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Section 25 Meals and Incidentals

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INTRODUCTION

The cost of meals purchased and consumed while traveling on State business may, up to the limits approved by the JLBC, be reimbursed. The reimbursement rates are not designed to cover the entire cost of meals consumed on the road, but to cover the difference between the cost of a meal of which the traveler might otherwise partake when not traveling for the State and the cost of a meal acquired while traveling for the State.

POLICIES

1. Reimbursement rates for meals are proposed by the ADOA Director, reviewed and approved by the JLBC, and published by the ADOA.
2. Meals, the cost of which are less than or equal to the published limits, may be reimbursed when purchased and consumed in conjunction with official State business.
3. To be eligible for reimbursement, the meal must, except as otherwise provided, be consumed, though not necessarily purchased, while the traveler is in travel status.
 - 3.1. One may purchase a meal before entering travel status that will be consumed while in travel status.
 - 3.2. When one is staying at a commercial lodging facility in connection with an authorized overnight stay or overnight stays involving fewer than thirty (30) days, one may purchase groceries rather than dining out, subject to the following restrictions:
 - 3.2.1 The reimbursement for the purchase of groceries is limited by the same daily geographical maximum reimbursement amount and the policies for all meals including the reduced limits for the day of departure and the day of return.
 - 3.2.2 The reimbursement is to be reduced by any meals, whether or not consumed, provided to the traveler.
 - 3.2.3 All other limitations, such as date of departure and return reductions of reimbursement and the six (6) hour travel status requirement, apply.

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- 3.3. The purchase of groceries or meals to be consumed before or after travel or by those other than the traveler or those in the custody of the state is not reimbursable.
4. To qualify for a meal reimbursement for any day, the traveler must be in travel status six (6) or more hours. This requirement applies to:
 - 4.1. Any meal and to any day of travel.
 - 4.2. Travel involving or not involving an overnight stay.
 - 4.3. In case of travel involving an overnight stay, to both the day of departure and the day of return.
5. To be in travel status, a traveler must be more than fifty (50) miles from both the traveler's residence and his regular duty post.
6. Meals that are reimbursed to a traveler when the travel does not involve an overnight stay or a substantial period of sleep or rest are taxable income to the traveler.
7. Reimbursement for meals may not exceed the lesser of the actual amount paid for the meal and incidentals or maximum meal and incidentals reimbursement rate.
8. The meal reimbursement rate includes the cost of the meal, tax, tip, delivery service, and the cost of transportation between places of lodging or business and places where meals are acquired or consumed, if meals cannot be obtained within a reasonable distance from one's lodging or temporary duty post.

Example: An employee's travel for the State involves an overnight stay. The traveler's daily meal and incidental reimbursement limitation for a given location is \$64. The traveler decides to take a cab from his hotel to a restaurant; the round-trip cab fare between the restaurant and the hotel is \$10. The result is that only \$54 of his meal and incidental rate remains after subtracting the cab fare. So, if the traveler spent \$60 for the day on meals and \$10 for cab fares to and from the restaurant, he could be reimbursed only \$64 for the day and he would be out-of-pocket for \$6 $((\$60 + \$10) - (\$64))$.

Additionally, if a traveler utilizes a delivery service such as Grubhub, Uber Eats, DoorDash, etc. to obtain a delivered meal, the entire cost of the meal including delivery is counted towards the traveler's daily meal and incidental reimbursement limitation. If this same traveler had all three meals delivered for the day, the total limit for meals and delivery could not exceed the reimbursement limitation of \$64 for the day. Any excess above the limitation would be out-of-pocket for the traveler.

9. Although they frequently do so, the amounts allowed for meals and incidentals are not intended to cover the entire cost of meals consumed while in travel status. The amounts, however, are more than sufficient to compensate the traveler for the estimated difference between the cost of a reasonable meal taken on the road and

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the cost of a meal prepared at home or purchased at a cafeteria operating in a State facility.

10. If the traveler does not purchase a meal or the cost of the meal is imbedded in some other cost, the traveler is not entitled to reimbursement for that meal. This restriction applies to all meal reimbursements—full day, partial day, overnight or not, days of travel or return, etc. The amount by which the meal reimbursement is limited is that amount, appropriate to the meal served, for the reimbursement limitation in effect for that day. Situations to which this applies include, but are not limited to meals provided:
 - 10.1. At conferences that are free of cost beyond the registration fee.
 - 10.2. On airplanes and other common carries and are included in the fare.
 - 10.3. To the traveler, without charge, at a State institution.
 - 10.4. On a complimentary basis by the facility at which one is lodged.
 - 10.5. At meetings where a meal is served by those hosting the meeting.
11. Meal reimbursements and the maximum meal and incidentals reimbursement rates are not per diem allowances.
12. Reimbursement rates, rate tables by meal and location are found in SAAM 5095.
13. A single location's reimbursement rate is used for an entire day even if the employee travels to more than one location in the day.
14. For travel involving overnight stays, the following policies shall apply:
 - 14.1. On the day of original departure, the traveler shall, limited by both the twenty-four (24) hour and six (6) hour constraints, be entitled to a reimbursement for actual amounts spent up to seventy-five percent (75%) of the Full-Day Meal Reimbursement Rate of the trip's destination location (i.e., not the place from which the employee originally departed at the beginning of the trip, but where the employee will spend the night).
 - 14.2. On the day of return, the traveler shall, limited by both the twenty-four (24) and six (6) hour constraints, be entitled to a reimbursement for the actual amounts spent up to seventy-five percent (75%) of the Full-Day Meal Reimbursement Rate of the location in which the traveler last stayed the night, prior to returning to his duty post and/or home.
 - 14.3. The seventy-five percent (75%) limitation on the days of departure and return is further constrained by the fact that a traveler must be in travel status for six (6) or more contiguous hours before being entitled to any reimbursement for meals and, moreover, the potential reimbursement is further reduced by the amount, at one

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hundred percent (100%) of that meal's allowance, of any meals provided to the traveler, whether the traveler accepts or consumes the offered meal.

- 14.3.1. When the overnight travel involves an overnight stay of a single night (i.e., the departure occurs on one day and the return on the very next day), A traveler must not claim reimbursement for more than the Full-Day Reimbursement Rate in any period of twenty-four (24) or fewer consecutive hours.

Example: A traveler drives from Phoenix to an evening business meeting in Tucson. His trip began at 5:00 pm, the end of his normal workday in Phoenix. He arrives in Tucson at 6:30 pm. His meeting runs from 7:00 pm until 9:00 pm. He spends the evening in a hotel in Tucson. The next morning, he leaves the hotel in Tucson at 6:30 am to return to work in Phoenix. He arrives at his office in Phoenix at 8:00 am.

His overnight travel involves a single night. The time he spends in travel status over both days of travel is no more than approximately fifteen hours (5:00 pm until midnight on the first day and from midnight until 8:00 am on the second day, less the time it took to travel fifty (50) miles on the outbound trip and a similar amount of time on the return). The total reimbursement he may claim for the entire trip is limited to a full day's meal limit for the higher of the rates that might otherwise apply to the day of departure and the day of return.

- 14.4. On days other than those of return or original departure, that is to say those days between the original departure and the return, on which the traveler is in travel status for the entire day, the meal allowance is based upon the location of that day's destination.

- 14.4.1. A traveler who is provided a meal on the day of departure or return at no additional cost to himself must reduce the reimbursement claimed by the amount appropriate to the meal provided. It is possible that this disqualifies the traveler from any meal reimbursement at all from the State.

Example: A traveler flies from Phoenix to Chicago for a two-day—Tuesday and Wednesday--conference. He leaves for the conference on Monday and returns to Phoenix on Thursday. Assuming the then in effect Full-Day meal and incidentals reimbursement limit for Chicago is \$64, on Monday, he will be entitled to be reimbursed up to 75% of Chicago's Full-Day meal and incidental reimbursement, or \$48.00 ($\$64.00 \times .75 = \48.00). On Tuesday and Wednesday, he may be reimbursed up to 100% of Chicago's Full-Day meal and incidental reimbursement or \$64. On Thursday, he will be entitled to up to 75% of Chicago's Full-Day meal and incidental reimbursement, or \$48.00 ($\$64.00 \times .75 = \48.00). These amounts would be reduced by meals he was provided by others. So, if upon arrival in Chicago, the meeting's host bought him dinner, he would have to deduct \$35.00, the Chicago dinner reimbursement limitation (assuming the then current Chicago reimbursement were \$64.00 and the dinner amount \$35.00), from the amount, he would be allowed to claim. (See SAAM 5095, Paragraph 6, for Full-Day Reimbursement Rates and Rates per Meal.)

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14.5. For travel days involving overnight stays that are neither the day of original departure nor the day of return, a traveler may be reimbursed up to the Full-Day Meal Reimbursement Rates for the applicable date and location, subject to the following:

14.5.1. The Full-Day Reimbursement Rates are limits for actual meal expenses incurred, not a fixed per diem or allowance amount.

14.5.2. A reimbursement of actual expenses incurred by the traveler up to the applicable Full-Day Reimbursement Rate may be claimed, no matter the meal or meals upon which the amounts are spent.

Example: The Full-Day Reimbursement Rate for a given location is \$59. The traveler qualifies for an entire day's reimbursement, up to \$59, whether that amount was spent on three meals, two meals or on an expensive dinner. It must be borne in mind, however, that this is a reimbursement and the amount or amounts claimed must actually have been spent for meals by the traveler. Note that the reimbursement limit must be reduced by any meals provided to the traveler.

14.5.3. The Full-Day Reimbursement Rate shall be reduced by the amount related to any meal provided at an event or otherwise paid for by some entity—including organizations, family, friends, etc.—other than the traveler.

Example: A traveler attends a conference at which lunch is served, without additional cost to the traveler, in a location that has a Full-Day Reimbursement Rate of \$59. The amount of meal reimbursement the traveler may claim is up to \$44 (i.e., the \$59 full-day rate minus the \$15 of the full-day rate that is applicable to lunch for that day's reimbursement limitation). Note that the reimbursement claimed is to be additionally limited to the amount the traveler actually spends on meals.

14.6. A traveler may not claim reimbursement for more than the Full-Day Reimbursement Rate in any single calendar day or in any period of twenty-four (24) consecutive hours. This limitation is of particular significance for overnight trips when the traveler departs one day and returns the next.

14.7. With respect to trips involving overnight travel, when the travel itself begins on one day and ends on another (e.g., the flight or the train trip begins at 11 p.m. on one day and ends at 1 a.m. the following day):

14.7.1. On the original day of departure, a meal reimbursement is allowed only if one is in travel status for six (6) or more hours. The meal reimbursement is additionally subject to the seventy-five percent (75%) meal reimbursement limitation. The original day of arrival, if it involves an overnight stay, qualifies for up to one-hundred percent (100%) of the meal reimbursement (reduced by any meals provided). If this day is also the day of return, it, too, is subject to the seventy-five percent (75%) limitation and the requirement of six (6) or more hours in travel status.

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- 14.7.2. On the return trip, a meal reimbursement is allowed only if one is in travel status for six (6) or more hours on the day of return (measured from the beginning of the day at the location from which the traveler returns), in which case the traveler may be reimbursed up to the amount of the seventy-five percent (75%) of the full day meal reimbursement limit.
15. For travel not involving an overnight stay:
- 15.1. The amount of the reimbursement for that meal is restricted to the Single Day Meal Reimbursement Limit or the Extended Day Meal Reimbursement Limit, depending upon the amount of time the traveler is in travel status.
- 15.2. The amounts of the Single Day Meal Reimbursement Limit and the Extended Day Meal Reimbursement Limit are identified as such in SAAM 5095.
- 15.3. The Single Day Meal Reimbursement Limit and Extended Day Meal Reimbursement Limit apply:
- 15.3.1. No matter the travel destination, whether in or out of State, as long as the travel does not involve an overnight stay.
- 15.3.2. No matter the time of day meals may be purchased or consumed.
- 15.4. The Single Day Meal Reimbursement Limit applies when the traveler has been in travel status six (6) or more but fewer than twelve (12) consecutive hours.
- 15.5. The Extended Day Meal Reimbursement Limit applies when the traveler has been in travel status twelve (12) or more consecutive hours.
- 15.6. The Single and Extended Day Meal Reimbursement limits are reduced by any meals provided to the traveler.
16. As stated, an amount representing meals provided the traveler at no cost to himself reduce the otherwise available daily meal reimbursement limits. In applying this policy, it is necessary to determine the amount of reduction, which is related to the time of day at the location where the meal is provided.
- 16.1. A meal provided:
- 16.1.1. Between 12:01 a.m. and 10:00 a.m. in the location where provided is deemed to be breakfast and the amount allowed for breakfast for the day is to be deducted.
- 16.1.2. Between 10:01 a.m. and 2:00 p.m. in the location where provided is deemed to be lunch and the amount allowed for lunch for the day is to be deducted.
- 16.1.3. Between 2:01 p.m. and 12:00 midnight in the location where provided is deemed to be dinner and the amount allowed for dinner for the day is to be deducted.

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- 16.2. It is possible that the sum of the allowances for meals provided a traveler certain days exceed the daily allowance. This does not result in the allowance being reduced below zero dollars (\$0); it does mean, however, that no allowance for incidentals is available for the day under consideration.
- 16.3. For travel days without overnight travel, use the Single and Extended Day Meal Reimbursement Limits. Use the meal allocations related to the Phoenix Full Day Meal Rate Amount, SAAM 5095, Paragraph 6, to determine and reductions of these limits for meals provided.
17. Incidentals include such things as laundry, hotel cleaner tips, etc.
18. Tips paid in connection with a meal are considered as part of the cost of a meal.
19. Tips paid to a cab, ride-sharing, or shuttle driver are considered as part of the cost of the cab or shuttle.
 - 19.1. SAAM 5026 contains a discussion of appropriate and reimbursable tipping in these situations.
 - 19.2. If transportation is to obtain a meal, the cost of the transportation and the related tip reduce the amount available for meal reimbursement.
20. Tips that exceed industry standards will not be reimbursed.
 - 20.1.1. The industry standard for tips related to a meal served in a restaurant in the U.S. is between fifteen percent (15%) to twenty percent (20%) of the pre-tax bill.
 - 20.1.2. The industry standard for tips related to a meal served in a buffet, fast food or carryout establishment is zero percent (0%).
 - 20.1.3. Tips paid in connection with meals provided free or as part of the registration cost (such as at conferences) are not to be reimbursed.
21. For days the traveler is actually traveling (i.e., en route) between regular and temporary duty posts or duty posts and his residence, he may, if otherwise qualified, be entitled to be reimbursed for a meal within the constraints of the Single Day Limit or Extended Day Limit, whichever is applicable.
22. Policies related to meals provided at conferences and seminars are contained in SAAM 5040.
23. Meals satisfying special dietary needs will generally be provided by airlines, conferences, etc., if requested. It is the traveler's responsibility to make, on a timely basis, the necessary arrangements for such special needs. If the traveler's request for a meal satisfying a special dietary need is denied, in order to claim a reimbursement for an expenditure related to a meal that otherwise would have been

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provided without cost to the traveler, the traveler must provide a statement that details and certifies:

- 23.1. To whom the request was made.
- 23.2. By whom the request was denied.
- 23.3. The reason given for the denial.
- 23.4. The special dietary needs of the traveler that could not otherwise have been accommodated.
24. To determine the correct rate for meals and incidentals, follow the instructions set forth below.
 - 24.1. For travel within the continental U.S.:
 - 24.1.1. Locate SAAM 5095 “Reimbursement Rates.”
 - 24.1.2. Locate the “Meals and Incidentals” column.
 - 24.1.3. If the specific city is listed in the table, use the rate applicable to the city in which the meal is taken.
 - 24.1.4. If the city is not listed but the county in which the city is located is, use the rate applicable to the county in which the meal is taken.
 - 24.1.5. If neither the city nor the county is listed, use the default rate listed at the top of every page of the table.
 - 24.2. For travel outside the continental U.S.:
 - 24.2.1. Go to the GAO Website (<https://gao.az.gov/>) and select Travel Information from the Travel Menu.
 - 24.2.2. Click on the link to Current Alaska, Hawaii and Overseas Rates—Lodging and Meal Index, which will take one to the Defense Travel Management Office (DoD).
 - 24.2.3. Find the rates applicable to the appropriate location and time of year.
 - 24.2.4. To determine the allowable reimbursement rates using the DoD website, the following adjustments and computations must be made:
 - 24.2.4.1. Lodging rates, as posted on the DoD website, apply as a room rate without further modification. To these rates may be added any taxes or other charges imposed by local government jurisdictions.

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24.2.4.2. To determine the reimbursement limitations on meals and incidentals in Alaska, Hawaii and out-of-country locations, add the DoD Local Meal Rate (not the Proportional Meal Rate) to the Local Incidental Rate and subtract ten dollars (\$10) from that sum.

24.2.4.3. The breakdown of partial day meals or subtractions for meals provided in Alaska, Hawaii and out-of-country locations can be done using the following percentages of the full-day limitations:

Breakfast	20%
Lunch	25%
Dinner	55%

25. While receipts for meals and incidentals are not required by State policy, they may be required to be submitted or retained for audit by an agency's travel policy.
26. Reimbursement for the purchase of alcoholic beverages or the taxes or tips related to the purchase of alcoholic beverages is prohibited.
27. Unless an agency and/or its employees are granted specific legal authority to do so, State employees may not be reimbursed for purchasing meals for non-State employees.
28. For meals and incidentals relating to travel periods of more than thirty (30) days, refer to the Long-term Travel Topic of SAAM. (See SAAM 5035.)
29. For conferences, conventions and meetings, refer to the Conferences, Conventions and Meetings Topic of SAAM. (See SAAM 5040.)
30. For travel matters relating to non-State employees, refer to the Non-State Employee Travel Topic of SAAM. (See SAAM 5065.)
31. For matters relating to travel advances, refer to the Travel Advances Topic of SAAM. (See SAAM 5052.)
32. A continental breakfast or similar repast served at a conference or other gathering or provided at a lodging establishment at no cost to the traveler constitutes a meal whether or not it contains protein and no reimbursement for breakfast will be allowed when such meals have been provided.
 - 32.1. To qualify as a continental breakfast, a variety of components should be served so that a meal may be assembled from those components. For example, if the range of comestibles provided includes pastries, yogurt, toast, fruit, cereal and the like, a sufficient selection of edibles is available from which a meal can be constructed.
33. A very light snack—consisting of no more than cookies, pastries, candies, coffee, tea, soft drinks, ice cream and/or similar refreshments—provided by the host of meetings or training events does not constitute a meal.

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- 33.1. A very light snack differs from a meal in that it does not contain a sufficient variety or quantity of edibles from which a meal may be assembled. For example, if only cookies and coffee are served, there is neither the variety nor the volume of comestibles from which a meal can be constructed.