THE ORGANIZATION OF MISO STATES, INC.
TRAVEL EXPENSE REIMBURSEMENT POLICY
Approved September 12, 2019
Revised/Approved May 5, 2025

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 to 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. Expenses incurred should be reasonable and customary and in accordance with the Policy. The Executive Director will review and approve costs associated with all OMS travel with oversight by the Treasurer. The Treasurer will review and approve the Executive Director's expenses.

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 will be reimbursed for travel to a specific event.
Approval is obtained through submission of the OMS *Travel Request and Expense Form* to the OMS office at least 10 days prior to travel. Travelers should use due diligence and best judgment 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.

1.) When multiple funding sources are available and members are traveling on behalf of the OMS and other organizations, reimbursement for the same costs from multiple sources is strictly prohibited. Expenses must be clearly separated and documented on the *Travel Request and Expense Form.*

Travel Expense Advances

A request for a travel expense advance must be indicated on the *Travel Request and Expense Form.* Advances should be limited to pre-paid expenses such as airfare, lodging, or registration fees. Travelers should include a copy of receipts for requested expenses 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 *Travel Request and Expense Form*. Receipts for actual costs must accompany the completed *Travel Request and Expense 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 from approved travel. If a traveler has not submitted their 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 *Travel Request and Expense Form*. Itemized meal receipts are required. The 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. Baggage fees are included as reimbursable. In-flight Wi-Fi and seat upgrades are not reimbursable. If the travel circumstances change, cost variances of 30% or more, require approval and re-submission of the *Travel Request and Expense Form*.

RENTAL CARS

If driving is more economical than flying and no state-owned vehicle is available, the OMS will reimburse the traveler for the cost of renting a compact or standard-size car and for the automobile-related expenses. Upgrades to full-sized cars may be pre-approved if a detailed explanation (for example, number of people, 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. When renting, the actual cost of gasoline may be reimbursed if receipts are included after the trip with the *Travel Request and Expense Form*.

The organization does not carry or provide explicit insurance coverage for rental vehicles. Travelers must ensure that any necessary insurance coverage for car rentals is provided through their own employer or personal insurance policy prior to travel.

Travelers are encouraged to:

- Rent vehicles through their own employer's travel system if available.
- Verify that their employer's auto insurance, or other means, provides adequate coverage for rental cars.

The organization will reimburse standard rental charges and fuel costs when such travel is pre-approved and necessary for organizational business.

Accident Notification

If a rented vehicle is involved in an accident, your employer and the OMS office staff should be notified immediately.

STATE-OWNED AND PRIVATE AUTOMOBILES

For official OMS travel by state-owned automobile, the OMS will pay a standard rate per mile, as set by each state agency's travel policy, based on the actual driving distance by the most cost-efficient route.

While not prohibited, the OMS discourages travel in private vehicles for official OMS business. However, in rare circumstances, use of a personal vehicle may be the most economical option. If travel in a private vehicle for official OMS business is the most economical option, the OMS will pay the GSA-designated rate per mile 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 or from a destination should be calculated based on the actual location the traveler is departing from or returning to. However, if claiming personal mileage to and from the airport, the OMS will reimburse the traveler for mileage from either their place of employment or their residence to the airport – whichever is shorter.

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, parking ticket, and valet parking expenses, when self-parking is available, will not be reimbursed.

Travelers are prohibited from using cell phones or other electronic devices while operating any vehicle for OMS business, except in emergency situations, unless talking with a hands-free device.

PUBLIC TRANSPORTATION

For travelers using railroads, non-local buses or other commercial transportation the 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. Often, MISO rates, meeting blocks, and government rate rooms are available. If a room block is provided, the OMS will only reimburse the traveler up to the cost of a room within the room block for the length of the event. OMS travelers are responsible for cancelling any unneeded hotel rooms. The 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 internet connection costs that are reasonable and necessary for conducting OMS business, except for in-flight Wi-Fi.

MEALS

The 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. 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.

The 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). **Itemized 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 *Travel Request and Expense Form*. The GSA per diem rate for all locations can be found at:

Privately Owned Vehicle Mileage Reimbursement Rates:
http://www.gsa.gov/portal/content/100715

Meals and Incidental Per Diem Rates by City, State, or ZIP
https://www.gsa.gov/travel/plan-book/per-diem-rates

Meal expenses should be reasonable and customary for the location of travel and any exceptions need to be explained. The 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 but may not exceed more than $5 per day.

OMS SPONSORED EVENTS

Expenditures for OMS sponsored events, including meals, alcohol, and costs for group events/outings that support member engagement will be paid for and reimbursable for OMS staff. In each case, the expense must be reasonable, appropriate for the situation, within the OMS approved budget, and aligned with the nature of the business conducted by OMS.

NON-REIMBURSABLE EXPENSES

The following expenses are not reimbursable under this policy:

- Alcoholic beverages (except under the **OMS Sponsored Events** section).
- Non-business travel (The OMS will only reimburse the costs of the business portion of travel).
- Travel expenses of family or friends accompanying the business traveler. This includes meal expenses. Spouses or other accompanying travelers may attend OMS sponsored events when pre-approved but are required to pay separately.
- Car rental insurance purchased for domestic travel, unless pre-authorized. 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.
- Upgrades (air, hotel, car, etc.).