



Ohio Public Employees Retirement System

March 30, 2015

Bethany Rhodes
Director, Ohio Retirement Study Council
88 E. Broad Street, Suite 1175
Columbus, OH 43215

Re: OPERS Revised Travel Policy

Dear Ms. Rhodes: *Bethany*

Pursuant to R.C. Section 145.092, we are submitting the enclosed revisions to the *OPERS Travel & Expense Policy* for your review.

The OPERS Board reviewed revisions to its travel policy at its March, 2014 meeting. In accordance with the provisions of R.C. 145.092, OPERS submitted the proposed revisions to the Ohio Ethics Commission ("OEC"). On March 27, 2015, the OEC shared suggestions on the revisions with OPERS. OPERS is now required to submit the revised policy to the Ohio Retirement Study Council for review at least sixty days prior to final adoption by the OPERS Board.

The significant change to the travel policy is with respect to Board travel. The changes limit the maximum dollar amount each Board member may be reimbursed for out-of-state travel expenses to participate in conferences, seminars, or other programs for continuing education to \$6,000 per year.

Please refer to the red-lined version for all the proposed changes to the policy and contact me with any questions or concerns. We have also attached the presentation given to the Board which highlights the proposed changes to the policy. We appreciate your assistance in this matter.

Sincerely,

A handwritten signature in blue ink that reads "Karen E. Carraher".

Karen Carraher
Executive Director

Enclosure

Ohio PERS

Travel & Expense Policy

Ohio Public Employees Retirement System

Updated ~~April 2008~~ TBD 2015





General Information	1
Purpose and Scope	1
Legal Authority	1
Effective Date	1
Definitions	2
Board Specific Policies	2
Process for obtaining OPERS insurance coverage endorsement (frequent travelers)	2
Transportation	3
In-State Travel	3
By OPERS-Owned vehicle	3
By privately-owned automobile	3
By rental car	4
Out-of-State Travel	4
By personal car	4
By rental car	4
By common air carrier	4
Other Travel Issues	6
Departure From Alternative City	6
Reduced Airfare	6
Travel Days	6
Unused non-refundable ticket	6
Travel Rewards Programs Frequent Flyer Miles	6
Alternative Modes of Travel	7
Miscellaneous Travel Expenses	7
Passports/Visas	7
Transportation Do's and Don'ts	8
Meals	9
Meals Do's and Don'ts.....	9
Lodging	11
In-State	11
Out-of-State	11
Lodging Do's and Don'ts	11
Conferences and OPERS-Sponsored Events	13
Registration Fees	13
Meals	13
Lodging	13
At-destination Transportation	13
Direct Payment	13
Sponsored Conferences	13
Telephone and Internet	15
Business Calls	15
Personal Calls	15
Internet Access	15
International Travel	15
Outside Contractors	17
Exceptions	19
Granting Exceptions	19
Documenting Exceptions	19
Procedures and Forms	21
Prepayment by OPERS	21
Purchasing Card Travel Agent Exceptions	21
Approval of Travel	21
Submission of Expenses	21
Checklist – Documentation to be submitted with F-30	22
Miscellaneous Information	22
Sample Forms	23



Purpose and Scope

The Ohio Public Employees Retirement System (OPERS) *Travel and Expense Policy* is designed to ensure the accurate, timely, and cost-effective handling of travel-related expenses incurred by the staff of OPERS, consistent with applicable laws and the public interest.

This policy covers both staff and Board members, thus all references to staff or employee in this policy are intended to include Board members unless specifically excluded. Any portions of this policy that apply solely to either staff or Board members will be so noted.

The guidelines within this booklet apply to travel expenses incurred both within and outside the state of Ohio, while on official System business to attend and participate in meetings, conferences, seminars, training, and other events or field visits which benefit the System.

The intent of this policy/procedure is to reimburse employees for the reasonable cost of necessary expenses incurred while on OPERS-related business travel, over and above those that would have been incurred by the employee had the employee reported to their normal work location. The guidelines contained herein are intended to substantially comply with IRS regulations impacting the employee's taxable income.

Questions regarding the administration or interpretation of this policy should be directed to the Finance director.

Questions about a specific travel expense should be directed to the [Financial AccountingAccounts Payable](#) department.

Questions about interpretation of Ohio Ethics Law (i.e., shuttle services and meals provided by third parties) should be directed to the General Counsel or the Legal department prior to business travel.

Legal Authority

Legal authority for this policy is derived from Ohio Revised Code Chapter 145 that provides in part that:

“The board shall adopt rules...establishing a policy for reimbursement of travel expenses...”

“The board members [and employees] shall be reimbursed for all actual necessary expenses...”

Effective Date

Per resolution of the OPERS Retirement Board the provisions of this policy are effective ~~May 1, 2008~~TBD 1, 2014.

Definitions

Compensation: Includes payment for services rendered, whether made on an hourly, salaried or fee basis, but does not include reimbursement of travel expenses.

Division: One of the eleven major organizational divisions within OPERS that consist of Benefits, Finance, Health Care, Information Technology, Investments, Executive Office, General Counsel, ~~Government Relations, Enterprise Risk Management,~~ External Relations, Human Resources and Internal Audit (subject to increase or decrease). A division director heads each division. In the case of the Executive Office division, the division director is the ~~Chief Executive Officer~~ Executive Director of OPERS. Periodically, changes will be made to the divisions.

In-state travel: Travel within the state of Ohio.

OPERS employee: Any officer, exempt or non-exempt employee of OPERS. For the purposes of this policy, Board members are included in reference to all employees, unless otherwise noted.

OPERS offices: 277 East Town Street, Columbus, Ohio.

Out-of-state travel: Travel outside the state of Ohio including out-of-country travel.

Receipt: A hard copy document provided by a vendor that lists detailed costs and, where possible, goods or services rendered.

System: The Ohio Public Employees Retirement System.

Travel System: OPERS' internal web-based travel expense reimbursement system.

Travel System Expense Report: Electronic expense report submitted in the Travel System.

Travel at OPERS expense: Travel costs that are paid from the Expense Fund of OPERS.

Board Specific Policies

In accordance with statute, no out-of-state travel expense for Board members shall be reimbursed unless approved in advance by a majority of the Board at a regular Board meeting. The only exception to this pre-approval requirement would be in the case of an emergency. Unless otherwise authorized or directed by a vote of the Board, each Board member may be reimbursed for out-of-state travel expenses for a maximum of \$6,000 and of three trips per year to participate in conferences, seminars, or other programs for continuing education.

Board members shall be reimbursed for travel expenses incurred for retirement system business which are actual, necessary and reasonable, and incurred during attendance at meetings of the retirement board or its committees, or at meetings, conferences, seminars, workshops or sessions presented by other organizations and other group meetings as authorized by the retirement board.

Process for obtaining OPERS insurance coverage endorsement (frequent travelers)

For departments whose employees frequently utilize OPERS' fleet vehicles (i.e. ~~Group Education, Member Counseling, Member Services,~~ Employer Outreach), the ~~Assistant Director—Administrative Services~~ Manager - Facilities will circulate, on an annual basis, a request for names of staff within those departments who will likely drive OPERS' fleet vehicles during the succeeding 12 months.

This list will be provided to OPERS' insurance carrier who, after reviewing each driver's Bureau of Ohio Motor Vehicles record, will provide OPERS with a list of employees endorsed for insurance coverage.

The ~~Assistant Director—Administrative Services~~ Manager - Facilities will notify the respective supervisor of whether or not each driver has been endorsed for coverage by OPERS' insurance carrier.

Unendorsed drivers may not drive OPERS' fleet vehicles.

Note:-
Employees who only occasionally use an OPERS fleet vehicle should refer to "In-State Travel by OPERS-owned Vehicle" for insurance coverage information.

In-State Travel**By OPERS-owned vehicle**

An OPERS-owned vehicle should be utilized, when available, for all OPERS-related business trips within the state of Ohio.

OPERS fleet vehicles may be scheduled ~~by contacting either the Member Counseling Manager or the Document Services Manager through Meeting Room Manager on OPERS iNet~~. Due to scheduling priorities, the availability of vehicles scheduled ~~through the Member Counseling Manager~~ may not be known until the first day of each calendar month.

Travel by OPERS-owned vehicle is authorized only for OPERS employees who are properly designated by OPERS and endorsed onto insurance coverage through OPERS' fleet insurance carrier.

Employees who do not frequently utilize OPERS' fleet vehicles should contact the ~~Assistant Director—Administrative Services Manager - Facilities~~ at least one week prior to travel in an OPERS fleet vehicle. The following process will then occur:

- The driver's name will be provided to OPERS' insurance carrier who, after reviewing the driver's Bureau of Ohio Motor Vehicles record, will inform OPERS that the driver either has or has not been endorsed for insurance coverage.
- The ~~Assistant Director—Administrative Services Manager - Facilities~~ will notify the driver and their immediate supervisor that the driver either has or has not been endorsed for coverage by OPERS' insurance carrier. Unendorsed drivers may not drive OPERS' fleet vehicles.

While using an OPERS fleet vehicle:

- Reimbursement is authorized for incurred emergency service expenses necessary to the efficient and safe operation of an OPERS-owned vehicle (receipts required).
- An ~~OPERS Shell~~ gasoline credit card ~~(currently Shell)~~ is stored in the glove compartment of each OPERS fleet vehicle and should be used to purchase fuel for OPERS fleet vehicles. Employees utilizing an OPERS gasoline credit card must comply with OPERS' gasoline credit card policy (policy available on OPERS intranet under the Library/Policies tab). Management has elected to utilize only
- Shell credit cards at this time. Employees may seek reimbursement for gasoline purchased in which their credit card was used for OPERS fleet vehicles when supported by a receipt.

By privately-owned automobile

Travel by privately owned automobile is authorized only if the owner thereof is insured under a policy of liability insurance complying with the requirements of section 4509.51 of the Revised Code effective 12/22/2013. This section requires coverage amounting to ~~\$12,500~~25,000 because of bodily injury to or death of one person in any one accident; ~~\$50,000~~25,000 because of bodily injury to or death of two or more persons in any one accident; ~~\$7,500~~25,000 because of injury to property of others in any one accident. This policy is subject to change as the Revised Code is updated.

Reimbursement of mileage expenses incurred on OPERS business is authorized at the standard mileage rate established by the Internal Revenue Service effective January of each calendar year.

An OPERS employee shall not be reimbursed for mileage commuting from his/her residence to the OPERS offices nor from the OPERS offices to his/her residence. Business travel between an OPERS employee's residence and a business location, other than the OPERS office, which is located generally within the Columbus metropolitan area, shall be reimbursed based upon a calculation of the mileage between the employee's home and the business location, minus the mileage required for the employee's daily commute to work.

**In-State
Travel**
(continued)

By rental car

All rental vehicles utilized for in-state travel should be obtained through Office Services, which will allow OPERS to take advantage of OPERS' negotiated discounts. Request the vehicle by contacting the ~~Document~~Manager - Facilities Services Manager at least 48 hours in advance of trip.

OPERS will ~~reimburse~~pay for compact or mid-size vehicles rented through the Office Services department. The rental vehicle may be driven home the night before departure if the employee is departing directly from home the following morning.

If the employee returns from a trip after the employee's normal working hours, the employee may take the rental car home for the evening and return it to OPERS the following morning.

Thirty days prior to traveling out-of-state, the traveler should complete an Out-of-State Travel Authorization Request in the Travel System and obtain electronic approval from their supervisor to travel.

**Out-of-
State
Travel**

Whenever an OPERS employee is traveling out-of-state on OPERS business, the employee may utilize (1) a personal car, (2) a rental car, ~~(3) OPERS fleet vehicles~~, or ~~(34)~~ another mode of transportation. Reimbursement is limited to the most economical portal-to-portal transportation total. Employees with assigned fleet cars may utilize such cars for out-of-state travel, if determined to be the most economical option (e.g. out-of-state trips to adjoining states). An alternative travel form should be completed 30 days in advance of the travel for the analysis between the fleet vehicle costs and the airfare or other mode of transportation. See Alternative Modes of Travel on page 7 for details.

By personal car

Travel by privately owned automobile is authorized only if the owner thereof is insured under a policy of liability insurance complying with the requirements of section 4509.51 of the Revised Code [effective 12/22/2013]. This section requires coverage amounting to ~~\$12,500~~25,000 because of bodily injury to or death of one person in any one accident; ~~\$25,000~~50,000 because of bodily injury to or death of two or more persons in any one accident; ~~\$7,500~~25,000 because of injury to property of others in any one accident. This policy is subject to change as the Revised Code is updated. When a personal car is used for out-of-state travel, reimbursement is limited to the lesser of actual portal-to-portal expenditures or air travel cost. See *Alternative Modes of Travel* on page 7 for details.

By rental car

When the most economical option, rental vehicles required during out-of-state travel should be coordinated through OPERS travel agent to enable OPERS to receive negotiated discounts. This includes obtaining a rental car once the traveler has made it to the destination airport/city but requires additional travel to the final destination. Since OPERS travel agent currently has a direct-bill arrangement with only one rental car company, reimbursement is authorized for personal credit card usage to obtain the most economical option for a rental car.

OPERS will ~~reimburse~~pay for compact or mid-size vehicles. Reimbursement~~Payment~~ for a rental car used for out-of-state travel will be limited to the lesser of (1) portal-to-portal expenditures, or (2) air travel cost. See *Alternative Modes of Travel* on page 7 for details.

By common air carrier

OPERS employees are authorized to travel by common air carrier for out-of-state trips only. All air travel should utilize the standard coach class round trip fare and should be coordinated through OPERS travel agent. Reservations should be made at least ~~fourteen~~thirty (30) days in advance at the lowest reasonable airfare cost obtainable. Guidelines to be used in determining "reasonable" cost could include (1) considering only flights requiring layovers totaling two hours or less, or (2) ~~not considering~~ flights departing ~~prior to~~after 8:00 a.m. or arriving at their destination ~~after~~before 8:00 p.m. Non-refundable tickets may be considered when determining "lowest rate."

Out-of-State Travel
(continued)

OPERS funds shall not be expended to pay for unused reservations on common carriers unless the responsible supervisor is satisfied that failure to cancel or use the reservation was unavoidable. The responsible supervisor will be required to document in writing the business rationale for the decision.

Fees incurred to change a reservation ~~must be accompanied by a statement of approval from~~ ~~will be reimbursed only when accompanied by a receipt and a statement approved by~~ the responsible supervisor that documents the change was necessary due to a valid business reason. Fees incurred due to personal reasons must be reimbursed to OPERS.

~~Airfare must be booked through the OPERS approved travel agent or through a direct bill relationship with the airline so that it can be paid directly by OPERS.~~ ~~Airfare may be paid directly by OPERS if the trip is arranged through an OPERS-approved travel agent (currently En Route Travel). If a personal credit card is used for airfare, reimbursement will occur after the trip.~~ Use of the OPERS approved travel agent to book all travel plans (airfare, hotel, rental car) is required to ensure that appropriate approvals are provided by leadership on expenses and to provide a complete accounting of costs paid directly by OPERS. Questions should be directed to Accounts Payable.

~~If an employee chooses to utilize an alternate travel agency or an on-line service to arrange the trip, documentation sufficient to administer this travel policy is required. These alternative services frequently provide multiple services that are "bundled" into a single price. Documentation supporting these charges should detail the individual items included in the package.~~

Summary – When traveling out-of-state by common air carrier, reimbursable transportation expenses are limited to:

1. ~~For weekday travel, R~~round-trip mileage from home to the airport and back home, which is in excess of the normal round-trip commute. ~~For weekend travel, round-trip mileage from home to the airport will be used.~~ If the OPERS employee chooses to be dropped off at the airport rather than parking their car at the airport, OPERS will reimburse mileage for ~~only one~~two round trips to the airport and back home on weekdays and weekends.
2. Airport parking at the lesser of actual cost or \$10 per day. A receipt is required if total parking cost is greater than \$10.
3. In lieu of #1, an OPERS employee may utilize a cab for transportation to and/or from the airport. A receipt is required for cab fare in excess of \$10.
4. The actual cost of coach or economy class airfare.
5. Cab, shuttle or limo service between destination airport and hotel. A receipt is required for cab fare in excess of \$10.
6. If less expensive than a cab/shuttle/limo/train, the cost of a rental car will be reimbursed with appropriate documentation supporting the lowest cost. See page 8 for more information.

**Other
Travel
Issues**

Departure From Alternative City

If an employee chooses to depart from an airport outside the Columbus metropolitan area to attend a conference or an OPERS' meeting that does not start over the weekend, OPERS will pay for ~~or reimburse the employee for~~ the lesser of (1) the estimated cost to depart from a Columbus area airport, based on 4430 day advanced fare or (2) the actual cost of departing from an alternative city's airport, including:

- actual cost of coach or economy class airfare
- airport parking at the lesser of actual cost or \$10 per day
- for weekday travel, round-trip mileage from home to the airport and back home, which is in excess of the normal round-trip commute. For weekend travel, round-trip mileage from home to the airport will be used. If the OPERS employee chooses to be dropped off at the airport rather than storing their car, OPERS will reimburse mileage for ~~only one two~~ round trips to the airport and back home on weekdays and weekends

If the conference or OPERS' meeting starts over the weekend, OPERS will pay for the actual cost of departing from an alternative city's airport, including the items listed above. Appropriate documentation must be provided in advance of travel arrangements using the *Alternative Travel Reimbursement Determination* on page 7.

Note: OPERS recognizes that its Board members may not live in the Columbus, Ohio area. Therefore, the above guidelines would apply if a Board member chooses to depart from an airport other than the major metropolitan airport closest to his/her home.

Reduced Airfare

If lower airfare can be obtained with weekend travel, OPERS will reimburse weekend expenses (including lodging, meals, transportation, etc.) up to the estimated cost of the regular 30-day advanced weekday fare. 30-days prior notice should be given to ~~the financial accounting section~~ Accounts Payable to allow for completion of an *Alternative Travel Reimbursement Determination*.

Travel Days

Employees traveling on OPERS business may utilize the day before a conference or class begins and the day after a conference or class ends as travel days. The employee shall not be charged leave for travel on such designated travel days.

The following travel time is considered work time and will be compensated for non-exempt employees:

- On a regularly scheduled work day, all hours of traveling and working, less the traveler's normal commuting time to and from work.
- Travel that occurs outside the traveler's regularly scheduled workday.

Any additional business days used on travel status, in excess of the actual days of the conference and the day before and the day after the conference, as described above, which would otherwise have been worked at the employee's normal work location will be charged against the OPERS employee's annual or personal leave balance.

Unused non-refundable ticket

The purchase price of an unused non-refundable airline ticket will be reimbursed subject to surrender of the unused airline ticket and reasonable explanation for non-use approved by the appropriate supervisor.

An unused non-refundable ticket must be submitted with a *Travel System Expense Report* and an accompanying explanation for non-use approved by the responsible supervisor.

~~If the unused non-refundable airline ticket was purchased through an on-line service, t~~The receipt (with itinerary and cost) must be attached to the *Travel System Expense Report*, ~~including credit card statement with account number blacked out, if purchased on a personal credit card.~~ OPERS' policy requires the employee to apply the unused ticket to the next business trip and OPERS will reimburse the employee for the ticket change fee.

Frequent Flyer Miles Travel Rewards Programs

Use of travel rewards programs such as Frequent flyer miles and hotel rewards earned while on OPERS business shall be used only for subsequent OPERS business travel. Personal use of such frequent flyer miles is prohibited by the Ohio Ethics Commission Advisory Opinion No. 91-010 and Revised Code 102.03(D) and (E), Revised Code 2921.42(A)(4) and 2921.43(A). ~~Violations of these statutes could result in criminal penalties.~~

Other Travel Issues (continued)

Alternative Modes of Travel

Employees may choose to drive, fly or use some other mode of transportation to reach their destination; however, transportation expenses will be reimbursed based on the lesser of actual portal-to-portal expenditures or air travel cost. Portal-to-portal expenditures include:

- Lodging and meals in transit
- Auto storage at hotel
- Reimbursement of mileage at the Board-established rate based on actual miles driven or upon published standard highway distance charts when actual miles are not documented
- For alternative modes of transportation, other than personal auto, reimbursement will be at the lesser of actual cost or 30-day advance-notice airfare (for a flight the day before a conference starts and the day after a conference ends).

When selecting an alternative mode of travel, 30-days prior notice should be given to ~~the financial-accounting section~~ Accounts Payable to allow for completion of an *Alternative Travel Reimbursement Determination*. An accounts payable clerk will complete the top half of the form to establish "Air Travel Cost" and provide a copy to the OPERS employee for use in applying for reimbursement.

When less than 30-days prior notice is provided to ~~the financial-accounting section~~ Accounts Payable, an exception is required to be provided by the traveler's immediate supervisor. When ~~the financial-accounting section~~ Accounts Payable is notified of the request to calculate the cost of 30-day advanced airfare, and the travel date is less than 30 days in the future, ~~financial-accounting~~ Accounts Payable will nonetheless price the airfare 30 days into the future in order to establish air travel cost.

When utilizing alternate modes of travel, expenditures must be segregated between (1) portal-to-portal, and (2) at destination costs on the *Travel System Expense Report*. Detail receipts are required for any fees exceeding \$10.

Miscellaneous Travel Expenses

Reimbursement is authorized for parking charges, baggage fees, road tolls, gratuities and other reasonably incurred transportation expenses directly related to authorized travel. Reasonable gratuities for hotel staff (e.g. cleaning staff) are reimbursable up to \$3/night with a \$10 maximum per trip if staying longer than three days. Reimbursement of tips for cabs or shuttles is authorized at actual expense not to exceed 20% of the actual cab fare or shuttle fee. Miscellaneous transportation expenses shall be listed separately as "other travel expenses" on the *Travel System Expense Report*.

Passports/Visas

OPERS will reimburse for the cost of passports and visas required for OPERS business travel based on the non-expedited processing fee. Immunizations that may be required for foreign travel are not reimbursable.

Reimbursement for meals for OPERS employees is authorized and shall meet all of the applicable provisions of this policy.

Reimbursement for meals for OPERS employees is limited to the following per OPERS employee per calendar day, whether in-state or out-of-state:

- Actual cost including tax up to a maximum rate of \$60 per calendar day. Employees may allocate their meal allowance as they choose, as there is no set allocation for breakfast, lunch, and dinner.
- Itemized detailed receipts are required for all meals in excess of \$10. If mechanically or electronically generated itemized receipts are not available, a handwritten itemized receipt should be requested. The credit card slip does not qualify as a detailed receipt.
- Daily meal expenses in excess of \$60 are reimbursable if the responsible supervisor is satisfied that meals totaling less than or equal to \$60 per day were not reasonably obtainable.
- Reimbursement for alcoholic beverages is strictly prohibited. Meal receipts that include alcoholic beverages should be adjusted to deduct the cost of the beverage, along with related tax and tip.

Reimbursement of meal gratuities is authorized at actual expense ~~but~~ not to exceed 20% of the actual meal expense including tax. The amount of the gratuity shall not count against the daily meal allowance.

Meals may be reimbursed for both in-state and out-of-state travel only if overnight lodging is required to maintain the non-taxable status of our plan with the Internal Revenue Service. Meals may be reimbursed for travel without an overnight stay only if the reimbursement request includes the following information:

1. the main purpose of the combined business and meal is the active conduct of business,
2. business is actually conducted during the meal with a non-OPERS participant, and
3. there is more than a general expectation of deriving some business benefit at some future time.

For meals in association with a conference, see the *Conference and OPERS-Sponsored Events* section of this policy.

Meals Do's and Don'ts

It is expected that generally, OPERS employees will not seek reimbursement for meals purchased in lieu of meals provided by a conference.

No reimbursement shall be made for the costs of entertainment.

Meals for trips involving same day travel without an overnight stay are not generally reimbursable (unless the business rules listed above apply).

Requests for meal reimbursements must be accompanied by a detailed receipt listing the specific meal charges.



In-State

Lodging at a reduced governmental rate should be obtained whenever available.

Reimbursement for lodging in commercial establishments is authorized per employee per calendar day at actual cost up to \$15025 plus applicable taxes ~~on the entire room~~. Lodging in excess of \$15025 per day ~~may be~~ reimbursable if the appropriate supervisor agrees with documentation of the reason for the excess (satisfied that lodging less than or equal to \$150 per day was not reasonably obtainable) and a cost comparison is done to other hotels within 10 miles if the cost excess is more than \$50 (or \$200 per day). ~~is satisfied that lodging less than or equal to \$125 per day was not reasonably obtainable.~~

Lodging ~~must be booked through the OPERS approved travel agent or through a direct bill relationship with the hotel so that it can be paid directly by OPERS. may be paid directly by OPERS. If a PA personal credit card may be required at check in for incidentals. is used for lodging, reimbursement will occur after the trip.~~

Itemized receipts are required for all lodging expenses. Lodging associated with OPERS-provided seminars (employer outreach, retirement awareness, etc.) will be ~~reimbursed~~ paid at actual cost.

For reimbursement of lodging associated with a conference, see the *Conferences and OPERS-Sponsored Events* section of this policy.

Out-of-State

Lodging at a reduced governmental rate should be obtained whenever available.

Reimbursement for lodging in commercial establishments is authorized per OPERS employee per calendar day at actual cost when such cost is reasonable as determined by the appropriate supervisor. Guidelines for reasonable lodging costs are as follows:

- Even in the most expensive cities, lodging under \$250 per night should be sought.
- When two employees are traveling together to the same city, it would be expected that the cost of lodging for the two employees would not differ by more than \$50 per night.

Any exceptions to the guidelines require approval by the responsible manager along with documentation of the business reason and a cost comparison done to other hotels within 10 miles if the cost excess is more than \$50 (or \$300 per day).

Lodging ~~must be booked through the OPERS approved travel agent so that it can be paid directly by OPERS. may be paid directly by OPERS. If a PA personal credit card may be required at check in for incidentals. is used for lodging, reimbursement will occur after the trip.~~

Itemized receipts are required for all lodging expenses.

For reimbursement of lodging associated with a conference, see the *Conferences and OPERS-Sponsored Events* section of this policy.

Lodging Do's and Don'ts

No reimbursement shall be made for the **expenses of family members or friends** traveling with OPERS employees. When an OPERS employee shares a room with a family member or friend, OPERS will reimburse only for the single room rate.

The cost of alcoholic beverages from in-room "mini bars" and other in-room entertainment that are included on the hotel receipts will not be reimbursed.



Registration Fees

Conference registration fees may be reimbursed to the OPERS employee (receipt required), or ~~conference registration fees may~~ be paid directly by OPERS in advance of the conference.

Multiple Attendees at a Conference

Any time three (3) or more OPERS staff members are planning to attend the same conference, prior to registering for the conference, approval must be granted by the appropriate division director. The director should clearly document in a memo the business rationale for the number of staff attending the conference. The documentation should be signed by the appropriate division director and a copy submitted to the ~~chief executive officer~~ executive director or chief operating officer as notification. A copy of the signed memo documentation should be attached to the final travel expense report for each attendee.

Meals

If the registration fee includes any meals, the daily meal allowance may be appropriately reduced when one or more meals are provided as part of a conference.

Meals that are not included in the registration fee but are an integral part of the conference may be reimbursed at actual cost (detailed receipt required), provided such cost is reasonable as determined by the appropriate supervisor. Meals are considered to be an integral part of the conference when the meals are provided at the conference site as an organized group activity for all conference participants. These meals can also be prepaid by OPERS with the conference registration fee in advance of the conference.

If a conference or OPERS-sponsored event includes or provides a meal, it is expected that the OPERS employee, if choosing not to participate in the meal provided, would not seek reimbursement for a meal in lieu of the one provided.

Employees with special dietary needs may be reimbursed for meals purchased in lieu of meals provided by a conference if none of the conference meals offered met the special dietary needs. It is expected that OPERS employees will utilize alternative meals designed to meet special dietary needs if offered by the conference organizers.

Snacks, meals or other food and beverage items provided by the conference sponsor that are not paid for as a part of the conference fees may not be accepted or consumed by OPERS employees unless the employee makes arrangements to be billed separately.

Lodging

~~Lodging at the conference site or lodging at a hotel identified in the conference registration materials as one of the conference hotels may be reimbursed at actual cost (receipt required).~~

At-destination Transportation

If a conference provides shuttle service between hotels and the conference site, rental car costs for the duration of the conference will be borne exclusively by the OPERS employee.

Direct Payment

Instead of reimbursing an OPERS employee for his/her conference expenses, OPERS may make direct payment to a vendor who provides conference services for the OPERS employee.

Sponsored Conferences

An employee attending a sponsored conference/meeting for which there is no registration fee and at which meals are provided as a component of the conference shall make arrangements with the sponsor to provide an invoice with the cost of meals or reimburse for the meals and other such expenses of the conference for direct payment by OPERS. Contact Accounting for assistance or with questions.



Because of rapidly changing communications technology, hotels have implemented a variety of policies related to telephone and Internet access. The OPERS Travel Policy has been written with the understanding that these conditions exist. The policy does not attempt to address every possible scenario that the OPERS business traveler may face. Prudence and good judgment should be exercised when placing business or personal calls, or when accessing the Internet while traveling on OPERS business.

Business Calls

OPERS will reimburse for all necessary business calls while an OPERS employee is engaged in OPERS business travel.

OPERS will reimburse telephone access charges ~~charged by hotels~~ on all business related calls. Reimbursement is authorized for reasonable business telephone expenses regardless of the length of stay.

An OPERS employee who has been issued an OPERS cellular telephone is encouraged to use such phone for OPERS business calls.

OPERS cellular telephones are available for use during travel, including international travel. Contact the IT Helpdesk if one is needed.

~~An OPERS employee who has not been issued an OPERS cellular telephone is encouraged to utilize an OPERS provided pre-paid telephone card when placing business calls.~~

Personal Calls

An OPERS employee who has been issued an OPERS cellular telephone is encouraged to use such phone for personal calls when traveling overnight on OPERS business. Generally no more than two personal calls of a reasonable duration should be made per day.

~~OPERS will provide pre-paid telephone cards to requesting employees when travel will require an overnight stay. The phone cards may be used by the employee to place personal calls home or take care of personal matters while traveling on OPERS business. Phone cards must be returned to the Document Services Manager at the conclusion of the business trip. The employee should inform the Document Services Manager of the approximate number of minutes used.~~

~~OPERS will reimburse telephone access charges for personal calls at a rate of two access charges per night of travel.~~

Internet Access

Many airports, planes and hotels now offer Internet access ~~lines or Wi-Fi~~. Employees are encouraged to inquire about the availability of this free service when accessing the Internet while on business travel. If internet access is not free and the employee requires it for business use while traveling, OPERS will reimburse access fees for each day of the business trip, one fee per day (OPERS will not reimburse for airport, planes and hotel internet access fees – any two or all three - on any one day).

International Travel

~~OPERS provided phone cards should be used for both business and personal calls while traveling internationally. Before departing, the traveler should contact the phone card carrier at the number provided on the phone card. The traveler will be provided with an access code and a phone number that will be specific to the country in which the employee is traveling. With this information the traveler will be able to place calls to the United States that will be billed to the phone card.~~



OPERS may authorize reimbursement of travel, lodging and meal expenses incurred by third party contractors.

Reimbursement shall be made at rates that do not exceed those specified in this policy and in accordance with all provisions of the policy that are applicable to OPERS employees and Board members.

The contractor shall provide OPERS with an itemized travel statement and all receipts required by this policy.



The Travel Policy is intended to provide guidance for the administration of OPERS business travel. It is understood that occasionally it will make prudent business sense to grant exceptions to the policy's limits and standards. Therefore, this policy provides that a supervisor may:

"...require any reasonable form of verification of an expense, in addition to or in lieu of the receipts required under this policy, if he/she determines that additional verification is necessary to his/her certification of the propriety of the reimbursement or if required receipts are not available."

Granting Exceptions

If a supervisor believes that it is prudent to grant an exception to this Travel Policy, it is within his/her purview to do so. The responsible supervisor is expected to document the business rationale for the exception in a memo attached to the initialed and initial the expense on the Travel System Expense Form, -or include an explanation in the note field upon approval when prompted within the expense system (see further discussion below). Examples of exceptions include expenses costing greater than \$10 for which no receipt is provided, meal expenses in excess of the \$60 per-day limit, in-state lodging or out-of-state costing more than the per-day limit, travel not booked through the travel agent, etc.

Note: In the case of Board members, exceptions to this Travel Policy shall be approved by the Board.

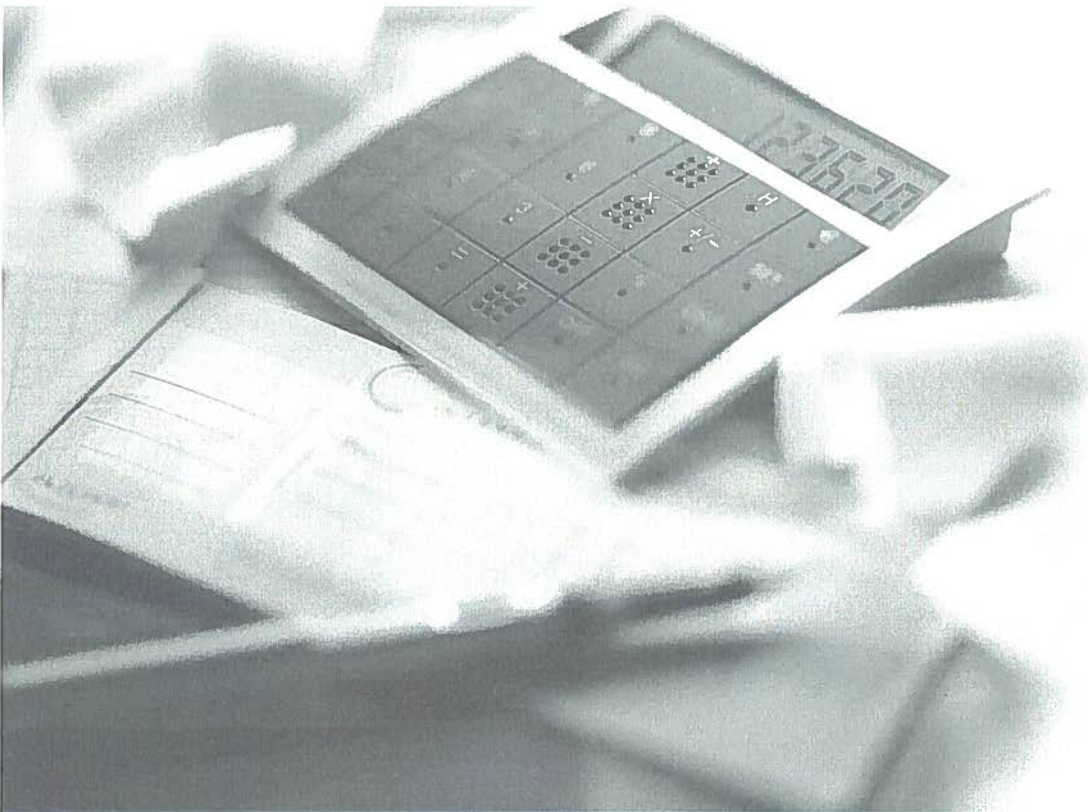
Documenting Exceptions

A business traveler's supervisor should document exceptions to this Travel Policy in the following manner:

- The approving supervisor should include a note in the expense line item detail of the *Travel System Expense Report*. This note should explain the reason for the exception. For example, if a receipt for a meal costing greater than \$10 is not attached, the supervisor would note in the Memo section "receipt lost," or if an in-state hotel room costing more than \$125 was charged, the supervisor would note "accommodations under \$125 not available," etc.

The electronic approval of the responsible supervisor on the *Travel System Expense Report* does not, in and of itself, constitute approval of an exception to the policy.

These exception documentation procedures are in place in order to ensure that the approving supervisor both detected and then consciously approved deviations from the policy, and to inform other parties (Accounts Payable, Internal Audit, etc.) that the approving supervisor both detected and then consciously approved deviations from the policy. Following this procedure will streamline the approval and payment process. Accounts Payable reserves the right to reject travel expenses without appropriate approvals and documentation on exceptions to the policy.



Prepayment by OPERS

Certain expenses may be pre-paid by OPERS. These include:

- Conference registration fees
- Advance room deposits for overnight accommodations
- Airfare

To have OPERS pre-pay registration fees and room deposits, provide a completed conference registration form and submit an approved purchase order to Financial Accounting Accounts Payable.

~~Conference registration fees, hotel room accommodations and airfare can will be directly paid by OPERS if when~~ arrangements are made through OPERS' designated travel agency (~~currently En Route Travel~~).

The traveler should include all expenses paid directly by OPERS on their *Travel System Expense Report*, noted as "Direct Billed" on the expense report and accompanied by provide appropriate supporting documentation. Appropriate documentation includes conference fee registration forms, detailed hotel receipts and airfare itineraries and cost.

Purchasing Card Travel Agent Exceptions

~~Business travel should be arranged using OPERS' approved travel agent. If however an exception prevents the use of OPERS travel agent and travel expenses are paid through other means. When business travel is paid using an OPERS-provided purchasing card, the traveler should document travel expenses on a *Travel System Expense Report* along with all receipts and other documentation required by this policy. The traveler should select the appropriate form of payment on the expense report. The amount of travel expenses that were paid by the OPERS purchasing card should be noted as "Paid by OPERS" on the expense report. This procedure should be followed even if utilization of the OPERS purchasing card satisfied 100% of the travel expenses.~~

Approval of Travel

The electronic approval of an OPERS employee's *Travel System Expense Report* by the appropriate supervisor constitutes certification by the supervisor of the propriety of the reimbursement of such OPERS employee's travel expenses. The supervisor may require any reasonable form of verification of an expense, in addition to or in lieu of the receipt required under this rule if he/she determines that additional verification is necessary to his/her certification of the propriety of the reimbursement or if required receipts are not available. Accounts Payable reserves the right to reject travel expenses without appropriate documentation or exception approvals.

~~Each division director must annually provide the Financial Accounting department with an updated list of supervisors authorized to approve Travel System Expense Reports on their behalf.~~

Submission of Expenses

Within 30 days of the conclusion of a business trip, the traveler should complete an electronic expense report in the Travel System for all travel expenses incurred, including expenses paid directly by OPERS. For in-state travel, the traveler should complete an *In-State Travel Expense Report*. For out-of-state travel, the traveler should complete an *Out-of-State Travel Expense Report*. To complete an *Out-of-State Travel Expense Report*, the traveler must have an approved *Out-of-State Authorization Request* already completed (see above Page 4). All expense reports must be electronically approved by the traveler's supervisor. A written exception from the OPERS employee's immediate supervisor explaining the reasons why a *Travel System Expense Report* was submitted late shall accompany any Travel Expense Report that is submitted more than thirty days after the trip.

Note: Board members are not bound to the 30-day timeline due to the infrequency of their visits to OPERS. Board members should submit expenses as soon as possible following the conclusion of a business trip.

Printed copies of Travel System Expense Reports, with other documentation required by this policy attached thereto, should be submitted to the Financial Accounting Accounts Payable department by 12:00 noon on ~~Wednesday~~ Tuesday. Generally, corresponding reimbursement checks will be available the following Friday (23 days). Travel System Expense Reports that have been returned by Accounts Payable to the approving supervisor because of missing documentation ~~can only will not~~ be processed ~~that until the later of the next week or the documentation is received in good order. if they are returned to Accounts Payable along with all necessary documentation or appropriate exceptions by 12:00 noon on Thursday.~~

Sample Forms

Travel System Expense Report

DATABASICS

Run by: KSHEPHERD

**[TE1] In State Travel Expense Report
Detail Report by Line**

Report: [13381] Jan 20, 2014 - Jan 21, 2014 | Test Expense Report
 Employee: [TESTUSER] User, Test
 City:
 Based on Report:
 Status: On Hold
 Validation: No action
 Payment Status: No action
 Cities in Ohio: Akron
 Additional Cities visited:
 Purpose Category: Employer Education

Business Total: 366.06 USD
 Due to Employee: 217.06 USD
 - Amount due by employee to company: 0.00 USD
 Amount due by company to employee: 217.06 USD
 Due by company to CC: 149.00 USD

Report Detail

Ref. No.	Date	Description	Payment Type	Amount/Number	Rate	Business		
13381-1	Jan 20, 2014	Mileage		251.00	0.56000	141.06 USD		
		User Charge	Operating Unit	Department	Expense Code	Total Amount		
		TESTUSER	6000	2100	423200	141.06		
		From (Address, City, State 277 East Town street-columbus-oh-43221-US Zip Code): To (Address, City, State Zip ~akron-oh--US Code): One Way or Round Trip: RT Copied Distance: 251.9						
13381-2	Jan 20, 2014	Lunch	Paid by Me	10.00 USD	1	10.00 USD		
		User Charge	Operating Unit	Department	Expense Code	Before Tip	Tip Amount	Total Amount
		TESTUSER	6000	2100	423200	10.00	0.00	10.00
13381-3	Jan 20, 2014	Dinner	Paid by Me	41.00 USD	1	41.00 USD		
		User Charge	Operating Unit	Department	Expense Code	Before Tip	Tip Amount	Total Amount
		TESTUSER	6000	2100	423200	35.00	6.00	41.00
13381-4	Jan 20, 2014	Lodging	Booked through En	149.00 USD	1	149.00 USD		
		User Charge	Operating Unit	Department	Expense Code	Before Tax	Tax Amount	Total Amount
		TESTUSER	6000	2100	423200	119.00	30.00	149.00
13381-5	Jan 21, 2014	Breakfast	Paid by Me	10.00 USD	1	10.00 USD		
		User Charge	Operating Unit	Department	Expense Code	Before Tip	Tip Amount	Total Amount
		TESTUSER	6000	2100	423200	10.00	0.00	10.00
13381-6	Jan 21, 2014	Lunch	Paid by Me	15.00 USD	1	15.00 USD		
		User Charge	Operating Unit	Department	Expense Code	Before Tip	Tip Amount	Total Amount
		TESTUSER	6000	2100	423200	15.00	0.00	15.00

Sample Forms

Alternative Travel Reimbursement Determination

Alternative Travel Reimbursement Determination	
Name:	_____
Destination:	_____
<u>Estimated "Columbus" Airport Business Travel Cost (See Note 1)</u>	
Advance Notice Airfare (See Note 1)	_____
Airport Parking Fees @ \$10/day	_____
Shuttle Service Between Airport and Hotel	_____
Mileage to Airport (See Note 2)	_____
Total Estimated "Columbus" Air Travel Cost	=====
<u>Actual "Alternative" Travel Cost</u>	
Description of Alternate Travel	_____
Airfare	_____
Airport Parking Fees @ \$10/day	_____
Mileage for Alternative Travel _____ miles @ _____ cents per mile	_____ (note 3)
Lodging and Meals in transit	_____
Other (see Note 4)	_____
Total actual "Alternative" Travel Cost	=====
Lower of the Estimated vs. Actual Costs	=====
Note 1:	Amounts for "Columbus" Airport Travel Costs will be calculated by Accounts Payable.
Note 2:	Mileage required between home and Columbus airport in excess of employee's normal commute
Note 3:	Mileage required between home and Alternative Airport in excess of employee's normal commute
Note 4:	Other alternative expenses would include tolls, hotel parking, etc.



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: March 10, 2014

TO: OPERS Retirement Board Members – Budget & Planning Committee

FROM: Jenny Starr – Director of Finance

RE: **I. Discussion Items:**
A. OPERS Travel Policy Proposed Change

Purpose – During a recent presentation at the Ohio Retirement Study Council (ORSC), the ORSC requested OPERS institute a limit on Board out-of-state travel expenses to participate in conferences, seminars, or other programs for continuing education as the other Ohio retirement systems have done. Thus, this policy incorporates a \$6,000 annual limit on this type of travel for Board members, among various other proposed edits to the travel policy, in the document to be presented to the Committee on March 19, 2014.

Background – In 2003, the Board adopted one policy that covers both Board members and OPERS staff. The policy was last updated in April 2008.

Ohio Revised Code Sec. 145.092 governs the process for changes to OPERS' travel policy. The statute requires that changes to the travel policy be submitted to the Ohio Ethics Commission for review. Following the Ohio Ethics Commission review, the policy is submitted to the ORSC. Finally, the OPERS Board can approve the policy changes not less than sixty days after the policy is submitted to the ORSC. Thus, this discussion is to solicit Board feedback on the proposed policy prior to the submission to the Ohio Ethics Commission and then to the ORSC.

Issues – The Board should review the proposed edits to the policy (attached) and provide feedback to staff. Since the policy was last updated in April 2008, staff have incorporated changes to many areas of the policy.

Next Steps -- The Board's feedback on the proposed travel policy will be incorporated and then the proposed policy submitted to the Ohio Ethics Commission for review. As previously mentioned, the proposed policy will then be submitted to the ORSC at least sixty days prior to final Board approval and adoption of the policy.

OPERS Proposed 2014 Travel Policy Updates

March 19, 2014

Jenny Starr - Director of Finance

**Cathy Blalock – Assistant Director -
Financial Reporting**



Background

- **Request from ORSC**
- **One Policy for both the Board and OPERS Staff**
 - **Board adopted one policy in 2003**
 - **Little difference between two groups**
 - **Exceptions should be rare**
- **Last updated April 2008**



Timeline

- **Review proposed changes with OPERS Leadership Team and Management (February)**
- **Draft policy for Board discussion and review (March)**
- **Incorporate Board feedback and submit to Ethics Commission for consultation (March)**
- **Send to ORSC 60 days before Board approval and adoption (once through Ethics Commission)**
- **Board adopts policy 60 days after ORSC has the policy (by end of year)**

What are the proposed changes/updates?

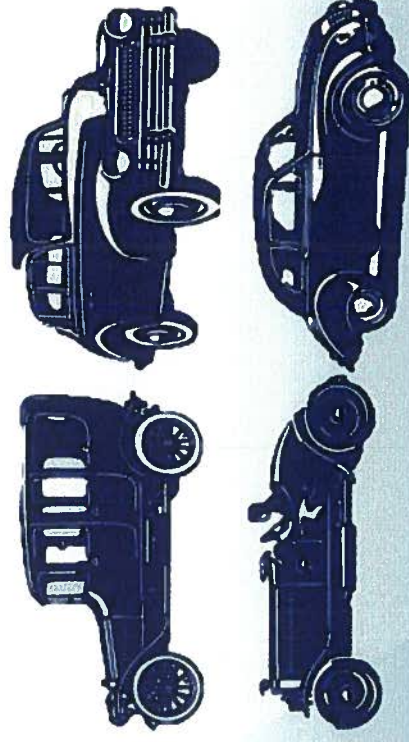
General Information Section

- Updated divisions referenced
- \$6,000 limit reimbursement for out-of-state expenses (Board only)
- Updated positions and departments referenced throughout policy



Transportation Section

- **In-State Travel**
 - **Insurance coverage requirements of section 4509.51 of the Revised Code have changed (also under out-of-state)**
 - **OPERS pays for both compact or mid-size rental cars (also under out-of-state)**



Transportation Section (cont.)

- **Out-of-State Travel**
 - **All travel plans – airfare and hotel – should be coordinated through OPERS’ travel agent (clarified throughout policy)**
 - **Rental cars should be coordinated through OPERS’ travel agent**
 - **Airline reservations should be made at least 30 days in advance of travel**

Other Travel Issues Section

- **If conference or OPERS' meeting starts over the weekend, OPERS will pay for the actual cost of departing from an alternative city's airport**
- **Cost comparisons from an alternative city airport versus Columbus should be done 30 days in advance of travel**
- **Prohibits use of frequent flyer miles accrued via OPERS travel**

Other Travel Issues Section (cont.)

- **Clarified authorized miscellaneous travel expenses – baggage fees and gratuities (including authorized levels for gratuities)**
- **OPERS will not pay for insurance purchased on a rental car in the U.S.**

Lodging Section

- **In-state lodging limits increased from \$125 per day to \$150 per day; cost comparisons required if hotel is \$200 or more per day**
- **Out-of-state lodging limits remain at \$250 per day; cost comparisons required if hotel is \$300 or more per day**

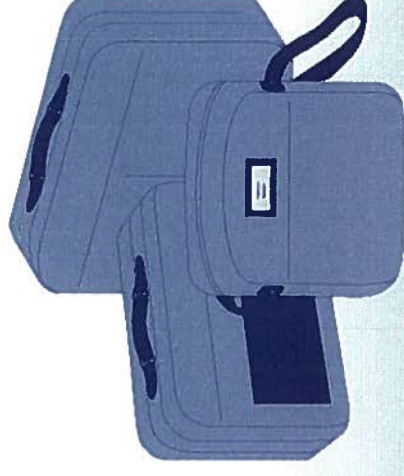
Conferences and OPERS-Sponsored Events Section

- **Meals**
 - **Provided at conference with no registration fee, should arrange to receive an invoice with the cost of the meals or other such expenses for direct payment by OPERS**
 - **Removed reference to lodging being reimbursed at actual cost when a conference hotel**



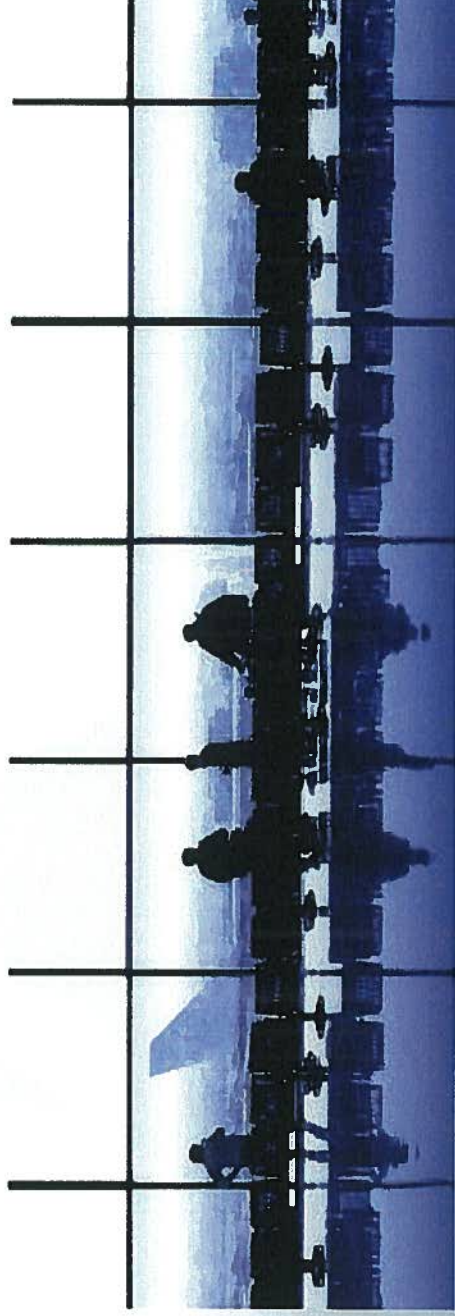
Telephone/Internet Section

- **Removed all references to OPERS prepaid telephone cards or other phone cards**
- **OPERS cellular phones available for use**
- **If no free internet access, OPERS will reimburse access fees for each day of the business trip, one fee per day**



Exceptions Section

- **Clarified Accounts Payable reserves the right to reject travel expense exceptions without appropriate approvals and documentation for exceptions to the policy**



Procedures and Forms Section

- **Removed references to use of Purchasing Cards**
- **Documentation not received in good order will result in delayed payment**
- **Updated sample forms included at end of policy**

What is staying the same?

Items Staying the Same

- **Board and OPERS staff under one policy**
- **No out-of-state travel expense for Board members shall be reimbursed unless approved in advance...majority of Board at regular meeting**
- **Each Board member may be reimbursed for out-of-state travel expenses for maximum of 3 trips per year**
- **Detailed receipts are required for ALL expenses greater than \$10**

Items Staying the Same (cont.)

- **Daily meal allowance may be appropriately reduced when one or more meals are provided as part of conference or OPERS' meeting**
- **Meal reimbursement for travel without overnight stay has to meet three criteria**



Items Staying the Same (cont.)

- **Daily meal allowance is \$60 total**
- **Reimbursement of alcoholic beverages is strictly prohibited**
- **Reimbursement of meal gratuities is authorized at actual expense not to exceed 20% of actual meal including tax**
- **Out-of-state lodging limits will remain the same at \$250 per night**
- **Airport parking is limited to lesser of actual cost or \$10 per day**

Items Staying the Same (cont.)

- **No reimbursement for cost of entertainment**
- **Reimbursement will be made for all necessary OPERS-related business calls while a Board or OPERS employee is engaged in OPERS business travel**
- **Out-of-State Travel Authorization Request should be completed 30 days prior to traveling**
- **Any exceptions to policy must be documented, deemed reasonable**
- **Travelers should submit all expenses incurred within 30 days of the conclusion of a business trip (Note: Board members are not bound to 30-day timeline)**

Questions?

