



State of Texas

Travel Allowance Guide

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Carole Keeton Strayhorn
Texas Comptroller

Rules and Regulations

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Carole Keeton Strayhorn

Carole Keeton Strayhorn
Texas Comptroller

Table of Contents

Introduction	xii
Chapter 1 – General Travel Provisions	1
§ 1.01 Authority and effective dates	1
§ 1.02 Definitions	1
§ 1.03 Applicability of the guide.....	6
A. Appropriated funds.	6
B. Retirement systems.	6
C. Conflicts with federal law.	7
D. Conflicts with the General Appropriations Act.....	7
E. Payments or reimbursements of travel expenses.	7
F. Supporting documentation.	7
§ 1.04 Applicability of this chapter.....	7
§ 1.05 Number.....	7
§ 1.06 Voucher and documentation requirements.....	8
A. General discussion.....	8
B. Requiring information beyond the information listed in a voucher and documentation requirement.	8
C. Waiver of voucher and documentation requirements.	8
§ 1.07 Conservation of funds.....	8
A. Requirements of the Travel Regulations Act.	8
B. Requirements of the General Appropriations Act.	9
§ 1.08 Instruction of state employees	9
§ 1.09 Submission of erroneous travel vouchers.....	9
§ 1.10 Responsibilities of state employees	10
§ 1.11 Erroneous processing or audits	10

§ 1.12	Recouping erroneous travel expense payments or reimbursements from subsequent payments or reimbursements.....	10
§ 1.13	Fiscal responsibility of payments and reimbursements	10
§ 1.14	Official state business.....	11
	A. General discussion.....	11
	B. Payable or reimbursable travel expenses incurred for reasons unrelated to official state business.	12
	1. Medical care for traveling state employees.....	12
	2. Attending funerals.....	12
	3. Inability to perform official state business.	13
	4. Travel expenses incurred while on leave.	13
	5. Travel expenses of threatened state employees and their families.	14
	6. Travel expenses incurred while returning to a designated headquarters because of illness or a personal emergency.	14
§ 1.15	Federal tax requirements.....	14
§ 1.16	Participation in the Texas Building and Procurement Commission's travel services contracts.....	15
§ 1.17	Travel to Washington, D.C.....	15
§ 1.18	Deadline for submission of claims for travel expense payments or reimbursements	16
§ 1.19	Special audits conducted by the comptroller.....	16
§ 1.20	Limitations on travel expenditures	17
	A. Definition.....	17
	B. Advisory boards.....	17
	C. General limitations.....	18
	D. Exceptions to the general limitations.....	18
	E. Consequences of exceeding the general limitations.	19
	F. Additional limitations on travel regardless of location.	19
	G. Additional limitations on travel within Texas.	22
	H. Additional limitations and exceptions concerning travel outside Texas.....	23
§ 1.21	Reimbursement of appointed officers for travel outside Texas	24
	A. Definitions.	24
	B. Precondition for reimbursing appointed officers.....	25

Chapter 2 – Provisions Applicable to All Types of Travel Expenses	27
§ 2.01 Applicability of this chapter.....	27
§ 2.02 Prior approval for travel outside Texas.....	27
A. General requirement for travel outside Texas.....	27
B. Additional requirement for travel involving a foreign country other than Canada and the United Mexican States.....	27
§ 2.03 Providing services to another state agency.....	28
§ 2.04 Reimbursements from persons being audited, examined, or investigated	28
§ 2.05 Multiple reimbursements or advances for a travel expense	28
§ 2.06 Cancellation charges	28
A. General discussion.....	28
B. Failure to cancel a travel reservation or plan in time to avoid a cancellation charge.	29
§ 2.07 Payments and reimbursements contingent on incurrence of expenses by claimant.....	29
A. Payments and reimbursements for travel expenses not incurred.....	29
B. Travel expenses incurred by or on behalf of private persons or other state employees.	30
§ 2.08 Discounts on travel expenses	30
§ 2.09 Spending the weekend away from a designated headquarters.....	31
A. General provisions.....	31
B. Returning to a designated headquarters during the weekend.....	31
C. Remaining at a duty point during the weekend.	31
D. Traveling to a location other than a designated headquarters or duty point during the weekend.....	32
§ 2.10 Packaged travel arrangements	33
§ 2.11 Expenses incurred while qualifying for discount airfares	33
§ 2.12 Traveling to a duty point or a designated headquarters while on personal or compensatory leave	34
A. Traveling to a duty point while on personal or compensatory leave.	34
B. Returning to a designated headquarters while on personal or compensatory leave.	35
§ 2.13 Tickets or similar items that have been lost or stolen.....	35

§ 2.14 Training seminars conducted by a state agency for its state employees	36
§ 2.15 Death of a state employee.....	36
§ 2.16 Travel or other expenses incurred in a foreign currency	38

Chapter 3 – Meal and Lodging Expenses..... 39

§ 3.01 Special definition for meal expense reimbursements.....	39
§ 3.02 Prohibited reimbursements.....	39
A. Meal expenses.....	39
1. Meal expenses incurred within a designated headquarters.	39
2. Meal expenses incurred while not conducting official state business.	39
B. Lodging expenses.	40
1. Lodging expenses incurred at other than commercial lodging establishments.	40
2. Lodging expenses incurred while not conducting official state business.	40
C. Alcoholic beverages.	40
§ 3.03 Overnight travel within Texas	40
A. Meal expenses.....	40
B. Lodging expenses.	41
C. Inability to obtain reasonable lodging in Texas.....	42
§ 3.04 Non-overnight travel within Texas.....	43
A. Meal expenses.....	43
B. Lodging expenses.	44
C. Inability to obtain reasonable lodging in Texas.....	45
§ 3.05 Overnight travel outside Texas but within the conterminous United States.....	45
A. Meal expenses.....	45
B. Lodging expenses.	46
C. Maximum reimbursement rates adopted by the comptroller.	47
D. Increasing the comptroller's maximum lodging reimbursement rate.....	48
E. Inability to obtain reasonable lodging in a duty point.	48

§ 3.06	Non-overnight travel outside Texas but within the conterminous United States	49
	A. Meal expenses.....	49
	B. Lodging expenses.	50
	C. Maximum lodging reimbursement rates adopted by the comptroller.....	51
	D. Increasing the comptroller's maximum lodging reimbursement rate.....	52
	E. Inability to obtain reasonable lodging in a duty point.	52
§ 3.07	Overnight travel to U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States	53
	A. Meal expenses.....	53
	B. Lodging expenses.	54
	C. Inability to obtain reasonable lodging in a duty point.	54
	D. Prior approval not required.....	54
§ 3.08	Non-overnight travel to U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States	55
	A. Meal expenses.....	55
	B. Lodging expenses.	56
	C. Prior approval required.	56
§ 3.09	Travel to foreign countries other than Canada and the United Mexican States.....	57
	A. Meal expenses.....	57
	B. Lodging expenses.	57
	C. Prior approval required.	58
§ 3.10	Travel to multiple duty points without an intermediate return to a designated headquarters.....	58
	A. Meal expenses.....	58
	1. Overnight travel.	58
	2. Non-overnight travel.	59
	B. Lodging expenses.	59
	C. Inability to obtain reasonable lodging in the last duty point.	59
	1. Meal expenses.....	59
	2. Lodging expenses.	60
§ 3.11	Multi-day travel to or from a duty point.....	60
	A. Travel to a duty point.	60
	B. Travel to a designated headquarters.....	61

§ 3.12	Sharing lodging.....	62
	A. Each individual sharing lodging is a state employee.....	62
	B. At least one of the individuals sharing lodging is not a state employee.....	62
	1. Only one of the individuals sharing lodging is a state employee.....	62
	2. At least two of the individuals sharing lodging are state employees.....	62
§ 3.13	Supporting documentation requirements.....	63
	A. Meal expenses.....	63
	B. Lodging expenses.....	63
§ 3.14	Hotel occupancy taxes.....	65
	A. Travel within Texas.....	65
	1. General discussion.....	65
	2. Exception for employees of educational organizations.....	66
	3. Exception for certain state officers or employees.....	66
	B. Travel outside Texas.....	67
	C. Maximum reimbursement.....	67
§ 3.15	Exception for employees of the legislature or a state agency in the legislative branch.....	68
§ 3.16	Exception for certain key officials and other state employees.....	69
	A. Certain key officials.....	69
	B. Certain state employees.....	70
§ 3.17	Exception for representing the state at governmental meetings or conferences outside Texas.....	72
§ 3.18	Exception for representing legislators or certain officials.....	73
§ 3.19	Exception for travel with legislators or certain officials.....	75
§ 3.20	Guidelines adopted by the Texas Ethics Commission.....	76
§ 3.21	Awards or discounts given for frequent use of a commercial lodging establishment.....	76
	A. 1984 opinion from the State Ethics Advisory Commission.....	76
	B. Section 39.02, Penal Code.....	76
§ 3.22	Summary chart for lodging expenses.....	77
§ 3.23	Direct payment of lodging and meal expenses.....	78

§ 3.24 Lease of apartment or house	79
A. General provisions.....	79
B. Definitions.	79
C. Amount of reimbursement.	80
1. General limitation.....	80
2. Exception for non-compliance.	80
D. Method of payment.	80
E. Meal expenses.....	80
F. Business telephone calls.....	81
G. Travel to a second duty point.	81
H. Examples.	81

Chapter 4 – Reimbursements for Mileage, Parking, and Tolls..... 83

§ 4.01 General provisions	83
§ 4.02 Mileage rate.....	84
§ 4.03 Computation of number of miles.....	84
§ 4.04 Coordination of travel ("four-per-car rule").....	86
§ 4.05 Travel outside Texas	87
§ 4.06 Travel between a residence and an airport, a duty point, or a place of employment.....	87
A. Travel between a residence and an airport.....	87
B. Travel between a residence and a duty point.....	88
C. Travel between a residence and a place of employment.	89
§ 4.07 Mileage incurred while obtaining meals.....	89
A. Meal obtained outside a designated headquarters but inside a duty point.....	89
B. Meal obtained outside both a designated headquarters and a duty point.	89
C. Meal obtained within a designated headquarters.....	90
§ 4.08 Mileage incurred while obtaining lodging.....	90
A. Lodging obtained in a duty point.	90
B. Lodging obtained outside a duty point.....	91
§ 4.09 Parking.....	91
§ 4.10 Tolls	92
§ 4.11 Exception for financial examiners employed by the Texas Department of Banking.....	93

Chapter 5 – Travel by Rented or Public Conveyance	95
§ 5.01 Supporting documentation requirements for reimbursements	95
A. Commercial air transportation.....	95
B. Rental of motor vehicles.	96
C. Travel by mass transit, taxi, or limousine.	97
D. Travel by railroad, boat, bicycle, or motor vehicle.	97
§ 5.02 Commercial air transportation	98
A. General discussion.....	98
B. Limitations.	98
§ 5.03 Rental of motor vehicles	99
A. General discussion.....	99
B. Sharing a rented motor vehicle.	99
C. Limitation.	100
§ 5.04 Travel by railroad, bicycle, boat, or motor vehicle.....	101
§ 5.05 Travel by mass transit, taxi, or limousine	101
§ 5.06 Direct payment of transportation expenses	102
A. General discussion.....	102
B. Limitation.	103
§ 5.07 Combining personal business with state business	104
A. General provisions.....	104
B. Travel by rented motor vehicle.	105
1. General provisions.	105
2. Part of the rental period is free.	105
§ 5.08 Frequent flyer miles and other awards or discounts given for frequent use	107
§ 5.09 Exception for financial examiners employed by the Texas Department of Banking	107
Chapter 6 – Transportation by Private Aircraft	109
§ 6.01 Reimbursements to legislators, board members, and key officials	109
A. General provisions.....	109
B. Travel with other persons.	109
C. Travel by legislators during legislative sessions.	110

§ 6.02 Reimbursements to other state employees.....	111
A. General provisions.....	111
B. Exceptions.	111
§ 6.03 Rental or lease of an aircraft.....	112
A. General provisions.....	112
B. Exceptions.	112

Chapter 7 – Special Provisions 115

§ 7.01 Legislators	115
A. Meal, lodging, and incidental expenses incurred while traveling in Texas.....	115
B. Meal, lodging, and incidental expenses incurred while traveling outside Texas. ...	115
1. First method.....	115
2. Second method.	115
C. Transportation expenses incurred during legislative sessions.	117
1. Travel in a personally owned or leased aircraft.....	117
2. Travel in a personally owned or leased motor vehicle.	117
3. Travel by rented or public conveyance.	117
D. Transportation expenses incurred between legislative sessions.....	117
§ 7.02 Board members	118
A. General provisions.....	118
B. Treatment of advisory board members.....	118
C. Treatment of elected board members.	119
D. Meal and lodging expenses.....	119
E. Transportation and incidental expenses.	121
F. Compensatory per diem.....	121
§ 7.03 State employees who have disabilities.....	122
A. General provisions.....	122
B. Federal laws and regulations.	123
§ 7.04 Travel by employees of institutions of higher education.....	123
A. General provisions.....	123
B. Intercollegiate athletics.....	123
C. Paying for travel expenses with institutional funds.	123
D. Recruitment of students.....	123
E. Alumni activities.	124

§ 7.05	Registration and membership fees	124
	A. Registration fees	124
	B. Memberships in or dues for professional organizations.....	124
§ 7.06	Prospective state employees	125
§ 7.07	Incidental expenses	126
	A. Reimbursable expenses.....	126
	B. Non-reimbursable expenses.....	127
	C. Exception.....	128
§ 7.08	Travel advance account	128
§ 7.09	Sales and use taxes.....	131
§ 7.10	Governor's spouse.....	131

Chapter 8 – Voucher and Documentation Requirements..... 133

§ 8.01	General provisions	133
§ 8.02	Reimbursements to one individual.....	133
§ 8.03	Reimbursements to more than one individual	135
§ 8.04	Direct payments and reimbursements to state agencies and attendants	138
	A. Reimbursement of an attendant and direct payments.....	138
	B. Reimbursement of a travel advance or local fund.....	139
§ 8.05	Compensatory and salary per diem payments and meal expense reimbursements for non-overnight travel – (document type 4 or 8 with appropriate t-code).....	141
§ 8.06	Appropriation year determination	143
§ 8.07	Coding of travel and payroll documents	143
	A. Travel to a duty point within Texas.....	144
	B. Travel to a duty point outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.....	144
	C. Other.....	145
§ 8.08	Submission of travel documents and travel vouchers.....	145
§ 8.09	General requirements for supporting documentation.....	146
§ 8.10	Electronic storage of supporting documentation	147

Chapter 9 – Major Changes from the Previous Guide 149

Subject Index 153

Introduction

The Texas Comptroller of Public Accounts has adopted the *State of Texas Travel Allowance Guide* to help state agencies and state officers and employees comply with the travel laws enacted by the legislature.

All state officers and employees should be familiar with the guide because they must comply with it before their travel expenses may be paid or reimbursed.

We have included voucher and documentation requirements in many sections of the guide to assist in the preparation of travel vouchers and in the maintenance of documentation to support the legality and fiscal responsibility of travel payments and reimbursements. Those requirements must be satisfied to avoid payment delays and unfavorable audit findings.

This edition of the guide is effective until superseded by the Comptroller or legislative action.

Employees with questions concerning the guide or the travel laws should first contact their agency's accounting office. Questions also may be directed to the Expenditure Assistance and Audit section of the Comptroller's Claims Division by e-mail at <claims.division@cpa.state.tx.us> or by phone at 512-475-0966 or 1-800-531-5441, extension 5-0966.

Chapter 1 – General Travel Provisions

§ 1.01 Authority and effective dates

The comptroller adopts the guide under the authority of the Travel Regulations Act.¹

This edition of the guide is effective until superseded by the comptroller or legislative action.

§ 1.02 Definitions

Except as specifically provided otherwise, in the guide:

- A. **ADVISORY BOARD** means a board that has as its primary function advising a state agency in the executive branch of state government.²
- B. **APPROPRIATED FUNDS** means funds appropriated under the General Appropriations Act.³
- C. **AVERAGE COACH AIRFARE** means the arithmetic mean of the unrestricted "Y" class fares offered by all commercial airlines to a particular destination as quoted in the Sabre® Passenger Reservation System or the Worldspan reservations system.
- D. **BOARD** means a board, commission, committee, council, governing body, or similar entity in the executive, legislative, or judicial branch of state government that is composed of two or more members.⁴
- E. **BOARD MEMBER** means a member of a board.
- F. **BUSINESS DAY** means any weekday except a weekday on which a national or state holiday occurs.
- G. **CANCELLATION CHARGE** means a fee, charge, or payment that a provider of travel services assesses or retains because of the cancellation or change of a travel reservation or other travel plan.⁵ For example, a non-refundable purchase of an airline ticket becomes a cancellation charge when the ticket becomes unusable because of changed travel plans.

¹ TEX. GOV'T CODE ANN. § 660.021 (Vernon 2004).

² TEX. GOV'T CODE ANN. § 2110.001 (Vernon Supp. 2005).

³ TEX. GOV'T CODE ANN. § 660.002(1) (Vernon 2004).

⁴ TEX. GOV'T CODE ANN. § 660.002(2) (Vernon 2004).

⁵ TEX. GOV'T CODE ANN. § 660.002(3) (Vernon 2004).

- H. CHIEF ADMINISTRATOR OF A STATE AGENCY means an elected state official, including a member of a board whose membership is elected by vote of the people; an appointed state official, including an individual whose appointment as a state official has not yet been confirmed by the senate; a first assistant, chief deputy, chief clerk, or similar individual employed by a state agency who is specifically authorized by law to act for the individual's superior; the director of a legislative interim committee or board; the chief administrator of an institution of higher education; the chief administrator of a state hospital or special school; and, the executive director of a state agency that is governed by a part-time board. The term does not include a legislator.⁶ When the context of a provision in the guide indicates that the term refers to only one individual of a state agency, the term means: (1) the executive director of a state agency headed by a part-time board; or (2) the presiding officer of a board that governs a state agency full-time, if the agency does not have an executive director; or (3) the executive director of a state agency headed by a full-time board, if the agency has an executive director; or (4) the individual who is elected or appointed to manage the operations of a state agency not headed by a board.
- I. COMMERCIAL LODGING ESTABLISHMENT means: (1) a motel, hotel, inn, apartment, house, or similar establishment that provides lodging to the public for pay; or (2) a person or establishment that provides lodging for pay that the comptroller determines to have a sufficient number of the characteristics of a commercial lodging establishment for the purposes of the Travel Regulations Act.⁷ The term includes lodging provided by: (1) a governmental entity on property controlled by that entity; or (2) a religious organization on property controlled by that organization; or (3) a private educational institution on property controlled by that institution.
- J. COMMERCIAL TRANSPORTATION COMPANY means a person that offers to the public to transport people or goods for pay.⁸
- K. COMPTROLLER means the comptroller of public accounts.
- L. CONTERMINOUS UNITED STATES consists of the District of Columbia and all states of the United States except Alaska and Hawaii.⁹
- M. COUNCIL OF GOVERNMENTS means a regional planning commission, a council of governments, or a similar regional planning agency created under Chapter 391, Local Government Code.¹⁰
- N. COUNTY, when used in a provision that applies to a location outside Texas, includes a parish of Louisiana.

⁶ TEX. GOV'T CODE ANN. § 660.002(4) (Vernon 2004).

⁷ TEX. GOV'T CODE ANN. § 660.002(5) (Vernon 2004).

⁸ TEX. GOV'T CODE ANN. § 660.002(6) (Vernon 2004).

⁹ See, generally, Op. Tex. Att'y Gen. No. C-180 (1963) (Hawaii is not part of the continental United States).

¹⁰ Appropriations—General Act, 79th Leg., R.S., ch. 1369, art. IX, § 5.01(1), 2005 Tex. Gen. Laws 4324, 5146.

- O. DESIGNATED HEADQUARTERS means the area within the boundaries of the incorporated municipality in which a state employee's place of employment is located. If an employee's place of employment is located within an unincorporated area, then the area within a five-mile radius of the place of employment is the employee's designated headquarters. If an incorporated municipality or an unincorporated area is completely surrounded by the incorporated municipality in which an employee's place of employment is located, then the employee's designated headquarters includes the surrounded municipality or area.¹¹
- P. DISABILITY means a physical or mental impairment of an individual that substantially limits one or more major life activities of the individual.¹²
- Q. DUTY POINT means the destination, other than a place of employment, to which a state employee travels to conduct official state business. If the destination is outside the employee's designated headquarters, then the duty point is:
- the incorporated municipality in which the destination is located; or
 - the area within a five-mile radius of the destination if it is located in an unincorporated area.¹³
- R. EDUCATIONAL AND GENERAL FUNDS means net tuition; special course fees charged under TEX. EDUC. CODE ANN. § 54.051(e), (l) (Vernon Supp. 2005); lab fees; student teaching fees; organized activity fees; proceeds from the sale of educational and general equipment; indirect cost recovery fees; or hospital and clinic fees received by a state-owned clinical care facility that is operated using general revenue fund appropriations for patient care.¹⁴
- S. ELECTRONIC SIGNATURE means an electronic identifier intended by the person using it to have the same force and effect as the use of a manual signature.
- T. EXECUTIVE DIRECTOR means the lone individual who has the daily responsibility for managing the operations of a state agency that is headed by a board. The term does not include a member of that board.
- U. FISCAL YEAR has the meaning assigned to appropriation year in USAS.
- V. GENERAL APPROPRIATIONS ACT means the General Appropriations Act (GAA) covering fiscal years 2006-07 or a subsequent GAA to the extent it is consistent with the GAA for fiscal years 2006-07.
- W. GRATUITY means something given voluntarily or beyond obligation, usually in response to or in anticipation of a service.
- X. GUIDE means this edition of the *State of Texas Travel Allowance Guide*.

¹¹ TEX. GOV'T CODE ANN. § 660.002(7) (Vernon 2004).

¹² TEX. GOV'T CODE ANN. § 660.002(8) (Vernon 2004).

¹³ TEX. GOV'T CODE ANN. § 660.002(9) (Vernon 2004).

¹⁴ TEX. EDUC. CODE ANN. § 51.009(c) (Vernon 2006). The version of Section 51.009(c), Education Code, that is discussed in the guide applies only to fees collected after August 31, 2005. A fee collected before that date is governed by the law in effect when the fee is collected, and that law is continued in effect for that purpose. Act of May 29, 2005, 79th Leg., R.S., ch. 1181, § 56, 2005 Tex. Gen. Laws 3870, 3887.

- Y. INCIDENTAL EXPENSE means an expense incurred while traveling on official state business. The term includes a mandatory insurance or service charge and an applicable tax, except a tax based on the cost of a meal. The term does not include a meal, lodging, or transportation expense; a personal expense; an expense that an individual would incur regardless of whether the individual were traveling on official state business; and, a tip or gratuity.¹⁵
- Z. INCLUDE is a term of enlargement and not of limitation or exclusive enumeration. The use of the term does not create a presumption that components not expressed are excluded.¹⁶
- AA. INSTITUTION OF HIGHER EDUCATION has the meaning assigned by TEX. EDUC. CODE ANN. § 61.003 (Vernon Supp. 2005).¹⁷
- BB. INSTITUTIONAL FUNDS means all funds collected at an institution of higher education that are not educational and general funds.¹⁸
- CC. KEY OFFICIAL means a chief administrator of a state agency or an individual holding a position that has been designated as exempt from the position classification plan in accordance with the General Appropriations Act or by the governor under the Position Classification Act.¹⁹
- DD. LEASE means a contract with a term of at least one month that gives the lessee possession and use of property or equipment while the lessor retains ownership of it.²⁰
- EE. LODGING EXPENSE means a charge imposed by a commercial lodging establishment as consideration for providing lodging.²¹ The term does not include money paid as a donation, gratuity, or tip to the establishment.
- FF. LOWEST AVAILABLE AIRFARE means the lowest available airfare as quoted in the Sabre® Passenger Reservation System or the Worldspan reservations system.
- GG. MAY NOT is a prohibition. The term does not mean "might not" or its equivalents.²²
- HH. MEAL EXPENSE includes a tax that is based on the cost of a meal. The term does not include a tip, a gratuity, or a mandatory service charge paid or imposed in conjunction with a meal.
- II. NATIONAL OR STATE HOLIDAY includes only the days listed in TEX. GOV'T CODE ANN. § 662.003(a)-(b) (Vernon 2004). The term does not include a day that the General Appropriations Act prohibits observing as a national or state holiday.
- JJ. NON-WORKING HOURS means all hours in a calendar day except working hours.

¹⁵ TEX. GOV'T CODE ANN. § 660.002(10) (Vernon 2004).

¹⁶ Code Construction Act, TEX. GOV'T CODE ANN. § 311.005(13) (Vernon 2005).

¹⁷ TEX. GOV'T CODE ANN. § 660.002(12) (Vernon 2004).

¹⁸ TEX. GOV'T CODE ANN. § 660.002(11) (Vernon 2004); TEX. EDUC. CODE ANN. § 51.009(b) (Vernon 1996).

¹⁹ TEX. GOV'T CODE ANN. § 660.002(13) (Vernon 2004). The Position Classification Act may be found at TEX. GOV'T CODE ANN. §§ 654.001-654.062 (Vernon 2004).

²⁰ TEX. GOV'T CODE ANN. § 660.002(14) (Vernon 2004).

²¹ By defining "lodging expense" in terms of a charge imposed by a "commercial lodging establishment," this definition incorporates the Travel Regulations Act's prohibition against a state agency reimbursing a state employee for a lodging expense incurred at a place that is not a "commercial lodging establishment." See Section 3.02(B)(1); TEX. GOV'T CODE ANN. § 660.113(a) (Vernon 2004).

²² Code Construction Act, TEX. GOV'T CODE ANN. § 311.016(5) (Vernon 2005).

- KK. PAYROLL DOCUMENT means the information that a state agency submits to the comptroller for the purpose of requesting the comptroller to:
- pay compensatory or salary per diem on the agency's behalf; or
 - reimburse a state employee on the agency's behalf for a meal expense incurred while engaged in non-overnight travel.
- LL. PERSON includes an individual, a corporation, an organization, a government or governmental subdivision or agency, a business trust, an estate, a trust, a partnership, an association, and any other legal entity.²³
- MM. PLACE OF EMPLOYMENT means the office or other location at which a state employee most frequently conducts official state business.²⁴
- NN. PROSPECTIVE STATE EMPLOYEE means an individual that a state agency considers for employment with the agency. The term includes a state employee of a state agency who is considered for employment by another state agency.²⁵
- OO. RENTED OR PUBLIC CONVEYANCE means a motor vehicle, train, aircraft, boat, or bicycle that a state employee rents or pays a fare to use for a period of less than one month.²⁶
- PP. STATE AGENCY means a unit of state government that uses appropriated funds to pay or reimburse a travel expense of a state employee; the Teacher Retirement System of Texas; or the Employees Retirement System of Texas.²⁷
- QQ. STATE EMPLOYEE means an individual employed by a state agency, including a key official unless the guide specifically provides otherwise.²⁸ The term includes a prospective state employee and an aircraft pilot.
- RR. SUBDIVISION means a numeric division of the guide that is indicated by a cardinal number.
- SS. SUBSECTION means an alphabetic division of the guide that is indicated by a capital letter.
- TT. TIP has the meaning assigned to "gratuity" in the guide.
- UU. TRAVEL DOCUMENT is a term used in USAS. A travel document consists of one or more travel vouchers or transactions.
- VV. TRAVEL EXPENSE means a meal, lodging, transportation, or incidental expense.²⁹
- WW. TRAVEL REGULATIONS ACT means Chapter 660, Government Code.³⁰

²³ Code Construction Act, TEX. GOV'T CODE ANN. § 311.005(2) (Vernon 2005).

²⁴ TEX. GOV'T CODE ANN. § 660.002(15) (Vernon 2004).

²⁵ TEX. GOV'T CODE ANN. § 660.002(16) (Vernon 2004).

²⁶ TEX. GOV'T CODE ANN. § 660.002(18) (Vernon 2004).

²⁷ TEX. GOV'T CODE ANN. § 660.002(19) (Vernon 2004).

²⁸ TEX. GOV'T CODE ANN. § 660.002(20) (Vernon 2004).

²⁹ TEX. GOV'T CODE ANN. § 660.002(21) (Vernon 2004).

³⁰ TEX. GOV'T CODE ANN. § 660.001 (Vernon 2004).

- XX. TRAVEL VOUCHER means the information that a state agency submits to the comptroller for the purpose of requesting the comptroller to pay or reimburse a travel expense on the agency's behalf. If the information is submitted electronically, then the term means only the information the comptroller requires to be entered into USAS before the comptroller is willing to make the payment or reimbursement. In USAS, the term is equivalent to the type of payment transaction that requests the comptroller to pay or reimburse a travel expense.
- YY. TRAVEL VOUCHER/FORM means the paper or electronic form adopted or approved by the comptroller that is completed for the purpose of submitting a travel voucher to the comptroller on paper, supporting the legality and fiscal responsibility of a travel payment or reimbursement, or for both purposes.
- ZZ. UNIT OF STATE GOVERNMENT includes a community center established under TEX. HEALTH & SAFETY CODE ANN. § 534.001(a) (Vernon 2003); a local workforce development board created under Subchapter F, Chapter 2308, Government Code; an institution of higher education; and a council of governments.³¹
- AAA. USAS means the uniform statewide accounting system.
- BBB. WORK DAY means a day on which a particular state employee is regularly required to conduct official state business.
- CCC. WORKING HOURS means the hours during which a state employee is regularly scheduled to conduct official state business.

§ 1.03 Applicability of the guide

A. Appropriated funds.

Except as specifically provided by law or the guide, the guide applies to a travel expense only to the extent that appropriated funds are used to pay or reimburse the expense.³²

The guide applies to a travel expense paid or reimbursed by a state agency with appropriated funds, regardless of whether the comptroller makes the payment or reimbursement on the agency's behalf.

B. Retirement systems.

The guide applies to a travel expense paid or reimbursed by the Teacher Retirement System of Texas, regardless of whether:

- appropriated funds are used to make the payment or reimbursement; or
- the comptroller makes the payment or reimbursement on behalf of the system.³³

³¹ TEX. GOV'T CODE ANN. § 660.002(22) (Vernon 2004); Article IX, Section 5.01(2) of the General Appropriations Act.

³² TEX. GOV'T CODE ANN. § 660.003(b) (Vernon 2004).

³³ TEX. GOV'T CODE ANN. § 660.003(c) (Vernon 2004).

Except to the extent the board of trustees of the Employees Retirement System of Texas (ERS) determines an exemption is necessary for the performance of fiduciary duties,³⁴ the guide applies to a travel expense paid or reimbursed by ERS, regardless of whether:

- appropriated funds are used to make the payment or reimbursement; or
- the comptroller makes the payment or reimbursement on behalf of ERS.³⁵

C. Conflicts with federal law.

A travel expense may be paid or reimbursed according to the requirements of an applicable federal law or regulation.³⁶ The guide does not apply to the extent necessary to avoid conflict with that law or regulation.³⁷

D. Conflicts with the General Appropriations Act.

The guide does not apply to the extent necessary to avoid conflict with a provision of the General Appropriations Act unless the provision conflicts with the Travel Regulations Act or another general law.

E. Payments or reimbursements of travel expenses.

When the guide applies to a travel expense, the guide also applies to the payment or reimbursement of that expense.

F. Supporting documentation.

The provisions of the guide concerning supporting documentation apply to a travel expense paid or reimbursed with appropriated funds, regardless of whether:

- a state agency pays or reimburses the expense directly; or
- the comptroller makes the payment or reimbursement on behalf of a state agency.³⁸

§ 1.04 Applicability of this chapter

This chapter applies to all other chapters. A payment or reimbursement that this chapter prohibits may not occur, regardless of anything in another chapter. Similarly, a payment or reimbursement that this chapter allows only if a precondition is satisfied may not occur before that precondition is satisfied, regardless of anything in another chapter.

§ 1.05 Number

In the guide, the singular includes the plural unless the context clearly shows otherwise.³⁹

³⁴ TEX. GOV'T CODE ANN. § 815.208(e) (Vernon 2004).

³⁵ TEX. GOV'T CODE ANN. § 660.003(c) (Vernon 2004).

³⁶ TEX. GOV'T CODE ANN. § 660.003(f) (Vernon 2004).

³⁷ *Id.*

³⁸ TEX. GOV'T CODE ANN. § 660.028(c)-(d) (Vernon 2004).

³⁹ Code Construction Act, TEX. GOV'T CODE ANN. § 311.012(b) (Vernon 2005).

§ 1.06 Voucher and documentation requirements

A. General discussion.

Most sections in the guide have voucher and documentation requirements. It would be very unusual for only one section to apply to a particular travel expense payment or reimbursement. Whenever multiple sections apply to a payment or reimbursement, the voucher and documentation requirements for each of those sections also apply to it. In addition, this chapter and Chapters 2 and 8 apply to every travel expense payment or reimbursement.

B. Requiring information beyond the information listed in a voucher and documentation requirement.

The comptroller may require the submission of information not listed in a voucher and documentation requirement if the comptroller determines the information is necessary to audit a voucher.⁴⁰

C. Waiver of voucher and documentation requirements.

The comptroller may waive one or more of the guide's voucher and documentation requirements if the waiver complies with the requirements of this subsection. The comptroller may waive a requirement only if:

- the requirement is not based on a specific or implied requirement of a statute or appropriations provision; and
- the waiver is provided only on a voucher-by-voucher basis; and
- the comptroller determines that the waiver would not unreasonably increase the risk that an improper payment or reimbursement will be made.

The comptroller intends to treat similarly situated state employees the same when deciding whether to waive a voucher and documentation requirement. A state employee, however, who receives a waiver for a particular travel voucher should be cautious about relying on the waiver for any subsequent voucher. Similarly, a state employee who knows that another state employee received a waiver should be cautious about relying on the waiver.

§ 1.07 Conservation of funds

A. Requirements of the Travel Regulations Act.

This subsection specifies the requirements of the Travel Regulations Act concerning the conservation of funds.

A state agency shall minimize the amount of travel expenses paid or reimbursed by the agency.⁴¹ The agency shall ensure that each travel arrangement is the most cost-effective considering all relevant circumstances.⁴²

⁴⁰ See TEX. GOV'T CODE ANN. § 660.027(d)-(e) (Vernon 2004).

⁴¹ TEX. GOV'T CODE ANN. § 660.007(a) (Vernon 2004).

⁴² *Id.*

A state agency may specify a travel expense payment or reimbursement rate that is less than the maximum rate specified in the guide.⁴³ The lower rate applies only to a travel expense incurred after the agency has notified the affected individuals in writing about the rate.⁴⁴ The agency is solely responsible for enforcing the rate.⁴⁵ The comptroller is not authorized to audit for compliance with it. In this paragraph, "rate" means a number expressed in terms of dollars or cents, or both. This paragraph does not authorize a state agency to adopt a rate that has the effect of denying an entitlement provided by law.

To reduce travel expenditures, a state agency shall use interactive television, video conference technology, and telephone conferences to the greatest extent possible.⁴⁶ See Section 2.14 concerning training seminars conducted by a state agency for its state employees.

B. Requirements of the General Appropriations Act.

This subsection describes the requirements of the General Appropriations Act concerning the conservation of funds.

If the state auditor determines that travel paid with appropriated funds does not comply with the Travel Regulations Act, then the state auditor shall certify that determination to the comptroller.⁴⁷ The comptroller shall then reduce the appropriation of the state agency that made the payment by an amount equal to the entire amount paid by the agency for the travel.⁴⁸

§ 1.08 Instruction of state employees

A state agency shall instruct its state employees about the guide, the Travel Regulations Act, and the travel provisions of the General Appropriations Act.⁴⁹ A state agency's failure or inability to instruct a state employee, however, does not excuse or justify the employee's failure to comply with applicable laws or rules.⁵⁰

§ 1.09 Submission of erroneous travel vouchers

A state agency may not submit or allow another person to submit a travel voucher to the comptroller if the agency knows or reasonably should know that a travel expense to be paid or reimbursed as a result of the voucher is not payable or reimbursable.

⁴³ TEX. GOV'T CODE ANN. § 660.007(b) (Vernon 2004).

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ TEX. GOV'T CODE ANN. § 660.147(a) (Vernon 2004).

⁴⁷ Article IX, Section 5.03(a) of the General Appropriations Act.

⁴⁸ *Id.*

⁴⁹ TEX. GOV'T CODE ANN. § 660.029(a) (Vernon 2004).

⁵⁰ TEX. GOV'T CODE ANN. § 660.029(b) (Vernon 2004).

§ 1.10 Responsibilities of state employees

A state employee shall ensure that the employee's travel complies with applicable state law and the guide. Noncompliance will result in unfavorable audit findings, a delayed payment or reimbursement, or a rejection of the employee's travel voucher.

A state employee may not seek payment or reimbursement of a travel expense that the employee knows or reasonably should know is not reimbursable or payable.

A state employee shall immediately reimburse the state for an overpayment. An overpayment is a state employee's receipt of a travel expense reimbursement that exceeds the amount the employee may receive under applicable law or the guide.⁵¹

§ 1.11 Erroneous processing or audits

The comptroller's processing of a travel voucher in error does not obligate the comptroller to subsequently process all similar vouchers. Similarly, the comptroller's failure during a post-payment audit to designate a travel expense payment or reimbursement as erroneous or unsubstantiated does not prevent the comptroller from designating a similar payment or reimbursement as erroneous or unsubstantiated in a subsequent audit.

Each travel voucher or travel expense payment or reimbursement must stand on its own. An improper, erroneous, or unsubstantiated voucher, payment, or reimbursement is not made proper, correct, or substantiated by submitting or making it one or more times. Therefore, a state agency should not assume that the processing of a particular voucher or the comptroller's failure to critically comment on a payment or reimbursement during a post-payment audit indicates the comptroller's approval or consent.

§ 1.12 Recouping erroneous travel expense payments or reimbursements from subsequent payments or reimbursements

A state agency may not recoup the amount of an erroneous travel expense payment or reimbursement to a state employee or private person from a subsequent travel expense payment or reimbursement to the employee or person.

§ 1.13 Fiscal responsibility of payments and reimbursements

The comptroller may question the fiscal responsibility of a payment or reimbursement even though it is technically legal. The legislature intends for state agencies to exercise their legal authority in a fiscally responsible manner.

⁵¹ TEX. GOV'T CODE ANN. § 660.017 (Vernon 2004).

§ 1.14 Official state business

A. General discussion.

Except as provided in Subsection (B) of this section, a state agency may pay or reimburse a travel expense only if the purpose of the travel:

- clearly involves official state business;⁵² and
- is consistent with the agency's legal authority.⁵³

For example, mileage incurred by an individual while traveling to a duty point is not reimbursable if the individual is unable to conduct official state business because the individual's personally owned or leased motor vehicle breaks down before reaching the duty point. In contrast, mileage incurred by an individual to pick-up a state employee at the location where the employee's state-owned or leased motor vehicle broke down and return the employee to the employee's designated headquarters is reimbursable as provided in Chapter 4, regardless of whether the employee conducted any official state business before the vehicle broke down.

A state agency is responsible for determining the statutory authority for travel before a travel voucher is submitted to the comptroller. The comptroller will request a citation of that authority when the comptroller deems advisable. A state agency that does not have specific statutory authority for travel is responsible for determining whether the agency has implied statutory authority.

Voucher and Documentation Requirements:

The supporting documentation for a travel expense must satisfy all the following requirements.

- a. *The supporting documentation must identify the duty point to which the state employee traveled. If the duty point is within Texas, then only the name of the city must be specified. If the duty point is outside Texas but within the conterminous United States, then the name of the city, county, and state must be specified.*
- b. *The travel voucher/form must specify the nature of the official state business conducted at each duty point. When necessary, the voucher/form must identify the persons contacted and specify the benefit that the state gained from the travel.*
- c. *The travel voucher/form must clearly define any abbreviations or acronyms used on the voucher/form to describe the official state business conducted.*
- d. *The travel voucher/form must include a detailed explanation of how a travel expense incurred relates to official state business, if required by the comptroller.*

⁵² TEX. GOV'T CODE ANN. § 660.003(e)(2) (Vernon 2004).

⁵³ *Id.*

B. Payable or reimbursable travel expenses incurred for reasons unrelated to official state business.

A travel expense incurred for any reason not clearly involving official state business is not payable or reimbursable, with the following exceptions.

1. Medical care for traveling state employees.

As additional compensation to a state employee, a state agency may pay or reimburse the employee for a travel expense the employee incurs while obtaining medical care for the employee if:

- the expense is incurred outside the employee's designated headquarters;⁵⁴ and
- the purpose of the employee traveling outside the employee's designated headquarters was to conduct official state business;⁵⁵ and
- waiting to receive the care until the employee returns to the employee's designated headquarters would be unreasonable;⁵⁶ and
- the expense is paid or reimbursed only to the extent it would have been paid or reimbursed had it been incurred while conducting official state business;⁵⁷ and
- the expense is incurred only while traveling to the nearest appropriate medical care facility.

Voucher and Documentation Requirement:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must include the state agency's determination that waiting to receive the medical care until the employee had returned to the employee's designated headquarters would have been unreasonable.

2. Attending funerals.

As additional compensation to a state employee, a state agency may pay or reimburse the employee for a travel expense the employee incurs while attending the funeral of an individual who was a state employee, a board member, or a legislator if:

- the agency determines that the employee's attendance at the funeral is appropriate under the circumstances; and
- the expense is paid or reimbursed only to the extent it could have been paid or reimbursed had it been incurred while conducting official state business.⁵⁸

The Department of Public Safety of the State of Texas (DPS) may reimburse a commissioned peace officer or a communications officer employed by DPS for a lodging, transportation, or meal expense incurred while representing DPS at the funeral of a fallen peace officer. The legislature intends for DPS to send only a small delegation to any funeral that occurs outside Texas.⁵⁹

⁵⁴ TEX. GOV'T CODE ANN. § 660.010(1) (Vernon 2004).

⁵⁵ TEX. GOV'T CODE ANN. § 660.010(2) (Vernon 2004).

⁵⁶ TEX. GOV'T CODE ANN. § 660.010(3) (Vernon 2004).

⁵⁷ TEX. GOV'T CODE ANN. § 660.010(4) (Vernon 2004).

⁵⁸ TEX. GOV'T CODE ANN. § 660.011 (Vernon 2004).

⁵⁹ Rider #16 in the appropriations to the Department of Public Safety in the General Appropriations Act.

Voucher and Documentation Requirements:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must:

- a. *include the state agency's determination that the employee's attendance at the funeral was appropriate under the circumstances; and*
- b. *state whether the deceased was a state employee, a board member, or a legislator.*

3. Inability to perform official state business.⁶⁰

A state agency may pay or reimburse a state employee for a travel expense the employee incurs as a result of attempting to conduct official state business if:

- the employee is unable to conduct the business because of a natural disaster or other natural occurrence; and
- the expense would be payable or reimbursable had the official state business been conducted.

Voucher and Documentation Requirement:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must include a description of the natural disaster or other natural occurrence that made the employee unable to conduct official state business.

4. Travel expenses incurred while on leave.

A state agency may pay or reimburse a state employee for a travel expense the employee incurs while using personal or compensatory leave if:

- the leave is used while the employee is away from the employee's designated headquarters;⁶¹ and
- the primary purpose of the employee's being away is to conduct official state business;⁶² and
- the agency determines that returning the employee to the employee's designated headquarters while using the leave would not be cost-effective or would be impracticable;⁶³ and
- the expense is incurred in the duty point at which the employee is conducting official state business; and
- the expense is a type of expense that the employee incurred or would have incurred while conducting official state business.

⁶⁰ TEX. GOV'T CODE ANN. § 660.009 (Vernon 2004).

⁶¹ TEX. GOV'T CODE ANN. § 660.008(1) (Vernon 2004).

⁶² TEX. GOV'T CODE ANN. § 660.008(2) (Vernon 2004).

⁶³ TEX. GOV'T CODE ANN. § 660.008(3) (Vernon 2004).

Voucher and Documentation Requirement:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must include the state agency's determination that returning the employee to the employee's designated headquarters while using the leave would not have been cost-effective or would have been impracticable.

5. Travel expenses of threatened state employees and their families.

A state agency may pay or reimburse a travel expense incurred by a state employee who serves in a law enforcement, investigative, or similar capacity if the employee is threatened as a result of the employee's official duties.⁶⁴

A state agency may pay or reimburse a travel expense incurred by the family of a state employee who serves in a law enforcement, investigative, or similar capacity if the family is threatened as a result of the employee's official duties.⁶⁵

A travel expense is payable or reimbursable under this subdivision even if the expense is incurred within a state employee's designated headquarters.⁶⁶

Voucher and Documentation Requirement:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must include the state agency's determination that a state employee or the family of a state employee who serves in a law enforcement, investigative, or similar capacity was threatened as a result of the employee's official duties.

6. Travel expenses incurred while returning to a designated headquarters because of illness or a personal emergency.⁶⁷

A state agency may pay or reimburse a state employee for a travel expense incurred when the employee returns, before official state business is completed, from a duty point to the employee's designated headquarters because of an illness or a personal emergency.

Voucher and Documentation Requirement:

The supporting documentation for a travel expense incurred under the circumstances described in this subdivision must include the state agency's determination that an illness or a personal emergency occurred.

§ 1.15 Federal tax requirements

The responsibility for complying with applicable federal tax laws and regulations concerning payments, reimbursements, and advances of travel expenses rests with each state agency and state employee.

⁶⁴ TEX. GOV'T CODE ANN. § 660.145(a) (Vernon 2004).

⁶⁵ TEX. GOV'T CODE ANN. § 660.145(b) (Vernon 2004).

⁶⁶ TEX. GOV'T CODE ANN. § 660.145(c) (Vernon 2004).

⁶⁷ TEX. GOV'T CODE ANN. § 660.012(b) (Vernon 2004).

§ 1.16 Participation in the Texas Building and Procurement Commission's travel services contracts

The State Purchasing and General Services Act (SPGSA) requires state agencies in the executive branch of state government to participate in the Texas Building and Procurement Commission's (TBPC) contracts for travel services according to TBPC's rules.⁶⁸ Institutions of higher education are required to participate in TBPC's contracts for travel agency or other travel services only when purchased with general revenue funds or educational and general funds.⁶⁹ The Employees Retirement System of Texas is required to participate in TBPC's contracts for travel agency or other travel services only when purchased with general revenue funds.⁷⁰ TBPC may provide by rule for other exemptions from required participation.⁷¹

In accordance with the SPGSA, the comptroller audits vouchers for compliance with the TBPC rules that govern TBPC's central travel office.⁷²

§ 1.17 Travel to Washington, D.C.

Before traveling to Washington, D.C., state agency personnel shall inform the Office of State-Federal Relations about the timing and purpose of the trip and provide the office with the name of an individual who may be contacted for additional information about the trip.⁷³

This section applies only to activities that:

- involve obtaining or spending federal funds; or
- impact federal policies.⁷⁴

For purposes of this section, Washington, D.C. includes Ronald Reagan Washington National Airport, Washington Dulles International Airport, and Baltimore/Washington International Airport.⁷⁵

This section does not apply to an entity or appropriation under Article X of the General Appropriations Act.⁷⁶

⁶⁸ TEX. GOV'T CODE ANN. § 2171.055(a) (Vernon Supp. 2005).

⁶⁹ TEX. GOV'T CODE ANN. § 2171.055(b) (Vernon Supp. 2005).

⁷⁰ *Id.*

⁷¹ TEX. GOV'T CODE ANN. § 2171.055(c) (Vernon Supp. 2005).

⁷² TEX. GOV'T CODE ANN. § 2171.056(d) (Vernon 2000).

⁷³ Article IX, Section 6.19(b) of the General Appropriations Act.

⁷⁴ Article IX, Section 6.19(c) of the General Appropriations Act.

⁷⁵ Article IX, Section 6.19(b) of the General Appropriations Act.

⁷⁶ See Article X, Section 2(a) of the General Appropriations Act (special provisions relating to the legislature).

Voucher and Documentation Requirements:

The supporting documentation for the payment or reimbursement of a travel expense to which this section applies must include proof that:

- a. the Office of State-Federal Relations was informed about the timing and purpose of the trip and provided the name of an individual who could be contacted for additional information about the trip; and*
- b. the information listed in the preceding paragraph was provided before the trip began.*

§ 1.18 Deadline for submission of claims for travel expense payments or reimbursements

A travel expense is payable or reimbursable out of appropriations for a particular fiscal year. See Section 8.06 for more information. A claim for payment or reimbursement of the expense is not valid unless it is submitted to the comptroller not later than two years after the end of that fiscal year.⁷⁷

§ 1.19 Special audits conducted by the comptroller⁷⁸

In this section, "travel expense" means:

- a meal, lodging, transportation, or incidental expense; or
- tuition and fees for training, a seminar, or a conference.

The comptroller specifically is required by law to conduct a special type of audit, which involves periodic examination of travel vouchers submitted by a state agency for payment of travel expenses under the Travel Regulations Act (TRA) to determine whether:

- the expenses were reasonable and necessary; and
- the purpose of the travel clearly involved official state business and was consistent with the agency's legal authority; and
- the expenses and the travel during which the expenses were incurred complied with the TRA, the rules adopted by the comptroller under the TRA, and the travel provisions of the General Appropriations Act; and
- the travel was approved in accordance with the policy of the state agency that paid the expenses, if the travel was outside Texas; and
- the state-business-related activities conducted during the travel were necessary to perform the state business; and
- the travel was necessary to perform the state business conducted; and
- the number of individuals traveling for the same or a similar purpose was necessary to perform the state business.

⁷⁷ TEX. GOV'T CODE ANN. § 403.071(b) (Vernon 2005).

⁷⁸ TEX. GOV'T CODE ANN. § 660.030 (Vernon 2004).

This section does not apply to:

- a travel expense incurred by a legislator; or
- a meal or lodging expense incurred by an individual covered by Section 3.15; or
- a meal or lodging expense incurred by a key official named in Section 3.16(A); or
- a meal, lodging, or incidental expense incurred by a designated state employee under Section 3.17; or
- a meal or lodging expense incurred by a designated state employee under Section 3.18; or
- a meal or lodging expense incurred by a state employee authorized to receive reimbursement of actual meal and lodging expenses under Section 3.19; or
- a travel expense incurred by the governor's spouse under Section 7.10.

Voucher and Documentation Requirements:

1. *The supporting documentation for a travel expense must provide sufficient detail or justification to demonstrate that:*
 - a. *the expense was incurred while conducting official state business; and*
 - b. *the state-business-related activities conducted while traveling were necessary to perform the business; and*
 - c. *the traveling was necessary to perform the business.*
2. *If the travel expenses of more than one individual are being paid or reimbursed and if the expenses were incurred for the same or similar travel, then the supporting documentation for those expenses must provide sufficient detail or justification to demonstrate that the number of individuals traveling was necessary to perform official state business.*
3. *The supporting documentation required by these voucher and documentation requirements must be made available to the comptroller as directed by the comptroller.*

§ 1.20 Limitations on travel expenditures⁷⁹

A. Definition.

In this section, "travel" does not include travel within Texas unless this section specifically indicates otherwise.

B. Advisory boards.

The limitation on the amount of funds that may be expended in fiscal year 2006 or 2007 for reimbursing the expenses of an advisory board is discussed in Section 7.02(B).

⁷⁹ Except as otherwise noted in these footnotes, the legal authority for this section of the guide is Article IX, Section 5.08(a)-(d) of the General Appropriations Act. See, generally, TEX. GOV'T CODE ANN. § 660.005 (Vernon 2004) (the amount a state agency spends for travel expenses during a fiscal year may not exceed any limitation on total agency travel expenses provided by the General Appropriations Act).

C. General limitations.

Except as described in this subsection, a state agency may not use appropriated funds to make a travel expenditure if it would cause any of the following limitations to be exceeded:

- The amount of a state agency's total travel expenditures that are charged to fiscal year 2006 may not exceed 100 percent of the amount of the agency's approved travel expenditures for fiscal year 2000. If the comptroller determines that the agency did not have any travel expenditures during fiscal year 2000, then the agency's total travel expenditures that are charged to fiscal year 2006 may not exceed 100 percent of the amount of the agency's travel expenditures for the last fiscal year in which travel occurred. In this paragraph, "state agency" does not include the Teacher Retirement System of Texas (TRS).
- The amount of a state agency's total travel expenditures that are charged to fiscal year 2007 may not exceed 100 percent of the amount of the agency's approved travel expenditures for fiscal year 2000. If the comptroller determines that the agency did not have any travel expenditures during fiscal year 2000, then the agency's total travel expenditures that are charged to fiscal year 2007 may not exceed 100 percent of the amount of the agency's travel expenditures for the last fiscal year in which travel occurred. In this paragraph, "state agency" does not include TRS.
- The amount of total travel expenditures by TRS that are charged to fiscal year 2006 or 2007 may not exceed \$425,000.⁸⁰

For the purposes of this subsection, a state agency's travel expenditures for fiscal year 2000 are "approved" only to the extent the expenditures did not exceed the limit specified in Section 9-5.10 of the General Appropriations Act (GAA) for fiscal years 2000-01. If the Legislative Budget Board (LBB) granted prior approval in accordance with Section 9-5.10 for the agency to exceed that limit, then the agency's "approved" travel expenditures includes the excess amount approved by the LBB.

For the purposes of this subsection, a state agency's total travel expenditures includes all travel expenditures by the agency, regardless of whether they are: (1) paid with unappropriated funds or funds appropriated by the GAA or other law; or (2) paid by the comptroller on the agency's behalf or by the agency itself.

D. Exceptions to the general limitations.

A state agency may use appropriated funds to make a travel expenditure that would cause the agency to exceed the general limitations in Subsection (C) of this section if the LBB grants prior approval in accordance with Article IX, Section 5.08 of the GAA. In this paragraph, "state agency" does not include TRS.

This section does not apply to the secretary of state.⁸¹

This section does not apply to an entity or appropriation under Article X of the GAA.⁸²

This section does not apply to an appellate court.⁸³

⁸⁰ Rider #9 in the appropriations to the Teacher Retirement System in the General Appropriations Act. "The additional authority is provided to allow TRS' investment professionals greater personal access to financial centers, investment experts, and investor information." *Id.*

⁸¹ Rider #9 in the appropriations to the secretary of state in the General Appropriations Act.

⁸² See Article X, Section 2(a) of the General Appropriations Act (special provisions relating to the legislature).

⁸³ Article IV, Section 9(a) of the General Appropriations Act (special provisions relating to the judiciary).

A Texas river compact commission is exempt from any limitation described in this section concerning travel outside Texas if the travel is to a state that is a party to that commission's compact agreement.⁸⁴

E. Consequences of exceeding the general limitations.

The comptroller shall notify a state agency that has exceeded the general limitations in Subsection (C) of this section for both fiscal years 2006 and 2007 (after considering the exceptions granted by the LBB under Subsection (D) of this section). Beginning on the day after the date the agency receives the notification, the agency may not use appropriated funds to pay or reimburse a travel expense incurred while attending a convention, conference, or seminar unless the payment or reimbursement is allowed under the following.

The comptroller may allow the agency to pay or reimburse the expense if:

- the expense is incurred while the state employee who incurred the expense is returning to the employee's designated headquarters; or
- the payment or reimbursement is necessary to prevent the state employee who incurred the expense from experiencing unreasonable hardship; or
- the state employee incurs the expense while completing official state business that the agency deems critical to fulfillment of the agency's constitutional or statutory duties.

The comptroller shall notify the LBB if the comptroller allows the agency to pay or reimburse a travel expense under the preceding. The notification must include the reason the comptroller allowed the payment or reimbursement. The LBB may then direct the comptroller to reduce the agency's appropriation by the amount of the payment or reimbursement if the LBB believes the payment or reimbursement was the result of the agency's failure to comply with the prohibition specified in the first paragraph of this subsection.

F. Additional limitations on travel regardless of location.

In this subsection, "travel" means travel to any location.

The total travel expenditures by the Texas Lottery Commission (TLC) that are charged to fiscal year 2006 may not exceed 80 percent of TLC's travel expenditures that were charged to fiscal year 1998.⁸⁵ The total travel expenditures by TLC that are charged to fiscal year 2007 may not exceed 80 percent of TLC's travel expenditures that were charged to fiscal year 1998.⁸⁶

⁸⁴ Rider #2 in the appropriations to the Texas River Compact Commissions in the General Appropriations Act.

⁸⁵ Rider #7 in the appropriations to the Texas Lottery Commission in the General Appropriations Act.

⁸⁶ *Id.*

The University of Texas System may use not more than \$100,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the travel, entertainment, and lodging of the governing board.⁸⁷ A separate record of the governing board's expenditures for these purposes shall be maintained in the same manner as the fiscal records of the institutions the board governs.⁸⁸ None of the funds appropriated by the GAA may be used for the travel, entertainment, or lodging expenses of the board except as described in this paragraph.⁸⁹

The Texas A&M University System may use not more than \$325,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.⁹⁰ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.⁹¹ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.⁹²

The University of Houston System Administration may use not more than \$175,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.⁹³ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.⁹⁴ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.⁹⁵

Midwestern State University may use not more than \$35,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.⁹⁶ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.⁹⁷ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.⁹⁸

⁸⁷ Rider #3 in the appropriations to The University of Texas System Administration in the General Appropriations Act.

⁸⁸ Id.

⁸⁹ Id.

⁹⁰ Rider #2 in the appropriations to The Texas A&M University System Administrative and General Offices in the General Appropriations Act.

⁹¹ Id.

⁹² Id.

⁹³ Rider #2 in the appropriations to the University of Houston System Administration in the General Appropriations Act.

⁹⁴ Id.

⁹⁵ Id.

⁹⁶ Rider #3 in the appropriations to Midwestern State University in the General Appropriations Act.

⁹⁷ Id.

⁹⁸ Id.

The University of North Texas System Administration may use not more than \$53,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.⁹⁹ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹⁰⁰ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹⁰¹

Stephen F. Austin State University may use not more than \$30,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹⁰² A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹⁰³ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹⁰⁴

Texas Southern University may use not more than \$30,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹⁰⁵ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹⁰⁶ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹⁰⁷

The Texas Tech University System may use not more than \$125,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹⁰⁸ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹⁰⁹ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹¹⁰

⁹⁹ Rider #2 in the appropriations to the University of North Texas System Administration in the General Appropriations Act.

¹⁰⁰ Id.

¹⁰¹ Id.

¹⁰² Rider #3 in the appropriations to Stephen F. Austin State University in the General Appropriations Act.

¹⁰³ Id.

¹⁰⁴ Id.

¹⁰⁵ Rider #4 in the appropriations to Texas Southern University in the General Appropriations Act.

¹⁰⁶ Id.

¹⁰⁷ Id.

¹⁰⁸ Rider #2 in the appropriations to the Texas Tech University System Administration in the General Appropriations Act.

¹⁰⁹ Id.

¹¹⁰ Id.

Texas Woman's University may use not more than \$35,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹¹¹ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹¹² None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹¹³

The Texas State University System may use not more than \$85,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹¹⁴ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹¹⁵ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹¹⁶

The Texas State Technical College System may use not more than \$49,000 in appropriated funds for each year of the 2006-07 fiscal biennium for all expenses associated with the governing board's duties, including travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.¹¹⁷ A separate record of the governing board's expenditures shall be maintained in the same manner as the fiscal records of the institutions the board governs.¹¹⁸ None of the funds appropriated by the GAA may be used for the governing board's expenses except as described in this paragraph.¹¹⁹

G. Additional limitations on travel within Texas.

The Texas Racing Commission (TRC) may use not more than \$3,000 per member of TRC in appropriated funds for fiscal year 2006 to pay or reimburse the travel expenses incurred by the member during that year while traveling within Texas. TRC may use not more than \$3,000 per member of TRC in appropriated funds for fiscal year 2007 to pay or reimburse the travel expenses incurred by the member during that year while traveling within Texas.¹²⁰

¹¹¹ Rider #3 in the appropriations to Texas Woman's University in the General Appropriations Act.

¹¹² Id.

¹¹³ Id.

¹¹⁴ Rider #2 in the appropriations to Board of Regents, Texas State University System Central Office in the General Appropriations Act.

¹¹⁵ Id.

¹¹⁶ Id.

¹¹⁷ Rider #3 in the appropriations to Texas State Technical College System Administration in the General Appropriations Act.

¹¹⁸ Id.

¹¹⁹ Id.

¹²⁰ Rider #3 in the appropriations to the Racing Commission in the General Appropriations Act.

H. Additional limitations and exceptions concerning travel outside Texas.

The Texas Workforce Commission civil rights division may spend not more than \$1,500 in appropriated funds per employee of the division or member of the Commission on Human Rights for each year of the 2006-07 fiscal biennium for travel outside Texas. This limitation does not apply to any travel outside Texas that is required by the U.S. Equal Employment Opportunity Commission or the U.S. Department of Housing and Urban Development if the federal government reimburses the division for the cost of the travel.¹²¹

Notwithstanding any provision of the GAA, TLC may not use appropriated funds to reimburse a travel expense incurred while traveling outside the United States unless:

- the travel is to Canada or the United Mexican States; and
- the cost of the travel is reimbursed to TLC by a third party.¹²²

The Texas Department of Licensing and Regulation may not use funds appropriated by the GAA for the Cosmetology Commission or cosmetology regulation to pay or reimburse the travel expenses incurred during a trip outside Texas by more than one member of the Texas Commission of Licensing and Regulation.¹²³

The Texas Department of Insurance (TDI) may not expend more than \$600,551 in appropriated funds for travel outside Texas during fiscal year 2006. Of this amount, TDI may expend not more than \$117,063 on travel that does not relate to a financial examination.¹²⁴

TDI may not expend more than \$600,551 in appropriated funds for travel outside Texas during fiscal year 2007. Of this amount, TDI may expend not more than \$117,063 on travel that does not relate to a financial examination.¹²⁵

TRC may use not more than \$1,500 in appropriated funds for fiscal year 2006 to pay or reimburse the travel expenses incurred by a member of TRC during that year while traveling outside Texas. TRC may use not more than \$1,500 in appropriated funds for fiscal year 2007 to pay or reimburse the travel expenses incurred by a member of TRC during that year while traveling outside Texas.¹²⁶

¹²¹ Rider #27 in the appropriations to the Texas Workforce Commission in the General Appropriations Act.

¹²² Rider #7 in the appropriations to the Texas Lottery Commission in the General Appropriations Act.

¹²³ Rider #19 in the appropriations to the Department of Licensing and Regulation in the General Appropriations Act. *See* Act of May 28, 2005, 79th Leg., R.S., ch. 798, §§ 3.01, 6.01(c), 2005 Tex. Gen. Laws 2734, 2749-50, 2759.

¹²⁴ Rider #7 in the appropriations to the Department of Insurance in the General Appropriations Act.

¹²⁵ *Id.*

¹²⁶ Rider #3 in the appropriations to the Racing Commission in the General Appropriations Act.

§ 1.21 Reimbursement of appointed officers for travel outside Texas

A. Definitions.

In this section:

- "Appointed officer" means:¹²⁷
 - the secretary of state; or
 - an individual appointed with the advice and consent of the senate to the governing board of a state-supported institution of higher education; or
 - an officer of a state agency who is appointed for a term of office specified by the Texas Constitution or a Texas statute, excluding an appointee to a vacated elective office; or
 - an individual who is a member of the governing board or commission of a state agency, who is not appointed, and who is not otherwise: (1) an elected officer;¹²⁸ or (2) an officer described in the three preceding bullets; or (3) an executive head of a state agency.¹²⁹
- "State agency" means:
 - a department, commission, board, office, or other agency that is in the executive branch of state government, has authority that is not limited to a geographical portion of the state, and was created by the Texas Constitution or a Texas statute;¹³⁰ or
 - a university system or an institution of higher education as defined by TEX. EDUC. CODE ANN. § 61.003 (Vernon Supp. 2005);¹³¹ or
 - a river authority created under the Texas Constitution or a Texas statute;¹³² or
 - a council of governments that uses appropriated funds to pay the travel expenses of its officials or employees;¹³³ or
 - a local workforce development board created under Subchapter F, Chapter 2308, Government Code, that uses appropriated funds to pay the travel expenses of its officials or employees;¹³⁴ or
 - a community center established under TEX. HEALTH & SAFETY CODE ANN. § 534.001(a) (Vernon 2003) that uses appropriated funds to pay the travel expenses of its officials or employees.¹³⁵

¹²⁷ TEX. GOV'T CODE ANN. § 572.002(1) (Vernon 2004).

¹²⁸ "Elected officer" means: (1) a legislator; or (2) an executive or judicial officer elected in a statewide election; or (3) a judge of a court of appeals or of a district court; or (4) a member of the State Board of Education; or (5) a district attorney or a criminal district attorney; or (6) an individual appointed to fill a vacancy in an office or appointed to a newly created office who, if elected to the office instead of appointed, would be an elected officer under the five preceding elements of this definition. TEX. GOV'T CODE ANN. § 572.002(4) (Vernon 2004).

¹²⁹ "Executive head of a state agency" means the director, executive director, commissioner, administrator, chief clerk, or other individual who is appointed by the governing body or highest officer of the state agency to act as the chief executive or administrative officer of the agency and who is not an appointed officer. The term includes the chancellor or highest executive officer of a university system and the president of a public senior college or university as defined by TEX. EDUC. CODE ANN. § 61.003 (Vernon Supp. 2005). TEX. GOV'T CODE ANN. § 572.002(5) (Vernon 2004).

¹³⁰ TEX. GOV'T CODE ANN. § 572.002(10)(A) (Vernon 2004).

¹³¹ TEX. GOV'T CODE ANN. § 572.002(10)(B) (Vernon 2004).

¹³² TEX. GOV'T CODE ANN. § 572.002(10)(C) (Vernon 2004).

¹³³ Article IX, Section 5.08(g) of the General Appropriations Act.

¹³⁴ *Id.*

¹³⁵ *Id.*

B. Precondition for reimbursing appointed officers.

An appointed officer may not be reimbursed with appropriated funds for a travel expense related to travel outside Texas unless the officer already has filed with the Texas Ethics Commission a copy of any documents submitted to the comptroller and the Legislative Budget Board in support of the officer's reimbursement claim.¹³⁶

The preceding prohibition does not apply to an entity or appropriation under Article X of the General Appropriations Act.¹³⁷

¹³⁶ Article IX, Section 5.08(h) of the General Appropriations Act.

¹³⁷ See Article X, Section 2(a) of the General Appropriations Act (special provisions relating to the legislature).



Chapter 2 – Provisions Applicable to All Types of Travel Expenses

§ 2.01 Applicability of this chapter

This chapter applies to all other chapters. A payment or reimbursement that this chapter prohibits may not occur, regardless of anything in another chapter. Similarly, a payment or reimbursement that this chapter allows only if a precondition is satisfied may not occur before that precondition is satisfied, regardless of anything in another chapter.

§ 2.02 Prior approval for travel outside Texas

A. General requirement for travel outside Texas.

A state agency may pay or reimburse a travel expense incurred while traveling to or from or staying at a duty point outside Texas only if the travel was approved in advance in accordance with the policy of that agency.¹³⁸

B. Additional requirement for travel involving a foreign country other than Canada and the United Mexican States.¹³⁹

A state agency may pay or reimburse a state employee for a travel expense incurred while traveling to or from, or staying at, a duty point in a foreign country only if the agency's chief administrator, or an agency employee designated by the chief administrator, provided advance written approval of the travel. In this subsection, "foreign country" does not include Canada or the United Mexican States.

<i>Voucher and Documentation Requirements:</i>

- 1. The supporting documentation for a travel expense subject to this subsection must include the original or a copy of the written approval of the travel by the agency's chief administrator or the chief administrator's designee.*
- 2. Object code 7121 must be used for all travel expenses that are subject to this subsection. This requirement applies to the mileage and taxi charges incurred while traveling to and from the airport when beginning and completing the travel in a foreign country. This requirement also applies to the parking expenses incurred at the airport when a state employee uses the airport to begin and complete travel in a foreign country.*

¹³⁸ TEX. GOV'T CODE ANN. § 660.003(e)(4) (Vernon 2004).

¹³⁹ TEX. GOV'T CODE ANN. § 660.024 (Vernon 2004).

Article IX, Section 5.08(i) of the General Appropriations Act says the following, however. Appropriated funds may not be used to pay expenses for travel to foreign countries, except for Canada and the United Mexican States, unless the travel was approved by the board or commission of each state agency and institution of higher education before departure. A copy of the approval must be attached to each travel voucher. By October 1 of each year, each agency and institution of higher education must submit a report on all foreign travel with required approvals to the governor and the Legislative Budget Board.

§ 2.03 Providing services to another state agency

A state agency may pay or reimburse a travel expense incurred by another state agency's state employee if the employee incurred it while providing services to the paying or reimbursing agency.¹⁴⁰

Voucher and Documentation Requirement:

The supporting documentation for a travel expense subject to this section must include a description of the services provided.

§ 2.04 Reimbursements from persons being audited, examined, or investigated

Unless authorized by law,¹⁴¹ a state employee may not accept a travel expense reimbursement from a person that the employee's employing state agency intends to audit, examine, or investigate or is auditing, examining, or investigating.¹⁴² Any reimbursement received in violation of this prohibition shall be forfeited to the state.¹⁴³ This section is in addition to any other prohibitions, penalties, or forfeitures imposed or required by a law other than TEX. GOV'T CODE ANN. § 660.016(a)-(b) (Vernon 2004).¹⁴⁴

§ 2.05 Multiple reimbursements or advances for a travel expense

A state employee may not accept a reimbursement or advance for a travel expense from more than one source.¹⁴⁵ A state employee who anticipates receiving or actually receives a travel expense reimbursement or advance from a person other than a state agency may seek a reimbursement or advance for the expense from a state agency only to the extent the amount of the person's reimbursement or advance is less than the amount of the expense incurred.¹⁴⁶

§ 2.06 Cancellation charges

A. General discussion.

Subject to the limitations discussed in Subsection (B) of this section, a state agency may pay or reimburse a state employee for a cancellation charge if:

- the charge is incurred for a reason related to official state business;¹⁴⁷ or
- the charge is incurred for a reason related to official state business that could not be conducted because of a natural disaster or other natural occurrence;¹⁴⁸ or
- the charge is related to a transportation expense that was paid in advance to obtain lower rates and is incurred because the employee was unable to use the transportation because of an illness or a personal emergency.¹⁴⁹

¹⁴⁰ TEX. GOV'T CODE ANN. § 660.013 (Vernon 2004).

¹⁴¹ An example of a law that might apply is the State Employees Training Act, TEX. GOV'T CODE ANN. §§ 656.041-656.049 (Vernon 2004).

¹⁴² TEX. GOV'T CODE ANN. § 660.016(a) (Vernon 2004).

¹⁴³ TEX. GOV'T CODE ANN. § 660.016(b) (Vernon 2004).

¹⁴⁴ TEX. GOV'T CODE ANN. § 660.016(c) (Vernon 2004).

¹⁴⁵ TEX. GOV'T CODE ANN. § 660.018 (Vernon 2004).

¹⁴⁶ *Id.*

¹⁴⁷ TEX. GOV'T CODE ANN. § 660.015(1) (Vernon 2004).

¹⁴⁸ *Id.*

¹⁴⁹ TEX. GOV'T CODE ANN. § 660.015(2) (Vernon 2004).

A cancellation charge is payable or reimbursable only if it is imposed according to the contract with the person imposing the charge.

B. Failure to cancel a travel reservation or plan in time to avoid a cancellation charge.

This subsection applies only when a provider of travel services assesses a cancellation charge because an individual should have, but failed to, cancel a travel reservation or plan in time to avoid the charge.

A state agency that is not liable to the provider for the cancellation charge may not pay or reimburse a state employee for the charge.

A state agency that is liable to the provider for the cancellation charge may pay the charge directly to the provider or reimburse a state employee for the employee's payment of the charge.

Voucher and Documentation Requirements:

1. *The supporting documentation for the payment or reimbursement of a cancellation charge must satisfy all the following requirements.*
 - a. *The supporting documentation must specify the reason for the cancellation.*
 - b. *The supporting documentation must include proof that the cancellation charge has been paid by the individual receiving the reimbursement, if the charge is being reimbursed instead of paid directly.*
 - c. *The supporting documentation must include the original, unused airline ticket, if the charge relates to an unused airline ticket.*
 - d. *The supporting documentation must include a travel voucher/form that states the intended purpose of the travel had it not been canceled, if the cancellation charge is being reimbursed to an individual.*
 - e. *The supporting documentation must state the intended purpose of the travel had it not been canceled, if the cancellation charge is being paid directly.*
2. *The object code that corresponds with the type of travel expense for which a cancellation charge is being imposed must be used.*

§ 2.07 Payments and reimbursements contingent on incurrence of expenses by claimant

A. Payments and reimbursements for travel expenses not incurred.

A state agency may not pay or reimburse a state employee for a travel expense unless the employee has incurred the expense.

A state employee who receives free transportation or lodging in exchange for mileage, points, or other non-monetary credits belonging to the employee has not incurred an expense for the purpose of the guide.

B. Travel expenses incurred by or on behalf of private persons or other state employees.

A state agency may not pay or reimburse a state employee for a travel expense incurred by or on behalf of a private person or another state employee unless:

- the private person is in the custody or care of the state; or
- Section 1.14(A), 1.14(B)(5), 4.06(A), 4.09, or 7.03 authorizes the payment or reimbursement.

§ 2.08 Discounts on travel expenses

A state agency may not reimburse a state employee for the value or cost of a discount coupon or other discount on a travel expense if the employee did not pay money to directly obtain the discount.

A state employee pays money to directly obtain a discount only when money is the consideration for the discount. Therefore, if a state employee receives a discount as a benefit of making unrelated purchases or conducting unrelated business with the provider of the discount, then the discount is provided free to the employee for the purpose of this section.

If a state employee has paid money to directly obtain a discount, then a state agency may reimburse the employee for the lesser of:

- the cost of directly obtaining the discount; and
- the amount of the discount; and
- the maximum that may be reimbursed to a state employee for the type of travel expense incurred.

Voucher and Documentation Requirements:

1. *The supporting documentation for the reimbursement of a state employee for the employee's purchase of a discount on a travel expense must satisfy all of the following requirements.*
 - a. *Unless otherwise authorized by this voucher and documentation requirement, the supporting documentation must include an original, complete, and unaltered receipt from the seller of the discount. A receipt that has been changed by the seller is considered unaltered for the purpose of this paragraph. A receipt delivered through the Internet or electronic mail by the seller is considered original for the purpose of this paragraph. In addition, a receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.*

D. Traveling to a location other than a designated headquarters or duty point during the weekend.

In this subsection, "weekday" means a day on which a state employee conducts official state business at a duty point outside the employee's designated headquarters.

If a state employee leaves the employee's duty point and travels to a location other than the employee's designated headquarters on the weekend, then the weekend travel expenses are payable or reimbursable only as limited by this subsection.

A payment or reimbursement to a state employee for weekend travel expenses may not exceed the employee's average weekday travel cost multiplied by the number of days in the weekend. The employee's average weekday travel cost equals a quotient, the numerator of which is the total travel expenses incurred during the last unbroken sequence of weekdays immediately preceding the weekend and the denominator of which is the number of those weekdays. The determination of whether a particular weekday must be included in the calculation is not dependent on the location of the employee's duty point on that weekday. No transportation expenses to the duty point may be included when determining the total travel expenses incurred.

This paragraph applies notwithstanding anything in this subsection. A state agency may not pay or reimburse a state employee for a weekend travel expense that would not be reimbursable had the employee incurred it on a weekday. For example, the cost of a snow skiing lift ticket used during the weekend is not reimbursable if it would not be reimbursable had the employee used it on a weekday. Similarly, the meal expenses incurred at a location on the weekend are not payable or reimbursable to the extent the expenses exceed the maximum meal reimbursement rate for that location.

The following example illustrates this subsection. A state employee's designated headquarters is Dallas. The employee flies to Albuquerque on a Monday morning in November to conduct official state business. Official state business begins Monday afternoon, temporarily ends Friday afternoon, and resumes the following Monday. The maximum meal and lodging reimbursement rates for Albuquerque are \$43 per day and \$68 per day, respectively. The employee incurs \$45 in meal expenses and \$80 in lodging expenses each day, Monday through Friday. The employee rents a car on Monday and uses it through Friday. The daily rate for the rental car is \$36 with unlimited mileage.

Under these facts, the employee's average weekday travel cost is \$147.¹⁵¹ The employee uses the rental car to travel to Ruidoso on Saturday morning on personal business. The employee returns to Albuquerque early Monday morning. The maximum meal and lodging reimbursement rates for Ruidoso are \$43 per day and \$68 per day, respectively. The employee incurs a total of \$88 in meal expenses, \$200 in lodging expenses, and \$72 in rental car fees while in Ruidoso. Only \$86 in meal expenses, \$136 in lodging expenses, and \$72 in rental car fees may be considered for payment or reimbursement. (The remainder of the expenses exceed the maximum reimbursement rates for Ruidoso.) Under these facts, the maximum that may be paid or reimbursed to the employee for weekend travel expenses is \$294.¹⁵²

¹⁵¹ The average weekday travel cost in the example is derived from the following formula:

$$AWTC = [(43 \times 5) + (68 \times 5) + (36 \times 5)] / 5$$

The travel expenses incurred above the maximum reimbursement rates are not included in the formula.

¹⁵² The maximum is \$294 because the employee's average weekday travel cost was \$147 and the weekend consisted of two days. Had the travel expenses that may be considered for reimbursement been less than \$294, then the reimbursement would have been limited to the lower amount.

§ 2.10 Packaged travel arrangements

This section applies when a state agency or state employee purchases a package of at least two of the following: meals, lodging, transportation, incidentals, and registration fees.

If a voucher is submitted to pay or reimburse for a package of travel arrangements, then the travel voucher/form for the voucher must separately state the cost of each type of travel arrangement included in the package. Each type is payable or reimbursable only to the extent it would be payable or reimbursable had it not been included in the package. For example, if a package of travel arrangements includes a lodging expense in Texas of \$90 per day, per commercial lodging establishment, then only \$85 of the expense is payable or reimbursable.

This paragraph applies only when a package of travel arrangements includes a registration fee and meals, lodging, or meals and lodging. Mandatory meal or lodging expenses are fully payable or reimbursable notwithstanding any maximum reimbursement limit elsewhere in the guide. Meal or lodging expenses that are not mandatory are payable or reimbursable only to the extent they would be payable or reimbursable had they not been packaged with a registration fee.

Voucher and Documentation Requirements:

1. *Except as provided in voucher and documentation requirement #2, the supporting documentation for the payment or reimbursement of a package of travel arrangements must separately state the cost of each type of travel arrangement included in the package. In addition, a receipt from the seller of the package and any other receipts received by the state employee who used the package must be included in that documentation. The receipts must be original and complete. A receipt that has been altered by any person other than the provider of the receipt is unacceptable. A receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.*
2. *A meal or lodging expense that is packaged with a registration fee is considered to be part of the registration fee and must be charged to the same object code (7203) as the fee. The expense may not be separately stated. A meal or lodging expense that is not mandatory must be stated separately from the registration fee and must be charged to the usual object codes for meals or lodging.*

§ 2.11 Expenses incurred while qualifying for discount airfares¹⁵³

In this section, "reference airfare" means:

- the average coach airfare that a state employee would have incurred had the employee not stayed extra days at a duty point to qualify for a discount airfare, if either the Texas Building and Procurement Commission (TBPC) has not contracted with a commercial airline company or TBPC's contracted airfare would not have applied to the employee; or
- the amount of TBPC's contracted airfare that a state employee would have incurred had the employee not stayed extra days at a duty point to qualify for a discount airfare, if the contract applies to the employee.

¹⁵³ TEX. GOV'T CODE ANN. § 660.141 (Vernon 2004).

A state agency may pay or reimburse a state employee for travel expenses incurred while staying extra days at a duty point to qualify for a discount airfare if:

- the amount of the payment or reimbursement plus the amount of the discount airfare is less than the reference airfare; and
- the expenses are the same type of expenses incurred during the other days the employee stayed at the duty point; and
- the employing state agency determines that the employee's absence for the extra days is not detrimental.

For the purposes of this section:

- the "extra days" may occur before official state business begins or after official state business ends at a duty point; and
- the reference airfare must be based on the airfares in effect on the first day of the extended stay period.

Voucher and Documentation Requirements:

The supporting documentation for the payment or reimbursement of a travel expense under this section must show that the sum of the additional travel expenses incurred while staying extra days at a duty point to qualify for a discount airfare plus the amount of that airfare was less than the reference airfare. The documentation must state the reference airfare. If the reference airfare is the average coach airfare, then the source used to determine the average coach airfare also must be stated.

§ 2.12 Traveling to a duty point or a designated headquarters while on personal or compensatory leave

A. Traveling to a duty point while on personal or compensatory leave.

This subsection applies when a state agency requires a state employee on personal or compensatory leave at a location outside the employee's designated headquarters to travel to a duty point that is not within the employee's designated headquarters. This subsection does not apply to:

- travel from a state employee's residence to a duty point; or
- travel to a duty point that the employee anticipated would occur or that a reasonable individual would have foreseen as necessary before the employee went on personal or compensatory leave at a location outside the employee's designated headquarters.¹⁵⁴

Unless otherwise prohibited by the guide, a state agency may reimburse the employee for the travel expenses the employee incurs while traveling to the duty point. The reimbursement, however, may not exceed the lesser of:

- the amount of travel expenses actually incurred while traveling to the duty point; and
- the amount of travel expenses that would have been incurred had the employee traveled from the employee's designated headquarters directly to the duty point.

¹⁵⁴ Section 5.07 covers the transportation expenses incurred while traveling to a duty point if, before the employee went on personal or compensatory leave at a location outside the employee's designated headquarters, the employee anticipated the travel would occur or a reasonable individual would have foreseen the travel as necessary.

Voucher and Documentation Requirements:

The supporting documentation for a travel expense paid or reimbursed under this subsection must:

- a. *state that a state agency required the travel to the duty point; and*
- b. *show that the claimed travel expense reimbursement does not exceed the lesser of:*
 - (1) *the amount of travel expenses actually incurred while traveling to the duty point; and*
 - (2) *the amount of travel expenses that would have been incurred had the employee traveled from the employee's designated headquarters directly to the duty point.*

B. Returning to a designated headquarters while on personal or compensatory leave.¹⁵⁵

This subsection applies when a state agency requires a state employee on personal or compensatory leave at a location outside the employee's designated headquarters to return to that headquarters. This subsection does not apply to:

- travel from a state employee's residence to the employee's designated headquarters; or
- travel to a designated headquarters that a reasonable individual would have foreseen as necessary before the employee went on personal or compensatory leave at a location outside the employee's designated headquarters.

Unless prohibited by another chapter, the agency may pay or reimburse the employee for a travel expense the employee incurs while:

- traveling to the designated headquarters; or
- traveling back to the location at which the employee was staying while on leave or, when appropriate to the proper location on the employee's itinerary, if the employee resumes the leave.

Voucher and Documentation Requirement:

The supporting documentation for a travel expense paid or reimbursed under this subsection must state that a state agency required the return to the designated headquarters.

§ 2.13 Tickets or similar items that have been lost or stolen¹⁵⁶

A state agency may reimburse a state employee for a ticket or similar item that has been lost or stolen only if the agency determines that the loss or theft occurred despite the employee's exercise of reasonable care to safeguard the ticket or item.

If a state agency pays or reimburses for a ticket or similar item that is subsequently lost or stolen because of a state employee's failure to exercise reasonable care to safeguard it, then the employee is liable to the agency for its value.

¹⁵⁵ TEX. GOV'T CODE ANN. § 660.012(a) (Vernon 2004).

¹⁵⁶ TEX. GOV'T CODE ANN. § 403.275(1), (3) (Vernon 2005).

Voucher and Documentation Requirements:

1. *The supporting documentation for the reimbursement of a state employee for a ticket or similar item that has been lost or stolen must include a statement that the employee exercised reasonable care to safeguard the ticket or item.*
2. *Except as otherwise provided below, the statement must be signed by someone in the employee's line of supervision.*
3. *If the employee is the chief administrator of a state agency that is not headed by a board, then the statement must be signed by the agency's chief deputy, chief clerk, or similar individual.*
4. *If the employee is a member of a governing board, then the statement must be signed by the board's presiding officer.*
5. *If the employee is a member of a board that is not the governing board of a state agency, then the statement must be signed by an individual designated by the agency.*
6. *If the employee is the presiding officer of a governing board, then the statement must be signed by the agency's executive director. If the agency does not have an executive director, then the statement must be signed by the individual designated by the board.*

§ 2.14 Training seminars conducted by a state agency for its state employees

A state agency may not pay or reimburse a state employee for a travel expense associated with a training seminar conducted by the agency for its state employees unless the agency's chief administrator or the administrator's designee certifies on the travel voucher or other expense reimbursement form of the agency that the agency:

- does not possess interactive television or video conference facilities at the designated headquarters of the employees attending the seminar;¹⁵⁷ and
- cannot purchase or lease those facilities at a cost less than the total travel expenses associated with the seminar;¹⁵⁸ and
- does not have access to another agency's facilities at the same location.¹⁵⁹

§ 2.15 Death of a state employee

This section applies only if a state employee dies while conducting official state business at a duty point outside the employee's designated headquarters.

A state agency may pay or reimburse the expense of preparing and transporting the remains and personal property of the employee to the employee's designated headquarters or another location designated by the executor or administrator of the employee's estate.¹⁶⁰ If they are transported to a location other than the designated headquarters, then the amount of the agency's payment or reimbursement may not exceed the amount that would have been paid or reimbursed had they been transported to the headquarters.¹⁶¹

¹⁵⁷ TEX. GOV'T CODE ANN. § 660.147(b)(1) (Vernon 2004).

¹⁵⁸ TEX. GOV'T CODE ANN. § 660.147(b)(2) (Vernon 2004).

¹⁵⁹ TEX. GOV'T CODE ANN. § 660.147(b)(3) (Vernon 2004).

¹⁶⁰ TEX. GOV'T CODE ANN. § 660.144 (Vernon 2004).

¹⁶¹ TEX. GOV'T CODE ANN. § 660.144(b) (Vernon 2004).

The agency may pay or reimburse the employee's estate for a lodging expense incurred by the employee at the duty point. A lodging expense incurred more than one day after the employee's death, however, is not payable or reimbursable. The amount of a payment or reimbursement under this paragraph may not exceed the amount that the agency would have been authorized to pay or reimburse if the employee had not died.

The cost of a transportation ticket that the employee did not use solely because of the employee's death is payable or reimbursable. The amount of a payment or reimbursement under this paragraph may not exceed the amount that the agency would have been authorized to pay or reimburse if the employee had not died.

Voucher and Documentation Requirements:

1. *The supporting documentation for the payment or reimbursement of the cost of preparing or transporting human remains or personal property under this section must satisfy both of the following requirements.*
 - a. *The supporting documentation must list the steps taken by the paying or reimbursing state agency to ensure that the expenses paid or reimbursed were reasonable and necessary.*
 - b. *The supporting documentation must include a receipt issued by the person that transported or prepared the human remains or personal property. Except as provided in this paragraph, the receipt must be original and complete. A receipt that has been altered by any person other than the person that transported or prepared the human remains or personal property is unacceptable. A receipt to which additional information has been added is considered unaltered if the additional information does not conflict with the original information on the receipt. If the receipt is unavailable, then the supporting documentation must include the canceled check or credit card slip used to pay the person, the credit card billing on which the transportation or preparation charges appear, or a copy of the receipt, check, slip, or billing. Neither a statement nor an affidavit is acceptable.*
2. *A reimbursement that would have been paid to a state employee had the employee not died must be paid to the employee's estate, under the employee's Texas Identification Number with a mail code for the employee's estate.*
3. *Object code 7101 must be used for the transportation of human remains and personal property from a location in Texas.*
4. *Object code 7111 must be used for the transportation of human remains and personal property from a location outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
5. *Object code 7105 must be used for the preparation of human remains and personal property within Texas.*
6. *Object code 7115 must be used for the preparation of human remains and personal property outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
7. *Object code 7121 must be used for the preparation or transportation of human remains and personal property in or from a location anywhere else.*

§ 2.16 Travel or other expenses incurred in a foreign currency

A travel or other expense incurred in a foreign currency must be converted to United States dollars.

Voucher and Documentation Requirement:

If a travel or other expense has been converted from a foreign currency, then the supporting documentation for the payment or reimbursement of the expense must specify the exchange rate used for the conversion.

Chapter 3 – Meal and Lodging Expenses

§ 3.01 Special definition for meal expense reimbursements

When determining the maximum that a state agency may reimburse a state employee for meal expenses, "day" means a calendar day. This definition applies to all meal reimbursements, including reimbursements involving non-overnight travel.

§ 3.02 Prohibited reimbursements

A. Meal expenses.

1. Meal expenses incurred within a designated headquarters.

Except as provided in the next paragraph, a state agency may not reimburse a state employee for a meal expense incurred within the employee's designated headquarters,¹⁶² even if incurred while the employee is traveling to or from a duty point outside the headquarters.

A state agency may reimburse a state employee for a meal expense incurred within the employee's designated headquarters if it is mandatory and connected with training, a seminar, or a conference.¹⁶³

<i>Voucher and Documentation Requirement:</i>
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The supporting documentation for the reimbursement of a state employee for a meal expense incurred within the employee's designated headquarters must include a determination by the sponsor of the training, seminar, or conference that the meal was mandatory and connected with the training, seminar, or conference.

2. Meal expenses incurred while not conducting official state business.

A state employee may not be reimbursed for a meal expense incurred while the employee is not conducting official state business¹⁶⁴ unless the expense is incurred under one of the circumstances listed in Section 1.14(B). A state employee, however, who conducts any official state business during a day is eligible for reimbursement of the meal expenses incurred on that day, regardless of when the employee begins or stops conducting official state business during the day.

For the purpose of the preceding paragraph, "official state business" does not include the breakdown of a personally owned or leased motor vehicle or any occurrence not connected with a state employee's official duties, except for a circumstance listed in Section 1.14(B).

¹⁶² TEX. GOV'T CODE ANN. § 660.113(c) (Vernon 2004).

¹⁶³ *Id.*

¹⁶⁴ See TEX. GOV'T CODE ANN. § 660.003(e)(2) (Vernon 2004).

B. Lodging expenses.

1. Lodging expenses incurred at other than commercial lodging establishments.

A state agency may not reimburse a state employee for a lodging expense incurred at a place that is not a commercial lodging establishment.¹⁶⁵

2. Lodging expenses incurred while not conducting official state business.

A state employee may not be reimbursed for a lodging expense incurred while the employee is not conducting official state business¹⁶⁶ unless the expense is incurred under one of the circumstances listed in Section 1.14(B). A state employee, however, who conducts any official state business during a day is eligible for reimbursement of the lodging expenses incurred on that day, regardless of when the employee begins or stops conducting official state business during the day.

For the purpose of the preceding paragraph, "official state business" does not include the breakdown of a personally owned or leased motor vehicle or any occurrence not connected with a state employee's official duties, except for a circumstance listed in Section 1.14(B).

C. Alcoholic beverages.

A state agency may not reimburse a state employee for the purchase of an alcoholic beverage, unless the employee is a peace officer who purchased the beverage as a purchase of evidence in an administrative or criminal case.¹⁶⁷

§ 3.03 Overnight travel within Texas

This section applies when a state employee travels to a duty point within Texas with an overnight stay outside the employee's designated headquarters.

A. Meal expenses.

A state employee is entitled to be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁶⁸ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

¹⁶⁵ TEX. GOV'T CODE ANN. § 660.113(a) (Vernon 2004).

¹⁶⁶ See TEX. GOV'T CODE ANN. § 660.003(e)(2) (Vernon 2004).

¹⁶⁷ TEX. GOV'T CODE ANN. § 660.113(e) (Vernon 2004).

¹⁶⁸ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

If meal expenses are reimbursable, then the reimbursement may not exceed \$36 per day¹⁶⁹ unless the exception discussed in Subsection (C) of this section applies. This reimbursement limit applies without a carry over from one day to another. For example, if a state employee incurs meal expenses of \$18 on day 1 of a trip and \$38 on day 2 of that trip, only \$54 of those expenses are reimbursable.

Meal expenses incurred while traveling to and staying at a duty point the day before official state business begins at the duty point are reimbursable. Meal expenses incurred while traveling to and staying at a duty point more than one day before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Meal expenses incurred while staying at and traveling from a duty point the day after official state business ends at the duty point are reimbursable. Meal expenses incurred while staying at and traveling from a duty point more than one day after official state business ends at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

B. Lodging expenses.

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁷⁰ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement may not exceed \$85 per day, per commercial lodging establishment¹⁷¹ unless the exception discussed in Subsection (C) of this section applies. This reimbursement limit applies without a carry over from one day to another or from one commercial lodging establishment to another. For example, if a state employee incurs a lodging expense of \$55 on day 1 of a trip and \$90 on day 2 of that trip, only \$140 of those expenses are reimbursable.

¹⁶⁹ Article IX, Section 5.06(a) of the General Appropriations Act.

¹⁷⁰ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

¹⁷¹ Article IX, Section 5.06(a) of the General Appropriations Act.

Lodging expenses incurred at a duty point the night before official state business begins at the duty point are reimbursable. Lodging expenses incurred at a duty point more than one night before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Lodging expenses incurred at a duty point the night after official state business ends at the duty point are reimbursable. Lodging expenses incurred at a duty point later than the night following the end of official state business at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

C. Inability to obtain reasonable lodging in Texas.

This subsection applies when a state employee obtains lodging outside Texas because the employee is unable to obtain reasonable lodging in Texas.

If the meal expenses incurred on the day the lodging is obtained are reimbursable, then the meal expenses reimbursement for the day may not exceed the greater of:

- the maximum meal reimbursement rate for the state employee's duty point; and
- the maximum meal reimbursement rate for the location where the lodging is obtained.

If the lodging expenses are reimbursable, then the reimbursement may not exceed the maximum lodging reimbursement rate for the location where the lodging is obtained.

Voucher and Documentation Requirements:

1. *This paragraph applies only if a state employee obtained lodging outside Texas and the employee does not want the applicable maximum meal and lodging reimbursement rates to be the rates for the duty point. The supporting documentation for a meal or lodging expense subject to this section must include a statement that the employee was unable to obtain reasonable lodging in the duty point.*
2. *Object Code 7106 must be used.*

§ 3.04 Non-overnight travel within Texas

This section applies when a state employee travels to a duty point within Texas without an overnight stay outside the employee's designated headquarters.

A. Meal expenses.

A state employee may be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁷² A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement; or
- the chief administrator of the state agency that would make the reimbursement does not authorize it.¹⁷³

If meal expenses are reimbursable, then the reimbursement may not exceed \$36 per day.¹⁷⁴

A chief administrator's authorization of a meal expense reimbursement may be provided on either a reimbursement-by-reimbursement or a blanket basis.

A state agency may not reimburse a state employee for meal expenses if the employee is outside the employee's designated headquarters for fewer than six consecutive hours.¹⁷⁵ A state employee's mere passing through the employee's designated headquarters while traveling from one duty point to another, both of which are outside the employee's designated headquarters, does not terminate or suspend a consecutive-hour string of being outside the headquarters. This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency;¹⁷⁶ or
- a state employee who has been designated under Section 3.18 to represent a legislator, a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, the secretary of the senate, or a board member if the chief administrator of the state agency or institution of higher education reimbursing the meal expenses provides written approval of the reimbursement;¹⁷⁷ or

¹⁷² Article IX, Section 5.06(b) of the General Appropriations Act. See TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

¹⁷³ TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

¹⁷⁴ Article IX, Section 5.06(b) of the General Appropriations Act.

¹⁷⁵ TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

¹⁷⁶ *Id.*

¹⁷⁷ Article IX, Section 5.06(e) of the General Appropriations Act.

- a state employee who has been authorized under Section 3.19 to receive reimbursement of actual expenses for meals and lodging because the employee is traveling with a legislator, a judicial officer, a chief administrator of a state agency, a board member, the executive director of the Texas Legislative Council, or the secretary of the senate;¹⁷⁸ or
- an aircraft pilot.¹⁷⁹

A state employee who is outside the employee's designated headquarters for at least six consecutive hours is entitled to be reimbursed for all meal expenses incurred, regardless of whether the time the employee is outside the headquarters during a particular day is fewer than six consecutive hours.

B. Lodging expenses.

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁸⁰ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement may not exceed \$85 per day, per commercial lodging establishment¹⁸¹ unless the exception discussed in Subsection (C) of this section applies.

A state agency may not reimburse a state employee for lodging expenses if the employee is outside the employee's designated headquarters for fewer than six consecutive hours.¹⁸² A state employee's mere passing through the employee's designated headquarters while traveling from one duty point to another, both of which are outside the employee's designated headquarters, does not terminate or suspend a consecutive-hour string of being outside the headquarters. This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency;¹⁸³ or
- an aircraft pilot.¹⁸⁴

A state employee who is outside the employee's designated headquarters for at least six consecutive hours is entitled to be reimbursed for all lodging expenses incurred, regardless of whether the time the employee is outside the headquarters during a particular day is fewer than six consecutive hours.

¹⁷⁸ Id.

¹⁷⁹ TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

¹⁸⁰ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

¹⁸¹ Article IX, Section 5.06(a) of the General Appropriations Act.

¹⁸² TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

¹⁸³ Id.

¹⁸⁴ TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

C. Inability to obtain reasonable lodging in Texas.

This subsection applies when a state employee obtains lodging outside Texas because the employee is unable to obtain reasonable lodging in Texas.

If the lodging expenses are reimbursable, the reimbursement may not exceed the maximum lodging reimbursement rate for the location where the lodging is obtained.

Voucher and Documentation Requirements:

1. *The supporting documentation for a meal or lodging expense subject to this section must satisfy both of the following requirements.*
 - a. *This paragraph applies only if a state employee obtained lodging outside Texas and the employee does not want the applicable maximum lodging reimbursement rate to be the rate for the duty point. The supporting documentation must include a statement that the employee was unable to obtain reasonable lodging in the duty point.*
 - b. *If the chief administrator has authorized meal expense reimbursements only on a reimbursement-by-reimbursement basis, then the supporting documentation for each reimbursement must include that authorization. If the authorization is provided on a blanket basis, then the agency must provide the original or a copy of that authorization to the comptroller upon request.*
2. *Object code 7107 must be used for meal expenses.*
3. *Object code 7106 must be used for lodging expenses.*

§ 3.05 Overnight travel outside Texas but within the conterminous United States

This section applies when a state employee travels to a duty point outside Texas but within the conterminous United States with an overnight stay outside the employee's designated headquarters.

A. Meal expenses.

A state employee is entitled to be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁸⁵ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If meal expenses are reimbursable, then the reimbursement per day may not exceed the comptroller's maximum reimbursement rate for the duty point for that day¹⁸⁶ unless:

- the employee has decreased the rate under Subsection (D) of this section; or
- a rate for a different location applies under Subsection (E) of this section.

¹⁸⁵ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

¹⁸⁶ Article IX, Section 5.06(c) of the General Appropriations Act.

This reimbursement limit applies without a carry over from one day to another. For example, assume that the maximum meal reimbursement rate for duty point 1 is \$34 per day and the maximum for duty point 2 is \$42 per day. If a state employee incurs meal expenses of \$22 at the first duty point and \$54 at the second duty point, only \$64 of those expenses are reimbursable.

If the comptroller's maximum reimbursement rate for a duty point changes in the middle of a state employee's stay at the duty point, then the change applies to the expenses incurred after the change. An example of a change is the switch from a high season rate to a low season rate.

Meal expenses incurred while traveling to and staying at a duty point the day before official state business begins at the duty point are reimbursable. Meal expenses incurred while traveling to and staying at a duty point more than one day before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Meal expenses incurred while staying at and traveling from a duty point the day after official state business ends at the duty point are reimbursable. Meal expenses incurred while staying at and traveling from a duty point more than one day after official state business ends at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

B. Lodging expenses.

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁸⁷ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement per day, per commercial lodging establishment may not exceed the comptroller's maximum reimbursement rate for the duty point for that day¹⁸⁸ unless:

- the comptroller has designated a higher rate under Subsection (C) of this section; or
- the employee has increased the rate under Subsection (D) of this section; or
- a rate for a different location applies under Subsection (E) of this section.

¹⁸⁷ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

¹⁸⁸ Article IX, Section 5.06(c) of the General Appropriations Act.

This reimbursement limit applies without a carry over from one day to another or from one commercial lodging establishment to another. For example, assume that the maximum lodging reimbursement rate for duty point 1 is \$65 per day and the maximum for duty point 2 is \$100 per day. If a state employee incurs lodging expenses of \$50 at the first duty point and \$115 at the second duty point, then only \$150 of those expenses are reimbursable.

If the comptroller's maximum reimbursement rate for a duty point changes in the middle of a state employee's stay at the duty point, then the change applies to the expenses incurred after the change. An example of a change is the switch from a high season rate to a low season rate.

Lodging expenses incurred at a duty point the night before official state business begins at the duty point are reimbursable. Lodging expenses incurred at a duty point more than one night before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Lodging expenses incurred at a duty point the night after official state business ends at the duty point are reimbursable. Lodging expenses incurred at a duty point later than the night following the end of official state business at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

C. Maximum reimbursement rates adopted by the comptroller.

The federal travel regulations contain maximum meal and lodging reimbursement rates for selected municipalities and counties in each state. The comptroller's maximum reimbursement rates for those municipalities and counties are the same as the rates contained in the version of the federal travel regulations that the comptroller has adopted by reference.

If the version of the federal travel regulations that the comptroller has adopted by reference does not specifically list a duty point, then the comptroller's maximum reimbursement rates for the duty point are the same as the maximum reimbursement rates specified in those regulations for the county in which the duty point is located. If those regulations list neither the duty point nor the county in which the duty point is located, then the comptroller's maximum reimbursement rates for the duty point are the median of all the rates for the state in which the duty point is located, as listed in the regulations.

A state agency may request the comptroller to designate a maximum lodging reimbursement rate for a duty point that is higher than the comptroller's maximum lodging reimbursement rate for that duty point.¹⁸⁹ The request must be on the form adopted by the comptroller and received by the comptroller not later than the 10th business day before travel begins. The comptroller will grant the request only if:

- the agency states that it has confirmed with a travel agency that no safe lodging is available for less than or equal to the comptroller's maximum lodging reimbursement rate for the duty point; or
- the request shows that granting the request would result in a decreased total cost of travel to the state.

The mere statement that "a rental car would not be used" is insufficient to show that a decreased total cost of travel would result from the comptroller's designation of a higher maximum lodging reimbursement rate. The cost savings must be shown through mathematical calculations which compare the travel expenses that would be incurred without a higher maximum rate to those that would be incurred with the higher maximum rate. For a state employee or agency that is required to participate in the Texas Building and Procurement Commission's (TBPC) contracts with commercial lodging establishments, the cost of commercial lodging that would be used if the comptroller refused to designate a higher rate must be equal to the lesser of: (1) the comptroller's maximum lodging reimbursement rate for the duty point; or (2) the highest available contracted rate for the duty point under those contracts, if a contracted commercial lodging establishment is available in the duty point. For a state employee or agency that is not required to participate in TBPC's contracts with commercial lodging establishments, the cost of commercial lodging that would be used if the comptroller refused to designate a higher rate must be equal to the comptroller's maximum lodging reimbursement rate for the duty point.

The comptroller's designation of a higher maximum lodging reimbursement rate applies:

- only to travel that begins after the designation occurs; and
- only for the trip for which the designation is requested.

D. Increasing the comptroller's maximum lodging reimbursement rate.

A state employee may reduce the comptroller's maximum meal reimbursement rate for a duty point and then use the amount of the reduction to increase the comptroller's maximum lodging reimbursement rate for the duty point.

E. Inability to obtain reasonable lodging in a duty point.

This subsection applies when a state employee obtains lodging outside a duty point because the employee is unable to obtain reasonable lodging in the duty point.

If the meal expenses incurred on the day the lodging is obtained are reimbursable, then the meal expenses reimbursement for the day may not exceed the greater of:

- the comptroller's maximum meal reimbursement rate for the state employee's duty point; and

¹⁸⁹ See Article IX, Section 5.06(c) of the General Appropriations Act.

- the comptroller's maximum meal reimbursement rate for the location where the lodging is obtained.

If the lodging expenses are reimbursable, the reimbursement may not exceed the comptroller's maximum lodging reimbursement rate for the location where the lodging is obtained.

Voucher and Documentation Requirements:

1. *The supporting documentation for a meal or lodging expense subject to this section must satisfy all the following requirements.*
 - a. *The supporting documentation for the payment or reimbursement of a lodging expense must include, when applicable, the original or a copy of the comptroller's designation of a higher lodging rate.*
 - b. *This paragraph applies only if a state employee obtained lodging outside the employee's duty point and the employee does not want the applicable maximum meal and lodging reimbursement rates to be the rates for the duty point. The supporting documentation must include a statement that the employee was unable to obtain reasonable lodging in the duty point.*
2. *Object Code 7116 must be used.*

§ 3.06 Non-overnight travel outside Texas but within the conterminous United States

This section applies when a state employee travels to a duty point outside Texas but within the conterminous United States without an overnight stay outside the employee's designated headquarters.

A. Meal expenses.

A state employee may be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁹⁰ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement; or
- the chief administrator of the state agency that would make the reimbursement does not authorize it.¹⁹¹

If meal expenses are reimbursable, then the reimbursement may not exceed \$36 per day.¹⁹²

A chief administrator's authorization of a meal expense reimbursement may be provided on either a reimbursement-by-reimbursement or a blanket basis.

¹⁹⁰ Article IX, Section 5.06(b) of the General Appropriations Act. See TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

¹⁹¹ TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

¹⁹² Article IX, Section 5.06(b) of the General Appropriations Act.

A state agency may not reimburse a state employee for meal expenses if the employee is outside the employee's designated headquarters for fewer than six consecutive hours.¹⁹³

This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency;¹⁹⁴ or
- a state employee who has been designated under Section 3.18 to represent a legislator, a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, the secretary of the senate, or a board member if the chief administrator of the state agency or institution of higher education reimbursing the meal expenses provides written approval of the reimbursement;¹⁹⁵ or
- a state employee who has been authorized under Section 3.19 to receive reimbursement of actual expenses for meals and lodging because the employee is traveling with a legislator, a judicial officer, a chief administrator of a state agency, a board member, the executive director of the Texas Legislative Council, or the secretary of the senate;¹⁹⁶ or
- an aircraft pilot.¹⁹⁷

B. Lodging expenses

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.¹⁹⁸ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement per commercial lodging establishment may not exceed the comptroller's maximum reimbursement rate for the duty point for that day¹⁹⁹ unless:

- the comptroller has designated a higher rate under Subsection (C) of this section; or
- the employee has increased the rate under Subsection (D) of this section; or
- a rate for a different location applies under Subsection (E) of this section.

A state agency may not reimburse a state employee for lodging expenses if the employee is outside the employee's designated headquarters for fewer than six consecutive hours.²⁰⁰

¹⁹³ TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

¹⁹⁴ *Id.*

¹⁹⁵ Article IX, Section 5.06(e) of the General Appropriations Act.

¹⁹⁶ *Id.*

¹⁹⁷ TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

¹⁹⁸ *See* TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

¹⁹⁹ Article IX, Section 5.06(c) of the General Appropriations Act.

²⁰⁰ TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency;²⁰¹ or
- an aircraft pilot.²⁰²

A state employee who is outside the employee's designated headquarters for at least six consecutive hours is entitled to be reimbursed for all lodging expenses incurred, regardless of whether the time the employee is outside the headquarters during a particular day is fewer than six consecutive hours.

C. Maximum lodging reimbursement rates adopted by the comptroller.

The federal travel regulations contain maximum lodging reimbursement rates for selected municipalities and counties in each state. The comptroller's maximum lodging reimbursement rates for those municipalities and counties are the same as the rates contained in the version of the federal travel regulations that the comptroller has adopted by reference.

If the version of the federal travel regulations that the comptroller has adopted by reference does not specifically list a duty point, then the comptroller's maximum lodging reimbursement rate for the duty point is the same as the maximum lodging reimbursement rate specified in those regulations for the county in which the duty point is located. If those regulations list neither the duty point nor the county in which the duty point is located, then the comptroller's maximum lodging reimbursement rate for the duty point is the median of all the rates for the state in which the duty point is located, as listed in the regulations.

A state agency may request the comptroller to designate a maximum lodging reimbursement rate for a duty point that is higher than the comptroller's maximum lodging reimbursement rate for that duty point.²⁰³ The request must be on the form adopted by the comptroller and received by the comptroller not later than the 10th business day before travel begins. The comptroller will grant the request only if:

- the agency states that it has confirmed with a travel agency that no safe lodging is available for less than or equal to the comptroller's maximum lodging reimbursement rate for the duty point; or
- the request shows that granting the request would result in a decreased total cost of travel to the state.

²⁰¹ *Id.*

²⁰² TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

²⁰³ *See* Article IX, Section 5.06(c) of the General Appropriations Act.

The mere statement that "a rental car would not be used" is insufficient to show that a decreased total cost of travel would result from the comptroller's designation of a higher maximum lodging reimbursement rate. The cost savings must be shown through mathematical calculations which compare the travel expenses that would be incurred without a higher maximum rate to those that would be incurred with the higher maximum rate. For a state employee or agency that is required to participate in the Texas Building and Procurement Commission's (TBPC) contracts with commercial lodging establishments, the cost of commercial lodging that would be used if the comptroller refused to designate a higher rate must be equal to the lesser of: (1) the comptroller's maximum lodging reimbursement rate for the duty point; or (2) the highest available contracted rate for the duty point under those contracts, if a contracted commercial lodging establishment is available in the duty point. For a state employee or agency that is not required to participate in TBPC's contracts with commercial lodging establishments, the cost of commercial lodging that would be used if the comptroller refused to designate a higher rate must be equal to the comptroller's maximum lodging reimbursement rate for the duty point.

The comptroller's designation of a higher maximum lodging reimbursement rate applies:

- only to travel that begins after the designation occurs; and
- only for the trip for which the designation is requested.

D. Increasing the comptroller's maximum lodging reimbursement rate.

A state employee may reduce the maximum meal reimbursement rate for a duty point and then use the amount of the reduction to increase the comptroller's maximum lodging reimbursement rate for the duty point.

E. Inability to obtain reasonable lodging in a duty point.

This subsection applies when a state employee obtains lodging outside a duty point because the employee is unable to obtain reasonable lodging in the duty point.

If the lodging expenses are reimbursable, then the reimbursement may not exceed the comptroller's maximum lodging reimbursement rate for the location where the lodging is obtained.

Voucher and Documentation Requirements:
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1. *The supporting documentation for a meal or lodging expense subject to this section must satisfy all the following requirements.*
 - a. *The supporting documentation for the payment or reimbursement of a lodging expense must include, when applicable, the original or a copy of the comptroller's designation of a higher lodging rate.*
 - b. *This paragraph applies only if a state employee obtained lodging outside the employee's duty point and the employee does not want the applicable maximum lodging reimbursement rate to be the rate for the duty point. The supporting documentation must include a statement that the employee was unable to obtain reasonable lodging in the duty point.*

- c. *If the chief administrator has authorized meal expense reimbursements only on a reimbursement-by-reimbursement basis, then the supporting documentation for each reimbursement must include that authorization. If the authorization is provided on a blanket basis, then the agency must provide the original or a copy of that authorization to the comptroller upon request.*
2. *Object code 7117 must be used for meal expenses.*
 3. *Object code 7116 must be used for lodging expenses.*

§ 3.07 Overnight travel to U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States

This section applies when a state employee travels to a duty point in a U.S. possession, Alaska, Hawaii, Canada, or the United Mexican States with an overnight stay outside the employee's designated headquarters.

A. Meal expenses.

A state employee is entitled to be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²⁰⁴ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If meal expenses are reimbursable, the reimbursement may not exceed the amount of meal expenses actually incurred.²⁰⁵

Meal expenses incurred while traveling to and staying at a duty point the day before official state business begins at the duty point are reimbursable. Meal expenses incurred while traveling to and staying at a duty point more than one day before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Meal expenses incurred while staying at and traveling from a duty point the day after official state business ends at the duty point are reimbursable. Meal expenses incurred while staying at and traveling from a duty point more than one day after official state business ends at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

²⁰⁴ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

²⁰⁵ Article IX, Section 5.06(d) of the General Appropriations Act.

B. Lodging expenses.

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²⁰⁶ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement may not exceed the amount of lodging expenses actually incurred.²⁰⁷

Lodging expenses incurred at a duty point the night before official state business begins at the duty point are reimbursable. Lodging expenses incurred at a duty point more than one night before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Lodging expenses incurred at a duty point the night after official state business ends at the duty point are reimbursable. Lodging expenses incurred at a duty point later than the night following the end of official state business at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

C. Inability to obtain reasonable lodging in a duty point.

This subsection applies when a state employee obtains lodging outside a duty point because the employee is unable to obtain reasonable lodging in the duty point.

If the lodging expenses are reimbursable, then the reimbursement may not exceed the maximum lodging reimbursement rate for the location where the lodging is obtained.

D. Prior approval not required.

Prior approval under Section 2.02(B) for travel to these locations is not required.

Voucher and Documentation Requirements:

1. *This requirement applies only if a state employee obtained lodging outside the employee's duty point and the employee does not want the applicable maximum meal and lodging reimbursement rates to be the rates for the duty point. The supporting documentation must include a statement that the employee was unable to obtain reasonable lodging in the duty point.*
2. *Object code 7114 must be used.*

²⁰⁶ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

²⁰⁷ Article IX, Section 5.06(d) of the General Appropriations Act.

§ 3.08 Non-overnight travel to U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States

This section applies when a state employee travels to a duty point in a U.S. possession, Alaska, Hawaii, Canada, or the United Mexican States without an overnight stay away from the employee's designated headquarters.

A. Meal expenses.

A state employee may be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²⁰⁸ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement; or
- the chief administrator of the state agency that would make the reimbursement does not authorize it.²⁰⁹

If meal expenses are reimbursable, then the reimbursement may not exceed the amount of meal expenses actually incurred.²¹⁰

A chief administrator's authorization of a meal expense reimbursement may be provided on either a reimbursement-by-reimbursement or a blanket basis.

A state agency may not reimburse the employee for meal expenses if the employee is outside the employee's designated headquarters for fewer than six consecutive hours. This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency;²¹¹ or
- a state employee who has been designated under Section 3.18 to represent a legislator, a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, the secretary of the senate, or a board member, if the chief administrator of the state agency or institution of higher education reimbursing the meal expenses provides written approval of the reimbursement;²¹² or
- a state employee who has been authorized under Section 3.19 to receive reimbursement of actual expenses for meals and lodging because the employee is traveling with a legislator, a judicial officer, a chief administrator of a state agency, a board member, the executive director of the Texas Legislative Council, or the secretary of the senate;²¹³ or
- an aircraft pilot.²¹⁴

²⁰⁸ Article IX, Section 5.06(b) of the General Appropriations Act. *See* TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

²⁰⁹ TEX. GOV'T CODE ANN. § 660.113(d) (Vernon 2004).

²¹⁰ Article IX, Section 5.06(d) of the General Appropriations Act.

²¹¹ TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

²¹² Article IX, Section 5.06(e) of the General Appropriations Act.

²¹³ *Id.*

²¹⁴ TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

B. Lodging expenses.

A state employee may be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²¹⁵ A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If lodging expenses are reimbursable, then the reimbursement may not exceed the amount of lodging expenses actually incurred.²¹⁶

A state agency may not reimburse a state employee for lodging expenses if the employee is not outside the employee's designated headquarters for fewer than six consecutive hours.²¹⁷ This prohibition does not apply to:

- a board member; or
- a chief administrator of a state agency,²¹⁸ or
- an aircraft pilot.²¹⁹

A state employee who is outside the employee's designated headquarters for at least six consecutive hours is entitled to be reimbursed for all lodging expenses incurred, regardless of whether the time the employee is outside the headquarters during a particular day is fewer than six consecutive hours.

C. Prior approval required.

Prior approval under Section 2.02(B) for travel to these locations is not required.

Voucher and Documentation Requirements:

1. *If the chief administrator has authorized meal expense reimbursements only on a reimbursement-by-reimbursement basis, then the supporting documentation for each reimbursement must include that authorization. If the authorization is provided on a blanket basis, then the agency must provide the original or a copy of that authorization to the comptroller upon request.*
2. *Object code 7118 must be used for meal expenses.*
3. *Object code 7114 must be used for lodging expenses.*

²¹⁵ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

²¹⁶ Article IX, Section 5.06(d) of the General Appropriations Act.

²¹⁷ TEX. GOV'T CODE ANN. § 660.113(b) (Vernon 2004).

²¹⁸ *Id.*

²¹⁹ TEX. GOV'T CODE ANN. § 660.207 (Vernon 2004).

§ 3.09 Travel to foreign countries other than Canada and the United Mexican States

This section applies when a state employee travels to a duty point in a foreign country other than Canada and the United Mexican States.

A. Meal expenses.

A state employee is entitled to be reimbursed for meal expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²²⁰ A meal expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

If meal expenses are reimbursable, then the reimbursement may not exceed the amount of meal expenses actually incurred.²²¹

Meal expenses incurred while traveling to and staying at a duty point the day before official state business begins at the duty point are reimbursable. Meal expenses incurred while traveling to and staying at a duty point more than one day before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Meal expenses incurred while staying at and traveling from a duty point the day after official state business ends at the duty point are reimbursable. Meal expenses incurred while staying at and traveling from a duty point more than one day after official state business ends at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

B. Lodging expenses.

A state employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts official state business at a duty point located outside the employee's designated headquarters.²²² A lodging expense, however, is not reimbursable if:

- this section prohibits the reimbursement; or
- Chapter 1 or 2 prohibits the reimbursement; or
- Section 3.02 prohibits the reimbursement.

²²⁰ See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

²²¹ Article IX, Section 5.06(d) of the General Appropriations Act.

²²² See TEX. GOV'T CODE ANN. § 660.111 (Vernon 2004).

If lodging expenses are reimbursable, then the reimbursement may not exceed the amount of lodging expenses actually incurred.²²³

Lodging expenses incurred at a duty point the night before official state business begins at the duty point are reimbursable. Lodging expenses incurred at a duty point more than one night before official state business begins at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling to the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

Lodging expenses incurred at a duty point the night after official state business ends at the duty point are reimbursable. Lodging expenses incurred at a duty point later than the night following the end of official state business at the duty point are not reimbursable unless:

- the expenses are incurred to qualify for a discount airfare according to Section 2.11; or
- traveling from the duty point reasonably requires more than one day and the expenses are reimbursable under Section 3.11.

C. Prior approval required.

Prior approval under Section 2.02(B) is required before a state employee may be reimbursed for meal and lodging expenses.

Voucher and Documentation Requirement:

Object code 7121 must be used.

§ 3.10 Travel to multiple duty points without an intermediate return to a designated headquarters

This section applies when a state employee travels to more than one duty point outside the employee's designated headquarters without an intermediate return to the headquarters.

A. Meal expenses.

1. Overnight travel.

If a state employee travels to more than one duty point on the same day, then the maximum meal reimbursement for the day is equal to the highest of the maximum rates for the duty points visited. For example, if a state employee travels on the same day to duty point A with a maximum meal reimbursement of \$30 per day, duty point B with a maximum of \$25, and duty point C with a maximum of \$26, then the maximum reimbursement for all meal expenses incurred during the day is \$30. This conclusion is valid even if all meals are purchased in duty point B or C.

If a state employee travels to a duty point during a calendar day and a different duty point the next calendar day, then:

- the maximum meal reimbursement for the first day is equal to the maximum meal reimbursement rate for the duty point visited on the first day; and
- the maximum meal reimbursement for the second day is equal to the maximum meal reimbursement rate for the duty point visited on the second day.

²²³ Article IX, Section 5.06(d) of the General Appropriations Act.

2. Non-overnight travel.

This subdivision applies if a state employee travels to multiple duty points without an intermediate return to the employee's designated headquarters and without an overnight stay outside the headquarters. Regardless of where the duty points are located, the maximum meal reimbursement for the day is \$36.

B. Lodging expenses.

If a state employee travels to more than one duty point on the same day, then the maximum lodging reimbursement for the day is equal to the maximum lodging reimbursement rate for the last duty point visited. For example, if a state employee travels during a day to duty point D with a maximum rate of \$75 and then to duty point E with a maximum rate of \$100, then the maximum reimbursement for lodging expenses during the day, per commercial lodging establishment, is \$100.

If a state employee travels to a duty point during a calendar day and a different duty point the next calendar day, then:

- the maximum lodging reimbursement for the first day is equal to the maximum lodging reimbursement rate for the duty point visited on the first day; and
- the maximum lodging reimbursement for the second day is equal to the maximum lodging reimbursement rate for the duty point visited on the second day.

C. Inability to obtain reasonable lodging in the last duty point.

This subsection applies only when a state employee obtains lodging outside the employee's last duty point of the day because the employee is unable to obtain reasonable lodging in the duty point.

1. Meal expenses.

This paragraph applies when a state employee travels to multiple duty points without an intermediate return to the employee's designated headquarters and without an overnight stay outside the headquarters. Regardless of where the lodging is obtained, the maximum meal reimbursement for the day is \$36.

This paragraph applies when a state employee travels to multiple duty points without an intermediate return to the employee's designated headquarters and with an overnight stay outside the headquarters. If the meal expenses are reimbursable, then the reimbursement for those expenses may not exceed the greater of:

- the highest of the maximum meal reimbursement rates for the duty points visited by the employee during the day that the lodging is obtained; and
- the maximum meal reimbursement rate for the location where the lodging is obtained.

2. Lodging expenses.

If the lodging expenses are reimbursable, then the reimbursement may not exceed the maximum lodging reimbursement rate for the location where the lodging is obtained.

§ 3.11 Multi-day travel to or from a duty point

A. Travel to a duty point.

This subsection applies when a state employee's traveling to a duty point reasonably requires more than one day.

The maximum that a state agency may reimburse the employee for meal expenses incurred during a day is equal to the maximum meal reimbursement rate for the location in which lodging is obtained on that day. If lodging is not obtained on that day, then the maximum reimbursement is equal to the maximum rate for the location in which lodging is first obtained after that day.

The maximum per commercial lodging establishment that a state agency may reimburse the employee for lodging expenses incurred on a day is equal to the maximum lodging reimbursement rate for the location in which lodging is obtained.

The following examples illustrate this subsection.

Example 1: A state employee's designated headquarters is El Paso. The employee needs to conduct official state business in Los Angeles. The employee drives instead of flies to Los Angeles in accordance with Section 4.05. The employee obtains lodging in Phoenix at 7:00 p.m. on the first day of driving. The employee reaches Los Angeles on the second day of driving. The maximum that the employee may be reimbursed for meal and lodging expenses incurred during the first day is equal to the maximum meal and lodging reimbursement rates for Phoenix. The maximums for the second day are equal to the maximum rates for Los Angeles.

Example 2: A state employee's designated headquarters is Brownsville. The employee needs to conduct official state business in Great Falls, Montana. The employee drives instead of flies to Great Falls in accordance with Section 4.05. The employee leaves Brownsville on the first day but does not obtain lodging until reaching Casper, Wyoming at 1:00 a.m. on the third day. The employee reaches Great Falls and obtains lodging at 6:00 p.m. on the third day. The maximum that the employee may be reimbursed for meal expenses incurred during the first and second days is equal to the maximum meal reimbursement rate for Casper. The maximum reimbursement for the lodging expenses incurred in Casper is equal to the maximum lodging reimbursement rate for Casper. The maximums for the third day are equal to the maximum rates for Great Falls.

Example 3: A state employee's designated headquarters is Houston. The employee travels on the first day to New Orleans to conduct official state business. While in New Orleans on the second day, the employee learns that the employee needs to travel to Johannesburg, South Africa to conduct official state business. On the third day, the employee flies to New York City and obtains lodging there because a same day connection to Johannesburg is impossible. The employee flies from New York City to Johannesburg on the fourth day. The maximum that the employee may be reimbursed for meal and lodging expenses incurred during the third day is equal to the maximum reimbursement rates for New York City. The maximums for the fourth day are equal to the actual amount of expenses incurred.

B. Travel to a designated headquarters.

This subsection applies when a state employee's traveling to the employee's designated headquarters reasonably requires more than one day.

The maximum that a state agency may reimburse the employee for meal expenses incurred during a day is equal to the maximum meal reimbursement rate for the location in which lodging is obtained on that day. If lodging is not obtained on that day because the employee reaches the employee's designated headquarters, then the maximum reimbursement is equal to the maximum rate for the location in which lodging was last obtained.

The maximum per commercial lodging establishment that a state agency may reimburse the employee for lodging expenses incurred on a day is equal to the maximum lodging reimbursement rate for the location in which lodging is obtained.

The following examples illustrate this subsection.

Example 1: A state employee's designated headquarters is El Paso. The employee conducts official state business in Los Angeles on the first day of this example. The employee begins driving back to El Paso on the second day. The employee obtains lodging in Tucson at 7:00 p.m. on the second day. The employee reaches El Paso on the third day. The maximum that the employee may be reimbursed for meal and lodging expenses incurred during the second and third days is equal to the maximum meal and lodging reimbursement rates for Tucson.

Example 2: A state employee's designated headquarters is Brownsville. The employee conducts official state business in Great Falls, Montana on the first day of this example. The employee begins driving back to Brownsville on the second day but does not obtain lodging until reaching Trinidad, Colorado at 1:00 a.m. on the third day. The employee reaches Brownsville at 10:00 p.m. on the third day. The maximum that the employee may be reimbursed for meal expenses incurred during the second and third days is equal to the maximum meal reimbursement rate for Trinidad. The maximum reimbursement for the lodging expenses incurred in Trinidad is equal to the maximum lodging reimbursement rate for Trinidad.

Example 3: A state employee's designated headquarters is Houston. The employee conducts official state business in Johannesburg, South Africa on the first day of this example. The employee flies from Johannesburg to New York City on the second day. The employee obtains lodging in New York City on the second day because a same day connection to Houston is impossible. The employee flies to Houston on the third day. The maximum that the employee may be reimbursed for meal and lodging expenses incurred during the second and third days is equal to the maximum meal and lodging reimbursement rates for New York City.

§ 3.12 Sharing lodging

A. Each individual sharing lodging is a state employee.

This subsection applies when at least two individuals share lodging and each of them is a state employee. A state agency shall reimburse each state employee for the employee's share of the lodging expense not to exceed the applicable maximum lodging reimbursement rate. In this subsection, "state employee" means only a state employee who is not prohibited by Section 1.14 from being reimbursed for the expense.

For example, if two state employees share lodging in Texas and the total cost of the lodging is \$100, then each state employee would be entitled to receive a lodging reimbursement of \$50.

Each state employee must submit a travel voucher to the comptroller to receive reimbursement.

B. At least one of the individuals sharing lodging is not a state employee.

This subsection applies when at least two individuals share lodging, at least one of them is a state employee, and at least one of them is not a state employee. In this subsection, "state employee" means only a state employee who is not prohibited by Section 1.14 from being reimbursed for the expense.

1. Only one of the individuals sharing lodging is a state employee.

If only one of the individuals sharing lodging is a state employee, then the amount that a state agency must reimburse the employee for lodging expenses incurred each day is the lesser of:

- the room rate for a single occupancy; and
- the applicable maximum lodging reimbursement rate.

2. At least two of the individuals sharing lodging are state employees.

If at least two of the individuals sharing lodging are state employees, then the amount that a state agency must reimburse each employee for lodging expenses incurred each day per commercial lodging establishment is the lesser of:

- a quotient:
 - the numerator of which is equal to the difference between the total cost of the lodging and the additional person charges, if any, for the non-state employees sharing the lodging; and

- the denominator of which is equal to the number of state employees sharing lodging; and
- the applicable maximum lodging reimbursement rate.

The following example illustrates this subdivision. Three individuals share lodging at a duty point in Texas. Two are state employees, and the other works for a private person. The total cost of the lodging is \$105 per day, including the \$15 additional person charge that is imposed because three individuals are staying in the room. Under these facts, each state employee is entitled to be reimbursed for lodging expenses of \$45 per day.

§ 3.13 Supporting documentation requirements

A. Meal expenses.

Except as provided in the voucher and documentation requirements for Section 3.23, a receipt for a meal expense is not required to be included in the supporting documentation for the payment or reimbursement of that expense. A state agency, however, may require a state employee to submit a meal receipt to the agency for internal purposes.

B. Lodging expenses.

Except where specifically provided otherwise in the guide, the supporting documentation for the payment or reimbursement of a lodging expense incurred by a state employee must include:

- a lodging receipt that satisfies the requirements of this subsection; or
- other documentation that satisfies those requirements.²²⁴

A lodging receipt issued by a commercial lodging establishment or its central reservations office is acceptable if the establishment provided the lodging. A lodging receipt issued by a travel agency is acceptable if the agency was used to reserve the lodging. A lodging receipt issued by a broker is acceptable if the lodging was purchased from the broker.

Unless otherwise authorized by this subsection, a lodging receipt must be original and complete. A receipt that has been altered by any person other than the entity issuing the receipt is unacceptable. The paper version of a receipt delivered through the Internet or electronic mail by a commercial lodging establishment or its central reservations office or by a travel agency or broker is considered original for the purpose of this paragraph. A receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.

The name and address of the commercial lodging establishment, the name of the employee, the single room rate, and a daily itemization of the lodging charges must be included on a lodging receipt.

²²⁴ TEX. GOV'T CODE ANN. § 660.115(a) (Vernon 2004).

If a lodging receipt is unavailable, then the supporting documentation must include the canceled check or credit card slip used to pay the lodging expense, the credit card billing on which the lodging charges appear, or a copy of the receipt, check, slip, or billing. Neither a statement nor an affidavit is acceptable. If a copy of the receipt is included in the supporting documentation, then the name and address of the commercial lodging establishment, the name of the employee, the single room rate, and a daily itemization of the lodging charges must be included on the copy. If the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation, then the name and address of the establishment, the name of the employee, the single room rate, and a daily itemization of the lodging charges must be included in that documentation.

This paragraph applies if the individual listed on a lodging receipt is different from the state employee named on the voucher. The lodging receipt is acceptable if the supporting documentation includes proof that the employee paid the lodging expenses for which the employee is claiming reimbursement. The proof may be in the form of a credit card slip, a credit card billing, a canceled check, or a receipt from the individual. If the slip, billing, check, or receipt is unavailable, then only a copy of it may be included in the supporting documentation in lieu of the original. Neither a statement nor an affidavit is acceptable.

For the purpose of this subsection, a "copy" of a credit card slip, credit card billing, receipt, or canceled check includes a screen print out, a photocopy, an electronically stored version, a microfiche, or a microfilm of it.²²⁵

Voucher and Documentation Requirements:
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1. *The supporting documentation must include a statement that the original lodging receipt is unavailable if a copy of that receipt or the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation in lieu of the original lodging receipt.*
2. *If a copy of the receipt provided by an individual to a state employee is included in the supporting documentation, then the documentation also must include a statement that the original receipt is unavailable.*

²²⁵ See TEX. GOV'T CODE ANN. §§ 660.002(17), 660.115(a) (Vernon 2004). This footnote applies to paragraphs 3 through 7 of this subsection.

§ 3.14 Hotel occupancy taxes

A. Travel within Texas.

1. General discussion.

Except as described in Subdivision (2) or (3) of this subsection, a state employee traveling on official state business within Texas is not exempt from paying a state,²²⁶ county,²²⁷ or municipal hotel occupancy tax²²⁸ collected by a commercial lodging establishment. A state agency shall reimburse the employee for the tax,²²⁹ subject to the limitations in Subsection (C) of this section. The tax is classified as an incidental expense. The tax is not classified as a lodging expense for the purpose of the maximum reimbursement rate for lodging expenses.

A state agency is entitled to receive a refund of its reimbursement of a state employee for a state hotel occupancy tax.²³⁰ To obtain the refund, the agency must file a refund claim with the comptroller²³¹ on the form provided by the comptroller.²³² The form must contain the information required by the comptroller.²³³

A state agency is entitled to receive a refund of its reimbursement of a state employee for a county hotel occupancy tax.²³⁴ To obtain the refund, the agency must file a refund claim on the form provided by the county.²³⁵ The form must contain the information required by the county.²³⁶

A state agency is entitled to receive a refund of its reimbursement of a state employee for a municipal hotel occupancy tax.²³⁷ To obtain the refund, the agency must file a refund claim on the form provided by the municipality.²³⁸ The form must contain the information required by the municipality.²³⁹

²²⁶ TEX. TAX CODE ANN. § 156.103(c) (Vernon 2002). *See* TEX. TAX CODE ANN. § 156.104(a) (Vernon Supp. 2005).

²²⁷ TEX. TAX CODE ANN. § 352.007(d) (Vernon 2002).

²²⁸ TEX. TAX CODE ANN. § 351.006(d) (Vernon 2002).

²²⁹ TEX. GOV'T CODE ANN. § 660.116(a) (Vernon 2004).

²³⁰ TEX. TAX CODE ANN. § 156.103(c) (Vernon 2002).

²³¹ TEX. TAX CODE ANN. § 156.154(a) (Vernon 2002).

²³² TEX. TAX CODE ANN. § 156.154(b) (Vernon 2002).

²³³ *Id.*

²³⁴ TEX. TAX CODE ANN. § 352.007(d) (Vernon 2002).

²³⁵ TEX. TAX CODE ANN. § 352.007(e) (Vernon 2002).

²³⁶ *Id.*

²³⁷ TEX. TAX CODE ANN. § 351.006(d) (Vernon 2002).

²³⁸ TEX. TAX CODE ANN. § 351.006(e) (Vernon 2002).

²³⁹ *Id.*

2. Exception for employees of educational organizations.

In this subdivision, "educational organization" means an association that is organized and operated exclusively for an educational purpose, but only if no part of the association's net earnings inure to the benefit of a private individual.²⁴⁰ A state college or university is "organized and operated exclusively for an educational purpose" only if the institution is a "Texas institution of higher education."²⁴¹

A state employee of a state agency that qualifies as an "educational organization" is exempt from paying the state hotel occupancy tax.²⁴² The employee is not exempt from paying the county or municipal hotel occupancy tax.

A state agency that qualifies as an "educational organization" may not reimburse a state employee for a state hotel occupancy tax charged by a commercial lodging establishment if the employee fails to present a properly completed exemption certificate to the establishment.²⁴³ This prohibition, however, does not apply if the employee does not present the certificate because the employee is required by the agency to conceal the employee's identity.

If a state employee presents a properly completed exemption certificate to a commercial lodging establishment and the establishment refuses to honor the certificate, then a state agency shall reimburse the employee for all the hotel occupancy taxes charged by the establishment, subject to the limitations in Subsection (C) of this section.²⁴⁴ The agency must provide the comptroller with the name of each establishment within Texas that refuses to honor a properly completed and presented exemption certificate.

3. Exception for certain state officers or employees.

This subdivision applies only to a state officer or employee for whom a special provision or exception to the general rate of travel expense reimbursement under the General Appropriations Act applies and who is provided with photo identification verifying the person's identity and exempt status.²⁴⁵ The officer or employee is not required to pay a state,²⁴⁶ county,²⁴⁷ or municipal hotel occupancy tax²⁴⁸ collected by a commercial lodging establishment in Texas.

²⁴⁰ TEX. TAX CODE ANN. § 156.102(a) (Vernon 2002).

²⁴¹ TEX. TAX CODE ANN. § 156.102(b)(2) (Vernon Supp. 2005).

²⁴² TEX. TAX CODE ANN. § 156.102(a) (Vernon 2002).

²⁴³ TEX. GOV'T CODE ANN. § 660.116(b) (Vernon 2004).

²⁴⁴ *Id.*

²⁴⁵ TEX. TAX CODE ANN. § 156.103(d) (Vernon 2002).

²⁴⁶ *Id.* See TEX. TAX CODE ANN. § 156.104(a) (Vernon Supp. 2005).

²⁴⁷ TEX. TAX CODE ANN. § 352.007(c) (Vernon 2002). See TEX. TAX CODE ANN. § 352.007(g) (Vernon Supp. 2005).

²⁴⁸ TEX. TAX CODE ANN. § 351.006(c) (Vernon 2002). See TEX. TAX CODE ANN. § 351.006(g) (Vernon Supp. 2005).

B. Travel outside Texas.

Except as provided in the next paragraph, a state agency shall reimburse a state employee traveling outside Texas for the employee's required payment of hotel occupancy or similar taxes.²⁴⁹ The taxes are classified as an incidental expense. The taxes are not classified as a lodging expense for the purpose of the maximum reimbursement rate for lodging expenses.

A state agency may not reimburse a state employee traveling outside Texas for a hotel occupancy or similar tax that applicable law allows to be rebated or refunded to the employee if the agency requires the employee to claim the rebate or refund.

A state employee is entitled to be reimbursed for a hotel occupancy or similar tax from which the employee is legally exempt only if the employee properly claims the exemption and the commercial lodging establishment refuses to honor it.²⁵⁰ The reimbursement is subject to the limitations in Subsection (C) of this section.

C. Maximum reimbursement.

This subsection applies only when a state employee is entitled to be reimbursed for payment of a hotel occupancy or similar tax.

If the tax is calculated as a percentage of the lodging rate, then the amount of the reimbursement is equal to the percentage multiplied by the maximum that may be reimbursed to the employee for lodging expenses. If a state employee increases the lodging rate according to Section 3.05(D) or 3.06(D), then the amount of the reimbursement is equal to the tax percentage multiplied by the maximum that may be reimbursed to the employee for lodging expenses as increased.

If the tax is not calculated as a percentage of the lodging rate but is based in part on the lodging rate, then the amount of the reimbursement is equal to the amount of tax that would have been due had the lodging expenses not exceeded the maximum lodging reimbursement rate. For example, assume that a city assesses a hotel occupancy tax on lodging only if the cost of the lodging exceeds \$100 per day. Assume that the tax is \$15, regardless of the amount by which the lodging cost exceeds \$100 per day. Assume that the maximum lodging reimbursement rate for the city is \$85 per day. Under these assumptions, the \$15 tax is not reimbursable.

If the tax is not based on the lodging rate in any respect, then the full amount of the tax must be reimbursed, regardless of the cost of the lodging.

Voucher and Documentation Requirements:

1. *The receipt from the commercial lodging establishment must itemize the hotel occupancy or similar tax that the state employee paid to the establishment.*
2. *The supporting documentation for a reimbursement of the Texas state hotel occupancy tax to a state employee of an "educational organization" must include an explanation of why the reimbursement was required.*

²⁴⁹ TEX. GOV'T CODE ANN. § 660.116(a) (Vernon 2004).

²⁵⁰ TEX. GOV'T CODE ANN. § 660.116(b) (Vernon 2004).

3. *The following requirements apply only to an employee of an "educational organization." Object code 7105 must be used for travel within Texas. Object code 7115 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States. Object code 7121 must be used for all other travel.*
4. *The following requirements apply only to an employee who does not work for an "educational organization." Object code 7105 must be used for the county and municipal hotel occupancy taxes incurred while traveling within Texas. Object code 7135 must be used for the Texas state hotel occupancy tax unless the tax is collected by a hotel in Galveston or South Padre Island. Object code 7136 must be used for the Texas state hotel occupancy tax if the tax is collected by a hotel in Galveston. Object code 7137 must be used for the Texas state hotel occupancy tax if the tax is collected by a hotel in South Padre Island. Object code 7115 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States. Object code 7121 must be used for all other travel.*

§ 3.15 Exception for employees of the legislature or a state agency in the legislative branch

This section governs a reimbursement of meal and lodging expenses to a state employee employed by the legislature or another state agency in the legislative branch of state government. The employee may be reimbursed for those expenses as determined by the employing house of the legislature or the employing state agency.²⁵¹ If the house or agency determines that the expenses will be reimbursed on an "actual expenses" or "actual amount of" basis, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.03-3.06 and 3.10-3.11 applied to the employee's travel.²⁵²

Voucher and Documentation Requirements:
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1. *The voucher and supporting documentation requirements of Sections 3.02-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this subsection, except as provided in voucher and documentation requirements 2-5, below.*
2. *If a state employee is reimbursed for the employee's actual expenses for meals and lodging and if those expenses are incurred during an overnight stay outside the employee's designated headquarters, then:*
 - a. *object code 7104 must be used for travel within Texas; and*
 - b. *object code 7114 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States; and*
 - c. *object code 7121 must be used for all other travel.*
3. *If a state employee is reimbursed for the employee's actual expenses for meals and lodging and if those expenses are not incurred during an overnight stay outside the employee's designated headquarters, then:*
 - a. *object code 7108 must be used for travel within Texas; and*

²⁵¹ TEX. GOV'T CODE ANN. § 660.204 (Vernon 2004).

²⁵² Article IX, Section 5.07 of the General Appropriations Act.

- b. *object code 7118 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States; and*
 - c. *object code 7121 must be used for all other travel.*
4. *If a state employee is reimbursed for the employee's meal and lodging expenses, but not on an actual expense basis, and if those expenses are incurred during an overnight stay outside the employee's designated headquarters, then:*
- a. *object code 7106 must be used for travel within Texas; and*
 - b. *object code 7116 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States; and*
 - c. *object code 7121 must be used for all other travel.*
5. *If a state employee is reimbursed for the employee's meal and lodging expenses, but not on an actual expense basis, and if those expenses are not incurred during an overnight stay outside the employee's designated headquarters, then:*
- a. *object code 7107 must be used for travel within Texas; and*
 - b. *object code 7117 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States; and*
 - c. *object code 7121 must be used for all other travel.*

§ 3.16 Exception for certain key officials and other state employees

A. Certain key officials.

An individual is entitled to be reimbursed for the individual's actual meal and lodging expenses incurred while performing the duties of the individual's office or employment if the individual is a judicial officer, a chief administrative officer of a state agency, the executive director of the Texas Legislative Council, or the secretary of the senate.²⁵³ If the individual is being reimbursed for meal and lodging expenses incurred inside the conterminous United States, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.03-3.06 and 3.10-3.11 applied to the individual's travel.²⁵⁴

In this subsection, "chief administrative officer of a state agency" includes a member of a board only if the membership of the board is elected by vote of the people.²⁵⁵

Voucher and Documentation Requirements:

1. *The voucher and supporting documentation requirements of Sections 3.02-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this subsection, except as provided in voucher and documentation requirements 2-6, below.*
2. *A receipt for a lodging expense is not required to be included in the supporting documentation if the individual who incurred the expense is covered by this subsection.²⁵⁶*

²⁵³ TEX. GOV'T CODE ANN. § 660.203(a) (Vernon 2004).

²⁵⁴ Article IX, Section 5.07 of the General Appropriations Act.

²⁵⁵ TEX. GOV'T CODE ANN. § 660.203(c) (Vernon 2004).

²⁵⁶ TEX. GOV'T CODE ANN. § 660.115(b) (Vernon 2004).

3. *Except as otherwise provided in this paragraph, the supporting documentation for the payment or reimbursement of a lodging expense must include the name and address of the commercial lodging establishment. This requirement does not apply if the payment or reimbursement is made by:*
 - a. *a state agency in the judicial or legislative branch of state government; or*
 - b. *the Employees Retirement System of Texas with funds that are not general revenue funds; or*
 - c. *an institution of higher education with funds that are neither general revenue nor educational and general funds.*
4. *Object code 7104 must be used for travel within Texas that involves an overnight stay outside the individual's designated headquarters. Object code 7108 must be used for travel within Texas that does not involve an overnight stay outside the individual's designated headquarters.*
5. *Object code 7114 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States that involves an overnight stay outside the individual's designated headquarters. Object code 7118 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States that does not involve an overnight stay outside the individual's designated headquarters.*
6. *Object code 7121 must be used for all other travel.*

B. Certain state employees.

An engineer or architect of the Department of State Health Services, or a representative of the engineer or architect, may be reimbursed for the individual's actual meal and lodging expenses incurred while conducting inspections during the construction, renovation, or repair of buildings and systems or during the installation of fixed equipment. Only appropriations for construction may be used to make these reimbursements.²⁵⁷

An engineer or architect of the Department of Aging and Disability Services, or a representative of the engineer or architect, may be reimbursed for the individual's actual meal and lodging expenses incurred while conducting inspections during the construction, renovation, or repair of buildings and systems or during the installation of fixed equipment. Only appropriations for construction may be used to make these reimbursements.²⁵⁸

A commissioned employee of the Department of Public Safety of the State of Texas is entitled to be reimbursed for the employee's actual meal and lodging expenses incurred while transporting and providing security for the governor or the governor-elect; the spouse of the governor or the governor-elect; the immediate family of the governor or the governor-elect; another member of the executive, legislative, or judicial branch of state government; or the governor of another state.²⁵⁹

The Texas Department of Criminal Justice (TDCJ) may use a construction appropriation in the General Appropriations Act to pay or reimburse an actual and necessary travel expense incurred by an engineer, an architect, a superintendent, a supervisor, or a support employee of a construction project if the expense is incurred while making a special inspection trip at the instance of the Board of Criminal Justice, TDCJ's executive director, or the executive director's designee during construction or repair of a building or during the installation of fixed equipment in a building.²⁶⁰

²⁵⁷ Rider #14 in the appropriations to the Department of State Health Services in the General Appropriations Act.

²⁵⁸ Rider #31 in the appropriations to the Department of Aging and Disability Services in the General Appropriations Act.

²⁵⁹ Rider #18 in the appropriations to the Department of Public Safety in the General Appropriations Act.

²⁶⁰ Rider #3 in the appropriations to the Department of Criminal Justice in the General Appropriations Act.

The Texas Department of Housing and Community Affairs (TDHCA) may pay or reimburse a necessary travel expense incurred by a TDHCA employee while participating in a site visit with the mayor of a city, the county judge of a county, or the representative of the mayor or county judge if the city or county opposes an application for a federal tax incentive to develop rental housing. The amount of the payment or reimbursement may not exceed the federally authorized rate.²⁶¹

The amount of a reimbursement for a meal or lodging expense incurred by an employee of the Texas Department of Banking may be determined in the same way that the amount of a travel expense reimbursement paid by a federal counterpart agency is determined.²⁶²

The amount of a reimbursement for a meal or lodging expense incurred by a financial institutions examiner employed by the Savings and Loan Department may be determined in the same way that the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve (FR), or its successor determines the amount of a meal or lodging expense reimbursement if the examiner:

- is participating in a joint or concurrent examination with OTS, FDIC, FR, or its successor; and
- incurs the expense while traveling in connection with the examination.²⁶³

Voucher and Documentation Requirements:

1. *The voucher and supporting documentation requirements of Sections 3.02-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this subsection, except as provided in voucher and documentation requirements 2-9, below.*
2. *If the Texas Department of Banking determines the amount of a meal or lodging expense reimbursement to an employee in the same way that the amount of a meal or lodging expense reimbursement is determined by a federal counterpart agency, then the supporting documentation must specify:*
 - a. *the applicable reimbursement rates; and*
 - b. *the source of those rates.*
3. *This voucher and documentation requirement applies only if the Texas Department of Housing and Community Affairs (TDHCA) pays or reimburses a meal or lodging expense incurred by a TDHCA employee while participating in a site visit with the mayor or a county judge of a city or county that opposes an application for a federal tax incentive to develop rental housing. The supporting documentation must specify:*
 - a. *the applicable federal payment or reimbursement rates; and*
 - b. *the source of those rates.*

²⁶¹ Rider #5 in the appropriations to the Department of Housing and Community Affairs in the General Appropriations Act.

²⁶² Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

²⁶³ Rider #3 in the appropriations to the Savings and Loan Department in the General Appropriations Act.

4. *If the Savings and Loan Department determines the amount of a meal or lodging expense reimbursement to a financial institutions examiner in the same way that the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Federal Reserve, or its successor determines the amount of a meal or lodging expense reimbursement, then the supporting documentation must specify:*
 - a. *the applicable reimbursement rates; and*
 - b. *the source of those rates.*
5. *The following object code requirements apply if the travel is within Texas and involves an overnight stay outside the employee's designated headquarters. Object code 7104 must be used if the actual amount of a meal or lodging expense is being paid or reimbursed. Object code 7106 must be used if the amount of a meal or lodging expense payment or reimbursement is limited to less than the amount incurred.*
6. *The following object code requirements apply if the travel is within Texas but does not involve an overnight stay outside the employee's designated headquarters. Object code 7108 must be used if the actual amount of a meal or lodging expense is being paid or reimbursed. Object code 7107 must be used if the amount of a meal or lodging expense payment or reimbursement is limited to less than the amount incurred.*
7. *The following object code requirements apply if the travel is outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States and involves an overnight stay outside the employee's designated headquarters. Object code 7114 must be used if the actual amount of a meal or lodging expense is being paid or reimbursed. Object code 7116 must be used if the amount of a meal or lodging expense payment or reimbursement is limited to less than the amount incurred.*
8. *The following object code requirements apply if the travel is outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States and does not involve an overnight stay outside the employee's designated headquarters. Object code 7118 must be used if the actual amount of a meal or lodging expense is being paid or reimbursed. Object code 7117 must be used if the amount of a meal or lodging expense payment or reimbursement is limited to less than the amount incurred.*
9. *Object code 7121 must be used for all other travel.*

§ 3.17 Exception for representing the state at governmental meetings or conferences outside Texas

The governor may designate one or more state employees to represent the state at a governmental meeting or conference held outside Texas.²⁶⁴ The designated employees shall be reimbursed for the actual meal and lodging expenses incurred while attending the meeting or conference,²⁶⁵ subject to the limits specified in the next paragraph. The reimbursement may be paid out of the appropriations for the state agencies at which the employees are employed.²⁶⁶

²⁶⁴ TEX. GOV'T CODE ANN. § 660.205(a) (Vernon 2004).

²⁶⁵ *Id.*

²⁶⁶ TEX. GOV'T CODE ANN. § 660.205(b) (Vernon 2004).

If a designated state employee is being reimbursed for meal and lodging expenses incurred inside the conterminous United States, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.05-3.06 and 3.10-3.11 applied to the employee's travel.²⁶⁷

Voucher and Documentation Requirements:

1. *The voucher and supporting documentation requirements of Sections 3.02, 3.05-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this section, except as provided in voucher and documentation requirements 2-7, below.*
2. *The original or a copy of the governor's written designation of the state employees to represent the state at the meeting or conference must be included in the supporting documentation for the payment or reimbursement of each employee's meal and lodging expenses. The designation must have been written before the travel occurred and must indicate the approximate cost of the travel.²⁶⁸*
3. *A receipt for a lodging expense is not required to be included in the supporting documentation.*
4. *Except as otherwise provided in this paragraph, the supporting documentation for the payment or reimbursement of a lodging expense must include the name and address of the commercial lodging establishment. This requirement does not apply if the payment or reimbursement is made by:*
 - a. *a state agency in the judicial or legislative branch of state government; or*
 - b. *the Employees Retirement System of Texas with funds that are not general revenue funds; or*
 - c. *an institution of higher education with funds that are neither general revenue nor educational and general funds.*
5. *A travel voucher must be submitted for each state employee.*
6. *Object code 7114 must be used for travel within the United States, U.S. possessions, Canada, or the United Mexican States.*
7. *Object code 7121 must be used for all other travel.*

§ 3.18 Exception for representing legislators or certain officials

A legislator, a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, the secretary of the senate, or a board member may designate one or more state employees to represent the designating party at a particular meeting or conference.²⁶⁹ A designated employee is not required to work for the same state agency as the designating party. A designated employee is entitled to receive reimbursement of the employee's actual expenses for meals and lodging while attending the meeting or conference,²⁷⁰ subject to the limits specified in the next paragraph. The designations must occur on a trip-by-trip basis.

²⁶⁷ Article IX, Section 5.07 of the General Appropriations Act.

²⁶⁸ TEX. GOV'T CODE ANN. § 660.208 (Vernon 2004).

²⁶⁹ TEX. GOV'T CODE ANN. § 660.206(a) (Vernon 2004).

²⁷⁰ *Id.*

If a designated state employee is being reimbursed for meal and lodging expenses incurred inside the conterminous United States, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.03-3.06 and 3.10-3.11 applied to the employee's travel.²⁷¹

Voucher and Documentation Requirements:

1. *The voucher and supporting documentation requirements of Sections 3.02-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this section, except as provided in voucher and documentation requirements 2-6, below.*
2. *The original or a copy of the document designating the state employee to represent the designating party at the meeting or conference must be included in the supporting documentation. The document must be from the chief administrator of the state agency that employs the designating party. The document must have been written before the travel occurred and must indicate the approximate cost of the travel.²⁷²*
3. *A receipt for a lodging expense is not required to be included in the supporting documentation.*
4. *Except as otherwise provided in this paragraph, the supporting documentation for the payment or reimbursement of a lodging expense must include the name and address of the commercial lodging establishment. This requirement does not apply if the payment or reimbursement is made by:*
 - a. *a state agency in the judicial or legislative branch of state government; or*
 - b. *the Employees Retirement System of Texas with funds that are not general revenue funds; or*
 - c. *an institution of higher education with funds that are neither general revenue nor educational and general funds.*
5. *The following object codes must be used when travel involves an overnight stay outside the designated state employee's designated headquarters:*
 - a. *Object code 7104 must be used for travel within Texas.*
 - b. *Object code 7114 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
 - c. *Object code 7121 must be used for all other travel.*
6. *The following object codes must be used when travel does not involve an overnight stay outside the designated state employee's designated headquarters:*
 - a. *Object code 7108 must be used for travel within Texas.*
 - b. *Object code 7118 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
 - c. *Object code 7121 must be used for all other travel.*

²⁷¹ Article IX, Section 5.07 of the General Appropriations Act.

²⁷² TEX. GOV'T CODE ANN. § 660.208 (Vernon 2004).

§ 3.19 Exception for travel with legislators or certain officials

A legislator, a judicial officer, a chief administrator of a state agency, a board member, the executive director of the Texas Legislative Council, and the secretary of the senate may authorize one or more state employees traveling with the authorizing party to a particular meeting or conference to receive reimbursement of their actual expenses for meals and lodging while attending the meeting or conference,²⁷³ subject to the limits specified later in this section. Those employees need not work for the same state agency as the authorizing party.

A reimbursement for actual expenses may be paid even if the itineraries for the authorizing party and the employee receiving the reimbursement are not identical. For example, it is unnecessary for them to fly to the duty point on the same flight.

If a state employee who travels with a legislator, a judicial officer, a chief administrator of a state agency, a board member, the executive director of the Texas Legislative Council, or the secretary of the senate is being reimbursed for meal and lodging expenses incurred inside the conterminous United States, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.03-3.06 and 3.10-3.11 applied to the employee's travel.²⁷⁴

Voucher and Documentation Requirements:

1. *The voucher and supporting documentation requirements of Sections 3.02-3.09, 3.13-3.14, and 3.23-3.24 apply to a meal or lodging expense subject to this section, except as provided in voucher and documentation requirements 2-6, below.*
2. *A travel voucher must be submitted for each state employee.*
3. *The original or a copy of the document authorizing the reimbursement of actual expenses to the employees must be included in the supporting documentation for the payment or reimbursement of each employee's meal and lodging expenses. The document must be from the chief administrator of the state agency that employs the authorizing party. The document must have been written before the travel occurred and must indicate the approximate cost of the travel.²⁷⁵*
4. *A receipt for a meal expense is not required to be included in the supporting documentation.*
5. *The following object codes must be used when travel involves an overnight stay outside the employee's designated headquarters:*
 - a. *Object code 7104 must be used for travel within Texas.*
 - b. *Object code 7114 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
 - c. *Object code 7121 must be used for all other travel.*
6. *The following object codes must be used when travel does not involve an overnight stay outside the employee's designated headquarters:*
 - a. *Object code 7108 must be used for travel within Texas.*

²⁷³ TEX. GOV'T CODE ANN. § 660.206(b) (Vernon 2004).

²⁷⁴ Article IX, Section 5.07 of the General Appropriations Act.

²⁷⁵ TEX. GOV'T CODE ANN. § 660.208 (Vernon 2004).

- b. *Object code 7118 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
- c. *Object code 7121 must be used for all other travel.*

§ 3.20 Guidelines adopted by the Texas Ethics Commission

The Texas Ethics Commission is authorized to issue guidelines to limit a reimbursement of meal and lodging expenses to the amounts deemed reasonable and necessary.²⁷⁶ These guidelines, if adopted, would apply to legislators and state employees only to the extent the expenses are not restricted by other law.²⁷⁷ The comptroller will inform state agencies if and when the guidelines are adopted.

§ 3.21 Awards or discounts given for frequent use of a commercial lodging establishment

A. 1984 opinion from the State Ethics Advisory Commission.

In 1984, the State Ethics Advisory Commission (SEAC) issued an opinion about whether a public servant may use a travel discount or bonus for a private purpose if the discount or bonus is earned because of travel paid with public funds.²⁷⁸ SEAC said that the personal use of a travel discount or bonus under these circumstances would not violate Section 39.01(a), Penal Code, if the discount or bonus cannot be used for a public purpose. The determination of whether a discount or bonus can be used for a public purpose must be made by each public entity.

The comptroller cautions state agencies and state employees that legislation enacted since the issuance of the 1984 opinion might have made it obsolete. Therefore, agencies and employees should exercise caution when deciding whether to rely on the opinion.

A person that needs more information about this subject should contact the Texas Ethics Commission, the attorney general, or other appropriate legal counsel.

B. Section 39.02, Penal Code.

TEX. PEN. CODE ANN. § 39.02 (Vernon 2003) criminalizes a public servant's misuse of government property, services, personnel, or other things of value belonging to state government that come into the public servant's custody or possession by virtue of the public servant's office or employment. Awards or discounts given for frequent use of a commercial lodging establishment, however, are not "things of value" belonging to state government for the purposes of Section 39.02 because of the administrative difficulty and cost involved in recapturing the award for state government.

²⁷⁶ TEX. GOV'T CODE ANN. § 611.001(a) (Vernon 2004).

²⁷⁷ TEX. GOV'T CODE ANN. § 611.001(b) (Vernon 2004).

²⁷⁸ Op. Tex. Ethics Adv. Comm'n 1984-6.

§ 3.22 Summary chart for lodging expenses

The chart on the following page summarizes the maximum lodging expenses that may be reimbursed under various factual scenarios. The chart is intended to cover only the basic rules about those reimbursements. Therefore, to the extent of conflict, other sections prevail over this section and the chart.

§ 3.22 SUMMARY CHART FOR LODGING EXPENSES	Travel to a duty point occurs one day before duty begins at that duty point. (This column prevails over every other column.)	Lodging obtained after duty performed in only 1 duty point. The duty point is in Texas.	Lodging obtained after duty performed in only 1 duty point. The duty point is outside Texas but within the conterminous USA.	Lodging obtained after duty performed at 2 duty points on the same day. One of the duty points is in Texas, the other outside Texas but within the conterminous USA.	Lodging obtained after duty performed at 2 duty points on the same day. One of the duty points is in Texas, the other outside the conterminous USA.	Lodging obtained after duty performed at 2 duty points on the same day. Both of the duty points are outside Texas but within the conterminous USA.	Lodging obtained after duty performed at 2 duty points on the same day. One duty point is outside Texas but within the conterminous USA. The other is outside the conterminous USA.
Lodging obtained outside the conterminous USA.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then actual lodging expenses may be paid.	Maximum is \$85. If reasonable lodging cannot be obtained in the duty point, then actual lodging expenses may be paid.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then actual lodging expenses may be paid.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then actual lodging expenses may be paid.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then actual lodging expenses may be paid.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then actual lodging expenses may be paid.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then actual lodging expenses may be paid.
Lodging obtained outside Texas but in the conterminous USA. Lodging located in the duty point or last duty point.	Maximum rate for the duty point applies.	Not applicable.	Maximum rate for the duty point applies.	Maximum rate for the last duty point visited applies.	Not applicable.	Maximum rate for the last duty point visited applies.	Maximum rate for the last duty point visited applies.
Lodging obtained outside Texas but within the conterminous USA. Lodging located outside the duty point.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then the maximum rate for the location where lodging obtained applies.	Maximum is \$85. If reasonable lodging cannot be obtained in the duty point, then the maximum rate for the location where lodging obtained applies.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then the maximum rate for the location where lodging obtained applies.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then the maximum rate for the location where lodging obtained applies.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then the maximum rate for the location where lodging obtained applies.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then the maximum rate for the location where lodging obtained applies.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained in the last duty point, then the maximum rate for the location where lodging obtained applies.
Lodging obtained in Texas.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then the maximum is \$85.	Maximum is \$85.	Maximum rate for the duty point applies. If reasonable lodging cannot be obtained in the duty point, then the maximum is \$85.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained there, then the maximum is \$85.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained there, then the maximum is \$85.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained there, then the maximum is \$85.	Maximum rate for the last duty point visited applies. If reasonable lodging cannot be obtained there, then the maximum is \$85.

§ 3.23 Direct payment of lodging and meal expenses

A state agency may request a commercial lodging establishment to bill the agency directly for the lodging expenses incurred by a state employee who stays at the establishment.²⁷⁹ Alternatively, a state agency may directly pay a credit card issuer or travel agency for those expenses.²⁸⁰

If a state agency requests a commercial lodging establishment to bill the agency directly for the lodging expenses incurred by a state employee who stays at the establishment, then the agency also may request the establishment to bill the agency directly for the meal expenses incurred by the employee at that establishment.²⁸¹ Alternatively, the agency may directly pay a credit card issuer or travel agency for those expenses.²⁸²

The amount of a state agency's direct payment may not exceed the amount that would have been reimbursed had the agency decided not to pay directly. Applicable hotel occupancy taxes may be included in the direct payment.²⁸³

Notwithstanding anything in this section, a state agency may not directly pay meal or lodging expenses if Chapter 1, 2, 3, or 7 would prohibit the agency from reimbursing a state employee for those expenses.²⁸⁴

Voucher and Documentation Requirements:

1. *Except as provided in the following voucher and documentation requirements, the supporting documentation for a payment to a commercial lodging establishment, a credit card issuer, or a travel agency for a meal or lodging expense must include the same receipts, statements, and other information that would be required to be included in the supporting documentation for the reimbursement of a state employee for that expense.*²⁸⁵
2. *Any requirement in Chapters 1-8 for a particular statement or type of information to be included on a travel voucher/form does not apply. The statement or information may be included on the travel voucher/form, the voucher cover form, or elsewhere in the supporting documentation.*
3. *Any requirement in Chapters 1-8 for a travel voucher/form to be included in the supporting documentation does not apply. The voucher/form, however, may be included for the purposes specified in voucher and documentation requirement #2.*
4. *If meal expenses incurred at a commercial lodging establishment are billed directly to a state agency:*
 - a. *the lodging receipt must have a daily itemization of those expenses; or*
 - b. *the supporting documentation must include the original or a copy of a receipt for each of those expenses.*

²⁷⁹ TEX. GOV'T CODE ANN. § 660.114(a) (Vernon 2004).

²⁸⁰ TEX. GOV'T CODE ANN. § 660.014(a) (Vernon 2004).

²⁸¹ TEX. GOV'T CODE ANN. § 660.114(b) (Vernon 2004).

²⁸² TEX. GOV'T CODE ANN. § 660.014(a) (Vernon 2004).

²⁸³ TEX. GOV'T CODE ANN. § 660.116(c) (Vernon 2004).

²⁸⁴ TEX. GOV'T CODE ANN. § 660.114(c) (Vernon 2004).

²⁸⁵ TEX. GOV'T CODE ANN. §§ 660.014(b), 660.114(a)-(b) (Vernon 2004).

5. *The object code that must be used when a state agency reimburses a meal or lodging expense also must be used when the agency directly pays a commercial lodging establishment, a credit card issuer, or a travel agency for that expense.*

§ 3.24 Lease of apartment or house²⁸⁶

A. General provisions.

A state agency may reimburse a state employee for the expense of leasing an apartment or house if:

- the employee leases the apartment or house from a commercial lodging establishment; and
- the employee is listed as a tenant on the lease; and
- the purpose of leasing the apartment or house instead of renting a room at another type of commercial lodging establishment is the conservation of funds;²⁸⁷ and
- the agency reasonably anticipates at the time the lease is entered into that the employee or other state employees will be using the apartment or house while conducting official state business throughout the term of the lease; and
- the agency reasonably anticipates at the time the lease is entered into that the apartment or house will be used for at least one month; and
- the agency would not be prohibited from reimbursing the employee for lodging expenses if the employee had instead rented a room from a different type of commercial lodging establishment.

If the comptroller determines that a state agency or a state employee has violated one or more of the preceding conditions, then the comptroller may notify the state auditor and other appropriate state officials. In addition, the comptroller may prohibit the agency and its employees from subsequently leasing apartments and houses. Finally, the comptroller may apply the reimbursement limit in Subsection (C)(2) of this section instead of the limit in Subsection (C)(1) of this section.

A state agency that may reimburse a state employee for the expense of leasing an apartment or house also may reimburse the employee for an application fee paid by the employee while applying to lease the apartment or house.

B. Definitions.

In this section:

- "Daily lodging rate" means the maximum lodging reimbursement rate for the duty point in which the apartment or house is located. If the apartment or house is located outside a duty point because a reasonable apartment or house cannot be obtained in the duty point, then the term means the maximum lodging reimbursement rate for the location in which the apartment or house is obtained.
- "Expense of leasing an apartment or house" means the total expenses that are reasonably necessary to make the apartment or house livable. The term includes furniture rental charges and mandatory utility charges. The term does not include refundable security deposits.

²⁸⁶ TEX. GOV'T CODE ANN. § 660.117 (Vernon 2004).

²⁸⁷ TEX. GOV'T CODE ANN. § 660.117(1) (Vernon 2004).

- "Mandatory utility charge" includes natural gas, water, electricity, garbage collection, and basic telephone charges for a single phone (including installation costs). The term does not include a cable television fee.

C. Amount of reimbursement.

1. General limitation.

If a state employee leases an apartment or house, then the amount of the reimbursement is equal to the expense of leasing the apartment or house. Except as provided in Subdivision (2) of this subsection, the reimbursement may not exceed the "daily lodging rate" multiplied by the sum of: (a) the number of days the apartment or house was used while conducting official state business; and (b) the number of days the apartment or house was not used while conducting official state business. The maximum reimbursement is calculated according to the following formula:

$$MR = DLR \times (DUB + DNUB)$$

where "MR" is the maximum reimbursement, "DLR" is the daily lodging rate, "DUB" is the number of days the apartment or house was used while conducting official state business, and "DNUB" is the number of days the apartment or house was not used because of official state business.

2. Exception for non-compliance.

This subdivision applies if the comptroller determines that: (a) a state agency or a state employee has not complied with the circumstances and conditions under which an apartment or house may be leased, as listed in Subsection (A) of this section; and (b) it is appropriate for this subdivision to apply to the agency or employee.

If a state employee leases an apartment or house, then the amount of the reimbursement is equal to the expense of leasing the apartment or house. The reimbursement, however, may not exceed the "daily lodging rate" multiplied by the number of days the apartment or house was used while conducting official state business. The maximum reimbursement is calculated according to the following formula:

$$MR = DLR \times DUB$$

where "MR" is the maximum reimbursement, "DLR" is the daily lodging rate, and "DUB" is the number of days the apartment or house was used while conducting official state business.

D. Method of payment.

A state agency may not directly pay a commercial lodging establishment for the lease of an apartment or house.

A state agency may use its travel advance account to advance money to a state employee to pay the expense of leasing an apartment or house. The agency, however, may not receive reimbursement of the advance account until the employee has submitted to the agency all receipts for the monthly costs of leasing the apartment or house.

E. Meal expenses.

A state agency shall reimburse a state employee for the employee's meal expenses on the same basis as would be reimbursed if the employee had rented a room at another type of commercial lodging establishment.

F. Business telephone calls.

A state agency may reimburse a state employee for the employee's business telephone calls as an incidental expense.

G. Travel to a second duty point.

This subsection applies only when a state employee who is leasing an apartment or house travels on official state business to a second duty point that is not in the employee's designated headquarters and obtains lodging. A state agency may reimburse the employee for:

- the cost of transportation between the duty points; and
- the employee's meal expenses at the second duty point, not to exceed the maximum meal reimbursement rate for that duty point; and
- the employee's lodging expenses at the second duty point, not to exceed the maximum lodging reimbursement rate for that duty point; and
- the expense of leasing the apartment or house on the same basis as if the employee had not traveled to the second duty point.

H. Examples.

The following examples illustrate this section.

Example 1: A state employee whose designated headquarters is Austin travels to Dallas for the month of June to conduct official state business. With the intention of conserving funds, the employing state agency authorizes the employee to lease an apartment in the employee's name. The agency reasonably anticipates at the time the lease is entered into that the employee will use the apartment while conducting official state business throughout the entire month. The rental rate is \$2,550 per month, with a security deposit of \$500 payable at the start of the lease. The employee also incurs the following monthly expenses: \$20 for water, \$20 for basic telephone service, \$50 for electricity, \$30 for furniture rental, and \$25 for cable television. The employee actually uses the apartment while conducting official state business for only the first 15 days of June. The apartment is not used the other 15 days of June because of business reasons. Under these facts, the "expense of leasing the apartment or house" is \$2,670. The \$25 charge for cable television and the \$500 security deposit are not included as an expense. Even though the employee incurred \$2,670 in expenses, the maximum amount that may be reimbursed is \$2,550 (30 days multiplied by \$85 per day).

Example 2: Assume the same facts as in Example 1 except that the rental rate is \$750. Under these facts, the "expense of leasing the apartment or house" is \$870. The entire expense is reimbursable because the maximum reimbursement is \$2,550, as calculated in Example 1.

Example 3: Assume the same facts as in Example 1 with two exceptions. First, the comptroller determines that the employee did not comply with the circumstances and conditions under which the apartment may be leased, as listed in Subsection (A) of this section. Second, the comptroller determines that it is appropriate for Subsection (C)(2) of this section to apply to the employee. Under these facts, the maximum reimbursement is \$1,275 (15 days multiplied by \$85 per day).

Voucher and Documentation Requirements:

1. *The supporting documentation for a travel expense subject to this section must satisfy all the following requirements.*
 - a. *The original or a copy of the lease agreement must be included in the supporting documentation if the agreement was in writing. If the agreement was not in writing, then the supporting documentation must include a description or listing of the important terms of the lease. This requirement does not apply to a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, or the secretary of the senate.*
 - b. *Proof that a lease payment was made must be included in the supporting documentation. This requirement does not apply to a judicial officer, a chief administrator of a state agency, the executive director of the Texas Legislative Council, or the secretary of the senate.*
 - c. *When applicable, an invoice from a furniture rental company and a billing statement from a utility company must be included in the supporting documentation.*
 - d. *When applicable, proof that the employee paid the application fee must be included in the supporting documentation.*
 - e. *The expense of leasing the apartment for the month must be listed as a lump sum amount in the supporting documentation.*
 - f. *The supporting documentation must state that the requirements of Subsection (A) of this section have been satisfied. The supporting documentation also must state how many days the apartment or house would have been used if it had been used throughout the month while conducting official state business, how many days the apartment or house actually was used while conducting official state business, and how many days the apartment or house was not used while conducting official state business.*
 - g. *The travel voucher/form must itemize the meal expenses incurred by the employee on a daily basis.*
2. *The reimbursable expenses a state employee incurs during a month while leasing an apartment or house must be included on a single voucher. The voucher may not encompass more than one month's expenses.*
3. *Object code 7105 must be used when reimbursing an employee for a business telephone call made when traveling within Texas. Object code 7115 must be used for a business telephone call made when traveling outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States. Object code 7121 must be used for a business telephone call made in connection with all other travel.*
4. *Object code 7128 must be used for travel to a location in Texas. This object code also must be used for travel to a location outside Texas if the location is within the United States, U.S. possessions, Canada, or the United Mexican States. This object code must be used for every expense of leasing an apartment or house, regardless of where it is located.*
5. *Object code 7121 must be used for travel to a foreign country other than Canada and the United Mexican States.*

Chapter 4 – Reimbursements for Mileage, Parking, and Tolls

§ 4.01 General provisions

A state employee is entitled to be reimbursed as provided by this chapter for the mileage incurred during the employee's use of a personally owned or leased motor vehicle.²⁸⁸ With the exceptions of tolls and parking expenses, mileage reimbursement to a state employee is inclusive of all expenses associated with the employee's operation of a personally owned or leased motor vehicle.²⁸⁹

The amount of a mileage reimbursement may not exceed the product of:

- the number of miles traveled as limited by the guide; and
- the applicable mileage rate.²⁹⁰

Except as otherwise provided in this paragraph, a state agency may not reimburse a state employee for mileage incurred while operating a rented motor vehicle unless the rental cost is based wholly or in part on a per mile charge. If the rental cost is based wholly or in part on a per mile charge, then a state employee is entitled to receive full reimbursement for the per mile charge even if it exceeds the mileage rate specified in Section 4.02.

Notwithstanding anything in this section, a state agency may not reimburse a state employee for mileage if Chapter 1 or 2 prohibits the reimbursement.

Voucher and Documentation Requirements:

1. *The supporting documentation for a reimbursement of mileage must show that the travel was by a personally owned or leased motor vehicle.*
2. *Object code 7102 must be used for mileage if the travel occurs within Texas.*
3. *Object code 7112 must be used for mileage if the travel occurs outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
4. *Object code 7121 must be used for mileage if travel occurs elsewhere.*
5. *Object code 7101 must be used for transportation by rented motor vehicle if the travel occurs within Texas, regardless of whether the charge for the vehicle is calculated on a per mile basis.*
6. *Object code 7111 must be used for transportation by rented motor vehicle if the travel occurs outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States, regardless of whether the charge for the vehicle is calculated on a per mile basis.*
7. *Object code 7121 must be used for transportation by rented motor vehicle if the travel occurs elsewhere, regardless of whether the charge for the vehicle is calculated on a per mile basis.*

²⁸⁸ TEX. GOV'T CODE ANN. § 660.041(a) (Vernon 2004).

²⁸⁹ TEX. GOV'T CODE ANN. § 660.041(b) (Vernon 2004).

²⁹⁰ TEX. GOV'T CODE ANN. § 660.042 (Vernon 2004).

§ 4.02 Mileage rate

The mileage rate for travel occurring during fiscal year 2006 or 2007 is equal to the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service under the federal income tax regulations, as announced by the comptroller.²⁹¹

§ 4.03 Computation of number of miles

The number of reimbursable miles traveled by a state employee may not exceed the number of miles of the most cost-effective route between the origin of the employee's travel and the employee's final destination.²⁹² If the employee conducts official state business at locations between the origin of the travel and the final destination, then the most cost-effective route between the origin and the final destination must include the intermediate locations.²⁹³

The shortest route between points is presumed to be the most cost-effective route.²⁹⁴ A longer route may be considered the most cost-effective route only if:

- the supporting documentation for the mileage reimbursement states that the longer route is more cost-effective; and²⁹⁵
- the supporting documentation provides a reasonable justification for that statement; and²⁹⁶
- the statement and justification are made by the chief administrator of the state agency making the reimbursement or by the chief administrator's designee.²⁹⁷

The number of miles of the shortest or most cost-effective route between two points, when both are listed in the *Texas Mileage Guide*,²⁹⁸ is the number of miles between those points as listed in the mileage guide or calculated from the employee's odometer.

The number of miles of the shortest or most cost-effective route between two points, when one or both are not listed in the mileage guide, is the number of miles between those points as calculated from the employee's odometer.

When the mileage guide is used to determine the number of miles of the shortest or most cost-effective route between points, "point" means:

- the entire area within the boundaries of an incorporated municipality, if the origin, intermediate location, or final destination of the travel is within those boundaries; or
- the building, house, highway intersection, or other similarly-localized spot where the origin, intermediate location, or final destination of the travel is located, if that spot is not within the boundaries of an incorporated municipality.

²⁹¹ Article IX, Section 5.04 of the General Appropriations Act.

²⁹² TEX. GOV'T CODE ANN. § 660.043(a) (Vernon 2004).

²⁹³ *Id.*

²⁹⁴ TEX. GOV'T CODE ANN. § 660.043(b) (Vernon 2004).

²⁹⁵ TEX. GOV'T CODE ANN. § 660.043(b)(1) (Vernon 2004).

²⁹⁶ TEX. GOV'T CODE ANN. § 660.043(b)(2) (Vernon 2004).

²⁹⁷ TEX. GOV'T CODE ANN. § 660.043(b)(3) (Vernon 2004).

²⁹⁸ The *Texas Mileage Guide* is adopted under TEX. GOV'T CODE ANN. § 660.043(c) (Vernon 2004).

This paragraph applies only when an employee's odometer is used to determine the number of miles of the shortest or most cost-effective route between points. Those miles are not reimbursable unless the employee properly itemizes the mileage on a point-to-point basis.²⁹⁹ The itemization must be sufficiently detailed for the state agency reimbursing the mileage to verify that number, if the agency wanted to do so. Farm-to-market and ranch-to-market roads must be considered when determining the number of miles of the shortest or most cost-effective route.³⁰⁰ For the purpose of this paragraph, "point" means a building, house, highway intersection, or other similarly-localized spot.

The increased number of miles incurred because a state employee is lost or receives inaccurate directions may not be included in the calculation of a mileage reimbursement.

The following examples illustrate this section. These examples do not consider any additional limitations on mileage reimbursements in other sections of the guide.

Example 1: A state employee travels from the employee's place of employment in Austin to a location in San Antonio. The mileage guide includes both Austin and San Antonio. Therefore, the mileage eligible for reimbursement is limited to either the mileage shown in the mileage guide between Austin and San Antonio or the mileage calculated from the employee's odometer.

Example 2: A state employee travels from a location in Austin to a location not included in the mileage guide. The mileage eligible for reimbursement is limited to the mileage of the shortest or most cost-effective route between those points as calculated from the employee's odometer. The reimbursement may be paid only if the mileage is itemized on a point-by-point basis as required by this section.

Voucher and Documentation Requirements:

1. *If a state agency uses a longer route to calculate the amount of a mileage reimbursement, then the supporting documentation for the reimbursement must include:*
 - a. *a statement from the agency's chief administrator or the chief administrator's designee that the longer route is more cost-effective than the shortest route; and*
 - b. *a reasonable justification for that statement from the agency's chief administrator or the chief administrator's designee.*
2. *If a state employee's odometer is used to determine the number of miles of the shortest or most cost-effective route between points, then the supporting documentation must include a mileage itemization that complies with this section.*

²⁹⁹ TEX. GOV'T CODE ANN. § 660.043(d)(1) (Vernon 2004).

³⁰⁰ TEX. GOV'T CODE ANN. § 660.043(c) (Vernon 2004).

§ 4.04 Coordination of travel ("four-per-car rule")

In this section, "coordination of travel" means state employees traveling together in one personally owned or leased motor vehicle.

Coordination of travel must occur when two, three, or four state employees employed by the same state agency travel on the same dates with the same itinerary to conduct the same official state business.³⁰¹ If more than four state employees employed by the same state agency travel on the same dates with the same itinerary to conduct the same official state business, then coordination of travel is required for each group of four employees and for any fraction in excess of a multiple of four employees.³⁰²

When coordination of travel is required, a state agency may reimburse only one of the state employees riding in the personally owned or leased motor vehicle for mileage to the duty point.³⁰³ Mileage incurred, however, by a state employee to meet at a location or pick up other state employees to coordinate travel to the duty point may be reimbursed, subject to the limitations in Section 4.06(B). For the purpose of Section 4.06(B):

- the location where state employees meet to coordinate travel is their duty point; and
- the locations where a state employee picks up other state employees to coordinate travel are the employee's duty points.

Notwithstanding the preceding paragraphs, coordination of travel is not required if the chief administrator of the state agency that employs the employees determines before travel that coordination of travel is infeasible.³⁰⁴ That determination may be made only if the infeasibility is caused by factors relating to official state business.³⁰⁵ Determinations may be made only on a trip-by-trip basis.

The following example illustrates this section. The place of employment of four state employees who work for the same state agency is in San Antonio. The agency instructs the employees to travel on the same official state business to Houston, at the same time. Each of the employees decides to take the employee's spouse with the employee to Houston. A total of four personally owned motor vehicles are taken by the employees to Houston. Under these facts, the agency may reimburse only one of the employees for mileage even if the chief administrator determines in advance of travel that coordination of travel is infeasible.

Voucher and Documentation Requirements:

When the chief administrator of a state agency determines that coordination of travel is infeasible for a group of state employees, the supporting documentation for each mileage reimbursement to those employees must include the original or a copy of that determination. The determination must specifically say that coordination of travel is infeasible and list the official state business reasons for the infeasibility. A general description of the circumstances of travel without a determination that coordination of travel is infeasible is insufficient.

³⁰¹ TEX. GOV'T CODE ANN. § 660.044(a) (Vernon 2004).

³⁰² TEX. GOV'T CODE ANN. § 660.044(b) (Vernon 2004).

³⁰³ TEX. GOV'T CODE ANN. § 660.044(a)-(b) (Vernon 2004).

³⁰⁴ TEX. GOV'T CODE ANN. § 660.044(c) (Vernon 2004).

³⁰⁵ *Id.*

§ 4.05 Travel outside Texas

A state employee who is authorized by a state agency to use a personally owned or leased motor vehicle to travel to and from a duty point outside Texas, including a duty point in a foreign country, is entitled to be reimbursed by the agency for the mileage incurred.³⁰⁶ The mileage reimbursement must be equal to the actual miles traveled between the employee's designated headquarters and the duty point multiplied by the mileage rate.³⁰⁷ When deciding whether to authorize a state employee under this section, a state agency shall consider its duty to conserve funds as discussed in Section 1.07.

§ 4.06 Travel between a residence and an airport, a duty point, or a place of employment

A. Travel between a residence and an airport.

Except as otherwise restricted by this subsection, a state agency shall reimburse a state employee who travels between the employee's residence and an airport for mileage.³⁰⁸

If the travel occurs during working hours, then the amount of the reimbursement may not exceed the amount that would have been reimbursed had the employee traveled between the employee's place of employment and the airport. The latest time that an individual may check-in for the flight, as specified by the airline, determines whether travel to the airport occurs during working or non-working hours. The actual arrival time of a flight determines whether travel from the airport occurs during working or non-working hours.

A state agency may reimburse a state employee for the mileage incurred by another individual while transporting the employee between the employee's residence and an airport. The reimbursement, however, may not exceed the reimbursement that would be paid if the employee had parked a personally owned or leased motor vehicle at the airport.

This subsection applies only when the purpose of traveling between a residence and an airport is to catch or disembark from a flight.

Voucher and Documentation Requirements:

The supporting documentation for a mileage reimbursement subject to this subsection must satisfy all the following requirements.

- a. If the reimbursement is for travel to an airport, then the supporting documentation must state the latest time that the airline would have allowed the employee to check-in for the flight.*
- b. If the reimbursement is for travel from an airport, then the supporting documentation must specify the actual arrival time of the flight.*
- c. If the employee is claiming reimbursement for mileage incurred by another individual while transporting the employee between the employee's residence and the airport, then the supporting documentation must specify the cost of parking at the airport that would have been incurred had the employee transported himself or herself.*
- d. The supporting documentation must specify the employee's working hours.*

³⁰⁶ TEX. GOV'T CODE ANN. § 660.041(a) (Vernon 2004).

³⁰⁷ TEX. GOV'T CODE ANN. § 660.042 (Vernon 2004).

³⁰⁸ TEX. GOV'T CODE ANN. § 660.041(a) (Vernon 2004).

B. Travel between a residence and a duty point.

Except as otherwise restricted by this subsection, a state agency shall reimburse a state employee who travels between the employee's residence and the employee's duty point for mileage.³⁰⁹

If the travel occurs during working hours, then the amount of the reimbursement may not exceed the amount that would have been reimbursed had the employee traveled between the employee's place of employment and the duty point.

If the travel occurs before working hours on a work day, then the amount of the reimbursement may not exceed the amount that would have been reimbursed had the employee traveled between the employee's place of employment and the duty point. The preceding limitation, however, does not apply if the employee is required to travel because of an unforeseen emergency that is related to official state business.

For travel from a residence to a duty point, the time that the employee leaves the residence determines whether travel occurs during working or non-working hours.

For travel from a duty point to a residence, whether travel occurs during working or non-working hours is determined by the time that the employee:

- leaves the duty point, if the duty point is within the employee's designated headquarters; or
- arrives at the residence, if the duty point is outside the employee's designated headquarters.

In this subsection, "duty point" includes an airport if the purpose of traveling between a residence and the airport is not to catch or disembark from a flight.

Voucher and Documentation Requirements:

The supporting documentation for a mileage reimbursement subject to this subsection must satisfy all the following requirements.

- a. If the amount of a mileage reimbursement for travel that occurred before working hours on a work day exceeds the amount that could be reimbursed had the employee traveled between the employee's place of employment and the duty point, then the supporting documentation must include an explanation of the unforeseen emergency.*
- b. The supporting documentation must specify the employee's working hours.*
- c. If the reimbursement is for travel from a residence to a duty point, then the supporting documentation must specify the time that the employee left the residence.*
- d. If the reimbursement is for travel from a duty point within the employee's designated headquarters to a residence, then the supporting documentation must specify the time that the employee left the duty point.*
- e. If the reimbursement is for travel from a duty point outside the employee's designated headquarters to a residence, then the supporting documentation must specify the time that the employee arrived at the residence.*

³⁰⁹ Id.

f. If the reimbursement is for travel that occurred during working hours or before working hours on a work day, then the supporting documentation must state that the number of miles between the residence and the duty point is not more than the number of miles between the employee's place of employment and the duty point.

C. Travel between a residence and a place of employment.

A state agency shall reimburse a state employee for mileage when the employee travels between the employee's residence and the employee's place of employment if:

- an extraordinary circumstance necessitates the travel; and ←
- the travel occurs during non-working hours.

In this subsection, "extraordinary circumstance" means an event that:

- threatens the public health or safety; or
- has caused or threatens to cause damage to public property.

The starting time of the travel determines whether the travel occurs during non-working hours.

A state agency may not reimburse a state employee for mileage when the employee travels between the employee's residence and the employee's place of employment except as discussed above.³¹⁰

Voucher and Documentation Requirements:

The supporting documentation for a mileage reimbursement subject to this subsection must:

- a. specify the employee's working hours; and*
- b. include a description of the extraordinary circumstance requiring the travel; and*
- c. state the starting time of the travel.*

§ 4.07 Mileage incurred while obtaining meals

A. Meal obtained outside a designated headquarters but inside a duty point.

This subsection applies only if:

- a state employee obtains a meal in the employee's duty point; and
- the duty point is located outside the employee's designated headquarters.

The employee is entitled to be reimbursed for the mileage incurred while obtaining the meal if the meal expense is reimbursable. When determining whether a meal expense is reimbursable under this subsection, the maximum meal reimbursement rate is ignored.

The following example illustrates this subsection. A state employee's duty point is Odessa. The employee's designated headquarters is Abilene. After the employee has already incurred \$36 in meal expenses on a day, the employee incurs an additional \$15 in meal expenses in Odessa on the same day. The employee is entitled to be reimbursed for mileage incurred while obtaining the additional meal.

B. Meal obtained outside both a designated headquarters and a duty point.

³¹⁰ TEX. GOV'T CODE ANN. § 660.041(c) (Vernon 2004).

This subsection applies only if:

- a state employee obtains a meal outside the employee's duty point; and
- the duty point is located outside the employee's designated headquarters; and
- the meal is not obtained inside the employee's designated headquarters.

The employee is entitled to be reimbursed for the mileage incurred to the boundary of the duty point while obtaining the meal if the meal expense is reimbursable. When determining whether a meal expense is reimbursable under this subsection, the maximum meal reimbursement rate is ignored.

The following example illustrates this subsection. A state employee's duty point is Houston. The employee's designated headquarters is Huntsville. The employee decides to obtain a meal in Katy, which is located west of Houston. The employee is entitled to be reimbursed for the mileage incurred within the city limits of Houston. The mileage incurred outside the city limits of Houston is not reimbursable.

C. Meal obtained within a designated headquarters.

This subsection applies only if Section 3.02(A)(1) authorizes a state agency to reimburse a state employee for a meal expense incurred within the employee's designated headquarters.

The employee is entitled to be reimbursed for the mileage incurred while obtaining the meal if the meal expense is reimbursable. When determining whether a meal expense is reimbursable under this subsection, the maximum meal reimbursement rate is ignored.

The following example illustrates this subsection. A state employee's designated headquarters is El Paso. The employee incurs a meal expense in El Paso that is mandatory and connected with a seminar the employee is attending. The employee is entitled to be reimbursed for mileage incurred while obtaining the meal.

§ 4.08 Mileage incurred while obtaining lodging

A. Lodging obtained in a duty point.

This subsection applies only when a state employee obtains lodging in the employee's duty point. The employee is entitled to be reimbursed for the mileage incurred while obtaining the lodging if the lodging expense is reimbursable.

When determining whether a lodging expense is reimbursable under this subsection:

- the maximum lodging reimbursement rate, per commercial lodging establishment must be ignored; and
- the principle that no lodging expenses are reimbursable when none is incurred also must be ignored.

The following example illustrates this subsection. A state employee obtains lodging at a commercial lodging establishment in the employee's duty point of Longview. The cost of the lodging is \$90 per day. The employee is entitled to be reimbursed for the mileage incurred while traveling to and from the establishment.

B. Lodging obtained outside a duty point.

This subsection applies only if a state employee obtains lodging outside the employee's duty point. A state agency shall adopt a policy about the reimbursement of mileage incurred by a state employee while obtaining lodging outside the employee's duty point. The policy must be consistent with Section 1.07's requirement for a state agency to conserve funds. The agency that adopts the policy is solely responsible for enforcing the policy.

Notwithstanding a state agency's policy, the agency may reimburse mileage incurred while obtaining lodging only if the lodging expense is reimbursable. When determining whether a lodging expense is reimbursable under this subsection, ignore:

- the maximum lodging reimbursement rate, per commercial lodging establishment, if any; and
- the principle that a state agency may not reimburse a state employee for a lodging expense incurred at a place that is not a commercial lodging establishment; and
- the principle that no lodging expenses are reimbursable when none is incurred.

This paragraph describes a policy that complies with Section 1.07's requirement for a state agency to conserve funds. The policy described is not necessarily the only policy that could comply. The policy is as follows. A state employee is entitled to be reimbursed for mileage incurred while obtaining lodging outside the employee's duty point. The reimbursement amount for mileage incurred outside the duty point, however, may not exceed the difference between the cost of the lodging, if any, that was available within the duty point and the cost of the lodging obtained outside the duty point. If the difference is zero or negative, then no mileage incurred outside the duty point is reimbursable.

The following example illustrates this subsection. A state agency has adopted a policy that entitles a state employee to be reimbursed for mileage incurred while obtaining lodging outside the employee's duty point. The policy, however, limits the reimbursable mileage to 50 miles each direction. A state employee who works for that agency has a duty point in Dallas. The employee accepts a friend's offer to stay free at the friend's home in Fort Worth. Under the agency's policy, the agency must reimburse the employee for the mileage incurred to and from the friend's home. The reimbursable mileage, however, may not exceed 100 miles. (This example does not imply that the policy described in the example necessarily complies with this subsection.)

§ 4.09 Parking

Except as otherwise provided by this section, a state agency may reimburse:

- a state employee for a parking expense incurred when the employee travels in a personally owned or leased motor vehicle,³¹¹ a state-owned or leased motor vehicle, or a rented motor vehicle; or
- a legislator for a parking expense incurred when the legislator travels in a personally owned or leased motor vehicle, a state-owned or leased motor vehicle, or a rented motor vehicle.³¹²

³¹¹ TEX. GOV'T CODE ANN. § 660.041(b) (Vernon 2004).

³¹² See TEX. GOV'T CODE ANN. § 660.202(a) (Vernon 2004) (entitling a legislator to be reimbursed for incidental expenses).

A state agency may not reimburse a state employee or legislator for a parking expense incurred at a location if none of the mileage incurred to reach the location is reimbursable. This paragraph applies only if the expense is incurred while operating a personally owned or leased motor vehicle.

A parking expense incurred by an individual while dropping off or picking up a state employee or a legislator at the airport is reimbursable.

Voucher and Documentation Requirements:

1. *The supporting documentation for the reimbursement of a parking expense must satisfy all the following requirements.*
 - a. *The supporting documentation must list each day the expense was incurred. The listing of a range of days satisfies this requirement, except that a listing may not cover more than one fiscal year.*
 - b. *The supporting documentation must list the amount of the expense that was incurred each day. If the amount was the same for each day, then listing the amount only once satisfies this requirement.*
 - c. *A receipt for the expense is not required to be included in the supporting documentation.*
2. *Object code 7105 must be used for travel within Texas.*
3. *Object code 7115 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
4. *Object code 7121 must be used for all other travel.*

§ 4.10 Tolls

Except as otherwise provided by this section, a state agency may reimburse:

- a state employee for tolls paid when the employee travels in a personally owned or leased motor vehicle,³¹³ a state-owned or leased motor vehicle, or a rented motor vehicle; or
- a legislator for tolls paid when the legislator travels in a personally owned or leased motor vehicle, a state-owned or leased motor vehicle,³¹⁴ or a rented motor vehicle.

A state agency may not reimburse for tolls paid:

- while operating a personally owned or leased motor vehicle if none of the mileage incurred while engaged in that travel is reimbursable; or
- while operating a rented motor vehicle if none of the rental cost is reimbursable; or
- by a state employee while using a rented motor vehicle to obtain a meal within the employee's designated headquarters.

³¹³ TEX. GOV'T CODE ANN. § 660.041(b) (Vernon 2004).

³¹⁴ See TEX. GOV'T CODE ANN. § 660.202(a) (Vernon 2004) (entitling a legislator to be reimbursed for incidental expenses).

Voucher and Documentation Requirements:

1. *Object code 7105 must be used if the travel is within Texas.*
2. *Object code 7115 must be used if the travel is outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
3. *Object code 7121 must be used for all other travel.*

§ 4.11 Exception for employees of the Texas Department of Banking

The amount of a reimbursement for a mileage, parking, or toll expense incurred by an employee of the Texas Department of Banking may be determined in the same way that the amount of a mileage, parking, or toll expense reimbursement paid by a federal counterpart agency is determined.³¹⁵

Voucher and Documentation Requirements:

If the Texas Department of Banking determines the amount of a mileage, parking, or toll expense reimbursement to an employee in the same way that the amount of a mileage, parking, or toll expense reimbursement is determined by a federal counterpart agency, then the supporting documentation must specify:

- a. *the applicable reimbursement rates; and*
- b. *the source of those rates.*

³¹⁵ Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

Chapter 5 – Travel by Rented or Public Conveyance

§ 5.01 Supporting documentation requirements for reimbursements

This section specifies the supporting documentation requirements for the reimbursement of a state employee for the expense of transportation by rented or public conveyance. Section 5.06 specifies the supporting documentation requirements for a state agency's payment of that expense to a commercial transportation company, a credit card issuer, or a travel agency.

A. Commercial air transportation.³¹⁶

Except as otherwise provided by this subsection, a passenger receipt issued by a commercial airline company or an itinerary issued by the company or a travel agency must be included in the supporting documentation for a reimbursement of the cost of transportation on the airline.

Unless otherwise authorized by this subsection, the passenger receipt or itinerary must be original and complete. A receipt or itinerary that has been altered by any person other than the airline is unacceptable. A receipt or itinerary to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt or itinerary.

The name of the employee and airline, the ticket number, the class of transportation, the fare basis code, the travel dates, the amount of the airfare, and the origin and destination of each flight must be included on the receipt or itinerary.

If neither the passenger receipt nor the itinerary is available, then the supporting documentation must include the canceled check or credit card slip used to pay for the transportation, the credit card billing on which the transportation charges appear, or a copy of the receipt, check, slip, or billing. Neither a statement nor an affidavit is acceptable. If a copy of the receipt or itinerary is included in the supporting documentation, then the name of the employee and airline, the ticket number, the class of transportation, the fare basis code, the travel dates, the amount of the airfare, and the origin and destination of each flight must be included on the copy. If the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation, then the name of the employee and airline, the ticket number, the class of transportation, the fare basis code, the travel dates, the amount of the airfare, and the origin and destination of each flight must be included in the documentation. For the purpose of this paragraph, a "copy" of a receipt, canceled check, credit card slip, or credit card billing includes a photocopy, an electronically stored version, a microfiche, or a microfilm of it.

³¹⁶ TEX. GOV'T CODE ANN. §§ 660.002(17), 660.092(b) (Vernon 2004).

Voucher and Documentation Requirement:

The supporting documentation must include a statement that the original passenger receipt or itinerary is unavailable if a copy of that receipt or the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation in lieu of the original passenger receipt or itinerary.

B. Rental of motor vehicles.³¹⁷

Except as otherwise provided by this subsection, the receipt issued by a motor vehicle rental company must be included in the supporting documentation for a reimbursement of the cost of renting a motor vehicle from the company.

Unless otherwise authorized by this subsection, the receipt must be original and complete. A receipt that has been altered by any person other than the company is unacceptable.

The receipt must show the starting and ending dates of the rental, specify the name of the motor vehicle rental company, specify the name of the renter, and itemize the expenses incurred. If the receipt does not provide all the preceding items and the rental contract provides the missing items, then the contract also may be included in the supporting documentation. The contract must also be original, complete, and unaltered.

A receipt or contract to which additional information has been added is considered unaltered for the purposes of the two preceding paragraphs if the additional information does not conflict with the original information on the receipt or contract.

If the receipt and the contract are both unavailable, then the supporting documentation must include a copy of the receipt or contract, the original or a copy of the canceled check or credit card slip used to pay for the rented motor vehicle, or the original or a copy of the credit card billing on which the rental charges appear. Neither a statement nor an affidavit is acceptable. If a copy of the receipt or contract is included in the supporting documentation, then the starting and ending dates of the rental, the name of the motor vehicle rental company, the name of the renter, and an itemization of the expenses incurred must be included on the copy. If the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation, then the starting and ending dates of the rental, the name of the motor vehicle rental company, the name of the renter, and an itemization of the expenses must be included in the documentation.

This paragraph applies if the individual listed on the receipt is different from the state employee named on the voucher. The receipt is acceptable if the supporting documentation includes proof that the employee paid the expenses for which the employee is claiming reimbursement. The proof may be in the form of a credit card slip, a credit card billing, a canceled check, or a receipt from the individual. If the slip, billing, check, or receipt is unavailable, then only a copy of it may be included in the supporting documentation in lieu of the original. Neither a statement nor an affidavit is acceptable.

For the purpose of this subsection, a "copy" of a contract, receipt, canceled check, credit card slip, or credit card billing includes a photocopy, an electronically stored version, a microfiche, or a microfilm of it.

³¹⁷ Id.

Voucher and Documentation Requirement:

The supporting documentation must include a statement that the original receipt or contract is unavailable if a copy of that receipt or contract or if the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation in lieu of the original receipt or contract.

C. Travel by mass transit, taxi, or limousine.³¹⁸

A receipt is not required to be included in the supporting documentation for a reimbursement of travel by bus, subway, other mode of mass transit, taxi, or limousine.

Voucher and Documentation Requirement:

The supporting documentation for the reimbursement of travel by bus, subway, other mode of mass transit, taxi, or limousine must itemize the date and the fare charged for each trip. The itemization may be provided by a receipt from the mass transit, taxi, or limousine company or by any other means.

D. Travel by railroad, boat, bicycle, or motor vehicle.³¹⁹

This subsection applies only to travel by railroad, boat, bicycle, or motor vehicle that is not covered by Subsection (A), (B), or (C) of this section.

Except as otherwise provided by this subsection, a receipt from a commercial transportation company must be included in the supporting documentation for a reimbursement of the expense of traveling by rented or public conveyance.

Unless otherwise authorized by this subsection, the receipt must be original and complete. A receipt that has been altered by any person other than the commercial transportation company is unacceptable. A receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.

The name of the employee and company, the travel dates, the mode of transportation, and an itemization of the expenses incurred must be included on the receipt.

³¹⁸ *Id.*

³¹⁹ *Id.*

If the receipt is unavailable, then the supporting documentation must include the canceled check or credit card slip used to pay for the transportation, the credit card billing on which the transportation charges appear, or a copy of the receipt, check, slip, or billing. Neither a statement nor an affidavit is acceptable. If a copy of the receipt is included in the supporting documentation, then the name of the employee and company, the travel dates, the mode of transportation, and an itemization of the expenses incurred must be included on the copy. If the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation, then the name of the employee and company, the travel dates, the mode of transportation, and an itemization of the expenses incurred must be included in the documentation. For the purpose of this paragraph, a "copy" of a receipt, canceled check, credit card slip, or credit card billing includes a photocopy, an electronically stored version, a microfiche, or a microfilm of it.

Voucher and Documentation Requirement:

The supporting documentation must include a statement that the original receipt is unavailable if a copy of that receipt or the original or a copy of a canceled check, credit card slip, or credit card billing is included in the supporting documentation in lieu of the original receipt.

§ 5.02 Commercial air transportation

A. General discussion.

Unless prohibited by Chapter 1 or 2 or Subsection (B) of this section, a state agency shall reimburse a state employee for the actual cost of commercial air transportation.³²⁰ The amount of the reimbursement, however, may not exceed the cost of the lowest available airfare between the employee's designated headquarters and the employee's duty point.³²¹ First class airfare may be reimbursed only if it was the only available airfare.³²² Business class airfare may be reimbursed only if a lower airfare was not available.³²³

B. Limitations.

A state agency may not reimburse a state employee for the cost of air transportation by a person that is not a commercial transportation company.³²⁴

This paragraph applies only to a state agency in the executive branch of state government that is required to participate in the Texas Building and Procurement Commission's (TBPC) contracts for travel services as discussed in Section 1.16. Except as provided by TBPC rule, a state agency's reimbursement of a state employee for commercial air transportation may not exceed the amount of TBPC's contracted fares.³²⁵

³²⁰ TEX. GOV'T CODE ANN. § 660.091 (Vernon 2004).

³²¹ TEX. GOV'T CODE ANN. § 660.093 (Vernon 2004).

³²² *Id.*

³²³ *Id.*

³²⁴ TEX. GOV'T CODE ANN. § 660.092(f) (Vernon 2004).

³²⁵ TEX. GOV'T CODE ANN. § 2171.056(b)(2) (Vernon 2000).

Voucher and Documentation Requirements:
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1. *The supporting documentation for the reimbursement of first class airfare must include a statement that first class airfare was the only available airfare.*
2. *The supporting documentation for the reimbursement of business class airfare must include a statement that a lower airfare was not available.*
3. *Object code 7101 must be used for travel within Texas.*
4. *Object code 7111 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
5. *Object code 7121 must be used for all other travel.*

§ 5.03 Rental of motor vehicles

A. General discussion.

Unless prohibited by Chapter 1 or 2, a state agency shall reimburse a state employee for the reimbursable cost of renting a motor vehicle if the employee paid the cost directly to the motor vehicle rental company or to another individual who paid the company directly.³²⁶

In this section:

- "Non-state employee business traveler" means an individual who is not a state employee and who is traveling on business.
- "Reimbursable cost" includes applicable taxes and similar mandatory charges. The term does not include a charge for a liability insurance supplement, personal accident insurance, safe trip insurance, or personal effects insurance. The term includes a charge for an additional driver only if the charge is incurred for an official state business reason. The term includes a charge for a collision damage waiver or a loss damage waiver unless the waiver is included in the contracted rate for the rental. For example, a state employee rents a car from a motor vehicle rental company at the state contracted rate. The employee agrees to purchase a collision damage waiver from the company at additional cost. The state has a contract with the company that includes the waiver in the basic cost of the rental. Under these assumed facts, the cost of the waiver is not a "reimbursable cost."
- "State employee" means only a state employee who is not prohibited by Section 1.14 from being reimbursed for the cost of renting a motor vehicle.

B. Sharing a rented motor vehicle.

This subsection applies when at least two individuals share a rented motor vehicle and at least one of them is a state employee. Each state employee sharing the vehicle is entitled to be reimbursed for the employee's share of the reimbursable cost of renting the vehicle. The amount of the employee's reimbursement is equal to a quotient:

- the numerator of which is equal to the total reimbursable costs for renting the vehicle; and
- the denominator of which is equal to the total number of state employees and non-state employee business travelers sharing the vehicle.

³²⁶ TEX. GOV'T CODE ANN. § 660.091 (Vernon 2004).

C. Limitation.

This subsection applies only to a state agency in the executive branch of state government that is required to participate in the Texas Building and Procurement Commission's (TBPC) contracts for travel services as discussed in Section 1.16.

Except as provided by TBPC rule, a state agency's reimbursement of a state employee for rental car transportation may not exceed the amount of TBPC's contracted rates.³²⁷

Voucher and Documentation Requirements:

1. *The supporting documentation for the reimbursement of the cost of renting a motor vehicle must state that the reimbursement does not include the cost of personal effects or personal accident insurance. This requirement, however, does not apply if the supporting documentation includes the original or a copy of the rental contract.*
2. *Object code 7101 must be used for travel within Texas.*
3. *Object code 7111 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
4. *Object code 7121 must be used for all other travel.*
5. *Object code 7101 must be used for a purchase of gasoline from a motor vehicle rental company if the travel is within Texas.*
6. *Object code 7105 must be used for a purchase of gasoline from a person other than a motor vehicle rental company if the travel is within Texas.*
7. *Object code 7111 must be used for a purchase of gasoline from a motor vehicle rental company if the travel is outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
8. *Object code 7115 must be used for a purchase of gasoline from a person other than a motor vehicle rental company if the travel is outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
9. *Object code 7121 must be used for a purchase of gasoline from any person if the travel is in a foreign country other than Canada and the United Mexican States.*

³²⁷ TEX. GOV'T CODE ANN. § 2171.056(b)(2) (Vernon 2000).

§ 5.04 Travel by railroad, bicycle, boat, or motor vehicle

Unless prohibited by Chapter 1 or 2, a state agency shall reimburse a state employee for the actual cost of transportation railroad, bicycle, boat, or motor vehicle not covered by Section 5.02, 5.03, or 5.05.³²⁸ A state agency may not reimburse a state employee for the cost of transportation by a person that is not a commercial transportation company.³²⁹

Voucher and Documentation Requirements:

1. *Object code 7101 must be used for travel within Texas.*
2. *Object code 7111 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
3. *Object code 7121 must be used for all other travel.*

§ 5.05 Travel by mass transit, taxi, or limousine

Unless prohibited by Chapter 1 or 2, a state agency shall reimburse a state employee for the actual cost of transportation by bus, subway, other mode of mass transit, or taxi.³³⁰ A state agency may not reimburse a state employee for the cost of transportation by a person that is not a commercial transportation company.³³¹

If a taxi is shared by two or more state employees, then only the employee who paid for the taxi may be reimbursed for that expense. The other employees may be reimbursed only for charges imposed on an individual-by-individual basis.

Unless prohibited by Chapter 1 or 2, a state agency may reimburse a state employee for the actual cost of transportation by limousine if it was the least costly transportation available considering all relevant circumstances.³³²

If a limousine is shared by two or more state employees, then only the employee who paid for the limousine may be reimbursed for that expense. The other employees may be reimbursed only for charges imposed on an individual-by-individual basis.

This paragraph applies when a state employee uses a bus, subway, other mode of mass transit, taxi, or limousine to travel between the employee's residence on the one hand and the employee's place of employment or duty point or an airport on the other. The comparisons required by Section 4.06 must be used to determine the maximum amount of the employee's reimbursement.

This paragraph applies when a state employee uses a bus, subway, other mode of mass transit, taxi, or limousine to obtain a meal. A state agency may reimburse the employee for the cost of transportation to the boundary of the employee's duty point if the meal expense is reimbursable. When determining whether a meal expense is reimbursable under this paragraph, the maximum meal reimbursement rate is ignored.

³²⁸ TEX. GOV'T CODE ANN. § 660.091 (Vernon 2004).

³²⁹ TEX. GOV'T CODE ANN. § 660.092(f) (Vernon 2004).

³³⁰ TEX. GOV'T CODE ANN. § 660.091 (Vernon 2004).

³³¹ TEX. GOV'T CODE ANN. § 660.092(f) (Vernon 2004).

³³² TEX. GOV'T CODE ANN. § 660.094 (Vernon 2004).

Voucher and Documentation Requirements:

1. *The supporting documentation for the reimbursement of a transportation expense subject to this section must itemize the date and the fare charged for each trip. The itemization may be provided by a receipt from the mass transit, taxi, or limousine company or by any other means.*
2. *If a state employee uses a bus, subway, other mode of mass transit, taxi, or limousine to travel between the employee's residence and an airport, then the voucher and documentation requirements in Section 4.06(A) apply except for requirement (c).*
3. *If a state employee uses a bus, subway, other mode of mass transit, taxi, or limousine to travel between the employee's residence and the employee's duty point, then the voucher and documentation requirements in Section 4.06(B) apply except for requirements (a) and (f). The following additional requirements apply.*
 - a. *If the amount of a reimbursement for travel that occurred before working hours on a work day exceeds the amount that could be reimbursed had the employee traveled between the employee's place of employment and the duty point, then the supporting documentation must include an explanation of the unforeseen emergency.*
 - b. *If the reimbursement is for travel that occurred during working hours or before working hours on a work day, then the supporting documentation must state that the expense incurred while traveling between the residence and the duty point is not more than the expense that would have been incurred while traveling between the place of employment and the duty point.*
4. *If a state employee uses a bus, subway, other mode of mass transit, taxi, or limousine to travel between the employee's residence and the employee's place of employment, then the voucher and documentation requirements in Section 4.06(C) apply.*
5. *Object Code 7101 must be used for travel within Texas.*
6. *Object code 7111 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
7. *Object code 7121 must be used for all other travel.*

§ 5.06 Direct payment of transportation expenses

A. General discussion.

A state agency may request a commercial transportation company to bill the agency directly for the expense of transporting the agency's employees by rented or public conveyance.³³³ The agency must require the company to submit an invoice to the agency monthly for the transportation.³³⁴

³³³ TEX. GOV'T CODE ANN. § 660.092(c) (Vernon 2004).

³³⁴ *Id.*

A state agency may directly pay a credit card issuer or travel agency for the expense of transporting the agency's employees by rented or public conveyance.³³⁵ The limitations that apply to a direct payment to a commercial transportation company also apply to a direct payment to a credit card issuer or travel agency.³³⁶

A state agency may directly pay a commercial transportation company, credit card issuer, or travel agency before an employee travels if the company offers lower rates for the transportation on the condition that it is paid for in advance.³³⁷ An appropriation for the current fiscal year, however, may not be used to pay for transportation that will occur during the next fiscal year.

Notwithstanding anything in this section:

- a state agency may not directly pay a transportation expense if any other section of the guide would prohibit the agency from reimbursing a state employee for the expense;³³⁸ and
- the amount of a state agency's direct payment of a transportation expense may not exceed the maximum amount that could be reimbursed to a state employee for that expense.³³⁹

B. Limitation.

This subsection applies only to a state agency in the executive branch of state government that is required to participate in the Texas Building and Procurement Commission's (TBPC) contracts for travel services as discussed in Section 1.16.

Except as provided by TBPC rule, a state agency may not purchase commercial airline or rental car transportation if the amount of the purchase exceeds the amount of TBPC's contracted fares or rates.³⁴⁰

Voucher and Documentation Requirements:

1. *Except as provided in the following voucher and documentation requirements, the supporting documentation for a payment to a commercial transportation company, a credit card issuer, or a travel agency for a transportation expense must include the same receipts, statements, and other information that would be required to be included in the supporting documentation for the reimbursement of a state employee for that expense. If the payment is made before the transportation occurs, then the supporting documentation also must include a statement that the payment was made in advance to obtain a lower rate.*
2. *Any requirement in Chapters 1-8 for a particular statement or type of information to be included on a travel voucher/form does not apply. The statement or information may be included on the travel voucher/form, the voucher cover form, or elsewhere in the supporting documentation.*
3. *Any requirement in Chapters 1-8 for a travel voucher/form to be included in the supporting documentation does not apply. The voucher/form, however, may be included for the purposes specified in voucher and documentation requirement #2.*

³³⁵ TEX. GOV'T CODE ANN. § 660.014(a) (Vernon 2004).

³³⁶ TEX. GOV'T CODE ANN. § 660.014(b) (Vernon 2004).

³³⁷ TEX. GOV'T CODE ANN. § 660.092(d) (Vernon 2004).

³³⁸ TEX. GOV'T CODE ANN. § 660.092(e) (Vernon 2004).

³³⁹ *Id.*

³⁴⁰ TEX. GOV'T CODE ANN. § 2171.056(b)(1) (Vernon 2000).

4. *The object code that must be used when a state agency reimburses a transportation expense also must be used when the agency directly pays a commercial transportation company, a credit card issuer, or a travel agency for that expense.*

§ 5.07 Combining personal business with state business

A. General provisions.

This subsection applies if:

- a state employee conducted official state business at one or more duty points outside the employee's designated headquarters and personal business at one or more locations not in any of those duty points, without a return to the employee's designated headquarters in between; and
- before the trip began, the employee anticipated or a reasonable individual would have foreseen that both official state business and personal business would be conducted during the trip.³⁴¹

A state agency's reimbursement of the employee for the employee's transportation expenses or the agency's direct payment to a commercial transportation company, travel agency, or credit card issuer may not exceed the sum of:

- the lowest available cost of transporting the employee from the employee's designated headquarters to the employee's first duty point; and
- the lowest available cost of transporting the employee between the employee's duty points; and
- the lowest available cost of transporting the employee from the employee's last duty point to the employee's designated headquarters.

So long as the preceding limits are not exceeded, the agency may reimburse the employee for or pay all the transportation expenses incurred by the employee during the trip, including expenses incurred while going to and from a location at which personal business was conducted.

When applying those limits, the lowest available cost of transporting the employee must be determined by considering the cost of the type of transportation the employee would have used had the employee not conducted personal business during the trip. Any limit in this guide on the reimbursable or payable cost of the type of transportation that would have been used applies when determining the lowest available cost.

Voucher and Documentation Requirement:

The supporting documentation for the reimbursement of a transportation expense subject to this subsection must state the cost of the type of transportation that would have been used to transport the employee between the employee's designated headquarters and duty points had the employee not conducted personal business during the trip.

³⁴¹ Section 2.12(A) covers travel to a duty point while on personal or compensatory leave if, before the employee went on leave at a location outside the employee's designated headquarters: (1) the employee did not anticipate traveling to the duty point; and (2) a reasonable individual would not have foreseen the necessity to travel to the duty point.

B. Travel by rented motor vehicle.

1. General provisions.

This subsection applies to a particular rental expense incurred by a state employee only if Subsection (A) of this section does not apply to that expense.

Generally, a state employee who uses a rented motor vehicle for both personal business and official state business may be reimbursed only for the portion of the rental charges that are attributable to official state business. A state employee may not be reimbursed for the rental of a motor vehicle if the rental was necessary only because the employee combined personal business with state business.

2. Part of the rental period is free.

This subdivision applies when a state employee rents a motor vehicle for a fixed period and the charge imposed by the motor vehicle rental company for that period includes at least one free day.

Motor vehicle rental charges are reimbursable only on a daily charge basis. If a rental period is a multiple of days and a charge is not imposed on at least one of those days, then the daily charge is calculated as follows. The daily charge equals a quotient, the numerator of which is the total charge for the rental period and the denominator of which is the number of days for which a charge is imposed. "Free days" are not considered when calculating the daily charge.

Whether a state employee may be reimbursed for a motor vehicle rental charge on a day depends on how the motor vehicle is used during that day. The state, not the employee, is entitled to receive the benefit of a free day if the vehicle is used for official state business on that day. Similarly, the employee, not the state, is entitled to receive the benefit of a free day if the vehicle is used for personal reasons on that day.

The following examples illustrate this subdivision.

Example 1: A state employee rents a motor vehicle for seven days. The motor vehicle rental company says that the minimum rental period for a weekly rate is five days. The company's rental charge for the first five days is \$150. No charge is made for the remaining two days. The employee uses the motor vehicle on official state business during the first five days of the rental period. The employee uses the vehicle for personal business during the remaining two days. Under these facts, a state agency may reimburse the employee for the entire rental cost of \$150. This is because the entire rental cost of \$150 must be prorated over the days in which a charge is imposed, not over all days of the rental period. Given that a charge is imposed only for five days of the rental period, the prorated charge is \$30 for each of those five days. Because the motor vehicle was used for official state business during each of those days, the charge imposed for each day is reimbursable.

Example 2: The facts are the same as in example 1 except that the employee uses the motor vehicle for personal business during the first two days of the rental period and for official state business during the remaining five days. Under these facts, a state agency may reimburse the employee only \$90. The \$60 that is not reimbursable represents the daily charge for the first two days of the rental period. The motor vehicle was used for personal business during those days.

Example 3: A state employee rents a motor vehicle for 30 days. The motor vehicle rental company says that the minimum rental period for a monthly rate is 25 days and the maximum is 31 days. A rental charge is imposed for each day of the rental period. The monthly rate is \$22 per day. The employee uses the vehicle for official state business during the first 23 days and personal business during the remaining seven days. Under these facts, a state agency may reimburse the employee \$506 because only the official state business days are reimbursable.

Voucher and Documentation Requirements:
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The supporting documentation for a reimbursement subject to this subsection must:

- a. state that both official state business and personal business were conducted during the travel; and*
- b. specify which days, if any, of the rental period were free and the source for determining those days.*

§ 5.08 Frequent flyer miles and other awards or discounts given for frequent use

TEX. PEN. CODE ANN. § 39.02 (Vernon 2003) criminalizes a public servant's misuse of government property, services, personnel, or other things of value belonging to state government that come into the public servant's custody or possession by virtue of the public servant's office or employment. Frequent flyer miles and other awards or discounts given for frequent use of a commercial airline or motor vehicle rental company, however, are not "things of value" belonging to state government for the purposes of Section 39.02 because of the administrative difficulty and cost involved in recapturing the award for state government.

§ 5.09 Exception for employees of the Texas Department of Banking

The amount of a reimbursement to an employee of the Texas Department of Banking for the expense of transportation by rented or public conveyance may be determined in the same way that the amount of a reimbursement paid by a federal counterpart agency for the same type of expense is determined.³⁴²

Voucher and Documentation Requirements:

If the Texas Department of Banking determines the amount of a reimbursement for the expense of transportation by rented or public conveyance in the same way that the amount of a reimbursement paid by a federal counterpart agency for the same type of expense is determined, then the supporting documentation must specify:

- a. the applicable reimbursement rates; and*
- b. the source of those rates.*

³⁴² Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

Chapter 6 – Transportation by Private Aircraft

§ 6.01 Reimbursements to legislators, board members, and key officials

A. General provisions.

A legislator, board member, or key official is entitled to be reimbursed for use of an aircraft owned or leased by the individual.³⁴³

The amount of a reimbursement to a legislator under this subsection may not exceed the product of:

- the applicable aircraft mileage reimbursement rate;³⁴⁴ and
- the highway mileage between the locations to which the legislator travels.³⁴⁵

The amount of a reimbursement to a board member or key official under this subsection may not exceed the product of:

- the applicable aircraft mileage reimbursement rate;³⁴⁶ and
- the highway mileage between the designated headquarters and duty point of the member or official.³⁴⁷

The aircraft mileage reimbursement rates are as follows:

- single engine aircraft: \$0.40.
- twin engine aircraft: \$0.55.
- turbine-powered or other aircraft: \$1.00.³⁴⁸

B. Travel with other persons.

This subsection applies when a legislator, board member, or key official travels with another legislator, member, or official in an aircraft owned or leased by the other legislator, member, or official.³⁴⁹ The individual who owns or leases the aircraft or the vendor who provided the leased aircraft³⁵⁰ is entitled to an amount equal to the sum of:

- the amount that would have been paid or reimbursed to each passenger had the passenger not traveled in the aircraft and incurred either:
 - the Texas Building and Procurement Commission's (TBPC) contracted airfare, if the contract would have applied to the passenger; or
 - the average coach airfare, if either TBPC did not have a contracted airfare or TBPC's contracted airfare would not have applied to the passenger; and
- the reimbursement determined under Subsection (A) of this section.³⁵¹

A reimbursement under this subsection may not exceed the actual cost of the flight.³⁵²

³⁴³ TEX. GOV'T CODE ANN. § 660.071 (Vernon 2004).

³⁴⁴ TEX. GOV'T CODE ANN. § 660.072(1) (Vernon 2004).

³⁴⁵ Article IX, Section 5.05(a) of the General Appropriations Act.

³⁴⁶ TEX. GOV'T CODE ANN. § 660.072(1) (Vernon 2004).

³⁴⁷ TEX. GOV'T CODE ANN. § 660.072(2) (Vernon 2004).

³⁴⁸ Article IX, Section 5.05(a) of the General Appropriations Act.

³⁴⁹ TEX. GOV'T CODE ANN. § 660.074(a) (Vernon 2004).

³⁵⁰ TEX. GOV'T CODE ANN. § 660.074(c) (Vernon 2004).

³⁵¹ TEX. GOV'T CODE ANN. § 660.074(b) (Vernon 2004).

³⁵² *Id.*

A mileage reimbursement may not be paid to a passenger.

Notwithstanding anything in this subsection, a reimbursement may not be paid if Chapter 1 or 2 prohibits the reimbursement.

C. Travel by legislators during legislative sessions.³⁵³

Subsections (A) and (B) of this section apply to the travel of a legislator during a legislative session with two exceptions. First, the reimbursement rate for a legislator's operation of a turbine-powered aircraft is limited to \$0.55 per highway mile. Second, when a legislator is a passenger on a personally owned or leased aircraft, the reimbursement attributable to the legislator's travel may not exceed the highway mileage between the locations to which the legislator travels multiplied by \$0.55.

Voucher and Documentation Requirements:

1. *The supporting documentation for a reimbursement subject to this section must satisfy all the following requirements.*
 - a. *The supporting documentation must indicate the mode of transportation.*
 - b. *This paragraph applies when an individual or vendor is paid a reimbursement based entirely, or in part, on the amount that would have been paid or reimbursed to the individual's or vendor's passengers had they traveled by air but not on the individual's or vendor's aircraft. The supporting documentation must:*
 - (1) *specify the total cost of the flight and list the names and titles of all passengers on the flight; and*
 - (2) *state TBPC's contracted airfare or the average coach airfare, whichever is applicable, for the duty point for each passenger as of the date the travel began, if the passenger is not a legislator; and*
 - (3) *state TBPC's contracted airfare or the average coach airfare, whichever is applicable, for the location to which the passenger travels as of the date the travel began, if the passenger is a legislator; and*
 - (4) *state the source used to determine the average coach airfare, if applicable.*
2. *The following object codes must be used when traveling within Texas:*
 - 7122 – *single engine aircraft*
 - 7124 – *twin engine aircraft*
 - 7126 – *turbine-powered or other aircraft*
3. *The following object codes must be used when traveling outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States:*
 - 7123 – *single engine aircraft*
 - 7125 – *twin engine aircraft*
 - 7127 – *turbine-powered or other aircraft*
4. *Object code 7121 must be used for all other travel.*

³⁵³ TEX. CONST. art. III, § 24(c).

§ 6.02 Reimbursements to other state employees

A. General provisions.

This subsection applies only to a state employee who is neither a key official nor a board member. A state employee is entitled to be reimbursed for the employee's use of an aircraft owned or leased by the employee.³⁵⁴

The amount of a reimbursement under this subsection may not exceed the product of:

- the applicable aircraft mileage reimbursement rate,³⁵⁵ and
- the highway mileage between the designated headquarters and duty point of the employee.³⁵⁶

The aircraft mileage reimbursement rates are as follows:

- single engine aircraft: \$0.40.
- twin engine, turbine-powered, or other aircraft: \$0.55.³⁵⁷

Notwithstanding anything in this section, a reimbursement may not be paid if Chapter 1 or 2 prohibits the reimbursement.

B. Exceptions.

The amount of a reimbursement to an employee of the Texas Department of Banking for the employee's use of an aircraft owned or leased by the employee may be determined in the same way that the amount of a reimbursement paid by a federal counterpart agency is determined for the same type of expense.³⁵⁸

Voucher and Documentation Requirements:

1. *The supporting documentation for a reimbursement subject to this section must indicate the mode of transportation.*
2. *If the Texas Department of Banking determines the amount of a reimbursement to an employee for the employee's use of an aircraft owned or leased by the employee in the same way that the amount of a reimbursement paid by a federal counterpart agency is determined for the same type of expense, then the supporting documentation must specify:*
 - a. *the applicable reimbursement rates; and*
 - b. *the source of those rates.*
3. *The following object codes must be used for travel within Texas:*
 - 7122 – single engine aircraft*
 - 7124 – twin engine aircraft*
 - 7126 – turbine-powered or other aircraft*

³⁵⁴ TEX. GOV'T CODE ANN. § 660.071 (Vernon 2004).

³⁵⁵ TEX. GOV'T CODE ANN. § 660.072(1) (Vernon 2004).

³⁵⁶ TEX. GOV'T CODE ANN. § 660.072(2) (Vernon 2004).

³⁵⁷ Article IX, Section 5.05(b) of the General Appropriations Act.

³⁵⁸ Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

4. *The following object codes must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States:*
 - 7123 – *single engine aircraft*
 - 7125 – *twin engine aircraft*
 - 7127 – *turbine-powered or other aircraft*
5. *Object code 7121 must be used for all other travel.*

§ 6.03 Rental or lease of an aircraft

A. General provisions.

A state agency may use appropriated funds to reimburse a state employee, including a key official, for the actual cost of renting or leasing an aircraft only if the Texas Department of Transportation has determined that no state-owned aircraft are available to meet the need that has arisen or that the rental or lease would reduce the state's transportation costs.³⁵⁹

A mileage reimbursement may not be paid instead of reimbursing a state employee for the actual cost of renting or leasing an aircraft.

In this subsection, "aircraft" includes a helicopter.³⁶⁰

Notwithstanding anything in this section, a reimbursement may not be paid if Chapter 1 or 2 prohibits the reimbursement.

B. Exceptions.

The amount of a reimbursement to an employee of the Texas Department of Banking for the employee's rental or lease of an aircraft may be determined in the same way that the amount of a reimbursement paid by a federal counterpart agency is determined for the same type of expense.³⁶¹

Voucher and Documentation Requirements:

1. *The supporting documentation for a reimbursement subject to this section must satisfy both of the following requirements.*
 - a. *The supporting documentation must include the original or a copy of the Texas Department of Transportation's written approval of the rental or lease.*
 - b. *The supporting documentation must include a receipt for the rental or lease of the aircraft. The receipt must be original and complete. A receipt that has been altered by any person other than the owner of the aircraft is unacceptable. A receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.*

³⁵⁹ TEX. GOV'T CODE ANN. § 2205.035(e)-(f) (Vernon 2000); Act of May 29, 2005, 79th Leg., R.S., ch. 281, § 8.02(a)(3), 2005 Tex. Gen. Laws 778, 840 (a reference in law to the State Aircraft Pooling Board means the Texas Department of Transportation).

³⁶⁰ TEX. GOV'T CODE ANN. § 2205.035(f) (Vernon 2000).

³⁶¹ Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

2. *If the Texas Department of Banking determines the amount of a reimbursement to an employee for the employee's rental or lease of an aircraft in the same way that the amount of a reimbursement paid by a federal counterpart agency is determined for the same type of expense, then the supporting documentation must specify:*
 - a. *the applicable reimbursement rates; and*
 - b. *the source of those rates.*
3. *Object code 7445 must be used. If travel, however, is outside the United States, U.S. possessions, Canada, and the United Mexican States, then object code 7121 must be used.*

Chapter 7 – Special Provisions

§ 7.01 Legislators

A. Meal, lodging, and incidental expenses incurred while traveling in Texas.

A legislator is entitled to be reimbursed for actual meal, lodging, and incidental expenses incurred while traveling in Texas on legislative business or on the business of a board on which the legislator sits.³⁶² The maximum amount of the reimbursement for meal and lodging expenses, however, is equal to twice the amount that could be reimbursed if Sections 3.03-3.04 and 3.10-3.11 applied to the legislator's travel.³⁶³

See Section 7.07 for lists of reimbursable and non-reimbursable incidental expenses.

B. Meal, lodging, and incidental expenses incurred while traveling outside Texas.

A legislator is entitled to be reimbursed for meal, lodging, and incidental expenses incurred while traveling outside Texas on legislative business or on the business of a board on which the legislator sits.³⁶⁴ The rate of this reimbursement is determined by resolution of the house in which the legislator sits.³⁶⁵ The resolution may adopt either of the following methods.

1. First method.

The amount of the reimbursement equals the actual amount of meal, lodging, and incidental expenses incurred,³⁶⁶ subject to the following limit. If the legislator is being reimbursed for meal and lodging expenses incurred inside the conterminous United States, then the maximum amount of that reimbursement is equal to twice the amount that could be reimbursed if Sections 3.05-3.06 and 3.10-3.11 applied to the legislator's travel.³⁶⁷

See Section 7.07 for lists of reimbursable and non-reimbursable incidental expenses.

2. Second method.

The reimbursement for incidental expenses may not exceed the actual amount of incidental expenses incurred.³⁶⁸ See Section 7.07 for lists of reimbursable and non-reimbursable incidental expenses.

The reimbursement per day for meal expenses incurred at a location may not exceed the comptroller's maximum reimbursement rate for the location for that day³⁶⁹ unless the legislator has decreased the rate as provided in this subdivision.

³⁶² TEX. GOV'T CODE ANN. § 660.202(a)(2) (Vernon 2004).

³⁶³ Article IX, Section 5.07 of the General Appropriations Act.

³⁶⁴ TEX. GOV'T CODE ANN. § 660.202(a) (Vernon 2004).

³⁶⁵ Id.

³⁶⁶ TEX. GOV'T CODE ANN. § 660.202(a)(2) (Vernon 2004).

³⁶⁷ Article IX, Section 5.07 of the General Appropriations Act.

³⁶⁸ TEX. GOV'T CODE ANN. § 660.202(a)(2) (Vernon 2004).

³⁶⁹ TEX. GOV'T CODE ANN. § 660.202(a)(1) (Vernon 2004).

The reimbursement per day for lodging expenses incurred at a location may not exceed the comptroller's maximum reimbursement rate for the location for that day³⁷⁰ unless the legislator has increased the rate as provided in this subdivision.

The preceding reimbursement limits apply without a carry over from one day to another. For example, assume that the maximum meal reimbursement rate for location #1 is \$34 per day and the maximum for location #2 is \$42 per day. If a legislator incurs meal expenses of \$22 at the first location and \$54 at the second location, then only \$64 of those expenses are reimbursable.

If the maximum reimbursement rate adopted by the comptroller for a location changes in the middle of a legislator's stay at the location, then the change applies to the expenses incurred after the change. An example of a change is the switch from a high season rate to a low season rate.

The federal travel regulations specify maximum meal and lodging reimbursement rates for selected municipalities and counties in each state, in the territories and possessions of the United States, and in foreign countries. The comptroller's maximum reimbursement rates for those locations are the same as the rates contained in the version of the federal travel regulations that the comptroller has adopted by reference.

If the version of the federal travel regulations that the comptroller has adopted by reference does not specifically list a location, then the comptroller's maximum reimbursement rates for the location are the same as the maximum reimbursement rates specified in those regulations for the county in which the location is located. If those regulations list neither the location nor the county in which the location is located, then the comptroller's maximum reimbursement rates for the location are the lowest maximum rates for the state in which the location is located, as listed in the regulations.³⁷¹ When determining the lowest maximum reimbursement rates for the state, the rates for meals and lodging must be looked at separately. For example, the lowest maximum meal reimbursement rate for Louisiana might be in Lafayette while the lowest maximum lodging reimbursement rate for that state might be in Alexandria.

A legislator may reduce the comptroller's maximum meal reimbursement rate for a location and then use the amount of the reduction to increase the comptroller's maximum lodging reimbursement rate for the location.

Voucher and Documentation Requirements:

A. Reimbursement for actual meal and lodging expenses:

1. *A receipt for a lodging expense is not required to be included in the supporting documentation for the reimbursement of actual lodging expenses under Subsection (A) or (B)(1) of this section.*
2. *The following object codes must be used for travel that involves an overnight stay:*
 - a. *travel within Texas: 7104.*
 - b. *travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States: 7114.*
 - c. *all other travel: 7121.*

³⁷⁰ Id.

³⁷¹ TEX. GOV'T CODE ANN. § 660.202(b) (Vernon 2004).

3. *The following object codes must be used for travel that does not involve an overnight stay:*
 - a. *travel within Texas: 7108.*
 - b. *travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States: 7118.*
 - c. *all other travel: 7121.*

B. Reimbursement equal to the comptroller's maximum reimbursement rates:

1. *A receipt for a lodging expense is not required to be included in the supporting documentation for the reimbursement of a lodging expense under Subsection (B)(2) of this section.*
2. *Object code 7103 must be used for travel that does not involve an overnight stay. Object code 7113 must be used for all other travel. If travel, however, is outside the United States, U.S. possessions, Canada, and the United Mexican States, object code 7121 must be used regardless of whether the travel involves an overnight stay.*

C. Reimbursement for incidental expenses: *See the voucher and documentation requirements in Section 7.07.*

C. Transportation expenses incurred during legislative sessions.

According to Article III, Section 24 of the Texas Constitution, a legislator who travels on official state business during a legislative session is entitled to mileage at the same rate as prescribed by law for state employees.

1. Travel in a personally owned or leased aircraft.

A legislator who operates a personally owned or leased aircraft shall be reimbursed for the legislator's expenses according to Section 6.01(C).

2. Travel in a personally owned or leased motor vehicle.

A legislator who uses a personally owned or leased motor vehicle shall be reimbursed for the legislator's mileage at the same rate that is provided by the General Appropriations Act for state employees.³⁷²

3. Travel by rented or public conveyance.

A legislator who uses a rented or public conveyance shall be reimbursed for the legislator's expenses at the same rate that is provided by the General Appropriations Act for state employees.³⁷³

D. Transportation expenses incurred between legislative sessions.

A legislator shall be reimbursed for a transportation expense the legislator incurs between legislative sessions at the same rate as is provided in the General Appropriations Act for state employees.³⁷⁴ A legislator's reimbursement for the use of a personally owned or leased aircraft, however, shall be as specified in Section 6.01(A)-(B).

³⁷² TEX. GOV'T CODE ANN. § 660.202(c) (Vernon 2004).

³⁷³ *Id.*

³⁷⁴ *Id.*

§ 7.02 Board members

A. General provisions.

Complex legal issues must be resolved when determining the circumstances under which a board member is entitled to receive compensatory per diem and reimbursement of travel expenses. Although it is impossible to cover each board member in the guide, the following subsections provide a general outline of the procedures that must be followed and the issues that must be resolved for each board member.

B. Treatment of advisory board members.

The manner and amount of reimbursement for the travel and other expenses incurred by a member of an advisory board may be prescribed only by:

- the General Appropriations Act (GAA);³⁷⁵ or
- through the budget execution process under Chapter 317, Government Code, if the board is created after it is practicable to address the board's existence in the GAA.³⁷⁶

A state agency that has established an advisory board may designate the date on which the board will automatically be abolished.³⁷⁷ The designation must be by rule.³⁷⁸ The board may continue in existence after that date only if the agency amends the rule to provide for a different abolishment date.³⁷⁹

Unless the state agency that establishes an advisory board designates a different date, the board is automatically abolished on the later of September 1, 2005, or the fourth anniversary of the date of its creation.³⁸⁰ An advisory board that state or federal law has specifically created is considered to have been created on the effective date of that law unless the law specifically provides for a different date of creation.³⁸¹

The preceding two paragraphs do not apply to an advisory board that has a specific duration prescribed by statute.³⁸²

For purposes of this subsection, a state agency is considered to have established an advisory board if:

- state or federal law has specifically created the board to advise the agency; or
- the agency has, under state or federal law, created the board to advise the agency.³⁸³

³⁷⁵ TEX. GOV'T CODE ANN. § 2110.004(a)(1) (Vernon 2000).

³⁷⁶ TEX. GOV'T CODE ANN. § 2110.004(a)(2) (Vernon 2000).

³⁷⁷ TEX. GOV'T CODE ANN. § 2110.008(a) (Vernon Supp. 2005).

³⁷⁸ *Id.*

³⁷⁹ *Id.*

³⁸⁰ TEX. GOV'T CODE ANN. § 2110.008(b) (Vernon Supp. 2005).

³⁸¹ TEX. GOV'T CODE ANN. § 2110.008(c) (Vernon Supp. 2005).

³⁸² TEX. GOV'T CODE ANN. § 2110.008(d) (Vernon Supp. 2005).

³⁸³ TEX. GOV'T CODE ANN. § 2110.0012 (Vernon Supp. 2005).

The total amount expended in fiscal year 2006 or 2007 out of funds appropriated in the GAA for reimbursing the expenses of an advisory board may not exceed the greater of:

- ninety percent of the total amount expended in fiscal year 2003 to reimburse those expenses; or
- the total amount expended in fiscal year 2004 to reimburse those expenses as approved by the governor and the Legislative Budget Board (LBB).³⁸⁴

This limitation does not apply if:

- the GAA specifically provides otherwise; or
- the governor and the LBB provide written authorization of the expenditures.³⁸⁵

To the maximum extent possible and unless otherwise provided in the GAA, a state agency or an institution of higher education shall reduce the need to use funds appropriated by the GAA to reimburse advisory board members for overnight stays by:

- encouraging the use of videoconferencing and teleconferencing; and
- scheduling meetings and locations so that the members may return the same day.³⁸⁶

For more information about advisory boards, see Chapter 2110, Government Code.

C. Treatment of elected board members.

For the purposes of this section, the term "board member" does not include a member of a board whose membership is elected by vote of the people. Except as specifically provided in the guide, a board member covered by this exclusion is treated as a "chief administrator of a state agency" for the purpose of reimbursing the member's travel expenses.³⁸⁷

D. Meal and lodging expenses.

Most board members are entitled to receive reimbursement of their meal and lodging expenses because a statute, a resolution, or TEX. GOV'T CODE ANN. §§ 659.031-659.033 (Vernon 2004) authorizes the reimbursement. The reimbursement may be dependent on whether the expenses are incurred in connection with an eligible event. The meaning of "eligible event" varies from board to board as provided in the applicable statutes. For some boards, "eligible event" is limited to attendance at board meetings. For other boards, "eligible event" includes making business-related telephone calls.

If a reimbursement is authorized, then the amount of the reimbursement depends upon whether Sections 659.031-659.033 apply. The applicability of those sections varies from board to board and is beyond the scope of the guide.

³⁸⁴ Article IX, Section 4.04(f)(1) of the General Appropriations Act (GAA). This limitation is not an authorization to reimburse the expenses. The reimbursement must be authorized by another provision in the GAA.

³⁸⁵ Article IX, Section 4.04(f)(1) of the General Appropriations Act (GAA).

³⁸⁶ Article IX, Section 4.04(f)(2) of the General Appropriations Act.

³⁸⁷ See the definition of "chief administrator of a state agency" in Section 1.02(H).

If the sections apply, then the following reimbursement rates apply.

- A board member who travels within Texas may be reimbursed for the member's expenses for meals and lodging.³⁸⁸ The reimbursement, however, may not exceed \$121 per day.³⁸⁹
- A board member who travels outside Texas but within the conterminous United States may be reimbursed for the member's actual expenses for meals and lodging.³⁹⁰ The reimbursement, however, may not exceed the maximum amount that may be reimbursed to a state employee for travel to the same location.³⁹¹ In this paragraph, "state employee" does not include a chief administrator of a state agency.
- A board member who travels outside the conterminous United States may be reimbursed for the member's actual expenses for meals and lodging.³⁹²

If the sections do not apply, then the amount of the reimbursement must be determined by analyzing the applicable statutes on a board-by-board basis.

Voucher and Documentation Requirements:

1. *The supporting documentation for a meal or lodging expense subject to this subsection must satisfy both of the following requirements.*
 - a. *The supporting documentation for the reimbursement of a lodging expense must include a receipt that complies with Section 3.13(B) unless the individual whose expenses are being reimbursed:*
 - (1) *is a member of a board whose membership is elected by vote of the people;*³⁹³ *or*
 - (2) *serves on a board full-time and is paid a salary for that service.*³⁹⁴
 - b. *If a lodging receipt is not required under Paragraph (a), then the supporting documentation for the reimbursement of a lodging expense must include the name and address of the commercial lodging establishment. This requirement does not apply if the reimbursement is made by:*
 - (1) *a state agency in the judicial or legislative branch of state government; or*
 - (2) *the Employees Retirement System of Texas with funds that are not general revenue funds; or*
 - (3) *an institution of higher education with funds that are neither general revenue nor educational and general funds.*
2. *The following object codes must be used, regardless of whether the travel involves an overnight stay outside the board member's designated headquarters:*
 - a. *a meal or lodging expense incurred by a board member while traveling within Texas: 7110.*
 - b. *a meal or lodging expense incurred by a board member while traveling outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States: 7130.*
 - c. *a meal or lodging expense incurred by a board member while traveling elsewhere: 7121.*

³⁸⁸ Article IX, Section 4.04(a)(2) of the General Appropriations Act.

³⁸⁹ *Id.*

³⁹⁰ *Id.*

³⁹¹ *Id.*

³⁹² *Id.*; Article IX, Section 5.06(d) of the General Appropriations Act.

³⁹³ TEX. GOV'T CODE ANN. § 660.115(c)(1) (Vernon 2004).

³⁹⁴ TEX. GOV'T CODE ANN. § 660.115(c)(2) (Vernon 2004).

E. Transportation and incidental expenses.

A board member shall be reimbursed for the member's transportation and incidental expenses on the same basis as is reimbursed to state employees³⁹⁵ other than key officials, except as specifically provided in the guide or in particular statutes.

Voucher and Documentation Requirement:

The object codes that must be used when a transportation or incidental expense of a state employee is reimbursed must be used.

F. Compensatory per diem.

A full-time, salaried board member is not entitled or eligible to receive compensatory per diem.

Compensatory per diem may be paid to another type of board member only if the statute creating or authorizing the creation of the board specifically provides for the payment.

If a statute provides for the payment of compensatory per diem, then the amount of the per diem depends on whether TEX. GOV'T CODE ANN. §§ 659.031-659.033 (Vernon 2004) apply. Determining whether Sections 659.031-659.033 apply must be accomplished board-by-board and is beyond the scope of the guide.

If the sections apply, then the amount of the compensatory per diem is \$30 for each day³⁹⁶ during which an eligible event occurs. The meaning of "eligible event" varies from board to board. For some boards, "eligible event" is limited to attendance at board meetings. For other boards, "eligible event" includes making business-related telephone calls. Each board's statutes must be consulted to determine the meaning of the term.

If the sections do not apply, then the amount of the compensatory per diem depends upon the resolution of various legal questions that are beyond the scope of the guide.

If state law authorizes the payment of compensatory per diem to members of a particular board, then the compensatory per diem may not be paid to any member who provides services to the board during the period when the member is customarily required to provide services as a state employee to the member's employing state agency.³⁹⁷

See Section 8.05 for the procedures that must be followed when making compensatory per diem payments.

Voucher and Documentation Requirement:

Object code 7025 must be used for a payment of compensatory per diem to a board member.

³⁹⁵ Article IX, Section 4.04(a)(3) of the General Appropriations Act.

³⁹⁶ Article IX, Section 4.04(a)(1) of the General Appropriations Act.

³⁹⁷ See Article IX, Section 4.04(e) of the General Appropriations Act.

§ 7.03 State employees who have disabilities

A. General provisions.

A state agency may reimburse a state employee with a disability for attendant care and other necessary expenses incurred when the employee travels inside or outside the employee's designated headquarters.³⁹⁸

When an attendant transports a state employee with a disability in a personally owned or leased motor vehicle, the reimbursement rates and procedural requirements in Chapter 4 apply.

A state agency may reimburse a state employee with a disability for the first class airfare of the employee and the employee's attendant if the airfare was either medically necessary or the only available airfare.³⁹⁹ A state agency may reimburse a state employee with a disability for the business class airfare of the employee and the employee's attendant if the airfare was medically necessary or a lower airfare was not available.⁴⁰⁰

Instead of reimbursing a state employee for attendant care and other necessary expenses, a state agency may reimburse the attendant for those expenses or pay a commercial transportation company directly for transportation or a commercial lodging establishment directly for lodging.⁴⁰¹

Voucher and Documentation Requirements:

- 1. The supporting documentation for the payment or reimbursement of attendant care expenses must indicate that the state employee has a disability and that the attendant care was necessary. The name of the attendant and original, complete, and unaltered receipts for the attendant's expenses must be included in the documentation. A receipt that has been changed by the provider of the receipt is considered unaltered for the purpose of this paragraph. In addition, a receipt to which additional information has been added is considered unaltered for the purpose of this paragraph if the additional information does not conflict with the original information on the receipt.*
- 2. The supporting documentation for the payment or reimbursement of first class airfare must state that the first class airfare was medically necessary for the state employee, if another airfare was available.*
- 3. The supporting documentation for the payment or reimbursement of business class airfare must state that the business class airfare was medically necessary for the state employee, if a lower airfare was available.*
- 4. Attendant care and related expenses are classified as incidental expenses. Object code 7105 must be used for travel within Texas. Object code 7115 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States. Object code 7121 must be used for all other travel.*

³⁹⁸ TEX. GOV'T CODE ANN. § 660.143(a) (Vernon 2004).

³⁹⁹ TEX. GOV'T CODE ANN. §§ 660.093, 660.143(b) (Vernon 2004).

⁴⁰⁰ *Id.*

⁴⁰¹ TEX. GOV'T CODE ANN. § 660.143(c) (Vernon 2004).

B. Federal laws and regulations.

If the Travel Regulations Act, a travel provision of the General Appropriations Act, or the guide conflicts with a requirement of the Americans with Disabilities Act of 1990 (ADA), a federal regulation adopted under the ADA, or another applicable federal law or regulation, then the federal law or regulation controls to the extent of the conflict.⁴⁰²

Voucher and Documentation Requirements:
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If a state agency uses an applicable federal law or regulation as authority for the agency to pay or reimburse a travel expense, then the supporting documentation for the payment or reimbursement must include a copy or the original of the agency's ADA coordinator's written determination that the law or regulation requires the payment or reimbursement. The copy or original must contain the original signature of the coordinator.

§ 7.04 Travel by employees of institutions of higher education**A. General provisions.**

In this section, "state employee" means an officer or employee of an institution of higher education.

Voucher and Documentation Requirements:
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The voucher and documentation requirements that apply to travel by a state employee not employed by an institution of higher education also apply to an employee of an institution of higher education.

B. Intercollegiate athletics.

An institution of higher education may not use educational and general funds appropriated by the General Appropriations Act to pay or reimburse a travel expense that a state employee incurs while engaged in the operation of intercollegiate athletics.⁴⁰³ The guide does not otherwise apply to that type of expense.

C. Paying for travel expenses with institutional funds.

The guide does not apply to a travel expense to the extent an institution of higher education pays or reimburses the expense from institutional funds.⁴⁰⁴ The governing board of the institution shall adopt rules as necessary to administer and control travel expense payments and reimbursements that are exempt from the guide.⁴⁰⁵

D. Recruitment of students.

An institution of higher education may not use appropriated funds to pay or reimburse a travel expense incurred outside Texas for the purpose of direct recruitment of students.⁴⁰⁶

⁴⁰² TEX. GOV'T CODE ANN. § 660.143(d) (Vernon 2004).

⁴⁰³ Article III, Section 9 of the General Appropriations Act (special provisions relating only to state agencies of higher education).

⁴⁰⁴ TEX. GOV'T CODE ANN. § 660.004(a) (Vernon 2004).

⁴⁰⁵ TEX. GOV'T CODE ANN. § 660.004(b) (Vernon 2004).

⁴⁰⁶ Article III, Section 7 of the General Appropriations Act (special provisions relating only to state agencies of higher education).

E. Alumni activities.

An institution of higher education may not use educational and general funds appropriated by Article III of the General Appropriations Act to pay or reimburse a travel expense incurred by a state employee while traveling in support or maintenance of an alumni organization or activity.⁴⁰⁷

§ 7.05 Registration and membership fees

A. Registration fees.

A state agency may reimburse a state employee for a registration fee for a conference or seminar only if the State Employees Training Act⁴⁰⁸ and Subchapter D, Chapter 656, Government Code, are satisfied.

A state agency may reimburse a state employee for a meal expense incurred within the employee's designated headquarters and paid as part of a registration fee only if the expense is mandatory.⁴⁰⁹ Entertainment and other personal expenses are not reimbursable. A cancellation charge incurred for a personal reason is not reimbursable.

Voucher and Documentation Requirements:

1. *The supporting documentation for a state agency's reimbursement of a state employee for a registration fee for a seminar or conference must include proof of payment of the fee.*
2. *Object code 7203 must be used. Object code 7121, however, must be used if the conference or seminar is held outside the United States, U.S. possessions, Canada, and the United Mexican States.*

B. Memberships in or dues for professional organizations.

In this subsection:

- "Appropriated funds" means money appropriated by the legislature through the General Appropriations Act or other law.⁴¹⁰
- "State agency" means:
 - a department, commission, board, office, or other entity in the executive branch of state government; or
 - the supreme court, the court of criminal appeals, another entity in the judicial branch of state government with statewide authority, or a court of appeals; or
 - a university system or an institution of higher education, other than a public junior college.⁴¹¹

⁴⁰⁷ Article III, Section 12 of the General Appropriations Act (special provisions relating only to state agencies of higher education).

⁴⁰⁸ The State Employees Training Act may be found at TEX. GOV'T CODE ANN. §§ 656.041-656.049 (Vernon 2004).

⁴⁰⁹ TEX. GOV'T CODE ANN. § 660.113(c) (Vernon 2004).

⁴¹⁰ TEX. GOV'T CODE ANN. § 2113.001(1) (Vernon Supp. 2005).

⁴¹¹ TEX. GOV'T CODE ANN. § 2113.001(2) (Vernon Supp. 2005).

A state agency may not use appropriated funds to reimburse a state employee for membership in or dues for a professional organization unless the administrative head of the agency, or that person's designee, first reviews and approves the reimbursement.⁴¹² This paragraph does not apply to an employee of a state library.⁴¹³

Voucher and Documentation Requirements:

1. *The supporting documentation for a state agency's reimbursement of a state employee for membership in or dues for a professional organization must satisfy both of the following requirements.*
 - a. *The supporting documentation for the reimbursement must include the original or a copy of the prior approval of the agency's administrative head or that person's designee. This paragraph does not apply to a reimbursement made by a state library.*
 - b. *The supporting documentation must include proof of payment of the membership or dues.*
2. *Object code 7201 must be used. Object code 7121, however, must be used if the membership or dues are paid outside the United States, U.S. possessions, Canada, and the United Mexican States.*

§ 7.06 Prospective state employees

A state agency that provides advance authorization to a prospective state employee to visit the agency for an interview or other employment evaluation may:

- reimburse the prospective state employee for a travel expense incurred as a result of visiting the agency;⁴¹⁴ or
- pay a vendor for a travel expense incurred by the prospective state employee as a result of visiting the agency.⁴¹⁵

Except as provided in this section, a state agency shall treat a prospective state employee as a state employee for the purposes of paying or reimbursing a travel expense of the prospective state employee.⁴¹⁶ The amount of the payment or reimbursement is limited to the amount that may be paid or reimbursed for travel expenses incurred by any individual who holds the position for which the prospective state employee is being considered.⁴¹⁷

A state agency may not issue a travel advance to a prospective state employee.⁴¹⁸

A prospective state employee is not exempt from hotel occupancy taxes. Those taxes may be paid or reimbursed as an incidental expense.

⁴¹² TEX. GOV'T CODE ANN. § 2113.104(a) (Vernon 2000).

⁴¹³ TEX. GOV'T CODE ANN. § 2113.104(b) (Vernon 2000).

⁴¹⁴ TEX. GOV'T CODE ANN. § 660.006(a)(1) (Vernon 2004).

⁴¹⁵ TEX. GOV'T CODE ANN. § 660.006(a)(2) (Vernon 2004).

⁴¹⁶ TEX. GOV'T CODE ANN. § 660.006(b) (Vernon 2004).

⁴¹⁷ *Id.*

⁴¹⁸ TEX. GOV'T CODE ANN. § 403.248(b)(2) (Vernon 2005).

Voucher and Documentation Requirements:

1. *Except as provided below, the voucher and documentation requirements for a payment or reimbursement subject to this section are the same as those for the payment or reimbursement of a travel expense incurred by a state employee.*
2. *The term "Prospective State Employee" must be listed in the title section of the travel voucher/form.*
3. *The supporting documentation must list the title of the position for which the prospective state employee was interviewed or evaluated.*
4. *The supporting documentation must include a lodging receipt that complies with Section 3.13(B), regardless of the type of position for which the prospective state employee was interviewed or evaluated.*
5. *Object code 7131 must be used for all expenses incurred by a prospective state employee.*

§ 7.07 Incidental expenses⁴¹⁹

A. Reimbursable expenses.

A state employee or legislator is entitled to be reimbursed for the following expenses if they are incurred for an official state business reason. This is only a partial list.

1. Hotel occupancy or similar taxes for which a state employee is entitled to be reimbursed under Section 3.14 or a legislator is entitled to be reimbursed under Section 7.01.
2. Telephone calls.
3. Service fees charged for issuance of money orders.
4. Gasoline charges when rented or state-owned or leased motor vehicles are used.
5. Toll charges if reimbursable under Section 4.10.
6. Repair charges when a state-owned motor vehicle is used.
7. Copying charges.
8. Freight charges for state equipment or materials.
9. Admittance fees while accompanying clients of the state.
10. Foreign travel: passport or visa charges, airport boarding passes, departure taxes, and inoculations.
11. Postage.
12. Notary fees.
13. Charges to exchange U.S. currency for foreign currency and vice versa.⁴²⁰
14. Travelers checks charges if a state agency requires or authorizes the employee or legislator to purchase the checks.

⁴¹⁹ TEX. GOV'T CODE ANN. § 660.118 (Vernon 2004).

⁴²⁰ See Section 2.16.

15. Mandatory charges or mandatory service charges:⁴²¹
 - by a commercial lodging establishment other than the room rate and additional persons charges; or
 - paid or imposed in connection with a meal; or
 - for loading and unloading state equipment.
16. Books or documents purchased for and while attending a seminar or conference.
17. Facsimile charges.
18. Sales and use taxes if either the applicable law does not provide an exemption from those taxes or the procedure for claiming a legally available exemption is not honored by the person collecting the taxes. (Sales and use taxes assessed on meals are not incidental expenses.)
19. Preparation of the remains and personal property of a deceased state employee.⁴²²
20. Parking.⁴²³
21. Attendant care and related expenses to the extent authorized by Section 7.03.
22. Medical evacuation insurance when traveling in a country whose medical facilities make the insurance reasonably necessary.
23. Service charges validly imposed by a travel agency or an Internet reservation booking service.

B. Non-reimbursable expenses.

The following expenses are not reimbursable, regardless of whether they are incurred while conducting official state business. This is only a partial list.

1. Any expense that does not relate to official state business, except as provided in Section 1.14(B).
2. Any expense, with the exception of parking and toll expenses, that is related to the operation of a personally owned or leased motor vehicle.⁴²⁴
3. Tips or gratuities.
4. Excess baggage charges for personal belongings.
5. Personal expenses, such as the rental or purchase of a video tape for personal entertainment, an alcoholic beverage,⁴²⁵ dry cleaning, or laundry.
6. Kennel expenses for a pet.
7. Sales and use taxes if applicable law provides an exemption from those taxes and the state employee or legislator either fails to claim the exemption or does not follow the required procedures for claiming it.

⁴²¹ In this context, "mandatory charge" or "mandatory service charge" means a charge that may not be refused. For example, a service charge imposed by a restaurant unless the customer refuses the charge is not "mandatory" for this purpose. The service charge would be "mandatory" only if the customer has no option to refuse the charge.

⁴²² See Section 2.15.

⁴²³ See Section 4.09.

⁴²⁴ See Section 4.01.

⁴²⁵ TEX. GOV'T CODE ANN. § 660.113(e) (Vernon 2004).

C. Exception.

The amount of an incidental expense reimbursement to an employee of the Texas Department of Banking may be determined in the same way that the amount of an incidental expense reimbursement paid by a federal counterpart agency is determined.⁴²⁶

Voucher and Documentation Requirements:

1. *Except as otherwise provided in the guide, receipts are not required to be included in the supporting documentation for the reimbursement of an incidental expense. The documentation, however, must include an itemization of the expenses incurred.*
2. *The supporting documentation for a reimbursement of a telephone call expense must include a determination that the call was related to official state business.*
3. *If the Texas Department of Banking determines the amount of an incidental expense reimbursement to an employee in the same way that the amount of an incidental expense reimbursement paid by a federal counterpart agency is determined, then the supporting documentation must specify:*
 - a. *the applicable reimbursement rates; and*
 - b. *the source of those rates.*
4. *Object code 7105 must be used for travel within Texas.*
5. *Object code 7115 must be used for travel outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.*
6. *Object code 7121 must be used for all other travel.*

§ 7.08 Travel advance account⁴²⁷

A state agency may establish a revolving account for advancing funds to a state employee for the employee's projected travel expenses.

A state agency that declines to establish a travel advance account may not make travel advances.⁴²⁸ A travel advance account may not be used for any purpose other than making travel advances.⁴²⁹

A state agency may advance funds to a state employee for projected travel expenses only if the expenses are incurred during travel that requires an overnight stay outside the employee's designated headquarters.

A state agency may not issue a travel advance to:

- a prospective state employee;⁴³⁰ or
- a state employee of another state agency unless the employee will be providing services to the agency issuing the travel advance; or

⁴²⁶ Rider #5 in the appropriations to the Department of Banking in the General Appropriations Act.

⁴²⁷ The general authority for this section of the guide is TEX. GOV'T CODE ANN. § 403.248(a) (Vernon 2005), § 660.025(a) (Vernon 2004).

⁴²⁸ TEX. GOV'T CODE ANN. § 403.248(b)(4) (Vernon 2005).

⁴²⁹ *Id.*

⁴³⁰ TEX. GOV'T CODE ANN. § 403.248(b)(2) (Vernon 2005).

- a state employee whose travel expenses will be directly reimbursed to the employee by a person that is not a state agency; or
- a state employee whose travel expenses will be reimbursed to the employee by a person that is not a state agency but through a second state agency; or
- a person that is not a state employee, including a commercial transportation company, a commercial lodging establishment, a credit card issuer, and a travel agency.

In this paragraph (and the four bullets that follow), "state agency" means a board, commission, council, committee, department, office, agency, or other governmental entity in the executive, legislative, or judicial branch of state government. The term includes an institution of higher education, other than a public junior or community college.⁴³¹ The comptroller may not reimburse the travel advance account of a state agency for a travel advance to a state employee who at the time of the advance had been properly reported to the comptroller by:

- the Texas Guaranteed Student Loan Corporation as being in default on a student loan guaranteed under Chapter 57, Education Code;⁴³² or
- a state agency as being indebted to the state;⁴³³ or
- a state agency as having a delinquency in payment of a tax to the state or a tax that the comptroller administers or collects;⁴³⁴ or
- the attorney general as not paying the child support the employee was required to pay in a case for which the attorney general provides services under Chapter 231, Family Code.⁴³⁵

A state agency must use a single payment travel voucher when seeking a reimbursement of its travel advance account. The voucher must show the account as the payee.

The supporting documentation for the voucher must include one travel voucher/form for each individual whose expenses are included in the voucher.

If the voucher/form is on paper, then the voucher/form must contain the individual's original signature⁴³⁶ and the date of that signature, except as otherwise provided in this section. If the voucher/form is electronic, then the individual's electronic signature⁴³⁷ and the date of that signature must be attached to or logically associated with the voucher/form, except as otherwise provided in this section. See Section 8.04(B) for a discussion of the additional requirements for the voucher.

⁴³¹ TEX. EDUC. CODE ANN. §§ 57.48(k)(2), 57.482(e) (Vernon Supp. 2005); TEX. GOV'T CODE ANN. § 403.055(l)(2) (Vernon 2005), § 2107.008(n)(2) (Vernon Supp. 2005).

⁴³² TEX. EDUC. CODE ANN. § 57.482(c) (Vernon Supp. 2005).

⁴³³ TEX. GOV'T CODE ANN. § 2107.008(g) (Vernon Supp. 2005).

⁴³⁴ *Id.*

⁴³⁵ *Id.*

⁴³⁶ TEX. GOV'T CODE ANN. § 660.027(b)(2) (Vernon 2004).

⁴³⁷ *Id.*

The following procedures apply if: (1) a current or former state employee who received a travel advance refuses to sign a travel voucher/form; or (2) a state employee who received a travel advance died before reconciling the advance with the travel expenses incurred.⁴³⁸ Except as otherwise provided in this paragraph, only an individual in the employee's line of supervision may sign the employee's travel voucher/form. If the employee is the chief administrator of a state agency that is not headed by a board, then the voucher/form may be signed only by the agency's chief deputy, chief clerk, or similar individual. If the employee is a member of a governing board, then the voucher/form may be signed only by the board's presiding officer. If the employee is a member of a board that is not the governing board of a state agency, then the voucher/form may be signed only by the individual designated by the agency. If the employee is the presiding officer of a board, then the voucher/form may be signed only by the agency's executive director. If the agency does not have an executive director, then the voucher/form may be signed only by the individual designated by the board.

The single payment travel voucher may include only the travel expenses for which proper receipts are included in the supporting documentation for that voucher. The travel expenses that may not be included may be written off if the procedures required by the comptroller's fund accounting division are followed. A state agency should contact its appropriations control officer for information about those procedures. A state agency should seriously consider contacting the attorney general or the appropriate district attorney, or both, when a current or former state employee who received a travel advance refuses to sign a travel voucher/form.

If a state employee received a travel advance that is less than the reimbursable expenses incurred, then the employing state agency may use its travel advance account or other available funds to reimburse the employee for the difference.⁴³⁹ If the agency uses its travel advance account for this purpose, then the agency may seek reimbursement of the account in accordance with this section.

If a state employee received a travel advance that is greater than the reimbursable expenses incurred, then the employee must promptly reimburse the account for the difference.⁴⁴⁰

A travel advance account may not be reimbursed for a travel expense that would not have been payable or reimbursable if the account not been used.⁴⁴¹

⁴³⁸ *Id.*

⁴³⁹ TEX. GOV'T CODE ANN. § 403.248(c) (Vernon 2005).

⁴⁴⁰ *Id.*

⁴⁴¹ *See* TEX. GOV'T CODE ANN. § 660.025(b) (Vernon 2004).

§ 7.09 Sales and use taxes

Except for the voucher and documentation requirements, this section applies only to sales and use taxes assessed under Texas law. Questions about sales and use taxes (or similar taxes) assessed under the laws of other states or jurisdictions must be directed to the governmental entities that have administrative responsibility over those taxes.

A state employee must pay the sales and use tax on a taxable item that the employee purchases while traveling on official state business if the item is for personal use.⁴⁴² The mere fact that the employee purchases the item while traveling on official state business does not convert the item from taxable to non-taxable. This principle applies even if the item is reimbursable by the state.⁴⁴³ Meal expenses and parking fees are examples of reimbursable items for which the sales and use tax must be paid.

An item that a state employee purchases, leases, or rents for state use is not subject to sales and use tax if the employee properly issues an exemption certificate to the seller of the item.⁴⁴⁴ Computers, cameras, film, equipment, and books are examples of items on which the sales and use tax is not due when used by the state.

To the extent of conflict between this section and the comptroller's rules in Subchapter O, Chapter 3, Title 34 of the Texas Administrative Code, the latter prevails, regardless of the dates those rules are adopted or amended.

For additional information about sales and use taxes assessed under Texas law, please contact the comptroller's tax administration division at 1-800-252-5555.

Voucher and Documentation Requirements:

For sales and use taxes assessed on meals, the same object code that is used for the meals must be used for those taxes. The coding of sales and use taxes assessed on other purchases is covered in Section 7.07.

§ 7.10 Governor's spouse

The governor's spouse is entitled to reimbursement for actual travel expenses incurred while performing duties at the direction of the governor.⁴⁴⁵ The maximum amount of the reimbursement for meal and lodging expenses, however, is equal to twice the amount that could be reimbursed if Sections 3.03-3.06 and 3.10-3.11 applied to the spouse's travel.⁴⁴⁶

⁴⁴² 34 TEX. ADMIN. CODE § 3.322(g)(5) (2005).

⁴⁴³ *Id.*; 34 TEX. ADMIN. CODE § 3.322(g)(6) (2005).

⁴⁴⁴ 34 TEX. ADMIN. CODE § 3.322(g)(2) (2005).

⁴⁴⁵ TEX. GOV'T CODE ANN. § 660.203(b) (Vernon 2004).

⁴⁴⁶ Article IX, Section 5.07 of the General Appropriations Act.

Chapter 8 – Voucher and Documentation Requirements

§ 8.01 General provisions

The requirements discussed in this chapter are in addition to the voucher and documentation requirements discussed in other chapters.

A document or other item that the guide requires to be included in supporting documentation must be legible as determined by the comptroller. In addition, any information that the guide requires to be included on a travel voucher/form or another form must be legible as determined by the comptroller.

Because this chapter is heavily concerned with USAS processing requirements, this chapter uses USAS terminology. Each reader should keep in mind that:

- under Section 1.02(T), "appropriation year" has the same meaning as "fiscal year"; and
- under Section 1.02(TT), a collection of one or more travel vouchers or transactions is known as a "travel document" in USAS; and
- under Section 1.02(WW), a travel voucher is known as a "transaction" in USAS.

§ 8.02 Reimbursements to one individual

A state agency may request the comptroller to reimburse one individual for an expense by submitting a single payment travel document (document type 1 with the appropriate t-code) to the comptroller.

A single payment travel document submitted under this section is valid and may be processed only if:

- the document is approved by the state employee,⁴⁴⁷ prospective state employee,⁴⁴⁸ or legislator whose expenses will be reimbursed in accordance with the document or, if that individual is unavailable, by another individual acceptable to the comptroller;⁴⁴⁹ and
- the state agency submitting the document approves it⁴⁵⁰ in accordance with Section 5.61 of Title 34 of the Texas Administrative Code.

The approval of a document by a state employee, prospective state employee, or legislator constitutes that individual's approval of each transaction within the document.

⁴⁴⁷ TEX. GOV'T CODE ANN. § 660.027(b)(2) (Vernon 2004).

⁴⁴⁸ See TEX. GOV'T CODE ANN. § 660.006(b) (Vernon 2004).

⁴⁴⁹ TEX. GOV'T CODE ANN. § 660.027(b)(2) (Vernon 2004).

⁴⁵⁰ TEX. GOV'T CODE ANN. § 2103.004(a)(2) (Vernon Supp. 2005).

If a state employee died before the employee could approve a document, then only an individual in the employee's line of supervision may approve it unless this paragraph provides otherwise. If the employee is the chief administrative officer of a state agency that is not headed by a board, then the document may be approved only by the agency's chief deputy, chief clerk, or similar individual. If the employee is a member of a governing board, then the document may be approved only by the board's presiding officer. If the employee is a member of a board that is not the governing board of a state agency, then the document may be approved only by the individual designated by the agency. If the employee is the presiding officer of a board, then the document may be approved only by the agency's executive director. If the agency does not have an executive director, then the document may be approved only by the individual designated by the board.

If a prospective state employee died before the prospective state employee could approve a document, then only the executor or administrator of the deceased's estate may approve the document.

If a legislator died before the legislator could approve a document, then only the speaker of the house of representatives, if the legislator was a member of the house, or the lieutenant governor, if the legislator was a member of the senate, may approve the document. If the legislator who died was the speaker of the house of representatives, then only the speaker pro tempore of the house may approve the document.

This paragraph applies only if a travel voucher/form is on paper. A state employee, a prospective state employee, a legislator, or another individual acceptable to the comptroller may approve a travel document only by signing the travel voucher/form for the document and entering the date of that signature in the appropriate field on the voucher/form. The signature is valid only if the signature is original.

This paragraph applies only if a travel voucher/form is electronic. A state employee, a prospective state employee, a legislator, or another individual acceptable to the comptroller may approve a travel document only by providing an electronic signature for the travel voucher/form for the document and entering the date of that signature in the appropriate field on the voucher/form.

A signature on a paper travel voucher/form or an electronic signature for an electronic travel voucher/form is automatically revoked if new information is added to the voucher/form after it is signed or information on the voucher/form is changed after the voucher/form is signed, unless the new or changed information is authorized by the individual who signed the voucher/form. The automatic revocation of a signature means that the travel document has not been approved.

The supporting documentation for a single payment travel document submitted under this section must include a travel voucher/form. In addition to the information that other sections of the guide require to be included on the voucher/form, it must include:

- the agency number, which is the number of the agency whose funds are being expended; and
- the current document number; and
- the document date, which is the first date of travel covered by the document; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document amount, which is the total amount of the transactions in the document; and
- the name of the payee; and

- the title of the legislator or employee; and
- the agency-assigned invoice number; and
- the payment due date; and
- the designated headquarters of the payee, if the payee is a state employee or a prospective state employee; and
- the payee's Texas Identification Number; and
- the suffix number for each transaction, which must be entered in the "SFX" field; and
- the t-code for each transaction, which must be entered in the "TC" field; and
- the program cost account for each transaction, which must be entered in the "PCA" field; and
- the appropriation year for each transaction, which must be entered in the "AY" field; and
- the comptroller object code for each transaction, which must be entered in the "COBJ" field; and
- the amount of each transaction, which must be entered in the "AMOUNT" field; and
- the appropriation number, which must be entered in the "APPN" field; and
- the fund number, which must be entered in the "FUND" field; and
- the service date, which is the last date of travel covered by the document; and
- the distributions section - itemization of travel expenses; and
- the information required in blocks "a" through "x" of the voucher/form; and
- a daily itemization of the expenses incurred, if the itemization does not appear in blocks "a" through "x"; and
- the name of the board, if the payee is a board member; and
- the original signature of the payee and the date of that signature.

Before a state agency may approve a single payment travel document under this section:

- the payee's original signature must be affixed to the travel voucher/form for that document, if the voucher/form is on paper; or
- the payee's electronic signature must be attached to or logically associated with the travel voucher/form for that document, if the voucher/form is electronic.

§ 8.03 Reimbursements to more than one individual

A state agency may request the comptroller to reimburse two or more individuals for expenses by submitting a multi-payment travel document (document type 1 with the appropriate t-code) to the comptroller. A multi-payment travel document results in a separate payment to each payee included in the document.

A multi-payment travel document submitted under this section is valid and may be processed only if:

- each transaction in the document is approved by the state employee,⁴⁵¹ prospective state employee,⁴⁵² or legislator whose expenses will be reimbursed in accordance with the transaction or, if that individual is unavailable, by another individual acceptable to the comptroller;⁴⁵³ and
- the state agency submitting the document approves it⁴⁵⁴ in accordance with Section 5.61 of Title 34 of the Texas Administrative Code.

This paragraph applies only if a travel voucher/form is on paper. A state employee, a prospective state employee, a legislator, or another individual acceptable to the comptroller may approve a transaction only by signing the travel voucher/form for the transaction and entering the date of that signature in the appropriate field on the voucher/form. The signature is valid only if the signature is original.

This paragraph applies only if a travel voucher/form is electronic. A state employee, a prospective state employee, a legislator, or another individual acceptable to the comptroller may approve a transaction only by providing an electronic signature for the travel voucher/form for the transaction. The date of that signature must be attached to or logically associated with the voucher/form.

A signature on a paper travel voucher/form or an electronic signature for an electronic travel voucher/form is automatically revoked if new information is added to the voucher/form after it is signed or information on the voucher/form is changed after the voucher/form is signed, unless the new or changed information is authorized by the individual who signed the voucher/form. The automatic revocation of a signature means that the transaction has not been approved.

If a state employee died before the employee could approve a transaction, then only an individual in the employee's line of supervision may approve it unless this paragraph provides otherwise. If the employee is the chief administrative officer of a state agency that is not headed by a board, then the transaction may be approved only by the agency's chief deputy, chief clerk, or similar individual. If the employee is a member of a governing board, then the transaction may be approved only by the board's presiding officer. If the employee is a member of a board that is not the governing board of a state agency, then the transaction may be approved only by the individual designated by the agency. If the employee is the presiding officer of a board, then the transaction may be approved only by the agency's executive director. If the agency does not have an executive director, then the transaction may be approved only by the individual designated by the board.

If a prospective state employee died before the prospective state employee could approve a transaction, then only the executor or administrator of the deceased's estate may approve the transaction.

⁴⁵¹ TEX. GOV'T CODE ANN. § 660.027(b)(2) (Vernon 2004).

⁴⁵² See TEX. GOV'T CODE ANN. § 660.006(b) (Vernon 2004).

⁴⁵³ TEX. GOV'T CODE ANN. § 660.027(b)(2) (Vernon 2004).

⁴⁵⁴ TEX. GOV'T CODE ANN. § 2103.004(a)(2) (Vernon Supp. 2005).

If a legislator died before the legislator could approve a transaction, then only the speaker of the house of representatives, if the legislator was a member of the house, or the lieutenant governor, if the legislator was a member of the senate, may approve the transaction. If the legislator who died was the speaker of the house of representatives, then only the speaker pro tempore of the house may approve the document.

The supporting documentation for a multi-payment travel document submitted under this section must include supporting documentation for each transaction in the document. The supporting documentation must satisfy the requirements specified in this and other sections of the guide.

All supporting documentation for a particular transaction must be grouped together. That documentation may not be intermingled with supporting documentation for a different transaction.

In addition, all supporting documentation concerning a particular payee must be grouped together. That documentation may not be intermingled with supporting documentation for a different payee.

The supporting documentation must include one travel voucher/form for each payee included in the multi-payment travel document. In addition to the information that other sections of the guide require to be included on the voucher/form, it must include:

- the agency number, which is the number of the agency whose funds are being expended; and
- the document date, which is the first date of travel covered by the document; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document amount, which is the total amount of the transactions in the document; and
- the name of the payee; and
- the title of the legislator or employee; and
- the agency-assigned invoice number; and
- the payment due date; and
- the designated headquarters of the payee, if the payee is a state employee or a prospective state employee; and
- the payee's Texas Identification Number; and
- the suffix number for each transaction, which must be entered in the "SFX" field; and
- the t-code for each transaction, which must be entered in the "TC" field; and
- the program cost account for each transaction, which must be entered in the "PCA" field; and
- the appropriation year for each transaction, which must be entered in the "AY" field; and
- the comptroller object code for each transaction, which must be entered in the "COBJ" field; and
- the amount of each transaction, which must be entered in the "AMOUNT" field; and
- the appropriation number, which must be entered in the "APPN" field; and
- the fund number, which must be entered in the "FUND" field; and
- the service date, which is the last date of travel covered by the document; and
- the distributions section - itemization of travel expenses; and

- the information required in blocks "a" through "x" of the voucher/form; and
- a daily itemization of the expenses incurred, if the itemization does not appear in blocks "a" through "x"; and
- the name of the board, if the payee is a board member; and
- the original signature of the payee and the date of that signature.

The supporting documentation also must include a voucher cover form. The form must be the first item in the documentation. The form must include:

- the agency number, which is the number of the agency whose funds are being expended; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document number; and
- the document amount, which is the total amount of the transactions in the document.

The voucher detail sheet is not required to be included in the supporting documentation.

Before a state agency may approve a multi-payment travel document:

- each payee's original signature must be affixed to the appropriate travel voucher/form for that document, if the voucher/form is on paper; or
- each payee's electronic signature must be attached to or logically associated with the appropriate travel voucher/form for that document, if the voucher/form is electronic.

§ 8.04 Direct payments and reimbursements to state agencies and attendants

A state agency must submit a single payment travel document (document type 1 with the appropriate t-code) to the comptroller when requesting the comptroller to:

- make a direct payment of a travel expense to a commercial transportation company, a commercial lodging establishment, a credit card issuer, or a travel agency; or
- reimburse the attendant of a state employee who has a disability for attendant care and other necessary expenses; or
- reimburse the agency's travel advance account or local fund for a payment or reimbursement of a travel expense from the account or fund.

A. Reimbursement of an attendant and direct payments.

This subsection applies only when reimbursing the attendant of a state employee who has a disability or making a direct payment to a commercial transportation company, a commercial lodging establishment, a credit card issuer, or a travel agency. A single reimbursement or direct payment may cover the expenses incurred by one or more individuals. A single payment travel document, however, will result in a payment being issued to only one person.

A single payment travel document is valid and may be processed only if the agency whose funds will be expended approves the document⁴⁵⁵ according to Section 5.61 of Title 34 of the Texas Administrative Code.

⁴⁵⁵ *Id.*

The following requirements apply to a single payment travel document submitted under this subsection.

- The expenses must be charged to the Texas Identification Number of each individual who incurred them. When an expense is reimbursed directly to the attendant of a state employee who has a disability, the employee has incurred the expense for the purpose of the preceding sentence. The charges must be listed on the detail lines of the USAS transaction. A different detail line must be shown for each individual.
- The Texas Identification Number and name of the payee must be listed on the address line.

The supporting documentation for a reimbursement or direct payment must include supporting documentation for each expense that will be paid or reimbursed. The supporting documentation must satisfy the requirements specified in this and other sections of the guide.

All supporting documentation concerning the expenses incurred by a particular individual must be grouped together and may not be intermingled with the documentation for other individuals.

In addition to the requirements of other sections of the guide, the supporting documentation must include:

- the name of each individual whose expenses are being paid or reimbursed as a result of the document; and
- the designated headquarters of each individual whose expenses are being paid as a result of the document, if the individual is a state employee or a prospective state employee; and
- a daily itemization of the expenses incurred; and
- the title of the legislator or employee; and
- the name of the board, if the payee is a board member.

The supporting documentation also must include a voucher cover form. The form must be the first item in the documentation. This form must include:

- the document amount, which is the total amount of the transactions in the document, including the amount listed in the address line; and
- the agency number, which is the number of the agency whose funds are being expended; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document number.

The voucher detail sheet is not required to be included in the supporting documentation.

B. Reimbursement of a travel advance or local fund.

This subsection applies only when reimbursing a state agency's travel advance account or local fund for a travel expense paid or reimbursed from that account or fund.

A single payment travel document is valid and may be processed only if the agency whose account or fund will be reimbursed approves the document⁴⁵⁶ according to Section 5.61 of Title 34 of the Texas Administrative Code.

⁴⁵⁶ Id.

The following requirements apply to a single payment travel document submitted under this subsection.

- The travel expenses must be charged to the Texas Identification Number of each individual who incurred them. The charges must be listed on the detail lines of the USAS transaction. A different detail line must be shown for each individual.
- The Texas Identification Number of the agency whose travel advance account or local fund is being reimbursed and the name of that agency must be listed on the address line.

All supporting documentation concerning the travel expenses incurred by a particular individual must be grouped together and may not be intermingled with the documentation for other individuals.

The supporting documentation must include one travel voucher/form for each individual whose expenses are included in the document. In addition to the information that other sections of the guide require to be included on the voucher/form, it must include:

- the agency number, which is the number of the agency whose account or fund is being reimbursed; and
- the document date, which is the first date of travel covered by the document; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document amount, which is the total amount of the transactions in the document; and
- the name of the individual who incurred the expense being reimbursed; and
- the title of the legislator or employee who incurred the expense being reimbursed; and
- the agency-assigned invoice number; and
- the payment due date; and
- the designated headquarters of the individual, if the individual is a state employee or a prospective state employee; and
- the Texas Identification Number of the individual whose expenses are included on the form; and
- the suffix number for each transaction, which must be entered in the "SFX" field; and
- the t-code for each transaction, which must be entered in the "TC" field; and
- the program cost account for each transaction, which must be entered in the "PCA" field; and
- the appropriation year for each transaction, which must be entered in the "AY" field; and
- the comptroller object code for each transaction, which must be entered in the "COBJ" field; and
- the amount of each transaction, which must be entered in the "AMOUNT" field; and
- the appropriation number, which must be entered in the "APPN" field; and
- the fund number, which must be entered in the "FUND" field; and
- the service date, which is the last date of travel covered by the document; and
- the distributions section - itemization of travel expenses; and
- the information required in blocks "a" through "x" of the voucher/form; and
- a daily itemization of the expenses incurred, if the itemization does not appear in blocks "a" through "x"; and

- the name of the board, if the individual is a board member; and
- the original signature of the individual and the date of that signature.

The supporting documentation also must include a voucher cover form. The form must be the first item in the documentation. This form must include:

- the document amount, which is the total amount of the transactions in the document, including the amount listed in the address line; and
- the agency number, which is the number of the agency whose funds are being expended; and
- the document agency number, which is the number of the agency that enters the document into USAS; and
- the document number.

The voucher detail sheet is not required to be included in the supporting documentation.

Before a state agency may approve a single payment travel document under this subsection:

- each individual's original signature must be affixed to the appropriate travel voucher/form for that document, if the voucher/form is on paper; or
- each individual's electronic signature must be attached to or logically associated with the travel voucher/form for that document, if the voucher/form is electronic.

§ 8.05 Compensatory and salary per diem payments and meal expense reimbursements for non-overnight travel - (document type 4 or 8 with appropriate t-code)

A state agency must use a payroll document (document type 4 or 8 with the appropriate t-code) when requesting the comptroller to:

- pay compensatory per diem to a board member; or
- pay salary per diem to a legislator or a state employee.

A state agency should use a payroll document (document type 4 or 8 with the appropriate t-code) when requesting the comptroller to reimburse a state employee for a meal expense incurred while engaged in non-overnight travel. The use of a payroll document will enable a state agency to withhold federal income taxes and the taxes imposed under the Federal Insurance Contributions Act (FICA) when the agency determines that withholding is necessary.

The following requirements must be satisfied when a state agency submits a document type 4 payroll document to the comptroller for the purpose of paying compensatory or salary per diem or reimbursing a meal expense.

- The accounting information must be included on the payroll detail sheet for the document.
- The payroll voucher cover for the document must specify the tax deposit date if the agency submitting the document does not want the taxes deposited with the IRS on the first work day after payday.
- The payroll voucher cover and payroll detail sheet for the document must be submitted to the comptroller.

- The Texas Identification Number for each individual who is receiving a payment must be listed on the detail lines of the payroll detail sheet.
- The name of the payee must be listed on the address line.
- The document is valid and may be processed only if the state agency whose funds would be expended has approved the document according to the comptroller's requirements, including any rules adopted by the comptroller.
- One travel voucher/form for each state employee being reimbursed for meal expenses must be attached to or logically associated with the agency's copy of the payroll document and retained by the agency. The travel voucher/form must have the information required by Section 8.02 and other applicable sections of the guide. A travel voucher/form is not required when a compensatory or salary per diem payment is made.
- The payroll ending date must be shown as the latest date on which compensatory or salary per diem was earned, even if the latest date is not the last day of a month.
- Object code 7025 must be used on the document for compensatory and salary per diem payments.
- The object codes that must be used for reimbursement of a meal expense incurred during non-overnight travel are listed in the appropriate sections of the guide.
- The supporting documentation for the payroll document must specify the nature of the official state business conducted, by duty point if the payee is a state employee. When necessary, the documentation must identify the persons contacted and specify the benefit that the state gained from the travel. The documentation must clearly define any abbreviations or acronyms used in that documentation to describe the official state business conducted. If required by the comptroller, the documentation must include a detailed explanation of how the compensatory or salary per diem or meal expense relates to official state business.
- For a payment of compensatory or salary per diem, the supporting documentation for the payroll document must list all the dates on which official state business was conducted, the name and title of the payee, and, if the payee is a member of a board, the name of the board.

The following requirements must be satisfied when a state agency submits a document type 8 payroll document to the comptroller for the purpose of paying compensatory or salary per diem or reimbursing a meal expense.

- The document is valid and may be processed only if the state agency whose funds would be expended has approved the document according to the comptroller's requirements, including any rules adopted by the comptroller.
- One travel voucher/form for each state employee being reimbursed for a meal expense must be attached to or logically associated with the agency's copy of the payroll document and retained by the agency. The travel voucher/form must have the information required by Section 8.02 and other applicable sections of the guide. A travel voucher/form is not required when a compensatory or salary per diem payment is made.
- Object code 7025 must be used on the document for compensatory and salary per diem payments.
- The object codes that must be used for reimbursement of a meal expense incurred during non-overnight travel are listed in the appropriate sections of the guide.

- The supporting documentation for the payroll document must specify the nature of the official state business conducted, by duty point if the payee is a state employee. When necessary, the documentation must identify the persons contacted and specify the benefit that the state gained from the travel. The documentation must clearly define any abbreviations or acronyms used in that documentation to describe the official state business conducted. If required by the comptroller, the documentation must include a detailed explanation of how the compensatory or salary per diem or meal expense relates to official state business.
- For a payment of compensatory or salary per diem, the supporting documentation for the payroll document must list all the dates on which official state business was conducted, the name and title of the payee, and, if the payee is a member of a board, the name of the board.

§ 8.06 Appropriation year determination

The appropriation year that must be charged when using appropriated funds to pay or reimburse a travel expense is the year in which the expense is incurred. A travel expense that is incurred partly in one appropriation year and partly in another appropriation year must be charged to those appropriation years on a prorated basis.

The following examples illustrate this section.

Example 1: A state employee purchases a commercial airline ticket with a total fare of \$500. The ticket consists of two flights. The first flight occurs August 20, 2006. The second flight occurs September 15, 2006. The ticket shows a cost for each flight of \$250. Under these facts, appropriation year 2006 must be charged for \$250 and appropriation year 2007 must be charged for \$250.

Example 2: A state employee purchases a commercial airline ticket with a total fare of \$1,000. The ticket consists of four flights. The first flight occurs August 10, 2006, and the ticket shows a \$150 cost for the flight. The second flight occurs August 28, 2006, and the ticket shows a \$300 cost for the flight. The third flight occurs September 5, 2006, and the ticket shows a \$250 cost for the flight. The fourth flight occurs September 15, 2006, and the ticket shows a \$300 cost for the flight. Under these facts, appropriation year 2006 must be charged for \$450 and appropriation year 2007 must be charged for \$550.

§ 8.07 Coding of travel and payroll documents

Travel and payroll documents must be coded as provided by the voucher and documentation requirements in the guide and this section.

The object code requirements in the guide apply to a state agency's payment or reimbursement only if:

- the comptroller makes the payment or reimbursement on the agency's behalf; or
- the comptroller reimburses, under Section 8.04(B), the agency's making of the payment or reimbursement from its travel advance account or local funds.

As can be seen from the voucher and documentation requirements in the guide, it is often necessary to determine whether travel occurs inside or outside Texas or the United States. In general, the purpose of travel determines whether travel is inside or outside Texas or the United States. For example, if the purpose of travel requires a state employee to travel outside Texas even though some of the travel incidentally occurs within Texas, the object codes for travel outside Texas must be used. This rule includes round-trip travel between a state employee's place of employment and the airport, parking costs at the airport, and other similar travel.

The following list of object codes is provided for your convenience. Particular circumstances may require the use of object codes not listed here. A detailed description of the object codes can be found in the *Comptroller Manual of Accounts*.

A. Travel to a duty point within Texas.

- 7101 Travel in-state – public transportation fares
- 7102 Travel in-state – mileage
- 7104 Travel in-state – actual meal and lodging expenses, overnight travel
- 7105 Travel in-state – incidental expenses
- 7106 Travel in-state – meals and lodging
- 7107 Travel in-state – non-overnight travel (meals)
- 7108 Travel in-state – actual expense meals – no overnight travel
- 7110 Travel in-state – board or commission member meal and lodging expenses
- 7122 Travel in-state – single engine aircraft mileage
- 7124 Travel in-state – twin engine aircraft mileage
- 7126 Travel in-state – turbine-powered or other aircraft mileage
- 7135 Travel in-state – state hotel occupancy tax expense outside Galveston and South Padre Island city limits
- 7136 Travel in-state – state hotel occupancy tax expense inside Galveston city limits
- 7137 Travel in-state – state hotel occupancy tax expense inside South Padre Island city limits

B. Travel to a duty point outside Texas but within the United States, U.S. possessions, Canada, or the United Mexican States.

- 7111 Travel out-of-state – public transportation fares
- 7112 Travel out-of-state – mileage
- 7114 Travel out-of-state – actual meal and lodging expenses, overnight travel
- 7115 Travel out-of-state – incidental expenses
- 7116 Travel out-of-state – meals and lodging not to exceed the locality-based allowance
- 7117 Travel out-of-state – non-overnight travel (meals)
- 7118 Travel out-of-state – actual expense meals – no overnight travel
- 7123 Travel out-of-state – single engine aircraft mileage

- 7125 Travel out-of-state – twin engine aircraft mileage
- 7127 Travel out-of-state – turbine-powered or other aircraft mileage
- 7130 Travel out-of-state – board or commission member meal and lodging expenses

C. Other.

- 7025 Compensatory or salary per diem
- 7103 Travel – per diem, non-overnight travel – legislature
- 7113 Travel – per diem, overnight travel – legislature
- 7121 Travel – foreign
- 7128 Travel – apartment/house rental expense
- 7131 Travel – prospective state employees
- 7132 Travel – legislative expenses – house of representatives
- 7133 Travel – legislative expenses – senate
- 7134 Legislative per diem
- 7201 Membership dues
- 7203 Registration fees – employee training
- 7295 Investigation expenses
- 7315 Food purchased by the state
- 7316 Food purchased for wards of the state
- 7325 Services for wards of the state
- 7445 Rental of aircraft
- 7470 Rental of space
- 7674 Grants-in-aid (services for children/clients)
- 7676 Grants-in-aid (transportation)
- 7905 Travel cash advance

§ 8.08 Submission of travel documents and travel vouchers

A state agency shall submit a travel document to the comptroller electronically unless the comptroller has specifically authorized the agency to submit a travel voucher on paper.

A state agency may electronically submit a travel document through online, direct entries into USAS or through reporting into USAS by a magnetic media device.

A state agency may submit a travel voucher to the comptroller on paper by properly completing the form adopted or approved by the comptroller.

§ 8.09 General requirements for supporting documentation

The supporting documentation that a state agency must maintain in its files consists of the documentation specifically required by the guide and any other documentation that is reasonably necessary to prove the legality and fiscal responsibility of the agency's travel payments and reimbursements. The documentation must be maintained even if the comptroller does not require the agency to make it available to the comptroller.

The supporting documentation for an expense paid or reimbursed on a warrant issued or an electronic funds transfer initiated by the comptroller must satisfy all the following requirements.

- The supporting documentation for a travel document must be maintained in agency files at least until the end of the second appropriation year after the appropriation year in which the document is processed by USAS.
- The supporting documentation for all transactions in a particular travel document must be grouped together.
- This paragraph applies only if a transaction is submitted to the comptroller as part of a travel document containing at least one other transaction. The supporting documentation must be cross-referenced to the travel document and the transaction that the documentation supports. The cross-reference to the travel document must consist of the document's USAS document key. The document key consists of the document agency, the document number, and the fiscal year during which the document was initiated. The cross-reference to the transaction consists of the transaction's suffix number.
- This paragraph applies only if a transaction is submitted to the comptroller as part of a travel document that contains only that transaction. The supporting documentation must be cross-referenced to the travel document. The cross-reference must consist of the travel document's USAS document key. The document key consists of the document agency, the document number, and the fiscal year during which the document was initiated.

The supporting documentation for an expense not paid and not reimbursed on a warrant issued or an electronic funds transfer initiated by the comptroller must be maintained in agency files at least until the end of the second appropriation year after the appropriation year in which the expense is paid or reimbursed.

The comptroller may require a state agency to make supporting documentation available to the comptroller in the manner and at the time required by the comptroller. The comptroller may require the documentation to be made available during a post-payment audit, a pre-payment audit, or at any other time.

When the comptroller requires a state agency to make supporting documentation available to the comptroller, the agency is solely responsible for complying with this requirement. The comptroller is not required to search the agency's files for the documentation, determine which documentation corresponds with which expenses, documents, or transactions, or otherwise sort or organize the documentation. If the agency does not make supporting documentation for a particular expense, document, or transaction available to the comptroller according to the comptroller's requirements, then the comptroller may:

- reject the document or transaction; or
- deem the resulting payments or reimbursements to be unsubstantiated or erroneous.

§ 8.10 Electronic storage of supporting documentation

A state agency may store and maintain supporting documentation in an electronic storage format only if the agency complies with all applicable requirements of the director of the records management division of the Texas State Library. The comptroller may prohibit the agency from using electronic storage of supporting documentation if the comptroller determines that those requirements have not been satisfied or the agency has made errors in transforming tangible documentation into electronic records.

Chapter 9 – Major Changes from the Previous Guide

This chapter highlights the major differences between this version of the guide and the version of the guide that was in effect for fiscal years 2004-05. The changes in the voucher and documentation requirements of the guide are not highlighted here. To the extent of conflict, Chapters 1-8 of the guide prevail over this chapter.

New Section Number	Old Section Number	Title of Section and Brief Description of Major Differences
1.02(S)	None	<p>Definitions – A definition of "electronic signature" has been added.</p>
1.17	1.17	<p>Travel to Washington, D.C. – This section has been changed to reflect the legislature's amendment of Article IX, Section 6.19 of the General Appropriations Act.</p>
1.20	1.20	<p>Limitations on travel expenditures – This section has been changed to reflect the legislature's amendment of the travel expenditure limitations in the General Appropriations Act.</p>
3.03(A)-(B)	3.03(A)-(B)	<p>Overnight travel within Texas –</p> <p>A. Meal expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal expenses.</p> <p>B. Lodging expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable lodging expenses.</p>
3.04(A)-(B)	3.04(A)-(B)	<p>Non-overnight travel within Texas –</p> <p>A. Meal expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal expenses.</p> <p>B. Lodging expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable lodging expenses.</p>

New Section Number	Old Section Number	Title of Section and Brief Description of Major Differences
3.06(A)	3.06(A)	<p>Non-overnight travel outside Texas but within the conterminous United States –</p> <p>A. Meal expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal expenses.</p>
3.10(A)(2), (C)(1)	3.10(A)(2), (C)(1)	<p>Travel to multiple duty points without an intermediate return to a designated headquarters –</p> <p>A. Meal expenses. <ol style="list-style-type: none"> 2. Non-overnight travel. This subdivision has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal expenses. </p> <p>C. Inability to obtain reasonable lodging in the last duty point. <ol style="list-style-type: none"> 1. Meal expenses. This subdivision has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal expenses. </p>
3.14(C)	3.14(C)	<p>C. Maximum reimbursement of hotel occupancy or similar tax.</p>
4.02	4.02	<p>Mileage rate –</p> <p>This section has been changed to reflect the legislature's amendment of how the maximum mileage reimbursement rate must be calculated. For travel occurring during fiscal year 2006 or 2007, the mileage rate is equal to the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service under the federal income tax regulations, as announced by the comptroller.</p>
7.02(B), (D)	7.02(B), (D)	<p>Board members –</p> <p>B. Treatment of advisory board members. This subsection has been changed to reflect the legislature's amendment of the method for determining the maximum amount a state agency may expend to reimburse the expenses of advisory board members.</p> <p>D. Meal and lodging expenses. This subsection has been changed to reflect the legislature's increase of the maximum amount of reimbursable meal and lodging expenses.</p>
7.08	7.08	<p>Travel advance account –</p> <p>This section has been changed to reflect the new authorization of electronic travel voucher/forms and electronic signatures concerning those forms.</p>

New Section Number	Old Section Number	Title of Section and Brief Description of Major Differences
8.02	8.02	<p>Reimbursements to one individual –</p> <p>This section has been changed to reflect the new authorization of electronic travel voucher/forms and electronic signatures concerning those forms.</p>
8.03	8.03	<p>Reimbursements to more than one individual –</p> <p>This section has been changed to reflect the new authorization of electronic travel voucher/forms and electronic signatures concerning those forms.</p>
8.04(B)	8.04(B)	<p>Direct payments and reimbursements to state agencies and attendants –</p> <p>B. Reimbursement of a travel advance or local fund.</p> <p>This subsection has been changed to reflect the new authorization of electronic travel voucher/forms and electronic signatures concerning those forms.</p>
8.05	8.05	<p>Compensatory and salary per diem payments and meal expense reimbursements for non-overnight travel – (document type 4 or 8 with appropriate t-code) –</p> <p>This section has been changed to reflect the new authorization of electronic travel voucher/forms and electronic signatures concerning those forms.</p>

Subject Index

(Text in all capital letters denotes a term that is defined in Section 1.02)

A

- Abbreviations 11, 142, 143
- Acronyms..... 11, 142, 143
- Actual expenses
- certain key officials 69
 - certain state employees 70
 - governor's spouse 131
 - legislative employees 68
 - legislators..... 115
 - maximum equal to twice
the amount..... 68, 69, 73, 75, 115, 131
 - representing legislators or certain officials 73
 - representing the state 72
 - travel with legislators or certain officials... 75
- ADVISORY BOARD 1
- Air transportation, commercial..... 98
- Aircraft pilot
- meals and lodging
exception to six-hour rule.... 44, 51, 55, 56
- Aircraft, private
- legislators, board members, and key
officials..... 109
 - other state employees 111
 - rental or lease..... 112
 - Texas Department of Transportation 112
 - transportation by 109
- AIRFARE, LOWEST AVAILABLE 4
- Alcoholic beverages..... 40, 127
- Alumni activities..... 124
- Americans with Disabilities Act of 1990
(ADA)..... 123
- Apartment, lease of..... 79
- Appointed officer(s)..... 24, 25
- APPROPRIATED FUNDS..... 1, 6
- Appropriation or fiscal year
determination 133, 143
- Approval not required by the chief
administrator
- travel to U.S. possessions, Alaska,
Hawaii, Canada, or the United Mexican
States 54
- Approval or authorization required by the
chief administrator
- foreign travel 27, 56, 58
 - membership(s) in professional
organizations 124
 - non-overnight meals 43, 49, 55
- Attendant care..... 122, 127, 138
- Audited, reimbursements from persons
being 28
- Audits (special) conducted by the
comptroller and the state auditor 16
- AVERAGE COACH AIRFARE..... 1
- Awards or discounts
- airfares 33
 - commercial lodging 76
 - travel expenses 30

B

- Bicycle, travel by 101
- BOARD..... 1
- BOARD MEMBER 1
- Board members
- advisory 118
 - aircraft..... 109
 - compensatory per diem..... 121
 - elected..... 69, 119
 - full-time salaried..... 120, 121
 - funeral expenses 12
 - limitations 17
 - meals and lodging..... 119
 - exception to six-hour
rule..... 43, 44, 51, 55, 56
 - special provisions..... 118
 - transportation and incidental expenses ... 121

Boat, travel by 101
 BUSINESS DAY 1
 Business telephone calls81, 126

C

CANCELLATION CHARGE 1
 Cancellation charges..... 28
 Changes from previous guide, major 149
 Charges, cancellation..... 28
 Chief administrator
 approval not required
 travel to the U.S. possessions,
 Alaska, Hawaii, Canada, or the
 United Mexican States..... 54
 approval or authorization required
 foreign travel.....27, 56, 58
 membership(s) in professional
 organizations 124
 non-overnight meals.....43, 49, 55
 meals and lodging
 exception to six-hour
 rule..... 43, 44, 51, 55, 56
 CHIEF ADMINISTRATOR OF A
 STATE AGENCY..... 2
 Coding of travel documents (vouchers) 143
 Combining personal business with state
 business..... 104
 Commercial air transportation..... 98
 COMMERCIAL LODGING
 ESTABLISHMENT..... 2
 COMMERCIAL TRANSPORTATION
 COMPANY 2
 Compensatory leave, travel while on 34
 Compensatory per diem 121
 payroll document/voucher 141
 COMPTROLLER..... 2
 Comptroller's maximum
 reimbursement rate 45, 46, 47, 50, 51
 lodging..... 116
 meals 115

Computation of number of miles 84
 Conservation of funds 8, 79
 CONTERMINOUS UNITED STATES2
 Conversion of foreign currency 38, 126
 CONVEYANCE, RENTED OR PUBLIC 5
 Coordination of travel (four-per-car rule) 86
 COUNCIL OF GOVERNMENTS 2
 COUNTY2
 Currency, foreign 38, 126

D

Daily lodging rate..... 79
 Day, special definition of..... 39
 Deadlines for payments or
 reimbursements..... 16, 145
 Death of a state employee
 lodging37
 preparing and transporting remains and
 personal property 36
 DESIGNATED HEADQUARTERS3
 Direct payment
 lodging and meal expenses 78
 to state agencies and attendants 138
 transportation expenses 102
 Disabilities, state employees with 122
 DISABILITY 3
 Disaster, natural..... 13, 28
 Discounts or awards
 airfares 33
 commercial lodging..... 76
 travel expenses..... 30
 DOCUMENT, PAYROLL..... 5
 DOCUMENT, TRAVEL 5
 DUTY POINT.....3

E

EDUCATIONAL AND GENERAL FUNDS	3
Educational organizations, employees of hotel occupancy tax	66
ELECTRONIC SIGNATURE.....	3
Electronic Signatures	129, 134, 135, 136, 138, 141
EMPLOYEE, PROSPECTIVE STATE	5
EMPLOYEE, STATE	5
EMPLOYMENT, PLACE OF	5
Erroneous processing or audits.....	10
Erroneous travel vouchers	9
Ethics Advisory Commission, State.....	76
Ethics Commission guidelines, Texas	76
Ethics Commission, Texas	25
Evidence, purchase of	40
EXECUTIVE DIRECTOR	3
Expenditures, limitations on total travel	17
Expense of leasing an apartment or house....	79
EXPENSE, INCIDENTAL.....	4
EXPENSE, LODGING.....	4
EXPENSE, MEAL	4
EXPENSE, TRAVEL	5
Expenses, Investigation.....	40
F	
Federal law, conflicts with	7
Federal taxes	14
Federal travel regulations.....	47, 51, 116
Fiscal or appropriation year determination.....	133, 143
Fiscal responsibility of payments and reimbursements.....	10
FISCAL YEAR.....	3

Foreign countries other than Canada and the United Mexican States, travel to	57
Foreign currency.....	38, 126
Foreign Travel	
Chief administrator's approval or authorization required	58
Four-per-car rule	86
Frequent flyer miles	107
FUNDS, INSTITUTIONAL.....	4
Funerals	12

G

GENERAL APPROPRIATIONS ACT	3
General Appropriations Act, conflicts with	7
GENERAL FUNDS, EDUCATIONAL AND	3
Governor's spouse.....	131
Gratuities or tips	4, 127
GRATUITY	3
GUIDE	3

H

HEADQUARTERS, DESIGNATED	3
Higher education employees, hotel occupancy taxes	66
HIGHER EDUCATION, INSTITUTION OF	4
Higher lodging rate than comptroller's maximum, request for	51
Higher lodging request	48, 51
HOLIDAY, NATIONAL OR STATE.....	4
Hotel occupancy taxes.....	65
certain state officers or employees.....	66
educational organizations, employees of...	66
employees of higher education.....	66

HOURS, NON-WORKING	4	Local fund, reimbursements of	139
HOURS, WORKING	6	LODGING EXPENSE.....	4
House, lease of	79	Lodging expenses	
I		absent from duty point for personal reasons.....	40
Illness	14, 28	awards and discounts given	76
INCIDENTAL EXPENSE.....	4	board members	119
Incidental expenses		comptroller's maximum reimbursement rate.....	46, 50, 51, 115
legislators	115	direct payment of.....	78
non-reimbursable	127	exceptions	
reimbursable	126	certain key officials	69
INCLUDE.....	4	certain state employees.....	70
INSTITUTION OF HIGHER EDUCATION	4	employees of the legislature	68
INSTITUTIONAL FUNDS.....	4	representing legislators or certain officials.....	73
Institutional funds used for travel	123	representing the state	72
Institutions of higher education, employees of.....	123	travel with legislators or certain officials.....	75
Instruction of state employees.....	9	federal travel regulations.....	47, 51
Intercollegiate athletics.....	123	foreign countries other than Canada and the United Mexican States.....	57
Investigation expenses	40	higher lodging request	47, 51
coding.....	145	inability to obtain reasonable lodging	
K		in a duty point	48, 52, 54
KEY OFFICIAL.....	4	in Texas	42, 45
Key officials, aircraft	109	in the last duty point	59
L		increasing the comptroller's maximum lodging rate by decreasing the comptroller's maximum meal rate.....	48, 52
LEASE	4	incurred while not conducting official state business.....	40
Lease of apartment or house	79	legislators	115
Legislative employees	68	multiple duty points without an intermediate return to a designated headquarters, travel to	59
Legislators	73, 75, 109, 110, 115, 117	non-commercial lodging establishments	40
funeral expenses.....	12	non-overnight travel	
travel during legislative sessions.....	110, 117	outside Texas but within the conterminous U.S.....	50
Limitations	17	Texas, within	44
Limousine.....	97, 101		
sharing.....	101		

U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States.....	56	federal travel regulations	47
overnight travel		foreign countries other than Canada and the United Mexican States.....	57
outside Texas but within the conterminous U.S.	46	incurred while not conducting official state business	39
U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States.....	54	leasing an apartment	80
within Texas.....	41	legislators	115
receipts	63	multiple duty points without an intermediate return to a designated headquarters, travel to	58
request for rate higher than comptroller's maximum rate	48, 51	non-overnight travel	
sharing.....	62	outside Texas but within the conterminous U.S.....	49
six hour rule	44, 56	Texas, within	43
summary chart	77	U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States	55
Lost tickets or similar items	35	overnight travel	
LOWEST AVAILABLE AIRFARE	4	outside Texas but within the conterminous U.S.....	45
M		Texas, within	40
Major changes from previous guide.....	149	U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States ..	53
Mandatory utility charge	80	receipts	63
Mass transit.....	97, 101	six hour rule.....	43, 50, 55
MAY NOT	4	supporting document requirements.....	63
MEAL EXPENSE	4	while lodging outside Texas	42
Meal expense reimbursements		Medical care for traveling state employees ..	12
prohibited.....	39	Membership fees.....	125
special definition for	39	Mileage	
Meal expenses		between residence and airport.....	87
absent for personal reasons	39	between residence and duty point	88
alcoholic beverages.....	40	between residence and place of employment.....	89
board members.....	119	computation	84
comptroller's maximum reimbursement rate.....	45, 47, 115	coordination of travel (four-per-car rule)...	86
designated headquarters, within.....	39	general provisions	83
direct payment of.....	78	incurred while obtaining lodging.....	90
exceptions		incurred while obtaining meals	89
certain key officials.....	69	rate.....	84
certain state employees.....	70	Texas, outside	87
employees of the legislature	68	Miles, computation of number of	84
representing legislators or certain officials.....	73	Motor vehicles	
representing the state	72	rental for personal and state business	105
travel with legislators or certain officials.....	75	rental of.....	99
		sharing.....	99
		travel by.....	101

Multi-day travel to or from a duty point 60
 Multi-payment travel documents..... 135
 Multiple duty points without an intermediate return to a designated headquarters, travel to..... 58
 Multiple reimbursements or advances..... 28

N

NATIONAL OR STATE HOLIDAY 4
 Natural disaster 13, 28
 Non-overnight travel
 outside Texas but within the conterminous U.S. 49
 Texas, within 43
 U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States... 55
 NON-WORKING HOURS..... 4
 Number of miles, computation of..... 84

O

Official state business 11
 OFFICIAL, KEY..... 4
 On leave, travel expenses incurred while 13
 Overnight travel
 outside Texas but within the conterminous U.S. 45
 Texas, within 40
 U.S. possessions, Alaska, Hawaii, Canada, or the United Mexican States... 53

P

Packaged travel arrangements 33
 Parking..... 83, 91, 127
 Payments or reimbursements
 by other state agencies 28
 contingent on incurrence of expenses 29
 fiscal responsibility of 10
 from non-state sources..... 28
 travel expenses 7

PAYROLL DOCUMENT 5
 Payroll document/voucher..... 141
 Per diem, compensatory 121
 Per diem, compensatory-payroll document/voucher 141
 PERSON 5
 Personal business combined with state business 104
 Personal emergency 14, 28
 Personal leave, travel while on..... 34
 PLACE OF EMPLOYMENT 5
 Previous guide, major changes from..... 149
 Private aircraft
 legislators, board members, and key officials 109
 other state employees 111
 rental or lease 112
 Texas Department of Transportation 112
 transportation by 109
 Processing or audits, erroneous 10
 PROSPECTIVE STATE EMPLOYEE 5
 Prospective state employees 125
 PUBLIC CONVEYANCE 5
 Purchase of evidence 40
 coding 145

R

Railroad, travel by 101
 Receipt requirements
 airfare..... 95
 mass transit, taxi, or limousine 97
 meals and lodging 63
 railroad, boat, bicycle, or motor vehicle..... 97
 rental of motor vehicle(s) 96
 Recouping erroneous travel expense payments/reimbursements..... 10
 Registration fees..... 33, 124

Reimbursements	
contingent on incurrence of expenses.....	29
for attendant	138
for direct payments.....	138
for non-overnight travel.....	141
for travel advance or local fund.....	139
meals	
prohibited.....	39
special definition for	39
mileage, parking and tolls	83
to more than one individual (Multi- payment travel documents).....	135
to one individual (Single payment travel documents)	133
to state agencies and attendants.....	138
Reimbursements or advances, multiple.....	28
Reimbursements or payments	
by other state agencies	28
from non-state sources	28
Rental of motor vehicles.....	96, 99
Rental or lease of an aircraft	112
RENTED OR PUBLIC CONVEYANCE	5
Representing legislators or certain officials..	73
Representing the state.....	73
Responsibilities of state employees	10
Retirement systems	6
S	
Sales and use taxes	127, 131
Service charges, travel agency	127
Sharing a rented motor vehicle.....	99
Sharing a taxi or limousine.....	101
Sharing lodging.....	62
Signature	136
SIGNATURE, ELECTRONIC	3
Signatures	129, 134, 135, 136, 138, 141
Signatures,	
Electronic.....	129, 134, 135, 136, 138, 141
Single payment travel documents.....	133
Special provisions	
Board members	118
employees of institutions of higher education.....	123
Governor's spouse	131
incidental expenses	126
Legislators	115
prospective state employees	125
registration and membership fees.....	124
sales and use taxes	131
state employees with disabilities	122
travel advance account.....	128
STATE AGENCY	5
State auditor, special audits conducted by the comptroller and the.....	16
STATE EMPLOYEE.....	5
State employees	
instruction of.....	9
meals and lodging	
exception to six-hour rule	43, 44
medical care for traveling	12
responsibilities of.....	10
threatened, and their families	14
with disabilities, special provisions	122
State Ethics Advisory Commission	76
STATE GOVERNMENT, UNIT OF	6
STATE HOLIDAY, NATIONAL OR.....	4
State, representing the	72
Stolen tickets or similar items	35
Students, recruitment of	123
SUBDIVISION	5
SUBSECTION.....	5
Summary chart for lodging expenses	77
Supporting documentation	
electronic storage of.....	147
general requirements for.....	146

T

Taxes
 federal..... 14
 hotel occupancy..... 65
 certain state officers or employees..... 66
 employees of educational organizations .. 66
 employees of higher education..... 66
 sales and use..... 127, 131
 Taxi.....97, 101
 sharing..... 101
 Telephone calls, business..... 81, 119, 121, 126
 Texas Building and Procurement
 Commission contracts, participation by
 state agencies in..... 15
 Texas Department of Banking employees
 reimbursement exception
 aircraft rental or lease..... 112
 incidental expense..... 128
 mileage 93
 private aircraft travel 111
 travel by rented or public conveyance... 107
 reimbursement for meals or lodging..... 71
 Texas Department of Transportation..... 112
 Texas Ethics Commission..... 25
 guidelines..... 76
 Threatened state employees and their
 families..... 14
 TIP 5
 Tips or gratuities 4, 127
 Tolls..... 83, 92, 126
 Training seminars..... 36
 Transportation by private aircraft..... 109
 Transportation expenses, direct payment of. 102
 Transportation, Texas Department of..... 112
 Travel
 additional limitations 19
 additional limitations on travel outside
 Texas..... 23

 additional limitations on travel within
 Texas 22
 advance account 128
 reimbursement to 139
 agency service charge..... 127
 arrangements, packaged..... 33
 by rented or public conveyance..... 95
 exception 107
 cap..... 17
 advisory board members 118
 advisory boards 17
 general limitations 18
 consequences of exceeding..... 19
 exceptions to 18
 coordination (four-per-car rule)..... 86
 document/voucher submission..... 145
 documents (vouchers), coding of 143
 regulations, federal 47
 vouchers, erroneous 9
 with legislators or certain officials 75
 TRAVEL DOCUMENT 5
 TRAVEL EXPENSE..... 5
 Travel expenses
 incurred while on leave..... 13
 payments or reimbursements of 7
 recouping erroneous 10
 supporting documentation..... 7
 TRAVEL REGULATIONS ACT 5
 Travel Regulations Act..... 8, 123
 TRAVEL VOUCHER..... 6
 TRAVEL VOUCHER/FORM 6
U
 UNIT OF STATE GOVERNMENT 6
 USAS..... 6

V

Voucher and documentation requirements
waiver of..... 8

Voucher and documentation requirements
(see separate sections for specific requirements)8, 133

VOUCHER, TRAVEL..... 6

VOUCHER/FORM, TRAVEL..... 6

W

Waiver of voucher and documentation
requirements 8

Washington, D.C., travel to..... 15

Weekend travel 31

WORK DAY 6

WORKING HOURS 6

Y

YEAR, FISCAL..... 3