

# **THE ORGANIZATION OF MISO STATES, INC.** **TRAVEL EXPENSE REIMBURSEMENT POLICY**

**Approved April 20, 2017**

## **OVERVIEW AND POLICY STATEMENT**

It is the intent of the Organization of MISO States (OMS) that travel should be judiciously used in order to carry out and promote the efficient work and duties of the OMS and otherwise protect and promote its interests. All travel at OMS expense must be for the purpose of conducting OMS business.

This policy applies to OMS staff, OMS board members, work group members, OMS member staff, and associate members who have been approved for travel by the Executive Director and in accordance with this policy. Expenses incurred should be reasonable and customary and in accordance with the Policy. The Treasurer will review costs associated with all OMS travel on an on-going basis. The Treasurer will also perform the functions designated in this policy for any traveler if the ED requests assistance or is unavailable.

This Travel Expense Reimbursement Policy (Policy) is designed to:

- Explain requirements that promote the reasonableness of costs incurred for travel on OMS business.
- Comply with applicable federal regulations and the Funding Agreement between the OMS and the Midcontinent Independent Transmission System Operator, Inc. (MISO).
- Meet the Internal Revenue Service definition of an accountable plan. As a result, expenses and reimbursements that conform to this policy are not reported as taxable income to the individual.
- Provide a clear and consistent understanding of OMS's travel expense reimbursement policy.
- Ensure that travelers are reimbursed for reasonable and customary expenses.

Additional restrictions may apply to travel expenses funded by federal agencies.

## **TRAVEL APPROVAL PROCESS:**

Travel by OMS staff, OMS board members, work group members, associate members, or other designated travelers to OMS meetings, MISO meetings, FERC meetings, or other meetings directly related to OMS business requires prior approval by the Executive Director. In order to prudently utilize travel funds, those attending a meeting from any member commission or work group should coordinate coverage of specific meetings amongst one another and only send

the number of members that are necessary to serve the needs of the organization. The Executive Director has the authority to limit the number of members who go to a specific event.

Approval is obtained through submission of the OMS *Travel Request Form* to the OMS office at least 10 days prior to travel. Travelers should use due diligence and best judgement in estimating costs and booking travel.

Should an approved trip not be taken, the traveler is responsible for notifying the OMS office staff as soon as possible. Reimbursement of costs incurred for a trip not taken will be reviewed on a case by case basis.

### Travel Expense Advances

A request for a travel expense advance must be indicated on the *Travel Request Form*. Advances should be limited to pre-paid expenses such as airfare. Please include a copy of the requested expense at the time of request. Requests for exceptions to this policy will be considered on a case-by-case basis.

The request for funds should be submitted to the Executive Director for approval and processing at least 20, but not more than 90, days prior to travel. The cash advance must be noted on the *Expense Reimbursement Form*. Receipts for actual cost must accompany the completed *Expense Reimbursement Form* along with other applicable receipts.

## **EXPENSE REIMBURSEMENT PROCESS**

The traveler is responsible for submitting their reimbursement request for OMS travel within **45 days of returning**. If a traveler has not submitted the reimbursement request within 45 days of returning, future travel requests may not be approved. Receipts are required for all expenses except incidentals, such as tipping for hotel room, luggage storage, parking attendant, etc. Receipts must be submitted with the completed *Expense Reimbursement Form*. OMS expects that a good faith effort will be made by travelers to collect and retain all required receipts. Lost receipts will be handled on a case-by-case basis.

### **Reimbursable Expenses**

#### **AIRFARE**

Travelers are expected to make prudent decisions on airfare, weighing the cost of a ticket and the time commitment for travel. OMS will only reimburse for the cost of coach or equivalent seating. If the travel circumstances change, cost variances of 30% or more, require approval and re-submission of the *Travel Request Form*.

## **RENTAL CARS**

OMS will reimburse the traveler for the cost of renting a compact or standard-size car and for the automobile-related expenses if use of the rental vehicle is the most economical mode of transportation. Upgrades to full-sized cars may be pre-approved if a detailed explanation (for example, number of persons, luggage accommodations, length of commute between airport and destination) accompanies the request. Before renting a car, the traveler should consider shuttle services and taxis, particularly for transportation between airport and lodging. Mileage is not reimbursable for rental cars. In these cases, the direct cost of gasoline may be reimbursed. OMS carries rental car insurance for OMS members.

**OMS members and staff renting cars for OMS business should, for insurance reasons, include “OMS” with the name of the individual.**

### Accident Notification

If a rented vehicle is involved in an accident, the OMS office staff should be notified immediately. If the accident happens after work hours contact the insurance company, Liberty Mutual directly at 1-800-362-0000 or [clclaimreports@libertymutual.com](mailto:clclaimreports@libertymutual.com) and be sure to notify OMS staff as soon as possible.

## **PRIVATE AND STATE-OWNED AUTOMOBILES**

OMS will pay a standard rate per mile, the GSA-designated rate, for official OMS travel by private automobile, or a standard rate per mile (the state designated rate) for official OMS travel by state automobile, based on the actual driving distance by the most cost efficient route. The standard mileage allowance is in lieu of all actual automobile expenses such as fuel and lubrication, towing charges, physical damage to the vehicle, repairs, replacements, tires, depreciation, insurance, etc.

Requests for mileage reimbursement to/from a destination should be calculated based on the actual location the traveler is departing from/returning to.

In addition to the standard mileage allowance, necessary and reasonable charges for the following automobile-related expenses are allowed: tolls, ferries, parking, bridges, and tunnels. Traffic ticket and parking ticket expenses will not be reimbursed.

OMS members are prohibited from using cell phones (unless using with a hands-free device) while operating a government, personal or rented

vehicle for OMS business, except in emergency situations. These prohibitions apply to any use of cell phones, including text messages and e-mails.

## **PUBLIC TRANSPORTATION**

For travelers using railroads, non-local buses or other commercial transportation OMS will pay the cost of the lowest first-class accommodations available for the trip. Reimbursement will not exceed the commercial airfare that would be reimbursable for the same trip.

## **LODGING**

When making hotel reservations, OMS members should always consider asking about a group rate. Many times MISO rates, meeting blocks and government rate rooms are available. OMS travelers are responsible for cancelling any unneeded hotel rooms. OMS will not reimburse any cancellation costs unless there are extenuating circumstances beyond the control of the traveler. Those circumstances will be considered on a case-by-case basis.

## **LAUNDRY**

Travelers will be reimbursed for reasonable and actual expenses for laundry services that are necessary due to an absence from home for five or more days or when unusual and documented circumstances mandate these services. An explanation of those circumstances should be included on the expense report.

## **INTERNET**

Travelers will be reimbursed for fax, mail and internet connection costs that are reasonable and necessary for conducting OMS business.

## **MEALS**

OMS will reimburse a traveler for meal expenses incurred during OMS-related travel. On the days of travel to or from the destination, departure and return times will determine whether a meal was incurred during the period of travel. Reimbursement may only be requested for meals that the traveler had to pay for out of pocket. However, travelers will not be reimbursed for meal expenses incurred if a traveler has acknowledged intent to participate in meals that have been prearranged and paid for by or through OMS and does not attend.

OMS provides for reimbursement based on the actual cost of meals, capped at the daily U.S. General Services Administration (GSA) per diem

rate, less amounts attributed to meals otherwise provided during the travel period (e.g. if lunch is provided at a meeting, the applicable lunch per diem amount is subtracted from the daily cap). Receipts for actual meal expenses are required. Should actual meal expenses as shown on the applicable receipt exceed the location-specific GSA per diem rate, the per diem rate will be the amount reimbursed. The GSA per diem rate for common OMS travel locations is included on the *Expense Reimbursement Form*. The GSA per diem rate for all locations can be found at:

<http://www.gsa.gov/portal/content/100715>  
<http://www.gsa.gov/portal/content/101518>

Meal expenses should be reasonable and customary for the location of travel and any exceptions need to be explained. OMS will not reimburse for gratuities that are greater than acceptable standards. Currently, the domestic standard is 15-20% of the total bill; international standards may vary.

### **INCIDENTALS**

Incidental expenses, including fees and tips for persons providing services such as food servers, hotel housekeeping and luggage handlers will also be reimbursed.

### **NON-BUSINESS TRAVEL**

If a traveler remains at the business destination for non-business reasons, OMS will only reimburse the costs of the business portion of the travel. Any costs incurred over and above the business period are the responsibility of the traveler.

### **TRAVEL EXPENSES OF FAMILY AND FRIENDS**

The expenses of a spouse, family or others accompanying the business traveler are not reimbursable.

### **NON-REIMBURSABLE EXPENSES**

The following expenses are not reimbursable under this policy:

- Alcoholic beverages.
- Car rental insurance purchased for domestic travel. OMS's business insurance covers rental cars.
- Childcare.
- Corporate card delinquency fees or finance charges.
- Dues in private clubs.

- Personal grooming services, such as barbers, hairdressers and shoe shines.
- Membership fees associated with frequent flier and other similar awards for hotel and car rentals.
- Gym and recreational fees, including massages and saunas.
- In-room movies.
- Insurance costs such as life insurance, flight insurance, personal automobile insurance and baggage insurance.
- Laundry or valet service for travel of fewer than five days.
- Lost baggage.
- Loss or theft of cash advance money, airline tickets, personal funds or property.
- “No-show” charges for hotel and car service.
- Parking tickets or traffic violations.
- Personal automobile repairs.
- Personal credit card annual fees.
- Personal telephone charges in excess of one telephone call home per day
- Upgrades (air, hotel, car, etc.).