

## Preferred Airline Policy Memorandum

### Purpose

The purpose of this memorandum is to outline IFTA, Inc. policy with respect to approvals and reservations for airline tickets for any individual for whom IFTA, Inc. is funding for travel to an event. This includes IFTA, Inc. employees, the IFTA, Inc. Board of Trustees, member jurisdiction representatives, and for any other party the airline fare(s) are being paid for or reimbursed by IFTA, Inc. This policy is designed to provide the most efficient and cost-effective method of booking and paying for airfares across all travel events for IFTA, Inc.

The following procedure describes the duties and responsibilities of IFTA, Inc. administrative, managerial, and support staff related to the approval of airline fares for any person traveling to any meeting, visitation, conference, or workshop for which travel expenses are being paid for or reimbursed by IFTA, Inc. This policy supersedes all other travel policies related to the approval of airfares; including, but not limited to, airlines reservations secured through third party vendors (e.g., travel agents), by IFTA, Inc., by member jurisdictions, or by the specific traveler.

### Preferred Airline

Unless otherwise noted herein, the preferred airline for IFTA, Inc. is Southwest Airlines Co. (hereafter known as "Southwest"). Southwest Airlines shall receive priority consideration in the booking of all flights with the exception of the circumstances noted below under "Exceptions."

### Airfare Types

Southwest Airlines offers two categories of airfares that are acceptable under this policy as noted below.

1. "Wanna Get Away." This is Southwest's base fare. This is the preferred fare and is the standard by which any airfare not on Southwest (excepting flights originating in Canada or elsewhere outside of the United States) is evaluated and either approved or denied.

2. "Wanna Get Away *Plus*." This is Southwest's enhanced base fare. This fare *may* be approved at the discretion of the Executive Director in lieu of the "Wanna Get Away" fare. The primary differences with "Wanna Get Away" fares are the following:
  - a. Transferrable flight credits (both the original traveler and the transferee must be members of the Southwest Rapid Rewards program)
  - b. Same day confirmed change
  - c. Same day standby list

### **Procedure for Reviewing and Booking Southwest Flights**

Upon receipt of approval for travel, the traveler shall adhere to the following procedure:

1. The traveler must first create a Southwest rewards account if they do not already have an account with Southwest. They will then be provided our Southwest company SWABIZ CID#. IFTA, Inc. will provide the traveler the instructions on how to link their rewards profile to our company ID so that when airline tickets are purchased for the traveler, the traveler receives credit for their reward points and the travelers profile information is populated for purposes of purchasing the airline ticket.
2. Go to the Southwest website [www.southwest.com](http://www.southwest.com) and search for applicable flight choices.
3. Use the "Wanna Get Away" fare columns to determine the fare to be selected. Priority must be given to the following:
  - a. Lowest fare
  - b. Most logical flight times giving consideration to layovers, number of stops, business need for meeting times.
4. Exceptions to requesting "Wanna Get Away" lowest fares and/or the most logical itinerary as noted in Section #3.b. above are:
  - a. "Wanna Get Away" fares are sold out, yet the itinerary choice is still the most cost effective and logical choice.
5. Except under circumstances approved by the IFTA Executive Director, all airline tickets must be secured at least 30 days prior to departure date. In most cases, the airfare should be secured immediately after receiving the jurisdiction approval and all forms have been submitted to IFTA, Inc. as required.
6. Upon determining the airfare and schedule, the traveler shall present the proposed itinerary and airfare to the IFTA, Inc. Administrative Assistant for consideration. This request must include a screenshot of all the proposed available Southwest flights for the itinerary. The screenshot shall include the dates, times, and fares of all available flights and highlight the preferred choice of flights. If the conditions set forth in this procedure are met, the IFTA, Inc. Administrative Assistant shall approve the airfare and advise the traveler that their flight was approved. The IFTA, Inc. Administrative Assistant will then secure the flight using the designated Southwest SWABIZ system. If said conditions

have not been met, the Administrative Assistant shall consult with the Executive Director or designee to determine the appropriate course of action. No airline flight shall be purchased by IFTA, Inc. or reimbursed unless the flight was first approved by IFTA, Inc.

7. An exception to the items under this section, sub sections 1 through 4, is for travel by IFTA, Inc. Team members. All travel by IFTA, Inc. Team members must be approved by the Executive Director and can be purchased directly on the Southwest site using the IFTA, Inc. team members assigned IFTA, Inc. credit card once approved for purchase.

### **Exceptions to Booking on Southwest Airlines**

There are occasions and circumstances where the use of Southwest Airlines is not possible, feasible, practical, or cost effective (rare). These circumstances include, but are not limited to, the following circumstances:

1. Flights originating from or going to points outside of the United States.
2. No Southwest flight is available.
3. The airfare on Southwest exceeds the fare on other airlines.

If the occasion arises where the use of Southwest is not possible, feasible, practical, or cost effective, the traveler must document the circumstances along with an alternative proposal based on the lowest cost effective and practical flight and itinerary for consideration. Such alternative proposals shall be directed to the Administrative Assistant. The Administrative Assistant will then consult with the Executive Director (or designee) to determine whether the proposal is to be approved or an alternate itinerary is to be pursued. The Administrative Assistant will then advise the traveler of the Executive Director's decision.

The exception most frequently encountered will be for flights originating outside of the United States as Southwest does not have a "hub" outside of the U.S. As a "best practice" it is strongly advised that caution be taken in approving flights coming into the U.S. from locations outside the United States as many U.S. airlines other than Southwest service major airports outside of the United States. For example, airports in major Canadian cities such as Toronto, Montreal, Edmonton, Calgary, and Vancouver are served by larger U.S. airlines such as Delta, American, and United. Depending on dates and itineraries, they may be more cost effective than Air Canada or other Canadian based airline companies. IFTA, Inc. staff is advised to thoroughly research alternatives when examining travel requests originating outside of the United States.

### **Procedure for Payment or Reimbursement for non-Southwest Flights**

If Southwest is not used and proper approval for an alternative has not been secured, the following shall apply:

1. The Administrative Assistant will research the Southwest website [www.southwest.com](http://www.southwest.com) to determine what an applicable Southwest flight would cost.
2. If an applicable Southwest flight itinerary is available, reimbursement shall be limited to the applicable itinerary and fare based on Southwest's "Wanna Get Away" fare structure.

### **Traveler Based Changes or Cancellations**

Once an airline ticket is purchased for a funded traveler, any traveler-initiated changes or traveler-initiated cancellations that were not authorized by IFTA, Inc. will be at the travelers or jurisdiction's expense including the cost of any unused ticket or portion of the unused ticket that was originally purchased by IFTA, Inc. on the traveler's behalf and IFTA, Inc. will invoice the cost of the unused ticket to the jurisdiction.

### **Transferrable Flight Credits**

If the traveler cancels their trip and the fare type is the "Wanna Get Away *Plus*" fare, the traveler must immediately transfer the credit to the person designated by the Executive Director of IFTA, Inc. If the fare type does not allow for a transfer of credit, IFTA, Inc. will bill the jurisdiction or the traveler directly for the cost of the airline ticket plus any additional fees associated with securing and canceling the flight.

### **Airline Based Flight Changes or Cancellations**

In the event the traveler experiences any type of airline-initiated delay or cancellation, including while enroute to the funded event, the funded traveler must contact IFTA, Inc., at [travel@iftach.org](mailto:travel@iftach.org) and wait for authorization from IFTA, Inc. before making any decisions on purchasing a different flight and/or canceling the trip to IFTA, Inc.'s, event. In the event the traveler does not obtain IFTA, Inc. authorization, the jurisdiction will not be reimbursed for any expenses, and may be charged the cost of the original airfare.

### **Discretionary Authority**

The Executive Director maintains the authority to amend, update, or override any procedure herein based on business need, changes in airfare structures, or suspension of operations by any airline used in accordance with this policy. The Executive Director or assignee will review this policy annually to ensure that the purpose of this policy continues to be met and the economics of using Southwest represent a sound fiscal and strategic policy for IFTA, Inc.

## ***IFTA, Inc. Travel Policy Memorandum***

### **Purpose**

The following guidelines are designed to facilitate reimbursement of travel and appropriate expenses for persons authorized to receive reimbursement from the International Fuel Tax Association, Inc. (IFTA, Inc.) or funded for travel by IFTA, Inc.

### **Maximum Reimbursement**

IFTA, Inc. will reimburse at the federal per diem levels for lodging, meals, and incidentals, and will reimburse airfare or mileage as expended up to the amount previously approved by IFTA, Inc.

### **Authorized Per Diem Rates**

Any approved lodging, meal and incidental expense reimbursements are subject to a maximum federal per diem per day. However, in situations where IFTA, Inc. has contracted with a venue for one of our events with a room rate that exceeds the federal per diem rate or IFTA, Inc. has approved travel to attend another organization's event or meeting where the room rate exceeds the federal per diem rate, IFTA, Inc. will fully reimburse or pay for the approved room rate plus applicable taxes.

Prior approval from IFTA, Inc. is required before making any final arrangements for travel. If no prior approval was obtained, reimbursement will not be made.

IFTA, Inc. will not approve expense reimbursement for a location other than the city in which the meeting or event occurs except in rare circumstances where it is cost beneficial and approved by IFTA, Inc. prior to the travel occurring.

### **Hotel Accommodations**

IFTA, Inc. will not reimburse or pay for additional hotel fees associated with charges for occupancy above the single occupancy rate.

For IFTA, Inc. hosted events, the room charges for IFTA funded travelers will be charged to the IFTA, Inc. master account. The traveler must provide a

personal credit card for incidental charges when checking in to the hotel. All charges other than the room rate, taxes, and if applicable, approved resort or destination fees, are the responsibility of the individual traveler and cannot be charged to the IFTA, Inc. master account and will not be reimbursable. If the venue charges a separate fee for parking, these charges will only be reimbursed if the traveler received prior approval from IFTA, Inc.

Regardless of the reason, if a funded traveler informs IFTA, Inc. that they are canceling their trip after the deadline to cancel the hotel room without penalty has passed, any penalty or other minimum room charges the venue assesses as a result of the late cancellation, will be the responsibility of the traveler and if IFTA, Inc. is charged for this late cancellation on their master account, the jurisdiction or individual will be invoiced for the amounts charged to IFTA, Inc.

### **Air Transportation**

Please review the separate **IFTA, Inc. Preferred Airline Policy Memorandum** for the requirements and procedures related to researching, selecting your proposed flight itinerary from IFTA, Inc.'s preferred airline, ticket fare restrictions, obtaining approval to secure the airline ticket, and consequences of canceling the flight after it is secured.

IFTA, Inc. requires the following for travelers wishing to make their own arrangements utilizing alternate airlines and/or payment methods.

- Written authorization from their jurisdiction to travel and attend the event.
- Completed Pre-Authorization form from IFTA, Inc. (provided upon request).
- For travelers who wish to use their own payment methods, once the Pre-Authorization form is approved by IFTA, Inc., the traveler may purchase airfare up to the amount approved by IFTA, Inc. and will be reimbursed following the completion of the trip and approval of the final expense report.

Travelers will be reimbursed for transportation costs associated with official IFTA, Inc. business only.

Airfare that encompasses dates, segments, or other deviations outside of the normal IFTA approved event itinerary must be approved through the Pre-Authorization form process and any additional costs above the preferred airline fare will be the responsibility of the traveler.

Funded travelers requesting to drive to an IFTA, Inc. approved event, must complete the Pre-Authorization form and reimbursement will be limited to the lesser of:

- The total cost to travel by air based on the approved preferred airline fare plus the misc. costs associated with traveling by air or;
- The total cost to travel by car based on the federal mileage rate in effect at that time plus the cost of tolls and parking at the IFTA event.

Any applicable baggage fees will be reimbursed up to the standard airline cost for one bag that is under the weight limit for applying additional charges. A luggage charge fee receipt must accompany your reimbursement request.

### **Ground Transportation**

IFTA, Inc. will reimburse participants for reasonable costs associated with round trip travel to/from departing airport and round trip travel to/from event venue.

- If the traveler is driven to the departing airport by family member or friend, (no airport parking) IFTA, Inc. will reimburse for the round-trip mileage at the federal mileage rate from the home to the departing airport and return mileage to home. Similarly, if the traveler is picked up at the departing airport after returning from the IFTA, Inc. related trip, IFTA, Inc. will reimburse for the round-trip mileage both to and from home and the airport.
- If the traveler drives to the airport and parks at or near the airport, IFTA, Inc. will reimburse mileage at the federal mileage rate in effect at that time from home to the departing airport and upon return from the trip, mileage from airport to home. IFTA, Inc. will also reimburse the traveler for the reasonable costs to park at or near the airport during the time the traveler was approved to travel for an IFTA, Inc. event.
- IFTA, Inc. will reimburse for the reasonable costs to utilize a for-hire car service for transportation to/from home/airport and to/from airport and event venue, but will only reimburse for reasonable costs based on the average cost to use Uber or Lyft for the specific travel times. If the traveler chooses to use a taxi service or other for-hire car service, costs that exceed the average costs to use Uber or Lyft will not be reimbursed. IFTA, Inc. will also reimburse for reasonable tips for ground transportation not to exceed 10% of the standard trip fare and it must be reflected on the receipt.
- IFTA, Inc. will not reimburse for any costs associated with renting a vehicle unless it was pre-approved by IFTA, Inc. It is IFTA, Inc. policy to not approve the rental of vehicles except in very rare circumstances where there is a clear and beneficial business purpose.

- Ground transportation expenses associated with going out for meals, shopping, or other activities is not reimbursable. Only ground transportation associated with getting to and from the IFTA, Inc. approved event and airport terminal is reimbursable.

## **Meals**

Once travel has started, participants are eligible for reimbursement of meal costs at the federal per diem amount for the specific travel location. Receipts for meals do not have to be submitted. The federal per diem meal allowance is paid regardless of the actual amount paid for meals.

Following the federal per diem guidelines, the first and last day of travel is allocated at 75% of the full per diem daily meal rate. In circumstances where the travel time is 12 hours including travel time to/from the airport, plus arriving the standard 90 minutes prior to the flight, IFTA, Inc. will allow a full days per diem rather than the 75% allocated to travel days.

The federal per diem rates can be found on the U.S. General Services Administration site ([gsa.gov](http://gsa.gov)).

If any meal was provided during the event (e.g. breakfast was provided to all attendees) then the amount specified as the per diem amount for that specific meal shall not be reimbursed.

Example: The daily full per diem amount for the current period in Phoenix AZ (Maricopa County) is \$69 which consists of \$16 for breakfast, \$17 for lunch, \$31 for dinner, and \$5 for incidental expenses.

John traveled to Phoenix for an IFTA, Inc. conference on Monday and returned home on Friday. Breakfast was provided to all attendees on Tuesday and Lunch was provided on Wednesday.

John's reimbursable meal expenses are as follows:

Monday: Travel Day allowed 75% of the full daily per diem rate = \$51.75.

Tuesday: Breakfast was provided so allowed lunch \$17, dinner \$31, and \$5 incidental = \$53.

Wednesday: Lunch provided so allowed breakfast \$16, dinner \$31, and \$5 incidental= \$52.

Thursday: No meals were provided so allowed the full daily meal per diem of \$69.

Friday: Travel Day allowed 75% of the full daily per diem rate =



\$51.75.

The federal per diem meal rate includes an amount for incidentals. No additional amount for tips or other incidental expenses is allowed or reimbursable.

### **Receipts**

All requests for reimbursed expenses, except for the requested federal per diem meal amounts, must have supporting receipts attached to the final expense report.

### **Discretionary Authority**

The Executive Director maintains the authority to amend, update, or override any procedure herein based on business need, unusual circumstances, emergency situations, or special requests. The Executive Director or assignee will review this policy annually to ensure that the purpose of this policy continues to be met and represent a sound fiscal and strategic policy for IFTA, Inc.

Sincerely,



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