

SECTION B-5 ACCOUNTING

*Eglin Division*

B-5.1

SUBJECT: TRAVEL

OBJECTIVE: To enable employees to conduct business on behalf of the Company at locations other than where they are normally assigned without financial loss for expenses incurred during such travel, and to comply with the special requirements of the Eglin O&M contract pertaining to travel.

POLICY:

Tracor Services Corporation will reimburse employees for all reasonable authorized expenses incurred while traveling at the request of the Company in accordance with authorized travel orders. The responsibility to incur only reasonable and allowable expenses rests with each employee. Travel-related expenses incurred in support of the Eglin O&M contract will be in accordance with those allowed by the Joint Travel Regulations.

In compliance with contract requirements, employees will use the most economical means of transportation and accommodations consistent with effective contract performance including Government transportation and accommodations whenever they are available.

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 a travel activity 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. The Company reserves the right to and 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 who have bonafide emergencies while TDY 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.

## SECTION B-5 ACCOUNTING

B-5.2

### SUBJECT: TRAVEL

Vacation while on travel status may be authorized; however, no per diem payment will be allowed for 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 first occurs. Special insurance provisions may be arranged by the Company to satisfy requirements of foreign travel. Individual personal travel insurance purchased by employees will not be reimbursed.

### TRAVEL EXPENSES

All employees performing TDY assignments within the continental United States are required to report their travel related expenses under the lodgings-plus per diem system. Under this system, per diem consists of two categories: (1) Lodging, and (2) Meals and Incidental Expenses (M&IE).

Lodging. Lodging expenses will be reimbursed for the actual cost of the basic room rate, including taxes, and limited to the maximum rate established by the JTR for the listed TDY location. If the location is not listed, the standard rate prescribed by the JTR for nonlisted locations will be used. A receipt is required for all lodging under the lodgings-plus system.

In the event that previously reserved lodging is not required due to cancellation or postponement of scheduled travel either by task directive or company direction or due to transportation delays, it is the responsibility of the traveler to cancel lodging reservations in adequate time to avoid no show charges. If adequate time is available to cancel lodging reservations and the employee chooses not to, the cost of the no show charges will be the responsibility of the employee and will not be reimbursed.

**NOTE:** There may be occasions 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 the above or other circumstances, and will require approval prior to travel if practical. A Travel Expense Reimbursement Justification form must be submitted by

## SECTION B-5 ACCOUNTING

B-5.3

### SUBJECT: TRAVEL

the employee explaining the higher lodging rate. Reimbursement of costs exceeding the JTR maximum rate must be approved by the Division Manager.

Meals and Incidental Expenses. Per diem for meals and incidental expenses under the lodgings-plus system is specified by location in the continental United States. These M&IE rates are listed in the Joint Travel Regulations and are periodically updated. Under the system, receipts for M&I expenses are not required. The M&IE rate is based on a 24-hour period.

A per diem allowance will not be paid for a TDY trip when the period of official travel is 12 hours or less in a day.

Computation of per diem for the beginning and end of travel will be based on the following:

On the day travel 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 enroute or in the area of the destination, if different from the destination.

On the day travel 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.

Expenses which are considered part of the JTR-listed per diem allowance include:

- Lodging including taxes.
- Meals, including taxes and tips
- Incidental expenses including fees and tips to porters, baggage carriers, bellhops, maids, personal laundry, etc.

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 employees, are not reimbursable and the cost of such meals would be deducted prorata 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 will be treated as income and is subject to federal income tax withholding.

## SECTION B-5 ACCOUNTING

B-5.4

### SUBJECT: TRAVEL

#### 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, traveling employees are expected to use sound business judgement in the use of air coach, tourist class or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being made. Reimbursement will be for the actual cost of the accommodations used. The cost of first-class travel is not reimbursable. 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 taxi fares, streetcar, rapid transit lines, airport limousine, etc., will be based on actual cost.

Private Vehicle. Private vehicles will not be used for any Company business or activities except as specifically provided herein. All new employees will be required, as a condition of employment, to sign a certificate and agreement form bearing the following statement:

***"I agree to use only vehicles owned, leased or controlled by Tracor Services Corporation in connection with work performance, except as specifically authorized in connection with official travel, by published travel orders or travel policy, or when a Company-controlled vehicle is not reasonably available to accomplish directed or necessary Company work activities."***

The Eglin Division Manager 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 by official travel orders, 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 DoD Official Table of Distances. Per diem payments for travel by private vehicle will be computed on the basis of actual time enroute, 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 Official Table of Distances. 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.

## SECTION B-5 ACCOUNTING

B-5.5

### SUBJECT: TRAVEL

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 the distance actually driven between either the residence 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, toll charges, etc., will be reimbursed at actual cost. Receipts for such charges are required. 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. However, since Tracor provides this type insurance, employees WILL NOT be reimbursed for the purchase of any insurance in connection with rental vehicles. Should it be determined that reserved vehicles are not required, timely cancellation of reservations to avoid additional charges is the responsibility of the employee.

Government Vehicle. When employees use a Government-furnished vehicle controlled by Tracor in connection with official travel, expenses such as gasoline, oil and repairs should be charged to a Government national credit card or commercial credit card. Receipts for such charges are required. Employees will be reimbursed at actual cost for cash expenditures.

### MISCELLANEOUS EXPENSES

The following miscellaneous allowable expenses will be reimbursed at actual cost. Receipts are required for all reimbursable expenses except the meals and incidental expenses of per diem allowances discussed above.

- Excess baggage fees and baggage transfer charges.
- Business-related communication expenses.
- Parking fees, toll and bridge fees.
- Rental of equipment or purchase of supplies required to conduct official business.

## SECTION B-5 ACCOUNTING

B-5.6

### SUBJECT: TRAVEL

- Cost of travelers checks, money orders, reasonable check cashing fees and foreign currency exchange commissions.
- Costs associated with obtaining passports, licenses, etc., for travel outside the continental United States.
- Cost of inoculations for travel outside the continental United States.
- Local transportation for trips between places of lodging or duty and places where meals are taken if no rental vehicle is authorized or otherwise available.

### TRAVEL ADVANCES

Funds to cover estimated travel expenses will be advanced to traveling employees. Travel advances will be held to a minimum, and should bear a reasonable relationship to the requirements of the trip.

Outstanding travel advances from prior trips must be resolved before new funds are advanced, or if back to back travel requirements occur, unused advances will be carried over to the next trip.

Employees will be required to file travel expense reports within seven working days of the trips' completion. Employees on long-term travel (in excess of 60 days) will be required to submit interim travel reports on a monthly basis). Receipts are required to support all claimed expenses except for meals and incidental expenses.

### TRAVEL OUTSIDE THE CONTINENTAL UNITED STATES

Per Diem. Per diem allowances will be paid based on the rates prescribed in the JTR for outside continental United States locations. The method of computation of per diem will be the same as that used for travel within the continental United States.

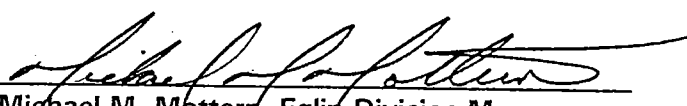
Vehicle Rental. If a rental vehicle is authorized, liability and collision insurance is normally warranted and should be purchased to the extent necessary to conform to the minimum requirements of the particular location.

**SECTION B-5 ACCOUNTING**

**B-5.7**

**SUBJECT: TRAVEL**

Communications. Business-related long distance and local telephone/fax calls will be reimbursed at actual cost. Personal long distance calls from overseas will be limited to one call while in the foreign country and one call due to changes in TDY duration. Reimbursable personal telephone calls will be limited to 5 minutes in duration.

  
Michael M. Mottern, Eglin Division Manager

3/18/98  
Date

**TRACOR SERVICES CORPORATION**  
**TRAVEL EXPENSE REIMBURSEMENT JUSTIFICATION**

Employee Name: \_\_\_\_\_ Dept. Head Review: \_\_\_\_\_

Travel Order No. \_\_\_\_\_ Date: \_\_\_\_\_

Costs exceeded the Government published per diem rates for the following reason:

(\$ Amount)

\_\_\_\_\_ 1. Attended a convention, symposium, conference, etc. at a particular hotel at which the conference was held.

\_\_\_\_\_ 2. Allowable rate accommodations were not available within a reasonable commute (25 miles).

\_\_\_\_\_ 3. Subsistence and lodging costs were escalated for a short period in the area where a special function or event was taking place. Name of function/event:

\_\_\_\_\_

\_\_\_\_\_ 4. Employee traveled with Government personnel who due to the assignment or convenience associated with shared transportation arrangements required the employee stay at the same lodging facility.

\_\_\_\_\_ 5. An assignment's special duties necessarily incurred unusually high expenses (such as requiring a suite or other quarters) that would exceed normal expenses.

\_\_\_\_\_ 6. Excess costs were not due to one of the above reasons; however, due to the following unusual circumstances reimbursement is requested.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I hereby certify that the above information is true and correct.

Employee Signature: \_\_\_\_\_

\_\_\_\_\_

Approval: \_\_\_\_\_

Date: \_\_\_\_\_