

GAO Topic of the Month – November 2023

Travel - State Lodging Rates



Background

This month's topic is Travel - State Lodging Rates. The federal government publishes the federal travel rates for the federal fiscal year which is October 1 through September 30. The GAO uses this information to prepare and submit proposed travel rates to the Joint Legislative Budget Committee (JLBC) for review and approval. The JLBC approval is required for any change to the State of Arizona travel rates per A.R.S. §§ 38-623 and 38-624.

The state travel rates do not currently match the federal rates. Travel rate changes have been and continue to be submitted to the Joint Legislative Budget Committee (JLBC), however, at this time, the JLBC has not heard nor approved any rate changes. The GAO is aware that many lodging establishments use the federal rates to determine their "government rates," which means that government lodging rates will not always match the state lodging rates.

State Lodging Rates

State lodging rates are published in SAAM 5095 and will remain unchanged until new rates are approved by the JLBC. SAAM 5095 has been updated to reflect the legislative subsistence rates that went into effect per statute on October 1, however; state travel rates have not changed. Except in the case of conference lodging (See SAAM 5040), reimbursement or payment for lodging may not exceed the lesser of the actual amount paid for the lodging or the maximum applicable lodging reimbursement rate contained in the Travel Reimbursement Tables (See SAAM 5095). Conference lodging in excess of the lowest published conference rate (regardless of availability) and the state rate requires an approved exception from the State Comptroller to be reimbursable or paid by the State.

To be paid or reimbursed, any lodging that exceeds the amounts allowable per SAAM requires an approved exception from the State Comptroller (See SAAM 0015).

Exceptions

Travelers, travel approvers, and those who make travel arrangements should do their best to find and book lodging at or below the current state rates. Such efforts should include using FedRooms (government lodging at or below the federal rates), internet booking sites (e.g., Booking.com, Hotels.com, Kayak, Priceline, Expedia, TripAdvisor, Hotel Planner, etc.), finding less convenient lodging

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alternatives, arranging travel through online marketplaces (e.g., Airbnb, Vrbo, and Simpli), and/or negotiating with lodging facilities, etc. In some cases, travelers have had positive results by making phone calls to lodging facilities rather than relying on posted rates found online. Additionally, the hotel's own website may also have government or other rates that are not shown when utilizing internet booking sites that show multiple lodging establishments.

If all of these efforts prove to be unsuccessful, a travel exception may be requested using Form GAO-515, *Request for Travel Policy Exception Requiring the Approval of the State Comptroller or Designee*, and submitting the completed request with all agency-required signatures to gaotravel@azdoa.gov. See SAAM 0015, *Exceptions to Policy*, for additional information. Note, if practicable, exceptions should always be submitted prior to travel and at least ten business days prior to travel occurring, unless it is an emergency. Per SAAM 9505, "practicable" is defined as, "Capable of being done or put into practice with the available means. Practicability holds one to a higher standard of performance than mere practicality. Something is practicable if it can be reasonably achieved, even if its achievement is inconvenient or inconsistent with habit."

Travelers and those making travel arrangements should not make non-refundable or non-cancellable lodging arrangements as it is not uncommon for travel situations to change which could result in the traveler being charged for lodging when the traveler is not able to utilize the lodging or is not in travel status (and therefore not eligible for reimbursement).

When making travel arrangements, travelers and those making travel arrangements are required to obtain and retain confirmations until after the travel reimbursement is complete in case a billing adjustment is necessary for incorrect charges. Travelers are required to confirm that their lodging and all related charges are in compliance with SAAM in order to receive full reimbursement. (See SAAMs 5009, 5030, and 5040.)

Conclusion

It is in the best interest of the state to reduce travel costs. When practicable, exceptions should be requested at least ten days prior to travel. Requests made after travel require additional documentation and have a significantly higher probability of being denied since alternatives cannot be researched, confirmed, considered, or implemented. If lodging cannot be found within the state rates found in SAAM, an exception is required in order to be paid or reimbursed by the state.

When looking for lodging that exceeds the state rates, efforts should be made to first find lodging within the federal rates before pursuing lodging that exceeds the federal rates. See the [Lodging on FedRooms](#) topic of the month for more information on how to research and book federal lodging through the US Government Hotel Program, FedRooms. Any travel amounts that exceed the allowable rates in SAAM require an exception to SAAM by submitting a fully executed Form GAO-515 to GAO Travel (gaotravel@azdoa.gov) and requires the approval of the State Comptroller in order to be paid by the

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state. All lodging exception requests also require documentation to support the efforts made to find lodging that complies with policy and mitigates costs to the State including screen prints of travel and lodging websites consulted and the available lodging establishments and rates. Exception requests must also include the name of the lodging establishment, the rate/amount being requested, and the total increased cost to the state.

Resources

SAAM 5095 - *Maximum Mileage, Lodging, Meal, Parking and Incidental Expense Reimbursement Rates* - [LINK](#)

SAAM 0015 - *Exceptions to Policy* - [LINK](#)

Form GAO-515 – *Request for Travel Policy Exception Requiring the Approval of the State Comptroller or Designee* - [LINK](#)

GAO Travel Information Page - [LINK](#)

FedRooms - [LINK](#)

Lodging on FedRooms - *Topic of the Month* - [LINK](#)