCRETIONARY EXPENSES

Refreshments or Meals when Hosting Non-Authority Transit or Public Officials:

- There may be special circumstances when an employee hosts transit or public officials, including Authority Board members, where such hosting is essential to the business and interests of the Authority. Hosting activities and expenditures must be reasonable, prudent, and subject to the review and approval of the applicable Director and Executive Director, or Chair of the Board as appropriate **prior** to incurring any costs. See Attachment D.
- When special circumstances require an employee's presence beyond reasonable hours of employment, or if during normal work hours it is necessary and prudent that essential business be conducted at a meal, the approval of the Executive Director would be required prior to reimbursement.



Niagara Frontier Transportation Authority
Serving Buffalo Niagara

TRAVEL REQUEST FORM

NAME:
DEPARTMENT/DIVISION:
PURPOSE OF TRIP:

TRAVEL JUSTIFICATION:

TRAVEL FROM:	TRAVEL TO:
DEPARTURE DATE:	RETURN DATE:
TIME OF DEPARTURE:	TIME OF RETURN:

ESTIMATED EXPENSES	AMOUNT
REGISTRATION OR FEES: (ATTACH COPY OF AGENDA)	_____
AIRLINE/BUS/RAIL	_____
NUMBER OF DAYS OF LODGING _____ AMOUNT PER DAY _____	<u>\$ 0.00</u>
<i>IF LODGING IS ABOVE PER DIEM RATE ATTACH DOCUMENTATION</i>	
<i>SHOWING YOU HAVE CONTACTED 2 OTHER HOTELS IN THE AREA AND THIS IS</i>	
<i>THE LOWEST RATE.</i>	
NUMBER OF DAYS FOR MEALS _____ AMOUNT PER DAY _____	<u>\$ 0.00</u>
TAXI OR OTHER MODE OF TRANSPORTATION AT DESTINATION	_____
MILEAGE	_____
TOLLS	_____
PARKING	_____
TOTAL ESTIMATED EXPENSES:	<u>\$ 0.00</u>

GENERAL LEDGER ACCOUNT TO BE CHARGED: _____

<i>I certify that I have read and understand the Travel Guidelines:</i>	
_____	Date: _____
Employee	

APPROVED BY:	SIGNATURE:	DATE
IMMEDIATE SUPERVISOR:	_____	_____
DIRECTOR:	_____	_____
EXECUTIVE DIRECTOR:	_____	_____
CHAIRMAN OF THE BOARD (if applicable)	_____	_____
VICE CHAIRMAN OF THE BOARD (if applicable)	_____	_____



Department of Taxation and Finance
New York State and Local Sales and Use Tax
Exemption Certificate
 Tax on occupancy of hotel or motel rooms

ST-129
 (2/18)

This form may only be used by government employees of the United States, New York State, or political subdivisions of New York State.

Name of hotel or motel		Dates of occupancy	
		From:	To:
Address (number and street)		City	State ZIP code Country

Certification: I certify that I am an employee of the department, agency, or instrumentality of New York State, the United States government, or the political subdivision of New York State indicated below; that the charges for the occupancy of the above business on the dates listed have been or will be paid for by that governmental entity; and that these charges are incurred in the performance of my official duties as an employee of that governmental entity. I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document, and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that the vendor is a trustee for, and on account of, New York State and any locality with respect to any state or local sales or use tax the vendor is required to collect from me; that the vendor is required to collect such taxes from me unless I properly furnish this certificate to the vendor; and that the vendor must retain this certificate and make it available to the Tax Department upon request. I also understand that the Tax Department is authorized to investigate the validity of tax exemptions claimed and the accuracy of any information entered on this document.

Governmental entity (federal, state, or local)		Agency, department, or division	
Employee name (print or type)	Employee title	Employee signature	Date prepared

Instructions

Who may use this certificate

If you are an employee of an entity of New York State or the United States government and you are on official New York State or federal government business and staying in a hotel or motel, you may use this form to certify the exemption from paying state-administered New York State and local sales taxes (including the \$1.50 hotel unit fee in New York City).

New York State governmental entities include any of its agencies, instrumentalities, public corporations, or political subdivisions.

Agencies and instrumentalities include any authority, commission, or independent board created by an act of the New York State Legislature for a public purpose. Examples include:

- New York State Department of Taxation and Finance
- New York State Department of Education

Public corporations include municipal, district, or public benefit corporations chartered by the New York State Legislature for a public purpose or in accordance with an agreement or compact with another state. Examples include:

- Empire State Development Corporation
- New York State Canal Corporation
- Industrial Development Agencies and Authorities

Political subdivisions include counties, cities, towns, villages, and school districts.

The United States of America and its agencies and instrumentalities are also exempt from paying New York State sales tax. Examples include:

- United States Department of State
- Internal Revenue Service

Other states of the United States and their agencies and political subdivisions **do not** qualify for sales tax exemption. Examples include:

- the city of Boston
- the state of Vermont

To the government representative or employee renting the room

Complete all information requested on the form. Give the completed Form ST-129 to the operator of the hotel or motel upon check in or when you are checking out. You must also provide the operator with proper identification. Sign and date the exemption certificate. You may pay your bill with cash, a personal check or credit/debit card, or a government-issued voucher or credit card.

Note: If you stay at more than one location while on official business, you must complete an exemption certificate for each location. If you are in a group traveling on official business, each person must complete a separate exemption certificate and give it to the hotel or motel operator.

To the hotel or motel operator

Keep the completed Form ST-129 as evidence of exempt occupancy by New York State and federal government employees who are on official business and staying at your place of business. The certificate should be presented to you when the occupant checks in or upon checkout. The certificate must be presented no later than 90 days after the last day of the first period of occupancy. If you accept this certificate after 90 days, you have the burden of proving the occupancy was exempt. You must keep this certificate for at least three years after the later of:

- the due date of the last sales tax return to which this exemption certificate applies; or
- the date when you filed the return.

This exemption certificate is valid if the government employee is paying with one of the following:

- cash
- personal check or credit/debit card
- government-issued voucher or credit card

Do not accept this certificate unless the employee presenting it shows appropriate and satisfactory identification.

Note: New York State and the United States government are not subject to locally imposed and administered hotel occupancy taxes, also known as *local bed taxes*.

Substantial penalties will result from misuse of this certificate.

DISCRETIONARY EXPENSE APPROVAL FORM

Employee Name Dept./Div

Description Date Requested

Justification

Type and Amount of expenses:

	Category	Description	Estimated Cost
	Snacks		
	Refreshments		
	Sandwiches		
	Other		

Total Est. Cost :

Employee Signature

Date

Director Approval

Date

Executive Director Approval

Date

ATTACHMENT D