



United States Department of the Interior

FISH AND WILDLIFE SERVICE
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Memorandum

To: Service Directorate

From: Assistant Director -- Business Management and Operations

Subject: Procedures to Claim Reimbursement for Expenditures on Official Business (Standard Form 1164) for Local Travel and other Expenses

This memorandum updates the procedures to request reimbursement for authorized official business expenditures. The attached guidance provides information on the types of expenses that are reimbursable on a Standard Form 1164 (SF 1164), *Claim for Reimbursement for Expenditures on Official Business*.

Please note that the SF 1164 is strictly for non-taxable employee reimbursements. In a recent Internal Revenue Service (IRS) audit of the Service's W-2 and IRS Form 1099 (Miscellaneous Income) practices, the IRS cited cases where SF 1164s did not have proper documentation to support the expense, especially related to volunteer expenses. When expenses are not properly documented, the IRS may consider the reimbursement as taxable income to the employee or volunteer. This situation places the employee and the Service at risk for possible tax liabilities. Approving officials must ensure proper documentation or explanation exists to support the reimbursement claimed.

Employees should be aware that with the Department's issuance of Department Manual 347 DM 1 Travel Policy, Section 201, mileage and mass transit costs are limited to costs incurred in excess of normal commuting costs, even if the local travel is related to training.

If unsure whether an employee expense is reimbursable or taxable, employees should contact their Regional Budget and Finance Office. For policy questions relating to this memorandum, please contact Tom Angus, Chief, National Financial Policy and Analysis Branch, Division of Financial Management at (703) 358-1742.

Attachment



Employee Reimbursement on a SF 1164

Local Travel

Service employees are reimbursed for local travel on a SF 1164. Local travel is defined as travel that does not include airfare and does not entitle an employee to per diem and other subsistence allowances. Specifically, travel is considered local: 1) when the travel duration is less than 12 hours and does not include airfare; or 2) if the travel distance is 50 miles or less of the employee's residence or duty station. For local travel, a travel authorization is not required, however, employees should follow their Regional or internal office procedures to ensure supervisors will approve their local travel expenditures.

Travel that includes per diem or airfare is considered temporary duty (TDY) travel that requires an approved travel authorization. All TDY travel must be processed through Service's eTravel system (GovTrip) and not a SF 1164. TDY travel policy is covered in Service Manual 265.

Employees may claim the following local travel expenses:

- Mileage reimbursement of POV. Local mileage reimbursement is paid at the applicable General Services Administration (GSA) mileage rates. If you are unsure of the current mileage rates, please check with your Regional Budget and Finance Office. Mileage reimbursement is limited to mileage incurred in excess of normal commuting costs. This limitation includes all local travel, including local travel related to training or an employee who is traveling on their scheduled telework day.
- Mass Transit. Mass transportation costs in excess of normal commuting costs are reimbursable.
- Tolls, Parking, and Ferry Expenses.
- Taxicab. These costs are reimbursable with a justification on the SF 1164 noting the reason for taking a taxi over mass transit or bus shuttles provided for employees, such as the Main Interior – Arlington Square Shuttle.
- Vehicle Rental. Preapproval from the employee's supervisor is required to rent a vehicle for local travel. For insurance purposes, employees must ensure vehicle rentals are reserved under the government car rental agreement.

Other Employee Expenses Reimbursable on SF 1164

Service offices must use their purchase card and avoid employees procuring supplies and other items on a reimbursable basis. However, employees may be reimbursed for the following local expenses if the vendor does not accept the Government charge card:

- Registration fees for attendance at a meeting;
- Training, training supplies and tuition for classes;

- Postage due on official mail, faxes and copies up to a \$100.00 limit while on Official Business or emergency travel;
- Emergency purchases for official business;
- Passport photos. The Department's Passport Services Office (www.doi.gov/intl) should be contacted before any passport expenses are incurred.

For the above expenditures, the employee must include a justification on the SF 1164 that the purchase was necessary for official business. In addition, the justification must include that the Program's purchase card was not available (emergency purchase) or the vendor would not accept the Government charge card or convenience check.

Service Manual 228 FW 1 provides for partial reimbursement of professional liability insurance for qualified employees. This reimbursement is a non-taxable personal employee reimbursement and a SF 1164 can be used to reimburse the employee.

Other Employee Expenses Not Reimbursable on SF 1164

The following items are not reimbursable on a SF 1164 or as a field payment document in FFS. Reimbursement or payment must be sought through another method. If applicable, the policy or contact has been provided for your reference:

- Authorized cash purchases for supplies, equipment, or services made while the employee is in travel status (TDY or relocation, Service Manual 265, 266). These costs are claimed in GovTrip along with the employee's other travel costs.
- Salaries to employees.
- Stipends and estimated expenses (The Internal Revenue Service will consider this reimbursement as taxable income).
- Cash awards to employees (Service Manual 224 FW 4).
- Cash settlements to employees or former employees. Generally, the settlement includes a portion for past salaries that is taxable.
- Gifts to current and former employees. This includes retirement, monetary and non-monetary awards to current employees and exiting employees. Contact your Regional Division of Human Capital Offices for guidance and clarification.
- Refreshments for meetings or training sessions. For additional guidance and procedures on purchasing light refreshments, please contact your Regional Contracting and General Services Office or refer to Departmental guidance at <http://www.doi.gov/pfm/fams/fam2001-11.html>.
- Residential broadband expenses, (See Service telework reimbursement policy at <http://www.fws.gov/policy/m0307.pdf>).
- Cash advance for official travel purposes. The employee's government charge card or SF1038 request should be used (Service Manual 265 FW 3).
- Reimbursement for Fitness Center Membership Fees and Financial Planning (Service Manual 228 FW 3 and 4).
- Reimbursement for parking and traffic violations while performing local travel.

Volunteers Reimbursement of Local Travel Costs and Expenses

In most cases, volunteers will be reimbursed for local travel costs and expenses similar to Service employees. However, volunteer reimbursement may be limited to amounts provided for in the IRS tax code on charitable donations and expenses. Service offices should refer to Service Manual Chapter 150 or their Regional Visitor Services Office to determine the latest guidance and procedures for reimbursing volunteers.

SF 1164 Processing

The procedures for preparation and submission of a claim for reimbursement are as follows:

- Claims for reimbursement on the SF-1164 should include detailed justifications explaining the purpose of the expenditure. Employees should submit one or more of the following documents as appropriate: itemized original bills, sales slips, cash register or vendor's invoices with the vendor's name and address.
- The form must be signed by the employee and by the employee's Approving official and entered into the Federal Financial System (FFS) by the Program's administrative professional. Once the claims have been entered into FFS, follow your current Regional payment approval guidance and procedures. In accordance with the Debt Collection Improvement Act of 1996, reimbursement will be made by EFT to the employee's banking institution.
- Claims for reimbursement should be submitted within the fiscal year when the expense was incurred. The minimum dollar amount to be claimed on Local Travel is \$1.00.