



# United States Department of the Interior

OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20240



SEP - 6 1990

FINANCIAL ADMINISTRATION MEMORANDUM NO. 90-076 (II.G.1.)

To: Bureau Assistant Directors, Administration  
Director, Office of Administrative Services  
Bureau Finance Officers  
Chief, Division of Fiscal Services

From: Chief, Division of Financial Administration  
Office of Financial Management

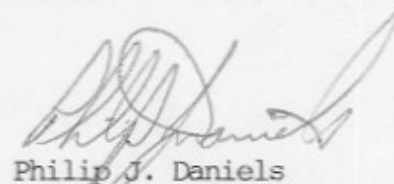
Subject: Departmental Advance Policies and Procedures

Attached is a copy of a memorandum issued by the Director of Budget and Program Resources, dated August 23, 1990. This memorandum transmits the revised Departmental Policies and Procedures for Issuing and Controlling Travel Advances.

The previous Departmental policies and procedures governing travel advances were based on Office of Management and Budget (OMB) Bulletin 88-17 which has been codified in 41 CFR Part 301-10, Source of Funds. There were no substantive changes as a result of this codification or in the revised Departmental policies and procedures.

Please provide this information to all personnel involved in approving travel authorizations, requests for travel advances, and travel reimbursement vouchers.

Should you have questions or require additional information on this subject, please contact Bill Webber of this Division on 208-5223 or FTS 268-5223.



Philip J. Daniels

Attachment

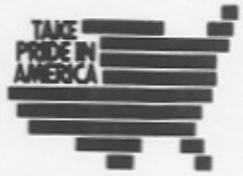
Prior Financial Administration  
Memorandum on this Subject:

No. 90-072 (II.G.1.), September 4, 1990 - Active  
No. 88-089 " , September 21, 1988 - Cancelled



# United States Department of the Interior

OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20240



AUG 23 1990

## Memorandum

To: Assistant Secretaries  
Solicitor  
Inspector General  
Heads of Bureaus and Offices

From: Director of Budget and Program Resource Management

Subject: Departmental Travel Advance Policies and Procedures

Federal Travel Regulation (FTR) Amendment 9 was issued in the Federal Register March 23, 1990. This rule codified the provisions formerly promulgated as Temporary Regulation A-34 under the Federal Property Management Regulation System governing travel advances. There were no substantive changes to the allowances or entitlements in the final rule. The changes made were reformatting, renumbering, and editorial. Attachment 1 is a copy of 41 Code of Federal Regulations (CFR) Part §301-10 Sources of Funds as issued in FTR Amendment 9. The Departmental Policy and Procedures for Issuing and Controlling Travel Advances has been updated to reflect the changes made as a result of codification of the FTR (Attachment 2).

The Department has an ongoing cash management and debt collection program that has yielded substantial positive results over the years. Controlling travel advances is an integral part of this effort. Your continued cooperation and support of the Department's initiative to minimize outstanding travel advances is appreciated. Strict adherence to the attached travel advance policy and procedures will provide the desired result of minimizing travel advances. Should you have questions or require additional information regarding these matters, please contact Bill Kendig, Director of Financial Management on 208-4701.

Philip Kiko

Attachments

Authority: 5 U.S.C. 5701-5709; E.O. 11609, July 22, 1971 (36 FR 13747).

4. Section 301-3.4 is amended by revising paragraphs (b)(1)(ii) and (c) to read as follows:

**§ 301-3.4 Special fares.**

(b) . . .  
(1) . . .

(i) For the use of contract air carriers for official travel between certain cities/airports, all agencies, except DOD, shall follow the policies, procedures, and requirements provided in part 301-15, subpart B. DOD must follow procedures established in the Military Traffic Management Regulation, AR 55-355/NAVSUPINST 4600.70/AFR 75-2/MCO P4600.14B/DLAR 4580.2.

(c) Unequal fares available. Except as provided in part 301-15, subpart B, when common carriers furnish the same method of travel at different fares between the same points for the same type of accommodations, the lowest cost service shall be used unless use of a higher cost service is administratively determined to be more advantageous to the Government. (See § 301-2.2(c).)

**PART 301-10—SOURCES OF FUNDS**

5. The authority citation for part 301-10 continues to read as follows:

Authority: 5 U.S.C. 5701-5709; E.O. 11609, July 22, 1971 (36 FR 13747).

6. Section 301-10.1, including the section heading, is revised to read as follows:

**§ 301-10.1 General policy.**

(a) *Minimizing cash requirements.* As a general policy, employees traveling on official business are responsible for meeting their current travel expenses. However, Federal employees should not have to pay official travel expenses entirely from personal funds unless the employee has elected not to use alternative resources made available by the Government (i.e., contractor-issued charge cards or travelers checks). To alleviate the need for employees to use personal funds, agencies may issue travel advances for certain expenses as authorized by § 301-10.3. Agencies and travelers shall take all reasonable steps to minimize the cash burden on both the agency and the traveler. These steps shall include, but not be limited to, using Government contractor-issued charge cards. Where the use of Government contractor-issued charge cards is impractical for procuring common carrier transportation, agencies shall purchase required transportation tickets for employees using Government

Transportation Requests (GTR's) as provided in § 301-10.2, or centrally billed accounts as provided in § 301-15.45.

(b) *Managing financial resources.* To manage Federal financial resources more effectively for travel expense purposes, agencies shall:

(1) Hold to a minimum the amounts of cash advanced for travel purposes as provided in § 301-10.3;

(2) Follow-up with travelers to assure that vouchers are submitted within established timeframes as provided in § 301-11.4(a); and

(3) Process travel vouchers promptly to recover any excess travel advances or to provide payment to employees as provided in § 301-10.3(e). Agencies must establish internal policies and procedures to ensure that travel vouchers are paid within 25 working days after the end of each trip or travel period for which a voucher is filed.

(c) *Government contractor-issued charge cards.* Agencies shall offer Government contractor-issued charge cards to all employees who are expected to travel at least twice a year (frequent travelers), consistent with each agency's internal travel regulations. Upon request, agencies shall issue the card to any employee authorized to perform official travel. Part 301-15, subpart C contains rules and procedures governing the issuance of Government charge cards. Travelers issued charge cards are encouraged to use them to pay for official travel expenses to the maximum extent possible.

7. Section 301-10.2 is amended by revising paragraph (b)(2)(ii) to read as follows:

**§ 301-10.2 Procurement of common carrier transportation.**

(b) . . .  
(2) . . .

(ii) *Use of individual Government contractor-issued charge card for procurement of transportation exceeding \$100.* Cash payment of passenger transportation services in excess of \$100 is authorized when a participating agency or its employees use a charge card issued by a contractor under contract with the General Services Administration for official travel. Use of charge or credit cards held by the employee for personal use and issued by any other credit company is not authorized under this exception. (See part 301-15, subpart C governing the Government's charge card program.)

8. Section 301-10.3 is revised to read as follows:

**§ 301-10.3 Advance of funds.**

(a) *Authority.* The head of each agency or his/her designated representative may provide, through proper disbursing officers, to persons entitled to per diem (for subsistence expenses) or mileage allowances, an advance of travel funds in an amount deemed advisable within the criteria stated in paragraphs (b) and (c) of this section, considering the character and probable duration of the travel to be performed. Agencies shall issue advances in the form of travelers checks when that method is determined to be in the best interest of the Government.

(b) *Limitation.* Except as provided in paragraph (c) of this section, agencies shall limit the advance of travel funds to those estimated expenses that a traveler is expected to incur in connection with authorized travel (including travel incident to a permanent change of station) which normally would be paid using cash ("cash transaction expenses" as defined in paragraph (b)(1) of this section). This limitation applies to advances issued for travel under single trip as well as open travel authorizations. However, for travel covered by an open travel authorization, advances shall be limited to the estimated cash transaction expenses for no more than a 45-day period.

(1) *Cash transaction expenses.* Cash transaction expenses are those travel expenses that as a general rule cannot be charged and must, therefore, be paid using cash, personal checks, or travelers checks. It is assumed that travelers normally will be able to use a Government contractor-issued charge card to charge major expenses such as common carrier transportation fares, lodging costs, and rental of automobiles and airplanes. Therefore, expenses which will be considered cash transaction expenses are:

(i) Meals and incidental expenses (M&IE) covered by the per diem rate or actual subsistence expense allowance;

(ii) Miscellaneous transportation expenses such as local transit system fares; taxi fares; parking fees; ferry fees; bridge, road, and tunnel fees; and airplane parking, landing, and tiedown fees;

(iii) Gasoline and other variable expenses covered by the mileage allowance for advantageous use of a privately owned vehicle for official business; and

(iv) Other authorized miscellaneous expenses which cannot be charged using a charge card and for which a cost reasonably can be estimated prior to travel.



(2) *Allowable amount for meals and incidental expenses (M&IE).* For travel within the continental United States (CONUS), the amount advanced for meals and incidental expenses shall not exceed the prescribed M&IE rate or other amount authorized by the agency under parts 301-7 or 301-8, as appropriate. For travel outside CONUS, the amount advanced for M&IE shall not exceed 50 percent of the per diem rate or actual expense rate authorized under parts 301-7 or 301-8, respectively.

(c) *Exceptions to travel advance limitation—(1) Authorized exceptions.* The limitation provided in paragraph (b) of this section does not apply to the following change of official station expenses: temporary quarters subsistence, transportation and temporary storage of household goods or employee's automobile, or transportation of mobile homes.

(2) *Agency discretion.* Agencies may, under the limited circumstances described in paragraphs (c)(2) (i) through (iii) of this section, increase the amount of the travel advance provided to the traveler.

(i) *Use of charge card precluded.* Travel circumstances are expected to preclude the use of a Government contractor-issued charge card to purchase transportation, lodging, car rental, or other travel expenses that normally would be chargeable.

(ii) *Charge card issuance denied.* The agency determines that in certain situations an employee or group of employees should not be issued a Government contractor-issued charge card. The basis for this determination must be documented in the agency's internal travel regulations and might include infrequent travelers or travel circumstances where use of a charge card is nearly always impractical.

(iii) *Official change of station.* The agency determines that the use of Government contractor-issued charge cards is not feasible for en route travel and househunting trip cash transaction expenses in connection with employees transferring between official stations, particularly those transferring between agencies.

(3) *Amount allowed.* Travel advances under this exception shall not exceed 80 percent of the estimated additional cash expenses permitted under either paragraph (c) (1) or (2) of this section and authorized on the travel authorization unless a determination is made that the 80 percent limitation will result in a financial hardship on the employee. In cases of financial hardship, the agency may advance up to 100 percent of these estimated expenses for an individual trip, or for an open travel

authorization not to exceed a 45-day period.

(4) *Exception precluded.* This exception authority may not be exercised in situations where the employee has elected not to use alternative funding resources made available by the Government; i.e., Government contractor-issued charge cards or travelers checks. This exception authority may not be exercised for travelers whose Government charge cards have been suspended or revoked because of delinquent payments.

(d) *Funds chargeable.* Advances to travelers shall be chargeable to the appropriation or other funds available for the payment of the traveler's expenses.

(e) *Control and recovery of advances.* Agencies shall establish internal financial controls for assuring that travelers with outstanding travel advances are notified of any delinquencies in filing vouchers and repaying outstanding advance balances, and that travelers are promptly paid amounts owed to them by the agency. These controls should include procedures for reviewing outstanding travel advances and unpaid travel vouchers prior to an employee's separation, and for settling all outstanding amounts.

(1) *Deduction from vouchers.* It shall be the responsibility of the head of each agency or his/her designee to ensure that the amount previously advanced is deducted from the total expenses allowed or that it is otherwise recovered. In instances where the traveler is in a continuous travel status, or where periodic reimbursement vouchers are submitted on an individual trip authorization, the full amount of travel expenses allowed may be reimbursed to that traveler without any deduction of his/her advance until such time as the final voucher is submitted. If the amount advanced is less than the amount of the voucher on which the advance is deducted, the traveler shall be paid the net amount. In the event the advance exceeds the reimbursable amount, the traveler shall immediately refund the excess.

(2) *Direct refunds.* In the event of cancellation or indefinite postponement of authorized travel, the traveler shall promptly notify appropriate agency officials of such event and refund any monies advanced to him/her in connection with the authorized travel. In the event the traveler does not promptly refund the money, the head of the agency or his/her designee shall take immediate steps to secure the refund of any advance that may have been made.

(3) *Other means of recovery.* Outstanding advances which have not been recovered by deduction from reimbursement vouchers or voluntary refunds by the traveler shall be promptly recovered by a setoff of salary due or retirement credit or otherwise from the person to whom it was advanced, or his/her estate, by deduction from any amount due from the United States, or by any other legal method of recovery that may be necessary. Salary or other amounts due shall be considered before the retirement credit. In view of these protections, which are specifically included in the law, travelers shall not be required to furnish bonds in order to obtain travel advances. (See 31 U.S.C. 9302.)

(f) *Accounting for advances.* Accounting for cash advances for travel purposes, recovery, and reimbursements shall be in accordance with procedures prescribed by the General Accounting Office (see General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, Fiscal Procedures).

9. Chapter 301 is amended by adding part 301-15 to read as follows:

#### **PART 301-15—TRAVEL MANAGEMENT PROGRAMS**

##### **Subpart A—Use of Travel Agents and Travel Management Centers (TMC'S) by Federal Executive Agencies**

Sec.	
301-15.1	Scope of subpart.
301-15.2	Applicability.
301-15.3	Authority to use travel agents.
301-15.4	Establishment of TMC'S.
301-15.5	TMC responsibilities.
301-15.6	GSA responsibilities.
301-15.7	Agency responsibilities.
301-15.8	Employee responsibilities.

##### **Subpart B—Use of Contract Airline/Rail Passenger Service Between Selected Cities/Airports**

301-15.20	Scope of subpart.
301-15.21	Applicability.
301-15.22	Alternate use of noncontract rail or bus service.
301-15.23	Responsibility of awardees.
301-15.24	Procedures for obtaining service.
301-15.25	Use of travel management centers (TMC's).
301-15.26	Progressive airline awards for the same city/airport pair.
301-15.27	Use of noncontract carriers for listed city/airport pairs.
301-15.28	Traveler liability.

##### **Subpart C—Travel and Transportation Expense Payment System: Contractor-Issued Charge Cards, Centrally Billed Accounts, and Travelers Checks**

301-15.40	Scope of subpart.
301-15.41	Applicability.

POLICY AND PROCEDURES FOR ISSUING  
AND CONTROLLING TRAVEL ADVANCES

Policy.

It is the policy of the Department of the Interior to comply with the Federal Travel Regulations (FTR) regarding the issuance and recovery of travel advances as stated in 41 CFR §301-10 Sources of Funds. The amount of cash advanced for official travel purposes will be held to the minimum amount necessary for the accomplishment of the travel without imposing financial burdens on travelers. Amounts advanced will be recovered in an expeditious and efficient manner to preclude the advances from becoming delinquent. The government contractor-issued charge card offers significant opportunities to reduce the amount of travel-related expenses which must be financed by the Department in the form of travel advances. Therefore, maximum use will be made of the Government Travel Management System Program (i.e., individual government contractor-issued charge cards and Government Travel System (GTS) accounts for transportation). As a minimum, the following standards will be required of the travel advance management program within each bureau.

1. The government contractor-issued charge card will be offered to each employee expected to travel at least twice a year (frequent traveler) [41 CFR §301-10.1(c)]. Any application received from an employee who may be authorized to travel but does not meet the requirement of a frequent traveler will be processed.

2. The preferred method for issuing a travel advance is by U.S. Treasury check provided there is sufficient time to process payment before the travel. When possible, travel authorizations should be issued two or more weeks prior to the planned travel dates to allow sufficient time for processing a Treasury check. If the timing is insufficient to process a Treasury check, then an imprest fund may be used, if available, for the advance.

3. The total amount of travel advance issued will not exceed the out-of-pocket expenses expected to be incurred by the employee (i.e., the meal and incidental expense allowance for CONUS travel or 50 percent of the per diem rate for travel outside CONUS plus tolls, parking, taxi, and other expenses not customarily charged) [41 CFR §301-10.3(b)(1) and (2)]. Frequent travelers who elect not to request a contractor-issued charge card will assume the financial burden of paying for lodging, car rental and other expenses that would customarily be charged on the charge card. Employees who are offered the charge card and decline participation in the program or who have lost charge card privileges because of nonpayment of previous charges will not be issued an advance larger than those with charge cards [41 CFR §301-10.3(c)(4)]. Travel advances under \$50 will be issued only in extreme hardship cases.

4. The employees who are not expected to travel at least twice a year will not be offered the government contractor-issued charge card and may be advanced the full amount authorized by the FIR (41 CFR §301-7 and 8), unless a non-frequent traveler has requested and been issued a charge card which is permissible. All employees traveling to areas where charge cards are not acceptable as an alternative method of payment may be advanced the full amount authorized by the FIR [41 CFR §301 10.3(c)(2) (i)]. Travel advances will not include amounts for transportation, except where group travel is being procured through a travel agency and cash is the only acceptable form of payment.

5. The travel advance will be issued as close as possible to the date when the employee will need the funds to perform the authorized travel. Advances for travel covered by open or limited open travel authorizations will be restricted to the amount of out-of-pocket expenses expected to be incurred for a 45-day period [41 CFR §301-10.3(b)]. Advances for permanent change of station travel will be restricted to an amount necessary to cover the expected out-of-pocket expenses to be incurred for no more than a 30-day period.

6. The traveler is required to file a travel reimbursement claim within 5 working days after completion of the authorized travel or segment of permanent change of station travel, or each 30-day period if the travel period exceeds 30 days.

7. The traveler will be reimbursed for all authorized expenses within 25 working days after the traveler files his/her claim for reimbursement [41 CFR §301-10.1(b)(3)].

8. The traveler is required to repay any unused travel advance balance at the time the travel reimbursement claim is filed. When a reimbursement voucher is not received within 30 days from the end of the authorized travel period or is insufficient to settle the outstanding balance, the traveler will be requested to settle the advance immediately and advised that a payroll deduction (offset) will be initiated for the outstanding balance [41 CFR §301-10.3(e)(3)] (see also 5 USC 5705) unless settlement is received within 15 days.

Procedures.

Travel advance records will be reviewed on a continuous basis to ensure delinquencies are kept to a minimum and collection action is taken before an advance has been outstanding more than 60 days after the travel has been completed. The following controls and processing actions are required to meet the minimum acceptable level of effective cash management:



1. The employee's travel advance record will be reviewed to ensure all outstanding advances have either been settled or covered by a travel reimbursement voucher before issuing a travel advance for the same type travel (i.e., temporary duty or permanent change of station).

2. Travel advances will be limited to one temporary duty travel advance and one permanent change of station advance outstanding at one time. An exception may be made when an employee has a continuing advance authorized by an open or limited open travel authorization and is subsequently required to attend a conference or training under a separate travel authorization. Travel advances will be considered settled when the employee files a travel voucher for authorized expenses equal to the amount of the outstanding advance, or a voucher covering a part of the advance with payment of the balance not covered by the claim. Travel advance requests from employees who have an outstanding travel advance balance should be supported by a copy of the unpaid reimbursement claim.

3. Travel advance balances will be validated at least once each calendar year by either requiring repayment and reissue of the advance or a signed certification from the employee stating the outstanding balance is correct.

4. Continuing travel advances will be reviewed at least quarterly to ensure that travel performed justifies the amount of the advance. If the advance exceeds the out-of-pocket expenses for a 45-day period, the advance will be reduced by either a deduction from a travel voucher or repayment from the employee.

5. Travel reimbursement claims (travel vouchers) will be paid within 25 working days after submission. The administrative review process will be kept to the minimum necessary to ensure the expenses claimed were authorized and necessary. After the voucher has been administratively approved for payment, no further reviews should be made until it is reviewed for payment certification. The administrative review process should be completed within 2 working days after submission by the employee, except in cases where vouchers must be mailed to the approving official or special approvals are required for certain reimbursements claimed. In these cases, the approvals should be expedited to ensure payment is accomplished within 25 working days.

6. The clearance process for separating or transferring employees will include verification that there are no outstanding travel advances [41 CFR §301-10.3(e)]. If there is an outstanding advance that is not settled upon separation-clearance or death, a deduction/offset will be made from any amounts due the employee or his/her estate. When the final payroll payment is insufficient to cover the outstanding balance, the Office of Personnel Management (OPM) will be requested to offset the retirement credit for the amount owed from the person to whom funds were advanced, by deduction from any amount due from the United States, or by

any other legal method of recovery that may be necessary. Salary or other amounts due shall be considered before the retirement credit [41 CFR §301-10.3(e)(3)] (see also 5 USC 5705).