

VA Financial Policies and Procedures
Travel Per Diem

CHAPTER 2

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0201 OVERVIEW

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding the payment of per diem for official Government travel. This chapter implements and supplements those portions of the Federal Travel Regulation (FTR) pertaining to Temporary Duty Travel (TDY). The FTR is the Federal Government regulation that implements statutory requirements and Executive Branch policies for travel by Federal civilian employees and others authorized to travel at Government expense (41 Code of Federal Regulations (CFR), Chapters 300 through 304).

A per diem allowance covers lodging, meals and incidental expenses (M&IE). M&IE may include expenses such as tips to waiters, porters, bellhops, and hotel housekeepers. The per diem allowance does not include transportation or other miscellaneous expenses.

This chapter provides specific guidance on:

- General Rules – Section 020201 below.
- Lodging – Section 020202, page 8.
- Meals and Incidental Expenses (M&IE) – Section 020203, page 12.
- Reductions in Per Diem – Section 020204, page 14.
- Actual Expense – Section 020205, page 16.
- Travel Outside of Continental United States (OCONUS) – Section 020206, page 19.
- Income Tax Reimbursement Allowance (ITRA) – Section 020207, page 22.

0202 POLICIES

020201 GENERAL RULES.

A. VA employees travelling on official business have a fundamental responsibility to exercise the same care in incurring expenses that a prudent person would exercise when travelling on personal business. An employee who breaches an agreement before arriving at a designated temporary or permanent duty station--or upon arrival--fails, refuses or neglects to perform the assigned mission, may be required to reimburse VA for the actual expenses incurred for travel, including per diem.

B. VA will ensure that official TDY is financially neutral for its employees. VA will pay per diem to employees who travel more than 50 miles from their official station and/or residence, incur per diem expenses while on official travel, and remain in travel status beyond 12 hours. Per Diem is not authorized for official travel of 12 hours or less.

1. VA will reimburse up to the authorized allowances, the costs associated with lodging and M&IE required during TDY trips. The sum of the daily allowable costs associated with lodging and M&IE is known as the per diem cost of travel. Employees traveling to certain training events may be limited to per diem entitlements, not to exceed (NTE)

travel. Refer to Office of Financial Policy (OFP) Volume XIV Travel, Chapter 1, *Travel Administration*.

2. For computing per diem allowance, official travel begins at the time a traveler leaves his or her home, office, or other authorized point of departure and ends when the traveler returns to his or her home, office or other authorized point at the conclusion of the trip.

3. For each full calendar day a traveler is in a travel status and lodging is required, the per diem allowance is the actual cost of lodging up to the applicable maximum for the lodging location, plus the applicable M&IE allowance.

4. In most cases VA will use the Lodgings-Plus Per Diem (Lodgings-Plus) method to reimburse travelers for the per diem cost of travel. Under this method, VA will reimburse the actual cost of the traveler's lodging, up to a maximum daily allowance (rate). In addition to Lodging-Plus, VA will authorize the traveler a daily allowance for M&IE. Claims for reimbursement for per diem expenses will be requested on a TDY expense report in VA's E-Travel Service (ETS). Other methods for reimbursing travelers are listed in paragraph C below.

C. The General Services Administration (GSA) computes per diem under the Lodgings-Plus method for all Federal employees on travel. Under this system, the daily per diem consists of the actual cost of lodging (up to the maximum lodging amount) plus the daily allowance for meals and incidental expenses at the M&IE rate. VA will reimburse employees in a travel status by one of the following per diem methods:

- Lodging-Plus Per Diem
- Reduced Per Diem
- Conference Lodging Allowance
- Actual Expense

D. VA will not reimburse per diem expenses when the traveler departs from the official station or from the TDY location by two or more days for the sole purpose of performing travel during regularly scheduled working hours. For example, a traveler who is administratively scheduled to perform TDY on Monday may not be paid per diem for two consecutive non-workdays when he or she departs the previous Friday in order to avoid traveling on the weekend.

E. If a traveler's TDY location becomes their permanent duty location, the traveler will return to their original duty station for administrative out-processing, prior to officially transferring to the new permanent duty station. The traveler will be reimbursed at the TDY rate while returning to the old official station, and at the relocation rate (Permanent Change of Station (PCS)) rate while en route to the new official station. Refer to OFP Volume XIV, Chapter 8, *Relocation Packages*, for additional information on PCS.

020201.01 Maximum Per Diem Rates.

A. VA will adhere to the maximum per diem reimbursement rates that are set by fiscal year, effective October 1. Refer to Appendix A, Maximum Per Diem Rates, for the current year's maximum per diem reimbursement rates. For those locations not listed in the Continental United States (CONUS) per diem table, the standard CONUS rate applies.

B. VA will route all requests for per diem rate increases through the Travel Charge Card and Travel Policy Division (047E3) in VACO prior to being sent to the Chief Financial Officer (CFO).

If the per diem rate for a locality within CONUS is thought to be inadequate, VA's CFO may request a review by GSA. When requests are made, they will include:

1. The geographical areas for study, especially ZIP codes;
2. The property names (including addresses, ZIP codes and rates) where the travelers stay while on temporary duty and those properties (including addresses, ZIP codes and rates) that will not honor the federal lodging per diem rate; and
3. The number of times actual expenses were used and/or travelers who had to use another lodging facility to stay within the maximum allowable lodging per diem rate, which resulted in additional transportation expenses (rental car, taxi, etc.) being incurred.

020201.02 Per Diem for Travel More than 12 Hours but Less than 24 Hours.

A. VA will authorize per diem for approved TDY travel performed outside of the local travel area as long as the travel time exceeds 12 hours. Per diem is not authorized for official travel of 12 hours or less.

1. A traveler must obtain an approved travel authorization before any travel begins.
2. A traveler will annotate the date and time of departure and return on the travel voucher.

B. VA will compute per diem for travel more than 12 hours, but less than 24 hours, based on the following items:

1. When computing the M&IE allowance for travel of more than 12 hours but less than 24 hours, VA will authorize 75 percent of the M&IE allowance of the TDY assignment.¹

¹ GSA has clarified the reimbursement policy for travel lasting more than 12 hours but less than 24 hours and spanning two calendar days. Travelers will now be reimbursed 75 percent of the applicable M&IE allowance for both calendar days of travel ([FTR Amendment 2009-04, effective May 19, 2009](#)).

2. If travel is to multiple locations in one day, VA will authorize the highest M&IE allowance of the locations listed on the travel authorization. This rule applies only to travel of 24 hours or less.

3. In some cases, travelers may incur a lodging expense for travel less than 24 hours. VA will reimburse up to the maximum lodging allowance of the TDY location and 75 percent of the M&IE rate.

Refer to Appendix B, Computing Per Diem For Travel 24 Hours or Less, for examples.

020201.03 Per Diem for Travel 24 Hours or More.

A. For travel lasting 24 hours or more, VA will authorize and reimburse per diem from the time the traveler leaves their office, residence, or other authorized location until they return to their office, residence, or other authorized location. Refer to Appendix C, Computing Per Diem for Travel 24 Hours or More, for the applicable M&IE rates to use in calculating per diem for different lodging requirements and travel durations.

B. Travelers will indicate the date of departure from and arrivals at the official station or any other place travels begin or end, as well as identify stopovers and other places visited. Travelers are not required to indicate times of departure and return on the travel voucher for travel of this duration.

1. On the day of departure for travel more than 24 hours, VA will authorize 75 percent of the M&IE allowance for the TDY location (regardless of the departure time) and up to the maximum lodging allowance.

2. For each whole day between the departure and return, VA will authorize 100 percent of the M&IE allowance and reimburse up to the maximum lodging allowance.

3. On the day of return, VA will authorize 75 percent of the M&IE allowance based on the traveler's location during the previous calendar day. However, lodging allowance is not authorized.

4. Although per diem is generally based on the traveler's location at 12:00 a.m. (midnight), instances may occur in which the traveler is enroute and does not arrive at the lodging location (either TDY location or en route stopover point) until after midnight. In such cases, the lodging will be claimed for the preceding calendar day and the applicable maximum per diem for the preceding day will be determined as if the traveler had been at the lodging location at 12:00 a.m. (midnight) of that day.

020201.04 Interruptions of Per Diem Entitlement.

A. Leave or Other Absences. Leave or other absence for one-half or less of an employee's prescribed daily work hours will be disregarded for per diem purposes. Where annual leave or administrative absence is greater than one-half of the prescribed

daily work hours, no per diem will be allowed for that day. See Volume XIV, Chapter 5, *Travel Under Special Circumstances*, for leave used if the traveler is incapacitated while on TDY.

B. Nonworkdays.² Employees are considered to be in a per diem status on nonworkdays, except when they are authorized to return to their official stations or places of abode at Government expense, or except under conditions stated for emergency travel in Volume XIV, Chapter 5, *Travel Under Special Circumstances*. Refer to the following two scenarios when per diem would not be allowed.

1. Per Diem will not be paid for nonworkdays when the employee is in an annual leave status for more than one-half of the prescribed workday at the end of the workday before nonworkday(s) and at the beginning of the workday following the nonworkday(s). For example, if the employee is on annual leave (e.g., 8 hours on both Friday, October 1, 20XX and Monday, October 4, 20XX), the nonworkdays will be over the weekend. The employee will not be entitled to per diem on Friday, Saturday, Sunday or Monday, if the period of leave on Friday and Monday is more than one-half of the prescribed work hours for both days.

2. Per diem will not be paid for more than two nonworkdays in cases where a leave of absence is taken for all of the prescribed work hours between the nonworkdays. For example, if Veterans Day were to fall on Wednesday, November 11, 20XX (a nonworkday) and the employee took annual leave on Monday, November 9 and Tuesday, November 10, (nonworkdays) per diem will not be paid for the five consecutive non-work days (Saturday through Wednesday).

3. A traveler may voluntarily go to another location during non-duty hours or on a non-workday and still be paid a per diem allowance at the official TDY location rate. The per diem allowance will not exceed the amount the traveler would have received at the TDY location. The traveler is not entitled to transportation costs in lieu of claiming per diem or actual subsistence.

C. Deviations from Direct Travel Routes. If there is any travel interruption due to a deviation from the direct route that results in excess travel time because of a traveler's personal preference, convenience, or taking leave in conjunction with official travel, the per diem allowance will not exceed the allowable amount based on uninterrupted travel by a direct traveled route, except for certain emergency travel situations. Refer to Volume XIV, Chapter 5, *Travel Under Special Circumstances*.

D. Provisions governing per diem allowable for emergency travel performed due to a traveler's incapacitating illness, injury or personal emergency, as well as the continuation of per diem due to an incapacitating illness or injury of the traveler, are in Volume XIV, Chapter 5, *Travel Under Special Circumstances*.

² Nonworkdays include any legal Federal holiday, weekends, or other scheduled nonworkdays.

E. Return to Official Station for NonWorkdays.

1. VA will authorize per diem for a traveler who is required to return to their official station or residence on nonworkdays when performing extended TDY. VA must determine whether the requirement to return on a nonworkday is to allow the traveler to perform official business, or achieve cost savings to VA, or the return is justified incident to an extended TDY assignment. VA will only reimburse a traveler the per diem allowance and travel expenses which would have been allowed had the traveler remained at his or her TDY station, if he or she returns voluntarily.

a. VA will authorize per diem and transportation expenses for travelers who are required to return home for nonworkdays and where significant cost savings are likely to be achieved. Travel time will be scheduled within a traveler's duty hours to the extent practicable. The cost of any lost productivity attributable to the duty hours involved in travelling to and from the traveler's residence for nonworkdays will be considered in the cost savings determination.

b. VA may authorize round trip transportation expenses and per diem to employees who return to their official station or residence on nonworkdays if they routinely perform extended periods of TDY. The traveler must be on temporary duty at least two weeks prior to being authorized return travel. The expenses and per diem will be approved at the authorizing official's discretion and within the limits of the travel appropriation available. The periodic return travel may be authorized as provided below:

- The authorizing official has determined, based on an appropriate cost analysis, that the costs of periodic weekend return travel are outweighed by savings in terms of increased traveler efficiency and productivity.
- Return travel for nonworkdays authorized under these provisions constitutes an exception to the directive on scheduling of travel contained in 5 U.S.C. 6101(b) (2) and should be performed outside the traveler's regularly scheduled duty hours or during periods of authorized leave. However, in the case of travelers not exempt from the Fair Labor Standards Act (FLSA) overtime provisions, consideration should be given to scheduling the authorized travel to minimize payment of overtime, including scheduling of travel during regularly scheduled duty hours, when feasible. Refer to the Office of Personnel Management (OPM) regulations and applicable VA policy for further guidelines covering overtime during travel.
- When travelers voluntarily return to their official stations or personal residences for nonworkdays, the maximum reimbursement for the roundtrip transportation and per diem en route will be limited to the per diem allowance and travel expenses which would have been allowed had they remained at their TDY locations. Travelers will perform any such voluntary return travel during non-duty hours or periods of authorized leave.

- Indirect Route or Interrupted Travel. If an interruption of travel or deviation from the direct route results in excess travel time due to a traveler's personal preference or convenience or through the taking of leave, the per diem allowance will not exceed what would have been allowed on uninterrupted travel using a direct route.

2. VA will not reimburse the traveler any expenses incurred for failure to check out of lodging by the posted checkout time for personal reasons. However, if VA requests that the traveler return to the official station and the traveler incurs lodging expense for that day (e.g., due to late checkout), the expense may be claimed as a miscellaneous travel expense.

020202 LODGING.

020202.01 Allowable Lodging Expenses.

A. VA will reimburse travelers the actual cost of lodging up to the maximum lodging allowance for the TDY location at the single occupancy rate. Travelers will use the Lodgings-Plus method in claiming lodging expenses. Refer to 020202.01D for the various types of lodgings that the traveler may claim and 020204.02 for specific cases where VA may deviate from the Lodgings-Plus method.

1. If the lodging receipt shows "double occupancy rate," and the additional occupant was another Government employee, the travel voucher must show the name and Government agency or office of that person.

2. If the additional occupant is a non-Government employee, the employee need not provide identifying information; however, reimbursement is limited to the single-occupancy rate.

B. Taxes for domestic lodging are not part of the per diem allowance, but are itemized separately as a miscellaneous expense.

C. Taxes for foreign lodging are included in the traveler's per diem allowance and are not claimed separately as a miscellaneous expense.

D. See Appendix H, Allowable Types of Lodging, for the types of lodging that may be claimed by travelers for lodging expenses.

020202.02 Lodging Location.

VA will use the per diem rate that applies to the specific TDY location. If the traveler elects to stay at a different location for personal reasons, VA will limit the allowable per diem to the rate prescribed for the TDY assignment.

020202.03 Reimbursement for Occasional Lodging Near the Official Station.

A. VA may authorize a per diem allowance within the limits of the official station or 50 miles of the place of abode from which the traveler commutes daily to the official station when the traveler is attending training which falls under the Government Employees Training Act (5 U.S.C. 4109). Because this exception may be inappropriately used, all of the following conditions must be met for a traveler to receive a per diem allowance in the local area:

1. The event must be classified as a bona-fide training event and be approved by VA's Human Resources and the Office of General Counsel in advance of the travel;
2. All participants are required by VA to stay in the same local hotel in order to foster the participation in daytime and evening activities; and
3. The traveler is issued a TDY travel authority to attend the training, and supporting documentation is provided with receipts when submitting for reimbursement of travel expenses.
4. Approval for authorizing per diem in the local area has not been delegated by the Secretary of VA. A memorandum will be prepared by the local VA office requesting per diem for the local area and forwarded to the Charge Card Oversight and Travel Policy Service (047E3) for submission to the Office of the Secretary (00) for approval.

020202.04 Meetings and Conventions.

VA will determine per diem rates used by travelers when they attend meetings or conferences where lodging accommodations have been prearranged and the events are sponsored by VA. Refer to Volume XIV, Chapter 10, *Conference Planning*, for additional information on financial policies and procedures relating to travel-related subjects involving meetings and conferences.

020202.05 Per Diem For Special Situations.

A. Weekly or Monthly Rentals.

VA will compute the daily lodging rate, if the traveler obtained a weekly or monthly lodging rental while on extended TDY, by dividing the total lodging cost by the number of days of occupancy for which the traveler is entitled to per diem, as long as the cost does not exceed the maximum daily per diem rate for the TDY location. When lodging is rented on a long-term basis, the following types of expenses may be considered part of the lodging cost:

- Rental cost for a furnished dwelling;

- If unfurnished, the rental cost of appropriate and necessary furniture and appliances (such as a stove, refrigerator, chairs, tables, bed, sofa, television, or vacuum cleaner);³
- Cost of connecting, disconnecting, and using utilities;³
- Cost of reasonable weekly maid fees and cleaning charges;
- Monthly fee for telephone use (does not include charges for installation or long-distance calls); and
- The cost of special user fees (e.g., basic cable television charges), if ordinarily included in the price of a hotel or motel room in the area concerned.

B. Computing Daily Lodging Costs.

1. VA will compute the daily lodging rate by dividing the total lodging cost by the number of days of occupancy for which the traveler is entitled to per diem, provided the cost does not exceed the daily rate of conventional lodging.
2. VA may reimburse expenses that are not refundable, including any forfeited prepaid rental deposit, and expenses incurred for unused lodging, if the TDY assignment is curtailed, cancelled, or interrupted for official purposes or for other reasons beyond the traveler's control and the traveler's advanced lodging arrangements had been made under the full expectation of completing the assignment.
3. VA may authorize early lodging cancellation fees when TDY is cancelled or interrupted for reasons of an official nature. The traveler will provide a copy of the lodging establishment's cancellation policy with the fee structure when claiming reimbursement.
4. VA may reimburse the traveler for payment of unused lodging when a traveler has made advance arrangements for lodging (e.g., weekly or monthly rental) and the TDY assignment is curtailed or interrupted for the benefit of the Government or for other reasons beyond the traveler's control. If the traveler is unable to obtain a refund of prepaid rent, expenses incurred for unused lodging may be reimbursed under the following conditions:
 - a. A determination must be made that the traveler acted reasonably and prudently in incurring allowable lodging expenses pursuant to TDY travel orders. Included in this determination should be a consideration of whether the traveler sought to obtain a refund of the prepaid lodging cost or otherwise took steps to minimize the costs once the TDY was officially curtailed or interrupted.

³ The cost of rental furniture and utilities should be paid using the Purchase Card. Refer to Volume XVI, Chapter 1, Government Purchase Card, and Volume XVI, Chapter 2, Travel Charge Card.

- b. If the approving official determines that the traveler acted reasonably, the unused portion of the prepaid lodging cost may be reimbursed as follows:
- The daily lodging costs for the period covered by the voucher will be calculated by dividing the total cost for the rental period by the number of days of actual occupancy.
 - The total of the lodging costs calculated plus the appropriate daily amount authorized for M&IE may be reimbursed not to exceed the per diem rate authorized in the traveler's travel orders for the days that the lodging was occupied.
 - If the authorized per diem rate is insufficient for the days of occupancy, the daily lodging cost as calculated above plus the amount authorized for M&IE may be reimbursed on an actual expense basis.
- c. The excess amount (if any) of the unrefunded lodging cost not reimbursed by the service provider under subparagraph b. directly above, may be paid as a miscellaneous travel expense incident to the travel assignment, if otherwise proper. The traveler will include comments on the expense report explaining the miscellaneous expense.
- d. When the traveler incurs lodging expenses in reasonable expectation of a travel assignment being completed as directed, and due to a change in travel orders the travel assignment is canceled prior to its commencement, VA may reimburse the traveler the prepaid lodging expenses as a miscellaneous travel expense provided the amounts are reasonable. The traveler will include comments on the expense report explaining the miscellaneous expense.
- e. If the traveler was required by the terms of a lease or rental agreement to pay rental deposit lodging costs, VA may reimburse the traveler the amount of the forfeited deposit as a miscellaneous travel expense. The traveler will include comments on the expense report explaining the miscellaneous expense.
- f. VA will not reimburse the traveler for any deposits forfeited for damages to lodging accommodations.

020203 MEALS AND INCIDENTAL EXPENSES (M&IE).

020203.01 Meals.

- A. VA travelers may view the GSA sample allocation of M&IE among meals and incidental expenses for CONUS locations by visiting <http://www.gsa.gov/mie>. GSA sets the M&IE rates. These rates were developed based upon what GSA believes to be "reasonable" costs for M&IE in various locations throughout CONUS.
- B. The maximum per diem rates include a fixed allowance for M&IE related to subsistence. Refer to Appendix D, CONUS M&IE Rates. When the M&IE rate, or

fraction of the day is authorized, it is payable to the traveler without itemization of expenses or receipts.

020203.02 Reimbursement for Occasional Meals Consumed During Scheduled Meetings or Conferences.

A. As a general rule, VA may not pay a traveler's subsistence expenses for meals or lodging at or within a radius of a certain number of miles of their official station. However, in accordance with Comptroller General's Decisions, B-154912, August 26, 1964, and B-166560, February 3, 1970, reimbursement for a meal(s) consumed near the official station may be authorized when the following five conditions are met:

1. The traveler was designated to attend the meeting as a VA representative by the Secretary; Deputy Secretary; Under Secretary; Assistant Secretary; Other Key Official or Field Facility Director;
2. The meal was not a part of a registration fee;
3. The meal was incidental to the meeting;
4. Attendance of the traveler was necessary to fully participate in the meeting scheduled for mealtime; and
5. The traveler was not free to partake of a meal elsewhere without being absent from essential formal discussions, lectures, or speeches concerning the purpose of the meeting or conference.

B. If a traveler is in travel status with authorized per diem, the cost of meeting or conference meals is part of the per diem and not a separate reimbursable item.

C. A traveler will claim reimbursement of meal(s) over \$10 on a local expense voucher as a miscellaneous expense in the VA's ETS. The traveler will show the name of the meeting attended, by whom sponsored, type of meal consumed (lunch, dinner, etc.), and the cost. The traveler will also attach a copy of the memorandum from the official directing the traveler to attend the meeting as a VA representative, when submitting the local expense report. For claims under \$10, travelers may submit an SF 1164, *Claim for Reimbursement for Expenditures on Official Business*, outside the ETS.

020203.03 Furnished Meals.

VA will reduce the traveler's M&IE rate for CONUS travel when meals are furnished at no cost or at a nominal cost by the Government, in accordance with FTR guidance for making the proper deductions from the traveler's per diem reimbursement claim. Refer to Appendix D, CONUS M&IE Rates. A "furnished meal" is defined as a meal provided either directly by the Government or as a result of the Government paying a registration

fee or other cost that allows attendance at a conference or other event. A “continental breakfast” is a deductible meal. If VA has already paid for a furnished meal, the traveler must deduct the allowance amount when filing his or her travel voucher. A meal provided by a common carrier or a complimentary meal provided by a hotel/motel will not reduce a traveler’s M&IE allowance. When OCONUS and foreign travel is involved, VA will reduce the traveler’s M&IE rate in accordance with FTR Chapter 301, Appendix B to Chapter 301, Allocation of M&IE Rates to Be Used in Making Deductions from the M&IE Allowance. As specified in the FTR, when a meal is provided on a travel day, the traveler must exclude the full meal amount from the en route per diem allowance (i.e., 75 percent M&IE).

020203.04 Exception to Meal Deductions.

A. VA may authorize the full M&IE allowance when:

- The traveler requests approval to claim the full M&IE allowance before travel;
- A reasonable effort is made for alternative meal arrangements, but the traveler is unsuccessful; and
- The traveler purchased substitute meals in order to satisfy medical requirements or religious beliefs.

B. VA may also reimburse a traveler the full M&IE allowance when official business prevents the traveler from taking part in a Government-furnished meal.

020203.05 Incidental Expenses.

Travelers may not claim items covered by the incidental expense allowance as a separate expense on a travel voucher. A traveler’s per diem reimbursement includes a small incidental expense allowance to defray the cost associated with travel-related expenses. The incidental expense allowance helps a traveler cover the following costs:

- Reasonable tips provided to porters, baggage carriers, bellhops, parking attendants and/or hotel maids.
- Transportation between places of lodging or business and places where meals are taken (e.g., taxi, subway) for the convenience of the traveler.
- Mailing cost associated with filing travel vouchers and payment of Government sponsored charge card billing.

020204 REDUCTIONS IN PER DIEM.

020204.01 Extended Stays.

A. VA will reduce the traveler's M&IE per diem rate to a flat rate when the travel assignment involves extended stays⁴ and the traveler is able to obtain lodging and/or meals at lower costs. The flat rate is equal to 55 percent of the M&IE per diem rate. VA expects travelers to stay in weekly or monthly rentals (e.g., apartments, extended stay hotels) during extended assignments, whenever possible. Prior to travel, approving officials must indicate on the travel authorization that the traveler's M&IE per diem rate has been reduced to a flat rate. Extended stays lasting a year or more have tax consequences.

B. If the employee's travel assignment is continuous for more than 30 days (i.e., no return trips home are authorized), approving officials will reduce the M&IE allowance to no more than 55 percent of the full M&IE locality rate, unless a different reduced rate can be fully justified. Under unusual situations, the reduced rate may be increased or decreased by the approving official depending upon the conditions and necessary costs that will be incurred by the traveler. The reduced rate will be established based on the conditions that exist when the travel is performed. For example, if a traveler is forced to incur unusual lodging and/or meal costs due to the assignment, the rate will be based on cost data provided. The established rate will be shown on the travel authorization. A flat per diem rate may not be established to provide:

- A lodging allowance for staying with friends or relatives or for lodging at his or her abode (home);
- A full M&IE allowance because lodging is obtained with friends or relatives (a reduction should be made to the locality M&IE allowance);
- A payment that will, based on the data available, knowingly allow the traveler to receive more than the full M&IE allowance;
- The full locality per diem rate; or
- A payment sufficient to cover periods where per diem is lost due to annual leave or expenses of family members.

C. The reduced per diem rate is applicable from the first day of the assignment through the last day of the assignment. Changes to the flat per diem rate will be based on cost data. The traveler must be notified and agree with the change prior to the effective date of the change.

⁴ Defined as 30 days or more and the TDY location is farther than 50 miles from both the employee's permanent duty station and residence.

D. When a TDY assignment expected to last less than 30 days is determined to require TDY in excess of 30 days, a flat rate should be established for the remaining days of the assignment.

020204.02 Deviations from Lodgings-Plus Per Diem.

A. VA may, on a case by case basis, authorize a reduced per diem rate under varying circumstances. For example, when lodging and/or meals are obtained by the traveler at a reduced cost or furnished to the traveler at no cost or a nominal cost by the Government; or when the per diem costs to be incurred by the traveler, including incidental expenses, may be determined in advance. The reduced rate must be within the established maximum per diem rate applicable to the travel location.

B. VA will consider all factors that would cause the traveler's per diem expenses in a specific situation to be less than the applicable maximum rates. If it can be determined in advance of travel that such factors exist, the authorizing official will authorize a reduced rate commensurate with the known expense levels. Such reduced rates, authorized on the travel authorization, will be the per diem rates payable on the expense report without receipts and/or itemization by the traveler.

C. VA may authorize to pay all, part, or none of the per diem expenses of a traveler assigned to training at a TDY station, as authorized under the Government Employees Training Act (GETA)(5 U.S.C. 4101-4118). This reduced per diem allowance will be determined before travel commences and must be specified on the travel authorization. Refer to Volume XIV, Chapter 1, *Travel Administration*, on how to determine whether a conference may be categorized as a training activity.

D. VA will reimburse the difference between the full allowance and payment from a non-Federal source when a non-Federal source covers some but not all of the traveler's allowable travel and per diem expenses. If an amount in excess of this balance had been previously paid, the amount will be recovered from the traveler. No reduction in payment is required where an approved contribution or award to a traveler covers a type of expense that VA is not authorized to pay (e.g., payment for an accompanying spouse).

Note. If the Government or a non-Federal source is not paying any expenses for travel, the travel is not considered official business.

020205 REIMBURSEMENT OF ACTUAL SUBSISTENCE EXPENSES.

020205.01 Actual Expenses.

A. VA may authorize an actual subsistence expense when circumstances warrant its necessity. An actual expense basis is an exception to the norm and will be authorized only as prescribed in this chapter. An actual expense allowance (AEA) is in lieu of per diem and covers the same type of expenses permitted under the per diem allowance.

B. VA officials with the proper delegated authority may authorize or approve reimbursement for the actual and necessary subsistence expenses of official travel when such expenses are unusually high due to special or unusual circumstances or for occasional meals and/or lodging. This authority may be used for individual travel assignments or specific travel situations only after appropriate consideration of the actual facts existing at the time the travel is directed and performed. Generally, authorization or approval of actual subsistence expenses is contingent on the entitlement to per diem. Actual expense reimbursement may be allowed for the same types of expenses that are covered by the per diem allowance, provided such expenses are determined to be actual and necessary incident to the particular travel assignment.

020205.02 Conditions Warranting Authorization of Actual Expenses.

VA will only authorize the use of AEA where the costs of lodging and meals have significantly increased over generally expected costs due to the special or unusual circumstances surrounding the travel assignment at the TDY location. As provided in FTR Chapter 301, Subpart D, a traveler may be authorized actual expenses because of special duties of an assignment and necessarily incurs unusually high expenses in the conduct of official business, such as to procure superior or extraordinary accommodations (a suite or other quarters) for which the charge is well above normal lodging costs. Examples of special or unusual circumstances may include, but are not limited to the following occurrences:

- Sporting events, such as the Special Summer or Winter Olympics,
- World Fairs,
- A requirement to lodge at a particular facility that will save transportation costs,
- Superior or extraordinary accommodations necessary to perform VA's mission,
- Overnight stays at intermediate airports due to inclement weather, or
- Catastrophic events (fire, flood, hurricane, etc.), such as the increase in lodging costs during the aftermath of Hurricane Katrina.

020205.03 Maximum Daily Rates and Reimbursement Limitations.

A. VA may authorize the use of AEA up to 300 percent of the applicable per diem rate for the TDY location, whether CONUS or not. However, AEA may only be effective for a period not to exceed 30 days, unless an extension is approved at the request of the VA Secretary. Refer to Appendix E, Calculating Actual Expense, for the process of calculating the maximum daily rate for reimbursing lodging expenses using 150 percent and 300 percent factors. Appendix F, Requesting 300 Percent Actual Expense, also

provides a sample memorandum for requesting a 300 percent actual expense authorization.

B. VA may authorize AEA for lodging, meals, and incidental expenses. In such instances, the traveler will itemize all expenses incurred on a daily basis. AEA may be authorized for lodging only, and the M&IE allowance reimbursed on a per diem basis. In this instance, the traveler is required to itemize only the lodging expenses. Under this method, the benefit is given to the lodging portion of per diem and is calculated as follows:

Maximum per diem for TDY location: \$150 (\$100 lodging + \$50 M&IE).

\$150 × 300% =	\$ 450
less M&IE	<u>- 50</u>
Maximum allowed for lodging:	\$ 400

NOTE: The per diem rate used above is for illustration only and does not represent current per diem rates. See FTR, Chapter 301, Subpart B for additional information on per diem allowance for actual subsistence expenses.

C. AEA will not be authorized if travel is 12 hours or less or lodging is not required.

D. AEA will apply for either a specific trip or for all official travel to the area and will be effective for a period not to exceed 30 days. The approving official may extend the period of effectiveness in increments of up to 30 days upon the request of an agency head.

E. When AEA reimbursement is authorized or approved under this chapter and lodging is furnished at no cost through use of an agency purchase order, VA will not authorize or approve reimbursement for other subsistence expenses that when combined with the cost of lodging furnished, exceed the maximum daily rate authorized.

020205.04 Advance Approval of Actual Subsistence Expenses.

A. The travel authorizing official may approve actual expense requests up to 150 percent of the applicable GSA per diem rates. The Office of the Secretary (00) has delegated to the Under Secretary for Health, Under Secretary for Benefits, Under Secretary for Memorial Affairs, and Deputy Assistant Secretary for Finance the authority to approve requests for actual expense in excess of 150 percent up to 300 percent of the applicable GSA per diem rates. Refer to Volume XIV, Chapter 1, *Travel Administration*, Appendix A, Delegation of Authority, for a list of these officials. These officials must review specific circumstances that may warrant the authorization or approval of AEA. Authorization, when given, must be in advance of travel unless circumstances made it impracticable to obtain advance approval prior to commencing travel.

B. Authorization/approval for AEA reimbursement may be requested when travelers furnish appropriate justification and documentation and conditions appear to warrant the request. A written certification identifying and justifying the circumstances under which AEA is requested will be attached to the travel authorization. The certification will state whether less expensive lodging was offered and, if it was, the reason why the accommodations were not acceptable to the traveler.

C. VA will authorize the use of AEA in advance when necessary for any official travel, unless it was impractical to do so. When AEA is approved for use, VA will ensure that the daily maximum rate authorized is stated in the travel authorization.

020205.05 Documentation, Review, and Administrative Control.

A. Documentation. If VA authorizes AEA for both lodging and M&IE, itemization and receipts are required for all expenses incurred on a daily basis (e.g., lodging, breakfast, lunch, dinner). Reimbursement is prohibited for alcoholic beverages, entertainment expenses, snacks, coffee breaks, etc. Expenses not incurred on a daily basis may be averaged over the length of the TDY assignment (such as laundry or dry cleaning). If AEA is authorized for lodging only, the traveler must itemize the daily cost of lodging and the lodging receipt may be considered an itemized statement.

B. Receipts. Travelers must provide receipts for authorized expenses based on requirements outlined in Volume XIV, Chapter 1, *Travel Administration*. VA has the discretion to require a receipt regardless of the amount. However, the traveler must be informed of this written requirement before travel begins. An exception to receipt/itemization requirement is when M&IE is reimbursed as per diem.

C. Agency Review. VA will perform an appropriate post review of AEA vouchers to determine that claimed expenses were necessary and reasonable.

020205.06 Mixed Travel.

A. VA will reimburse the traveler on an actual expense basis when the AEA is the only authorized method used to reimburse the traveler for the day of travel to/from the TDY location. If the en route travel to or from the AEA location is more than one day, VA may authorize AEA or per diem, whichever is administratively advantageous and commensurate with the expenses expected to be incurred by the traveler.

B. VA may authorize several methods of expense reimbursements for travel that exceeds one day. When mixed travel is involved and more than one reimbursement method has been authorized, VA will use the method as determined by the traveler's location at midnight of the calendar day in question. Only one method or system is authorized for any given calendar day.

020205.07 Interruption of Actual Subsistence Expenses Entitlements.

VA will apply the same rules that govern interruptions of per diem entitlements (leave and non-workdays, return to official station for non-workdays, indirect route or interrupted travel, and illness, injury, or a personal emergency) to travel on an actual subsistence expense basis. Refer to 020201.04C for additional guidance.

020206 OCONUS PER DIEM.

020206.01 Maximum Per Diem Rates.

A. VA will use the per diem rates established by the Department of Defense for OCONUS Non-Foreign Areas (NFA) that include Alaska, Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and the territories and possessions of the United States. Refer to Appendix A, Maximum Per Diem Rates.

B. VA will use the per diem rates set by the Department of State for foreign-related areas. Refer to Appendix A, Maximum Per Diem Rates, for applicable rates established for these areas. Any location not listed for per diem under a country takes the "Other" rate that the Department of State administers and publishes for that country. An unlisted suburb of a listed location takes the "Other" rate, not that of the location of which it is a suburb.

C. For OCONUS travel, use FTR Chapter 301, Appendix B to Chapter 301, Allocation of M&IE Rates to Be Used in Making Deductions from the M&IE Allowance, for appropriate meal deductions. The M&IE rates for localities in nonforeign areas established by the Department of Defense, and for localities in foreign areas established by the Department of State will be allocated as shown in [FTR Chapter 301, Appendix B](#), when making deductions from OCONUS nonforeign or foreign area per diem rates.

D. If the per diem rate for a locality within an NFA is thought to be inadequate, VA's CFO may request a review by the Department of Defense.

E. If the per diem rate for a locality within a Foreign Area (FA) where there is frequent travel is thought to be inadequate, VA's CFO may request a review by the Department of State. This information must be submitted in accordance with instructions in [Section 074.3 of the Department of State Standardized Regulations \(DSSR\)](#).

F. VA Administrations and staff offices will forward all requests for an increase to per diem rates through the Charge Card Oversight and Travel Policy Service (047E3) prior to being sent to the VA CFO.

G. Incidental expenses. VA will not reimburse travelers for laundry, dry cleaning or pressing of clothing expenses which are covered under the M&IE portion of the per diem. These expenses may not be authorized or approved as a separate

miscellaneous expense item. Travelers will not voucher separately for any laundry expenses when on travel to an OCONUS location. For additional information, see the Department of State travel regulations.

020206.02 Rest Stops Involving OCONUS Travel.

A. VA considers a “rest stop” to be a break in TDY travel while en route to the TDY destination. A “rest period” is defined as personal time on either end of TDY travel that permits the traveler to rest before reporting for duty. When TDY involves OCONUS travel and the scheduled flight time, including non-overnight airport stopovers and plane changes, exceeds 14 hours, a rest stop of no more than 24 hours may be authorized. A rest stop allows for relaxation, recuperation, and acclimation so a traveler is sufficiently refreshed to perform work upon arrival at the travel destination site. The following criteria must be met when authorizing a rest stop:

- The origin or destination is OCONUS, and
 - Travel is direct between points and the accommodations are coach class.
1. The rest stop may be authorized at any intermediate point, including points within CONUS, provided the point is midway in the journey or as near to midway as scheduling permits.
 2. A rest stop will not be authorized when a traveler, for personal convenience, elects to travel by an indirect route resulting in excess travel time.

B. If a rest stop is authorized, it will be clearly indicated and detailed on the travel authorization. For the purposes of reimbursement, the per diem rate for the rest stop location must be used. If the carrier schedule or the requirement to use U.S. flag carriers precludes an intermediate rest stop, or a rest stop is not authorized, the traveler should schedule coach-class accommodations so as to ensure arrival at the TDY site with sufficient time to permit a reasonable rest period before reporting for duty. Refer to Volume XIV, Chapter 3, *Transportation Expenses*, for additional information.

C. VA may authorize business-class accommodations in lieu of a rest stop. However, the duration of a flight alone (14 or more hours) does not justify authorizing premium class. When considering premium-class accommodations for trips over 14 hours, approving officials should consider:

1. The constructive cost, e.g., the cost of business-class accommodations versus the cost of coach-class accommodations plus the cost of reimbursements in conjunction with a rest stop; and
2. The purpose and urgency of the trip, e.g., whether the trip is so urgent or unexpected that it cannot be delayed or postponed, and the traveler is unable to schedule either a

rest stop en route or an earlier flight that would allow for a rest period before having to report for duty.

D. The analysis regarding the 14-hour rule must be applied when the scheduled flight time from origin to final destination exceeds 14 hours, including stopovers and change of planes. Authorization of premium-class accommodations for the outbound part of the trip does not automatically justify the use of premium accommodations for the return trip. Authorizing officials should consider all the same tests regarding the critical nature of the travel, authorizing rest stops, and the availability of rest periods.

E. VA will not authorize premium-class accommodations when the traveler is not required to report for duty the following day, whether at the official station or a TDY location, unless there are medical needs that have been certified by a competent medical authority. When annual leave is approved at the TDY location before the start of official business, neither a rest stop nor premium-class accommodations are authorized, unless there are medical needs that have been certified by a competent medical authority.

F. In cases where the traveler crosses the international date line (180th meridian), the actual elapsed time in days will be used to compute the per diem rather than calendar days.

020207 Income Tax Reimbursement Allowance (ITRA).

A. VA will issue a Form W-2, *Wage and Tax Statement*, at the end of the calendar year to employees paid a subsistence amount during the year in which his or her TDY travel exceeded one year in duration. Extended TDY travel over one year will be considered indefinite travel for tax purposes and is a taxable event (26 U.S.C. 162). Any travel lasting less than one year is considered temporary and not taxable. However, the traveler may not return to the same long-term TDY location for seven months. Returning to the same long-term location earlier would be considered indefinite travel for tax purposes.

B. VA will issue a Form W-2 at the end of the year reflecting the amount of subsistence paid to employees meeting the following conditions:

1. The travel is expected to last for more than one year, or
2. The travel is expected to last for one year or less, but at some later date, the temporary duty is realistically expected to exceed one year.

C. Employees subject to tax withholding in connection with indefinite travel will submit their expense report in VA's ETS to be reimbursed for the tax withheld. When claiming payment for the ITRA, the employee will furnish and certify to certain tax information that has been or will be shown on their prepared tax return(s). The spouse must also

sign a statement if joint filing status is claimed and the spouse's income is included on the statement.

D. Approving officials will consider a temporary change of station (TCS) when an employee will be at a TDY station for more than 6 months but less than 30 months.

Refer to Appendix G, Federal Travel Regulation References, for FTR references related to the corresponding chapter paragraphs.

0203 AUTHORITY AND REFERENCES

[020301 5 U.S.C. 4109, Expenses of Training](#)

[020302 5 U.S.C. Chapter 41, Training](#)

[020303 5 U.S.C. 4503, Agency Awards](#)

[020304 5 U.S.C. 6101, Basic 40-Hour Workweek; Work Schedules; Regulations](#)

[020305 26 U.S.C. 162, Trade or Business Expenses](#)

[020306 5 C.F.R. Subpart B, 2635.204, Gifts from Outside Sources - Exceptions](#)

[020307 41 C.F.R. Chapters 300-304, Federal Travel Regulation](#)

[020308 41 C.F.R. 301-11.501, Income Tax Reimbursement Allowance \(ITRA\)](#)

[020309 Domestic Per Diem Rates](#)

[020310 Federal Acquisition Service's \(FAS\) GSA SmartPay Website - Tax Exemption Library](#)

[020311 Meals and Incidental Expenses \(M&IE\) Breakdown](#)

[020312 Comptroller General's Decision B-154912, Reimbursement of Meals at a Meeting, dated August 26, 1964](#)

[020313 Comptroller General's Decision, B-166560, Comments on Authorizing Reimbursement for Luncheon Fees, dated February 3, 1970](#)

[020314 Department of State Standardized Regulations \(DSSR\)](#)

[020315 VA Forms Website – Intranet](#)

[020316 VA Forms Website – Internet](#)

0204 ROLES AND RESPONSIBILITIES

020401 The Assistant Secretary for Management/Chief Financial Officer (ASM/CFO) oversees all financial management activities relating to the Department's programs and operations, as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309. Specific responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy inclusive of travel, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management. The DAS for Finance may authorize actual expense greater than 150 percent up to 300 percent for VACO and Staff Office employees.

020402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Finance Officers, Chiefs of Finance Activities, Chief Accountants and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter and will designate one or more persons to answer questions pertaining to the preparation of temporary duty travel and permanent change of station authorities and vouchers. Under Secretaries and the Chairman of the Board of Veterans' Appeals may authorize actual expenses greater than 150 percent up to 300 percent for travelers under their jurisdiction.⁵

020403 The Office of Financial Policy (OFP) provides Department-wide financial policy and guidance. The Office of Financial Business Operations' Travel Policy staff develops, coordinates, issues, evaluates and reviews Departmental travel policies and procedures for compliance with all financial laws and regulations.

020404 Charge Card Oversight and Travel Policy Service (CCO&TPS) develops, coordinates, issues, evaluates and reviews Departmental travel policies and procedures for compliance with all financial laws and regulations.

020405 Approving officials will:

- A. Authorize official travel for travelers under their jurisdiction in advance of the travel.
- B. Determine if the travel is essential for the purpose of carrying out the mission of VA.
- C. Ensure all travel is authorized and performed consistent with the FTR, 41 C.F.R. 301-304, VA's Travel Policy, and any other agency-specific guidance relating to travel issues.
- D. Ensure adequate funds are available before authorizing travel.
- E. Ensure all travel is performed in the most economical and effective manner.

⁵ Under Secretaries may delegate this authority to the VISN, MSN or Area Offices.

F. Ensure VA's E-Government Travel Service (ETS) is used to prepare, process, approve, and route travel authorizations and vouchers for official temporary duty travel, including the requirement to use the ETS for making reservations.

G. Examine expense reports to ensure the justification, supporting documentation and receipts are attached, and to ensure that travel for which reimbursement is claimed was performed as authorized and that split-pay was used to pay for all authorized expenses made to the card.

H. May authorize actual expense up to 150 percent for travelers under their jurisdiction.

I. Ensure travelers under their jurisdiction complete vendorizing forms for establishment in VA's ETS. The ETS is used to process travel payments electronically, file expense reports with electronically attached receipts, and comply with the travel card program guidelines.

020406 Travelers will:

A. Be knowledgeable of the Federal Travel Regulation, VA Travel Policy, and any other agency-specific guidance relating to travel issues.

B. Minimize costs of official travel by exercising the same care in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds. Excess costs, circuitous routes, delays, or luxury accommodations and services unnecessary or unjustified in the performance of official business will not be reimbursed are not acceptable under this standard. Travelers will be responsible for excess costs and any additional expenses incurred for personal preference for convenience.

C. Ensure travel is authorized by the approving official prior to departure.

D. Arrange travel using VA's ETS, including reservations for transportation, lodging, and rental cars unless an exception exists.

E. Cancel transportation and lodging reservations timely.

F. Claim and obtain, where applicable, exemptions of tax imposed on hotel accommodations in locations listed in the Federal Acquisition Service's (FAS) GSA SmartPay Website. Only certificates issued by the locality granting the exemption may be used.

G. Submit claim for reimbursement of expenses within 5 business days upon return to the official station, except that travelers in an extended travel status will submit expense reports at least once a month when the travel period exceeds 30 days. Local expense reports may be submitted monthly or quarterly.

H. Liquidate travel advances.

I. Comply with VA's Travel Charge Card Program guidance contained in Volume XVI, Chapter 2, *Travel Charge Card*.

0205 PROCEDURES

Procedural and other guidance to assist the traveler can be found either in Section 0202 Policies or in relevant appendices as indicated below:

- Appendix A: Maximum Per Diem Rates.
- Appendix B: Examples of Travel 24 Hours or Less.
- Appendix C: Computing Per Diem for Travel 24 Hours or More.
- Appendix D: Conus M&IE Rates.
- Appendix E: Calculating Actual Expenses.
- Appendix F: Requesting 300 Percent Actual Expense.
- Appendix G: Federal Travel Regulation References
- Appendix H: Allowable Types of Lodging

This chapter provides a cross-reference to applicable FTR sections for a variety of travel issues.

0206 DEFINITIONS

020601 Abode. The place where an individual resides (e.g., home, hotel, apartment).

020602 Actual Expense. Payment of authorized actual expenses incurred, up to the limit prescribed by GSA or the agency, as appropriate. Entitlement to reimbursement is contingent upon entitlement to per diem, and is subject to the same definitions and rules governing per diem.

020603 Alternate Location. A destination other than the traveler's official station or the point of interruption while on TDY travel. In the case of illness or injury of the employee, the nearest hospital or medical facility capable of treating the illness or injury is not considered to be an alternate location. For example, an employee becomes incapacitated during TDY and travels from his or her current location to another city or locality to seek specialized treatment.

020604 Approving Official (AO). A supervisor at least one level above the traveler who is entitled to pre-authorize TDY travel and approve related entitlements.

020605 Calendar Day. The 24-hour period from one midnight to the next midnight. The calendar day technically begins one second after midnight (reflected in this part as 12:01 a.m.) and ends at 12:00 midnight.

020606 Continental United States (CONUS). Refers to the 48 contiguous States and the District of Columbia as defined in FTR 301-1.3(c) (6).

020607 Conventional Lodging Facilities. Includes hotel, motel, or boarding house.

020608 Extended Assignment. A TDY trip that meets both of the following criteria: (a) the traveler is in TDY status for 30 calendar days or longer at one location, and (b) the TDY location is farther than 50 miles from both the traveler's permanent duty station and residence.

020609 Federal Travel Regulation (FTR). A regulation enumerating the travel and relocation policy for all Title 5 Executive Agency employees.

020610 Flat Rate. A reduced per diem rate assigned by an approving official when it can be determined in advance that lodging and/or meal costs will be lower than the GSA per diem rate for the TDY location.

020611 Income Tax Reimbursement Allowance (ITRA). An allowance designed to reimburse Federal, State and local income taxes incurred incident to an indefinite TDY assignment at one location.

020612 Indefinite Travel. Occurs when travel is expected to last for more than 12 months at the same location, or during a cumulative period of 12 months without at least a 7-month break during the cumulative period.

020613 Local Travel. Travel performed within an established local radius of the official station. The standard local radius will be 50 miles from the official station. A VA station may establish a local radius specific to its station based on counties or nearby cities. This local radius must be established in writing and approved by the Facility Director. For virtual employees, the local radius will be 50 miles from the virtual/mobile office.

020614 Locality Rates. Maximum per diem rates prescribed for specific localities within CONUS (see Appendix A, Maximum Per Diem Rates).

020615 Lodgings-Plus Per Diem Method. The standard method VA uses to provide a per diem allowance to travelers. VA covers the actual cost of the traveler's lodging, up to a maximum daily rate, and provides an allowance for meals and incidental expenses.

020616 Long-Term or Extended Travel. Refers to travel lasting more than 30 continuous calendar days.

020617 Meals and Incidental Expense (M&IE) Allowance. Daily allowance provided to travelers during TDY trips to cover the cost associated with reasonable meals and required travel-related expenses (e.g., tips).

020618 Mixed Travel. Occurs when official travel within a single trip is subject to payment of the daily subsistence expenses under different reimbursement systems (i.e., lodgings-plus, or actual subsistence expense).

020619 Non-Workdays. Legal Federal Government holidays and weekends or other scheduled non-workdays.

020620 Official Station. The location of the employee's or invitational traveler's permanent work assignment. (Refer to Volume XIV, Chapter 7, *Local Travel*.)

020621 Official Travel. Travel under an official travel authorization from an employee's official station or other authorized point of departure to a TDY location and return from a TDY location, between two TDY locations, or relocation at the direction of a Federal agency.

020622 Outside the Continental United States (OCONUS). Refers to Alaska, Hawaii, and the United States territories, including American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.

020623 Per Diem Allowance. Also referred to as subsistence allowance. A daily payment instead of reimbursement for actual expenses for lodging, meals, and related incidental expenses. The per diem allowance is separate from transportation expenses and other miscellaneous travel expenses. The per diem allowance covers all charges and services, including any service charges where applicable. The per diem allowance covers the following:

A. Lodging. Includes expenses, except lodging taxes in the United States, for overnight sleeping facilities, baths, personal use of the room during daytime, telephone access fee, and service charges for fans, air conditioners, heaters and fires furnished in the room when such charges are not included in the room rate.

B. Meals. Includes breakfast, lunch and dinner and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).

C. Incidental Expenses. Part of a traveler's per diem allowance and not reimbursed as a miscellaneous travel expense.

1. Fees and tips given to porters, baggage carriers, parking attendants, bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants (foreign countries);
2. Transportation between places of lodging or business and places where meals are taken, if suitable meals cannot be obtained at the TDY site; and
3. Mailing cost associated with filing travel vouchers and payment of Government sponsored charge card billings.

020624 Other-than-Coach Class (Premium-Class) Accommodation. Includes first class or business class accommodations on a train or airline.

020625 Personal Emergency Situation. The death or serious illness or injury of the employee's family or catastrophic occurrence or impending disaster such as a fire, flood, or act of God that directly affects the employee's home at the official station or the family and occurs while the employee is at or en route to or from a TDY location.

020626 Reduced Per Diem. A per diem rate that is less than the maximum allowable and is authorized when there are known reductions in lodging and meal costs or when subsistence costs can be determined in advance and are lower than the prescribed per diem rate.

020627 Remote or Isolated Location. A geographic area that is inaccessible or difficult to travel due to limited infrastructure (roads, navigable waterways, telecommunications, etc.) or temporary conditions due to fire, flood, or acts of God. The area may also include locations that are more than 100 miles from the nearest population center having year-round access.

020628 Rest Period or Rest Stop. A period of rest not to exceed 24 hours at either an intermediate point en route or at the destination and must allow for appropriate overnight lodging. The rest period or stop begins upon arrival at the lodging accommodation and ends at departure from the accommodation.

020629 Serious Illness or Injury. A grave or critical, or potentially life-threatening illness or injury or a sudden injury such as an automobile accident where the exact extent of the injury may be undetermined but is thought to be critical or potentially life-threatening based on the best assessment available; or other situations involving less serious illness or injury of a family member in which the absence of the employee would result in great personal hardship for the immediate family.

020630 Standard CONUS Rate. The per diem rate allowed for any location in CONUS that does not have a specific rate approved.

020631 Temporary Duty (TDY) Location. A place away from an employee's official station, where the employee is authorized to travel.

020632 Temporary Duty (TDY) Travel. Travel by an employee on official business, as authorized by an employee's approving official through a travel authorization.

020633 Travel Advance. Prepayment of estimated travel expenses paid to an employee in the form of electronic funds transfer (EFT).

020634 Travel Authorization. Written or electronic authorization to travel on authorized official business for the Government resulting in reimbursement for expenses on a travel claim (voucher). Travel may be authorized on a blanket (unlimited or limited) authorization or on a trip-by-trip authorization. An unlimited authorization allows an employee to travel for any official purpose without further authorization. A limited authorization allows an employee to travel on official business without further authorization under certain specific conditions (e.g., travel to specific geographic area(s) for specific purpose(s), subject to trip cost ceilings, or for specific periods of time.) A trip-by-trip authorization allows an individual or group of individuals to take one or more official business trips, which must include specific purpose, itinerary, and estimated costs.

020635 Traveler. An individual, as defined by the FTR, who is authorized to perform official Government travel.

0207 RESCISSIONS

020701 Travel Notice 09-07, Fiscal Year 2010 Per Diem Rates and City Pair Fares

020702 Travel Notice 08-10, Fiscal Year 2009 Per Diem Rates

020703 Travel Notice 07-15, Calculating Actual Expense TDY Travel Reimbursement

020704 Travel Notice 07-09, Actual Expense Approval in Excess of 150 Percent for Temporary Duty Travel, dated February 22, 2007

020705 Travel Notice 04-01, Per Diem Changes due to Federal Premier Lodging Program Contracts

020706 Travel Notice 04-02, Per Diem Change – Montana, New York, Ohio and Texas

020707 Travel Notice 04-04, Correction to Missoula, MT Per Diem Rate

020708 Travel Notice 03-01, Change in Per Diem Rates

020709 Travel Notice 03-02, Change in Per Diem Rates for Utah

020710 Travel Notice 03-05, (no subject), dated February 13, 2003

- 020711 Travel Notice 03-09, Changes in Per Diem Rates
- 020712 Travel Notice 03-11, Change in Per Diem Rate for San Diego, CA
- 020713 Travel Notice 03-12, Change in Per Diem Rates
- 020714 Travel Notice 03-15, Fiscal Year 2004 Per Diem Rates
- 020715 Travel Notice 03-19, Delegation of Authority to Approve TDY Actual Expense
- 020716 Travel Notice 02-03, Change in Per Diem Rates
- 020717 Travel Notice 02-11, Change in Per Diem Rates
- 020718 Travel Notice 02-13, Requirements for Requesting Actual Expense for Temporary Travel (TDY)
- 020719 Travel Notice 02-14, Change in Per Diem Rates
- 020720 Travel Notice 02-16, Change in Per Diem Rates
- 020721 Travel Notice 02-17, Change in Per Diem Rates
- 020722 Travel Notice 02-20, Change in Per Diem Rates
- 020723 Travel Notice 01-02, Energy Surcharges at Lodging Facilities in California

0208 QUESTIONS

Questions concerning these financial policies and procedures should be directed as follows:

VHA
VBA
All Others

VHA Accounting Policy (Outlook)
VAVBAWAS/CO/FINREP (Outlook)
Office of Financial Business Operations
Charge Card Oversight & Travel Policy Service
Travel Policy (Outlook)

APPENDIX A: MAXIMUM PER DIEM RATES

For Travel in	Rates Set by	For Per Diem and Actual Expense
Continental United States (CONUS) ¹	General Services Administration	Refer to http://www.gsa.gov/perdiem ; for actual expense, refer to 41 C.F.R. 301-11.303 and 301-11.305.
Non-Foreign Areas ²	Department of Defense (<i>Per Diem</i> , Travel and Transportation Allowance Committee (PDTATAC))	Refer to https://secureapp2.hqda.pentagon.mil/perdiem/perdiemrates.html .
Foreign Areas ³	Department of State	Refer to http://aoprals.state.gov/content.asp?content_id=184&menu_id=78 for applicable rates established by DOS for these areas.

¹Per Diem Rates are set by fiscal year, effective October 1. Fiscal Year 2011 Maximum Per Diem Reimbursement Rates have changed as indicated in [GSA Per Diem Bulletin FTR 11-01](#). Find current rates in the Continental United States ("CONUS Rates") by searching city and state (or zip code), or by clicking on the map at <http://www.gsa.gov/perdiem>. Find previous rates by selecting year in the pulldown and clicking on the map in the same source. For rates not listed in CONUS per diem table, the standard CONUS rates apply. Standard CONUS locations are less frequently traveled by the Federal community and are not specifically listed on GSA's web site. [Currently, the standard CONUS per diem rate is \\$123 \(\\$77 lodging, \\$46 meals and incidental expenses\).](#)

²Non-foreign areas include Alaska, Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and the territories and possessions of the United States.

³Any location not listed for per diem under a country takes the "Other" rate that the Department of State administers and publishes for that country. An unlisted suburb of a listed location takes the "Other" rate, not that of the location of which it is a suburb.

APPENDIX B: COMPUTING PER DIEM FOR TRAVEL 24 HOURS OR LESS

Example 1

Traveler departs his residence at 6 a.m. for temporary duty in a standard CONUS rate area and returns home at 8 p.m.

Total elapsed time: 14 hours

Maximum Reimbursement: Standard CONUS M&IE rate is \$49. Traveler is reimbursed 75 percent of \$49 M&IE = \$36.75. Employee may also be reimbursed for official reimbursable expenses incurred, such as mileage, tolls, etc.

Example 2

Traveler departs her residence at 6:30 a.m. and travels 65 miles (one-way) for temporary duty to Portland, OR. She arrives back at the office at 4:30 p.m.

Total elapsed time: 10 hours

Maximum Reimbursement: No per diem allowed – travel is less than 12 hours. Employee may be reimbursed for other official reimbursable expenses incurred, such as mileage, tolls, etc.

Example 3

Traveler departs for temporary duty to Atlanta, GA. While in Atlanta, traveler is required to perform temporary duty in Washington, DC. He departs Atlanta at 7 a.m., performs temporary duty in Washington, DC, and arrives back in Atlanta at 9 p.m.

Total elapsed time: 14 hours

Maximum Reimbursement: Locality rate for Atlanta, GA is \$196 (\$140 max lodging plus \$56 M&IE). Locality rate for Washington, DC is \$300 (\$229 max lodging plus \$71 M&IE). Employee is reimbursed 100 percent M&IE of the Washington, DC rate (highest rate applicable between the two locations) and lodging expense incurred in Atlanta, GA. Employee also to be reimbursed for official reimbursable expenses incurred for transportation, such as airfare, taxicab, etc.

APPENDIX C: COMPUTING PER DIEM FOR TRAVEL 24 HOURS OR MORE

The following table shows which M&IE rate is applicable for different lodging requirements and travel durations.

For days of travel that...	And travel duration is...	Your applicable M&IE rate is...
Require lodging	Any length	The M&IE rate applicable for the TDY location or stopover point
Do not require lodging	More than 12 hours but less than 24 hours	The M&IE rate applicable to the TDY site or the highest M&IE rate applicable when multiple locations are involved
	24 hours or more, and you are traveling to a new TDY site or stopover point at midnight	The M&IE rate applicable to the new TDY site or stopover point
	24 hours or more, and you are returning to your official station	The M&IE rate applicable to the previous day of travel

APPENDIX D: CONUS M&IE RATES

The following table shows the breakdown of continental breakfast/breakfast, lunch, and dinner components of the maximum daily reimbursement (per diem) rates for meals and incidental expenses while on travel in CONUS. Refer to [Section 301-11.18 of the Federal Travel Regulation](#) for guidance on deducting these amounts from your per diem reimbursement claims for meals furnished to you by the Government.

NOTE: The first and last calendar day of travel is calculated at 75 percent.

Total M&IE	\$46	\$51	\$56	\$61	\$66	\$71
Continental Breakfast/ Breakfast	\$7	\$8	\$9	\$10	\$11	\$12
Lunch	\$11	\$12	\$13	\$15	\$16	\$18
Dinner	\$23	\$26	\$29	\$31	\$34	\$36
Incidentals	\$5	\$5	\$5	\$5	\$5	\$
First and Last Day of Travel	\$34.50	\$38.25	\$42	\$45.75	\$49.50	\$53.25

The adjusted rates associated with the first and last day of the travel above can be found at <http://www.gsa.gov/portal/content/101518>.

APPENDIX E: CALCULATING ACTUAL EXPENSES

To compute actual expenses, the traveler would multiply the maximum per diem rate of the TDY location by 1.5 (150 percent) or 3 (300 percent). The M&IE is then subtracted from the product. The difference remaining is the maximum amount that may be reimbursed for lodging expenses. The traveler should include VA Form 0902, Actual Expense Per Diem Calculator, with the expense report.

Department of Veterans Affairs		ACTUAL EXPENSE PER DIEM CALCULATOR		
<p>NOTE: Use this form to determine the maximum actual expense amounts that may be reimbursed for lodging based on authorization of 150% or 300% of the established per diem rate for the Temporary Duty (TDY) travel site.</p>				
<p>INSTRUCTION: Enter the established lodging and meals and incidental expenses (M&IE) below to determine the maximum lodging reimbursement authorized at the local facility level (150%) and at the 300% level which must be approved by the Under Secretary or Assistant Secretary for Management as appropriate for the traveler.</p>				
LODGING EXPENSE	M&IE EXPENSE	TOTAL LODGING AND M&IE EXPENSES	150% MAXIMUM LODGING REIMBURSEMENT <i>(May be approved at the local facility)</i>	300% MAXIMUM LODGING REIMBURSEMENT <i>(Must be approved by the Under Secretary or Assistant Secretary for Management)</i>
\$ 100.00	\$ 50.00	\$ 150.00	\$ 175	\$ 400

VA FORM 0902
AUG 2008

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Example

Maximum locality per diem allowance under the lodgings-plus per diem system is \$150 (\$100 for lodging, \$50 for M&IE) and the traveler is requesting 150 percent actual expenses.

Step 1:

$$(150) \times (1.5) = 225$$

Step 2:

$$(225) - (50) = 175$$

Max Lodging:

The traveler may be reimbursed an amount not to exceed \$175 for lodging.

Note. If the traveler is requesting 300 percent actual expenses, multiply lodging and M&IE by 300 percent (3.0).

APPENDIX F: REQUESTING 300 PERCENT ACTUAL EXPENSE

Sample Memorandum

Department of
Veterans Affairs

MEMORANDUM

Date:

From: {Traveler's Name, and Station number and/or Mail Symbol}

Subject: Request for Approval of Actual Expenses up to 300 Percent

To: Under Secretary of ____ (for VHA, VBA, or NCA employees) or Deputy Assistant Secretary for Finance (for staff office employee)

1. This is a request to approve actual expenses up to 300 percent of the maximum per diem allowance for {Insert Employee's Position, First Name and Last Name}
2. (Provide justification) Briefly describe circumstances surrounding employee's travel and need to authorize per diem in excess of 150 percent. Include TDY location, date(s), purpose of travel, comparative lodging costs, etc.
3. Actual expense reimbursement may be authorized in accordance with Federal Travel Regulations 301-11.300.
4. If you have additional questions, please contact {name of contact and phone number}

{Signature}

Approve/Disapprove

{Name of Under Secretary or Deputy Assistant Secretary for Finance}

APPENDIX G: FEDERAL TRAVEL REGULATION REFERENCES

VA Chapter Paragraph References	FTR References	Subject Descriptions
020201C1(c)	FTR 301-74.7/301-74.22	Conference Lodging Allowance
02020102B	FTR 301-11.10	Travel < 24 Hours
02020103B(3)	FTR 301.11.102	Travel > 24 Hours
02020102B(4)	FTR 301-11.100/102	Lodging Travel > 24 Hours
02020104E	FTR 301-11.22/301-11.23/301-70.200c	Return to Duty Station
02020105	FTR 301-11.21	Leave in Conjunction with TDY
02020202	FTR 301-11.7/301-11.8	Lodging Location
02020202D	FTR 301-11.12	Types of Lodging
02020304E	FTR 301-11.18	Exceptions to Meal Deductions
02020204A	FTR 301-70.200e	Deviations from Lodgings-Plus Per Diem
02020205A	FTR 301-11.15	Weekly or Monthly Lodging Rentals
02020205B	FTR 301-11.14	Computing Daily Lodging
02020502A	FTR 301 Subpart D	Conditions Warranting Authorization of Actual Expenses
02020504C&D	FTR 301-11.302	Advance Approval of Actual Expenses
02020506A	FTR 301-11.4	Mixed Travel
02020506B	FTR 301-11.4/301-11.7	Mixed Travel
02020507	FTR 301-10.8	Interruptions of Actual Expense Entitlement
02020602	FTR 301-11.20/301-70.102b (1)/301-70.200a/301-70.200b	Premium Class Accommodations and Rest Stops

APPENDIX H: ALLOWABLE TYPES OF LODGING

Travelers may claim reimbursement for the following types of lodging:

1. Conventional lodging. If the traveler uses conventional lodging facilities, such as hotels, motels, boarding houses, etc., the lodging reimbursement is based on the single room occupancy rate.
2. Government quarters. The traveler may be reimbursed lodging expenses for fees or service charges paid for use of Government quarters.
3. Friends or relatives. If the traveler stays with friends or relatives (including members of the immediate family as defined by the FTR), no part of the authorized per diem is allowed for lodging unless the host actually incurs identifiable additional costs to accommodate the traveler. The traveler must be able to substantiate these costs with receipts or cancelled checks, and the approving official must determine that the costs are reasonable before a lodging cost is allowed. The traveler cannot base costs on room rates for comparable conventional lodgings in the locality or flat “token” amounts, when determining any additional costs to the host.
4. Non-conventional facilities. When no conventional lodging facilities are available such as in remote areas or a shortage of rooms occurs due to an influx of attendees at special events (e.g., world’s fairs or international sports events), costs for lodging in non-conventional facilities may be allowed. Such lodging includes college dormitories or similar facilities, or rooms made available to the public by private residents in their homes.
5. Travel trailer or camping vehicle. The traveler may be allowed a lodging expense for fees for connection, use, and disconnection of utilities, electricity, gas, water, sewage, bath or shower fees, and dumping fees at campgrounds. The authorizing official will determine an appropriate amount for M&IE based on whether the type of recreational vehicle used by the traveler has meal preparation facilities. Generally, 75 percent of the M&IE allowance is considered adequate. When use of the recreational vehicle is for a TDY assignment within CONUS, the appropriate amount for M&IE will not exceed the applicable M&IE rate. The daily lodging costs plus an appropriate rate for M&IE will be the per diem rate, limited to the applicable maximum rate prescribed for the locality involved. The authorizing official may authorize a reduced per diem rate within the applicable maximum per diem rates if the actual costs expected to be incurred can be determined in advance of the travel.
6. Second residence. If the traveler uses a second residence for lodging while on TDY, lodging expenses will not be reimbursed unless the traveler incurs additional costs to occupy the premises. Costs such as utilities or others must be substantiated, and the approving official must determine them to be reasonable for lodging expenses. Costs based on room rates for comparable commercial lodging in the area or flat “token” amounts are not considered reasonable. Meals and incidentals will be reimbursed.

7. Dual lodgings on single day. When lodging must be obtained at more than one location on a single calendar day, the allowable lodging expense for that day is the lodging cost at the end of the calendar day. The other lodging expense incurred during that day is reimbursable as a miscellaneous travel expense when approved by approving official. This separate miscellaneous reimbursement may not exceed the maximum lodging rate applicable for the lodging location.

8. Lodging provided without a basis to determine cost. When the cost of lodging includes both meals and lodging and lodging cannot be determined, the amount paid is considered a cost of lodging and is paid in addition to the full M&IE rate for the locality, unless a reduced rate is authorized in advance of travel and stated on the travel authorization.