

Arizona Department of Administration • General Accounting Office

State of Arizona Accounting Manual

Topic 50 Travel Section 60 Travel Time and Compensation Section Page 1 of 3

INTRODUCTION

The issue of whether an employee must be compensated for travel is complex and depends upon circumstances. There are four basic categories of employee travel: commuting (also known as portal-to-portal travel); travel between worksites; travel on special, one-day assignments; and, overnight travel.

Given the fact that travel for the State should be conducted economically and efficiently, whether an employee is exempt or not exempt from overtime under FLSA and whether or not travel hours are or are not working hours are among the factors to be taken into account when agencies are planning travel, or assigning duties to travelers, or scheduling participation at conferences, etc.

Although several paragraphs below reference reimbursement of travel or transportation expenses, the primary focus of this policy is whether the time an employee spends traveling is compensable.

Those sections below that deal with employees' entitlement to compensation apply to employees that are <u>not exempt</u> from overtime under the Fair Labor Standards Act (FLSA).

POLICIES

- An employee is in a position designated to be exempt from the FLSA, while possibly qualifying for a reimbursement of travel or transportation expenses, receives no additional compensation related to travel time.
- Commuting consists of an employee's normal home-to-work and work-to-home travel typically at the beginning and end of a single work day. Commuting also encompasses the travel between home and the workplace for meals or other personal business.
- 2.1. No working time is counted and no compensation is paid for commuting. This is true even when a State-owned vehicle is used to commute.
- 2.2. No expense reimbursement is allowed for commuting.
- 3. When an employee is required to travel between multiple worksites in a single day:

State of Arizona Accounting Manual

Topic 50 Travel Section 60 Travel Time and Compensation lssued 07/01/15 Page 2 of 3

- 3.1. Working time is <u>generally</u> counted and compensation paid for travel from one duty post to another within a single day.
- 4. When an employee's duty post is his home:
- 4.1. Round trips to and from a State facility are counted as and compensation paid for working time when such travel occurs during an employee's normally scheduled working hours. Travel before or after normally scheduled working hours are neither counted nor compensated as working time.
- 4.2. The travel or transportation cost of one round trip daily to and from a State facility is not reimbursed unless the one-way distance between one's home and the aforementioned State facility exceeds fifty (50) miles, in which case mileage in excess of fifty (50) miles in each direction may be reimbursed.
- 5. When an employee has an infrequent, special, one-day assignment (i.e., an assignment that does not occur at a given location more than once each calendar month), not part of one's daily working duties (such as participation in a training event):
- 5.1. Round trips to and from the location of special, one-day assignments are counted as and compensation paid for working time when such travel occurs during an employee's normally scheduled working hours. Travel before or after normally scheduled working hours is neither counted nor compensated as working time.
- 5.2. The travel or transportation cost of one round trip daily to and from the location of a special assignment is not reimbursed unless the one-way distance between one's home and the location of the one-day assignment exceeds fifty (50) miles, in which case mileage in excess of fifty (50) miles in each direction may be reimbursed.
- 6. When an employee has multiple duty posts or no fixed duty post, the employee's mileage and travel time between his home and initial destination and between his final destination and his home each day are considered commuting and:
- 6.1. The commuting employee's travel time is <u>not</u> counted as working time and compensation is <u>not</u> paid with respect to travel time.
- 6.2. The travel or transportation cost of the trip from the employee's home to the duty post and from the duty post to the home is not reimbursed unless the one-way distance between one's home and the duty post exceeds fifty (50) miles, in which case mileage in excess of fifty (50) miles in each direction may be reimbursed.
- 7. Whenever travel keeps an employee away from his home community overnight:
- 7.1. All the time an employee spends traveling for the State during his <u>normally</u> <u>scheduled working hours</u> must be compensated, even when the travel occurs on weekends or holidays.

State of Arizona Accounting Manual

Topic 50 Travel Section 60 Travel Time and Compensation lssued 07/01/15 Page 3 of 3

- 7.2. An employee is not compensated for travel that falls outside of his normally scheduled working hours, except when the employee is required to drive.
- 7.3. An employee who is required to drive on State business must be compensated for the time he drives, whether such time falls outside or within his normally scheduled working hours.
- 7.4. An employee who is <u>required</u> to perform work for the State, even when a passenger, must be compensated for the time spent working. Such situations might involve observation or reconnaissance activities. Time spent <u>discretionarily</u> performing work while a passenger en route to a destination, which can be performed independently of travel, is not considered working time.