

**TRACOR**

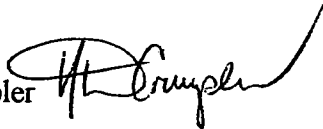
# MEMORANDUM

Tracor Services Corporation  
Electronic Systems Division  
557 Mary Esther Cut-Off  
Fort Walton Beach, FL 32548

June 11, 1998

98-NDC-004

**TO:** Distribution

**FROM:** N. D. Crumpler 

**SUBJECT:** ESD Travel Policy

The attached travel policy has been signed by R. L. Manley and is effective immediately.

The Travel Request and Reimbursement Justification forms should be reproduced and placed in file for continued usage.

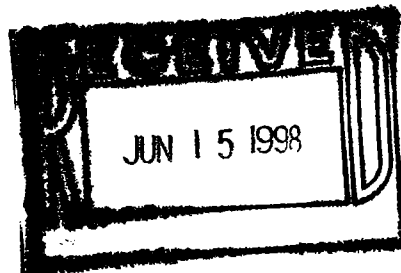
Please make further distribution of this procedure within your organization as needed.

NDC:mlh

Attachment: ESD Travel Policy

Distribution:  
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# **TRAVEL POLICY - *Electronic Systems Division***

## **OBJECTIVE**

To define a uniform, fair and efficient policy for reimbursing travel expenses incurred by employees while traveling on business in support of the Electronic Systems Division (ESD). The policy is designed to be consistent with corporate policy established in Section F of the Corporate Administrative Manual while addressing the specific requirements of ESD.

It is the intent of this policy to establish efficient methods for requesting travel authorization, obtaining fair and realistic cash advances, easing the accounting burdens placed on the traveler, and promoting efficient travel expense reporting while providing the flexibility essential to performing the wide range of business services required of this division. The goal of this process is to arrive at a clearly stated policy that will permit ESD management to uniformly execute the policy to the mutual advantage of the Company, the Employee, and the Customer.

## **POLICY**

It is the policy of ESD to propose, estimate and reimburse authorized costs of contract related travel based upon Joint Travel Regulation (JTR) flat rate for lodging, meals and incidentals as defined in Appendices A & E of the JTR. Use of JTR flat rate permits accurate forecasting of costs for bid purposes, accurate estimating of required travel advances and eases the accounting burden placed on the travelers as no receipts are required for lodging and meals. Fast, fair and efficient claims processing are a byproduct of this process.

Where required by the tender and incorporated into the resultant contract, reimbursement may be governed by specific contract requirements. At the time of contract acceptance, it is incumbent upon the Program Manager and Contract Administrator to identify any special contract provision for travel reimbursement, reconcile with the bid costs and provide written guidelines for travel in support of that project. A copy of this documentation will be provided to the project personnel and Accounting immediately following contract acceptance. The reimbursement for authorized travel in support of the specific project will then be governed by the specific contract requirements.

In all cases, it is the responsibility of the employee to use the most economical means of transportation and accommodations consistent with effective contract performance including use of Government transportation and accommodations whenever they are available.

Where specific circumstances arise that are not addressed below, decisions affecting reimbursement will be based upon detailed provisions of the JTR and/or the appropriate sections of the Corporate Policy.

## **TRAVEL AUTHORIZATION**

A preprinted Travel Authorization form is available and should be completely filled out as soon as the need for travel is known. The form is designed to provide all pertinent information necessary to approve and properly account for the travel costs. To the maximum extent possible, expenses should be charged to available credit cards but a cash advance may be requested if necessary. The request should reflect the minimum anticipated needs of the traveler and in most cases, should never exceed the flat rate times the anticipated days of travel. For planned stays of extended duration, the employee and his supervisor should discuss possible arrangements to replenish cash and minimize the need for large cash advances.

The form also addresses the unique requirements for international travel including export control, notification of travel to war risk countries, and notification for travelers holding security clearances.

## **TRAVEL STATUS**

Travel status will commence when employees depart from their assigned work location or residence and end when employees return to their assigned work location or residence. The beginning or ending of travel status will not be earlier or later than what is considered a reasonable duration for the distance traveled.

Employees are expected to perform travel required by the Company to meet task and other requirements. Generally, the approximate duration of each temporary duty (TDY) assignment is estimated before travel is initiated. However, extensions and curtailments may frequently occur, therefore, the Company expects TDY employees to accept reasonable extensions and changes unless undue and unacceptable personal hardship would occur. To the extent reasonable and practical, the Company will exchange employees for TDY employees when lengthy extensions occur or when undue personal hardship would be caused by extension.

The Company will pay for return travel to the regular work location area for TDY employees when bona fide emergencies occur during travel and the welfare of employees or their immediate family would significantly benefit by the employee's return.

In the event of sick leave while on travel status, per diem and hotel expenses will be allowed. The exception will be if employees are hospitalized where room and board is reimbursed under an insurance plan.

Vacation, while on travel status, may be authorized; however, per diem payment will be suspended for the period of vacation.

Employees traveling on official Company business are insured against accidental death and dismemberment subject to the exclusions of the insurance policy. Travel insurance coverage begins when employees leave their residence or assigned work location, whichever occurs later, and concludes upon return to their residence or assigned work location, whichever occurs first. Individual personal travel insurance purchased by employees will not be reimbursed.

## **TRAVEL EXPENSES**

Unless another basis of reimbursement is documented and approved by the Division Vice President or his designated representative, reimbursement for travel related expenses will be based on the actual cost of transportation and the JTR flat rate schedule for the location(s) of travel. JTR expenses will typically fall into two categories consisting of lodging and meals and incidental expenses (MI&E). Each category of expense has well defined content and allowable extras as further defined in the JTR and summarized below.

### **Lodging**

Lodging expenses are reimbursed at the JTR rates listed in the appropriate appendix for either domestic or international locations. If the exact point of travel is not listed, the most appropriate rate listed will be used, based on the proximity to the exact location or similarity to local rates if prior travel experience supports the decision. The basis of lodging is normally tied to the traveler's destination for outbound travel and location at midnight on the day in question if multiple travel locations fall within a single day's travel. Return travel to home location and travel duration of less than on full day will not require lodging provisions. Lodging receipts are not required for flat rate JTR reimbursement.

**NOTE:** There may be occasion when employees will travel to a location with a higher lodging rate than prescribed by the Joint Travel Regulations due to rate adjustments associated with special events occurring at the location or seasonal

rate changes. Additionally, employees may be authorized to procure lodging at the same hotel in which an authorized conference or seminar is being held and is being attended. The best attainable rate will be secured. Rates in excess of the maximum JTR rate may be allowed under these or similar circumstances, and will require approval prior to travel if practical. A Travel Expense Reimbursement Justification form must be submitted by the employee explaining the higher lodging rate. Reimbursement of costs exceeding the JTR maximum rate must be accompanied by receipts and must be approved by the Division Vice President or his designated representative.

## **Meals and Incidental Expenses**

Per Diem allowances for meals and incidental expenses (M&IE) are listed in the Joint Travel Regulations and are periodically updated. The M&IE rate is based on a 24-hour period and receipts are not required.

On the day travel requiring overnight lodging begins, the per diem allowance for M&IE will be prorated at 75% based on the rate prevailing in the location of destination or where lodging occurs, either en-route or in the area of the destination, if different from the destination.

On the day travel requiring overnight lodging ends, the per diem allowance for M&IE will be the prevailing rate established for the preceding calendar day and prorated at 75%. This method of computing per diem applies to travel within and outside the continental United States.

When employees are requested to perform travel to locations in excess of 50 miles from the employee's work location and the travel begins and ends on the same calendar day, reimbursement for M&IE will be based on the following reimbursement schedule:

- a. When travel commences before 6:30 a.m. and ends after 7:00 a.m., an employee will receive \$7.00 subsistence for the morning meal.
- b. When travel continues from a beginning time prior to 7:00 a.m. or begins between 7:00 – 11:00 a.m. and terminates after 1:00 p.m., an employee will receive \$7.00 subsistence for the noon meal.
- c. When travel continues from a beginning time prior to 1:00 p.m. or begins between 1:00 – 5:00 p.m. and ends after 6:00 p.m., an employee will receive \$16.00 subsistence for the evening meal.

Expenses which are considered part of the JTR and M&IE list allowance include:

- Lodging plus taxes
- Meals
- Fees and tips to porters, baggage handlers, bellhops, maids, etc.
- Personal laundry
- Telephone calls necessary to reserve lodging accommodations
- Local transportation for personal reasons, including trips between places of lodging or duty and places where meals are taken, if no rental vehicle is authorized or otherwise available.

Lodging and meal expenses, which are provided at no cost to traveling employees or included in a package plan, may not be reimbursed or may be partially reimbursed. Meals provided as part of a conference or seminar, or paid for by someone other than the employees, are not reimbursable and the cost of such meals would be deducted pro-rata from the per diem allowance as specified by the JTR.

Any per diem payment in excess of JTR specified rates which is determined to be an unallowable/unbillable cost but which is reimbursed to the employee may be treated as income and is subject to federal income tax withholding.

## **Transportation**

### *Train*

Reimbursement will be for actual cost not exceeding first-class accommodations for a lower berth unless specific approval is granted for other accommodations.

### *Air*

Consistent with the Company's policy of eliminating all unnecessary costs and providing best value to the customer, traveling employees are expected to use sound business judgement in the use of tourist class, business class or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission taking into consideration the destination and the cost basis used in the bid. Approval for airfare will be based upon the signed travel authorization form unless schedule changes occurring after travel has begun dictate a change to best available airfare. Reimbursement will be for the actual cost of the accommodations used. If an employee, for individual convenience and pleasure, elects to change airline reservations or schedules and there is an additional cost, this additional expense will be the responsibility of the employee and will not be reimbursed.

## **Local Ground Transportation**

Reimbursement for business use of taxi fares, streetcar, rapid transit lines, airport limousine, etc., will be based on actual costs with receipts required.

### *Private Vehicle*

The ESD Division Vice-President may authorize the use of a private vehicle for travel when it is in the best interest of the Company. Such authority will not normally be given when Company owned or controlled vehicles are available.

If use of a private vehicle is authorized based upon the best interest of the Company, reimbursement will be at the current JTR mileage rate. For reimbursement purposes, mileage will be based on the most direct route determined by use of Rand-McNally Standard Distance Charts. Per Diem payments for travel by private vehicle will be computed on the basis of actual time in route, but maximum transit time for reimbursement purposes will be limited to the number of days required to reach destination calculated at the rate of 400 miles per day. Parking fees, ferry fees, bridge and road toll charges will be reimbursed at actual costs.

If the use of a private vehicle is authorized for the convenience of the employee, reimbursement will be calculated at the current JTR mileage rate, based upon the Rand-McNally distance. Allowances for mileage will not exceed the normal cost of coach or Y-class airfare to and from destinations and for ground transportation at interim and/or final business destinations. Allowances for meals and incidental expenses (M&IE) and lodging will not exceed those for a normally scheduled trip.

Employees are authorized to use their private vehicle for transportation to and from public transportation terminals (air, railroad, bus, etc.) when traveling on business for the Company. Reimbursement will be at the current JTR mileage rate for distance actually driven between either the residence and/or work site and the terminal used for departing for or arriving from the TDY location. Employees may be reimbursed for parking fees at the terminal. In lieu of payment of airport parking, employees may be

reimbursed for mileage to and from public transportation terminals at departure and again at return. Reimbursement of all mileage and/or parking fees will be limited to the cost of taxi fares to and from the terminal.

### *Company-Owned Vehicle*

When employees use a vehicle owned by the Company in connection with official travel, expenses such as gasoline, oil, repairs, tool charges, etc. will be reimbursed at actual cost. Receipts for such charges are necessary. Ordinarily, employees will be issued a commercial credit card to cover most of these expenses.

### *Rental Vehicle*

When employees are authorized use of a rental vehicle in connection with official travel, reimbursement will be based on actual, but reasonable, cost. Consideration of the type of vehicle to be rented will be based on the minimum size necessary to accommodate the number of passengers, intended use, and most economical value. Insurance to cover damaged rented vehicles is often made available by the rental agency, but should not be accepted as the Company separately, provides this type insurance. Employees WILL NOT be reimbursed for the purchase of any insurance in connection with rental vehicles for domestic travel. If a rental vehicle is authorized for travel outside the continental United States, liability and collision insurance is authorized and should always be elected by the traveler.

### **Miscellaneous Expenses**

The following miscellaneous allowable expenses will be reimbursed at actual cost in addition to the JTR flat rate per diem. Receipts are required for all miscellaneous expenses listed below. If a receipt is not available, the traveler should submit a written record of the expense with signature, date, and brief explanation.

- Excess baggage fees/baggage transfer charges/baggage cart rentals
- Business related communication expenses
- Parking fees, tolls and bridge fees
- Rental of equipment or purchase of supplies required to conduct official business
- Cost of travelers checks, money orders, reasonable check cashing fees and foreign currency exchange commissions
- Cost associated with obtaining passports, licenses, etc., for travel outside the continental United States
- Cost of inoculations for travel outside the continental United States
- Costs of airport taxes, landing fees, port taxes, embarking or debarkation fees and charges of a similar mater.
- Other charges for goods and services essential to completing the assigned task which are reasonable and documented with receipts

### **SPECIAL REIMBURSEMENT**

Under unusual circumstances, reimbursement for travel expenses will be made on a basis other than that outlined herein. Examples of special reimbursement situation include:

#### **Protracted Travel**

Division or location managers may approve special per diem rates for protracted travel periods. Such per diem will be reimbursed in lieu of hotel costs and subsistence.

## **Special Contract Requirements**

Employees traveling under contracts that have special provisions regarding allowance for per diem, hotel and meals, etc. will be reimbursed in accordance with contractual provisions.

## **Attendance at Professional Meetings**

Travel by an employee attending meetings of professional societies and other technical groups will be reimbursed in the same manner as while in travel status on any other business for the Corporation. Registration fees are an expense for which reimbursement will be made.

## **Marketing Visits**

Where justified by circumstances and approved in advance, marketing travel may be reimbursed at a rate greater than JTR as documented on the attached form or on an actual expense basis if in the best interests of the Company. Approval will be based upon a written request from the traveler outlining the circumstances, which would justify reimbursement on a basis other than JTR.

## **COMMUNICATIONS**

Business related communications would be reimbursed at actual cost. Personal long distance calls will be reimbursed on an actual and reasonable cost basis using the guidelines of personal calls no greater than ten minutes duration and no more frequent than two calls per week, unless justified by schedule changes or other unplanned events. Personal calls require a receipt for verification and calls which exceed the authorized limit must be paid for by the employee.

## **HOLIDAYS**

While on travel, employees will normally observe the customer's work schedule. When holidays occur that are not normally Tracor observed holidays, the employee will be expected to work if that work activity can be supported. If a Tracor holiday occurs that is not recognized by the customer, the employee will be given that Tracor holiday within the first full pay period after return from travel. In all cases, time charges will reflect the actual daily charges; i.e., delayed holiday observations will be accurately reflected on time tickets.

## **EXPENSE STATEMENT**

At the completion of travel, the traveler will be required to complete a draft expense statement and submit to the staff level manager for review and concurrence. The expense statement is then forwarded to the appropriate travel clerk for finalization and processing to Accounting. Staff level managers will insure that expense statements are promptly submitted at the conclusion of travel to insure accuracy and avoid the need for Accounting follow up on open travel orders.

  
Vice President  
Electronic Systems Division

11 June 1998  
Date