

# EDFUND AGREEMENT

(REV 7/18/08)

EDFUND CONTRACT NUMBER 9949-09-032	AM NO
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER	

THIS AGREEMENT is effective of March 19, 2010, in the State of California, by and between **EdFund**, a California non-profit public benefit corporation ("EdFund"), and **Lehman Levi Pappas & Sadler** ("Contractor").

WITNESSETH: The parties, for and in consideration of the covenants, conditions, agreements, and stipulations hereinafter expressed, hereby agree as follows:

## 1. TERM

The term of this Agreement shall be from March 19, 2010 through December 31, 2010.

## 2. DEFINITIONS

"EdFund Documents" shall mean pages 1-7 of this Agreement and EdFund's Travel Policy.

"Lehman Levi Pappas & Sadler Documents" shall mean the Lehman Levi Pappas & Sadler Draft Engagement Letter, dated March 19, 2010.

## 3. SCOPE OF WORK AND COST

Contractor will provide advocacy services on behalf of EdFund to various U.S. governmental entities including, without limitation, the U.S. Department of Education and U.S. Congress and/or congressional committees and subcommittees as requested by EdFund and at the cost set forth in the following document, which is attached hereto and incorporated into this Agreement by this reference:

- Lehman Levi Pappas & Sadler Draft Engagement Letter, dated March 19, 2010.

Should any inconsistency exist or arise between a provision of the EdFund Documents and a provision of the Lehman Levi Pappas & Sadler Documents, the provision of the EdFund Documents shall govern.

## 4. PAYMENT

The consideration to be paid Contractor, as provided herein, shall be the total compensation for Contractor's performance of this Agreement. Contractor will be reimbursed for travel or per diem, provided that any necessary travel shall be approved in advance by the Contract Manager. Travel and per diem shall be reimbursed in accordance with EdFund's Travel Policy, which is attached hereto and incorporated into this Agreement by this reference.

Contractor must submit an invoice with full documentation including the agreement number and Contractor's federal employer identification number to EdFund's Accounts Payable Office for payment. Payment will be due within thirty (30) days from EdFund's receipt of an applicable invoice. Invoices should be mailed to:

EdFund Accounts Payable  
P.O. Box 419039  
Rancho Cordova, CA 95741-9039

5. CONTRACT MANAGER

Ann Shimasaki is designated as EdFund's Contract Manager. EdFund may change the Contract Manager at any time and may, if necessary, notify Contractor in writing of the new Contract Manager's name. Each deliverable provided under this Agreement shall be subject to approval by the Contract Manager.

6. INDEMNITY

Contractor agrees to and does hereby indemnify, save and hold EdFund, its parents, subsidiaries, affiliates and its respective officers, agents and employees harmless of and from any and all liability, demand, claim, loss, damage, recovery, settlement, cost or expense, including without limitation claims based in tort or for personal injury (including interest, penalties, legal costs, reasonable attorney's fees, accounting fees, and expert witness fees) arising out of or connected with any breach or alleged breach of this Agreement or any claim, demand, or action by a third party which is inconsistent with any of the warranties, representations or covenants made by Contractor in this Agreement. Contractor agrees to reimburse EdFund, on demand, for any payment made or incurred by EdFund at any time with respect to any liability or claim to which the foregoing indemnity applies.

7. AUDITS

Contractor may be audited and/or monitored for satisfactory performance of this Agreement on a periodic basis by EdFund, and/or an external auditing firm, and/or any State or Federal agency with a relevant interest.

Contractor shall maintain, for a minimum of three (3) years after the completion of this Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement and all books, records and supporting documents related to this Agreement shall be available for review and audit. Contractor agrees to cooperate fully with any audit conducted by EdFund and to provide full access to relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of EdFund for the recovery of any funds paid by EdFund under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

8. TIME OF THE ESSENCE

Time is of the essence in respect to all provisions of this Agreement in which a definite time for performance is specified.

9. TERMINATION

- a. Bankruptcy - In the event proceedings in bankruptcy are commenced against Contractor, Contractor is adjudged bankrupt or a receiver is appointed and qualifies, then EdFund may terminate this Agreement and all further rights and obligations hereunder, by giving five (5) days notice in writing. It is recognized by the parties that equipment purchased by Contractor or EdFund for this Agreement shall have lien rights held in the name of EdFund which shall retain lien rights until Contractor either returns said equipment to EdFund or purchases it.

- b. **EdFund's Option** - EdFund may at its sole and absolute discretion terminate this Agreement at any time upon giving thirty (30) days advance written notice to Contractor. Upon receiving such notice, Contractor agrees to use all reasonable efforts to mitigate its expenses and obligations hereunder and to provide EdFund with adequate documentation evidencing Contractor's services rendered and expenses incurred prior to termination, which with reasonable efforts by Contractor could not have been avoided ("Expenses"). EdFund agrees to pay Contractor for satisfactory services rendered and Expenses, but not in excess of the maximum payable under this Agreement. In such event, Contractor agrees that EdFund owns any equipment purchased for this project, and Contractor further agrees to relinquish possession of such equipment. Contractor may, with approval of EdFund, purchase said equipment from EdFund.
- c. **Secretary's Option** - As required under 20 U.S.C.A. §1072(g)(2)(A), this Agreement is terminable by the U. S. Secretary of Education upon thirty (30) days notice to Contractor if the Secretary determines that this Agreement includes an impermissible transfer of the reserve fund or assets or is otherwise inconsistent with the terms and purposes of section 422 of the Higher Education Act.
- d. **Gratuities** - EdFund may, by written notice to Contractor, terminate the rights of Contractor to proceed under this Agreement if it is found, after notice and hearing by the President of EdFund or his/her authorized representative, that gratuities were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of EdFund with a view toward securing this Agreement or securing favorable treatment with respect to awarding or amending or making a determination with respect to performance of this Agreement.

In the event this Agreement is terminated under this subparagraph, EdFund shall be entitled to (1) pursue the same remedies against Contractor as it could pursue in the event of a breach of this Agreement by Contractor, and (2) exemplary damages in an amount which shall be not less than three (3) nor more than ten (10) times the cost incurred by Contractor in providing any such gratuities to any such officer or employee, as a penalty in addition to any other damages to which it may be entitled by law.

The rights and remedies of EdFund provided in this subparagraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

- e. **Failure to Perform Covenant** - EdFund may terminate this Agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination EdFund may proceed with the work in any manner deemed proper by EdFund. The cost to EdFund shall be deducted from any sum due Contractor under this Agreement, and the balance, if any, shall be paid Contractor upon demand.

#### 10. WORKER'S COMPENSATION INSURANCE

Contractor hereby warrants that it carries Worker's Compensation Insurance, if required by law, for all of its employees who will be engaged in the performance of this Agreement and agrees to furnish to EdFund satisfactory evidence thereof at any time EdFund may request.

#### 11. INDEPENDENT CONTRACTOR

The relationship of EdFund and Contractor established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to (i) give either party the power to direct and control the day-to-day activities of the other, or (ii) constitute the parties as partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking. Neither party nor its agents or employees is the representative of the other party for any purpose except as expressly set forth in this Agreement, and has no

power or authority as agent, employee or in any other capacity to represent, act for, bind, or otherwise create or assume an obligation on behalf of the other for any purpose whatsoever. All financial obligations associated with Contractor's business are the sole responsibility of Contractor.

## 12. CONFIDENTIALITY

All financial, statistical, personal, technical, customer information, and other data or information relating to EdFund's operation which is considered confidential as defined by law or is designated as confidential by EdFund (hereinafter "Confidential Information"), and made available to Contractor in order to carry out this Agreement, shall be protected by Contractor from unauthorized use, disclosure or destruction through the observance of all Federal and state information security, confidentiality, and privacy laws, regulations, and procedural requirements. In no event shall Contractor use less than reasonable care to protect Confidential Information.

## 13. PROPERTY RIGHTS

Contractor assigns all rights, title and interest, including any intellectual property rights, to any data, materials or works developed, created, or produced as a result of this Agreement to EdFund and agrees not to disclose these items to any third parties without the prior written consent of the Contract Manager.

## 14. GENERAL PROVISIONS

- a. **FORCE MAJEURE.** Except for defaults by subcontractors, neither party shall lose any rights hereunder or be liable to the other party for damages or losses on account of failure of performance by the defaulting party if the failure is the result of an Act of God (e.g., fire, flood, inclement weather, epidemic, or earthquake); war or act of terrorism, including chemical or biological warfare; labor dispute, lockout, strike, embargo; governmental acts, orders, or restrictions; failure of suppliers or third persons; or any other reason where failure to perform is beyond the reasonable control of the defaulting party, is not caused by the negligence, intentional conduct or misconduct of the defaulting party, and the defaulting party has exercised all reasonable efforts to avoid or remedy such force majeure. The defaulting party must provide written notice of the force majeure event to the remaining parties within two (2) business days of such event.
- b. **WAIVER.** No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided therein or by law. The failure of EdFund to enforce at any time any of the provisions of this Agreement, or to require at any time performance by Contractor of any of the provisions, therefore, shall in no way be construed to be a waiver of such provisions nor in any way affect the validity of this Agreement or any part thereof or the right of EdFund to thereafter enforce each and every such provision.
- c. **CAPTIONS.** The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit, or extend the scope or intent of the clauses to which they appertain.

- d. **INTEGRATION / PAROL EVIDENCE.** This Agreement and the documents set forth in paragraphs 2 and 3 above are intended by the parties hereto as a final expression of their agreement and understanding with respect to the subject matter hereof, and as the final, complete, and exclusive statement of the terms of this Agreement and supersedes all prior and contemporaneous understandings or agreements, oral or written, purchase or work orders and/or similar documents, and any terms and conditions listed on any website owned or controlled by Contractor, including without limitation any clickwrap license agreement or URL referenced in any documents incorporated into this Agreement herein, of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representations or warranty not contained herein.

No modification of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto. For purposes of clarification, an acceptance of delivery form, packing slip, or similar document signed by EdFund to confirm proper delivery does not constitute a modification to this Agreement.

e. **NOTICE.**

- (1) All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be sufficiently given for all purposes as follows:
- (i) *Personal delivery.* When personally delivered to the recipient, notice is effective on delivery.
  - (ii) *First-class mail.* When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
  - (iii) *Certified Mail.* When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
  - (iv) *Overnight delivery.* When delivered by overnight delivery, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

*Addresses for purpose of giving notice are as follows:*

*EdFund  
Legal Division  
P.O. Box 419045  
Rancho Cordova, CA 95741-9045*

*Lehman Levi Pappas & Sadler  
1215 K Street, Ste 1010  
Sacramento, CA 95814*

- (2) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

(3) Any party may change its address by giving the other party notice of the change in any manner permitted by this Agreement.

f. **ASSIGNMENTS AND SUBCONTRACTS.** This Agreement is not assignable by Contractor in whole or in part. EdFund may assign this Agreement to any entity that acquires all or substantially all of EdFund's assets through merger, acquisition or sale without Contractor's consent.

Contractor shall submit any proposed subcontracts, not originally identified in Contractor's proposal (if submitted), or any substitution of subcontractors, to EdFund for its approval prior to entering into it. Upon the termination of any subcontractor, EdFund shall be notified immediately. All subcontracts entered in to pursuant to this Agreement shall be subject to examination and audit by EdFund auditors, or other auditors authorized by EdFund for a period of three (3) years after final payment under this Agreement.

Each subcontract to which EdFund has consented shall contain a provision that further assignments shall not be made to any third or subsequent tier subcontractor without additional written consent of EdFund.

g. **DISPUTE RESOLUTION.** Any controversy or claim arising from or relating to this Agreement or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and the judgment rendered by the arbitrator(s) shall be binding on the parties hereto and may be entered in any court having jurisdiction thereof. The forum for any arbitration under this Agreement shall be in Sacramento County, California.

h. **LAW GOVERNING.** This Agreement shall be governed by the laws of the State of California both as to interpretation and performance.

i. **AUXILIARY STATEMENT.** EdFund, as an auxiliary of the California Student Aid Commission (CSAC), cannot accept any term or condition that: (1) indemnifies Contractor or any subcontractor or third party; or (2) requires the payment of attorney's fees by EdFund, CSAC, or the State of California in the event of litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement. This subparagraph supersedes any provision to the contrary in this Agreement or in any document incorporated into this Agreement by reference.

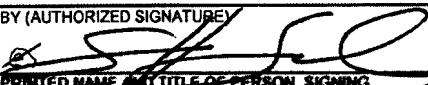
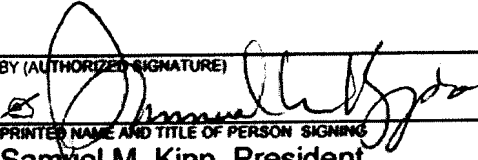
j. **PUBLICITY.** Neither party shall identify, either expressly or by implication, the other party or use any of the other party's trade names, trademarks, service marks, or other propriety marks in any advertising, sales presentation, news releases, advertising or other promotional or marketing materials without the other party's prior written consent.

k. **SURVIVING COMPLETION / TERMINATION.** This subsection and the following Sections shall survive the termination of this Agreement: Section 7, Audits; Section 12, Confidentiality; and Section 14(j), Publicity.

I. SEVERABILITY. If any one or more of the provisions of this Agreement shall be held to be invalid, illegal or unenforceable, such provision shall be enforced to the maximum extent possible consistent with applicable law and the remaining provisions of this Agreement shall remain in full force and effect.

**THIS AGREEMENT CONSISTS OF 14 PAGES.**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

<b>CONTRACTOR</b>			<b>EDFUND</b>	
CONTRACTOR (If other than an individual, state whether a corporation, partnership, etc.) Lehman Levi Pappas & Sadler				
BY (AUTHORIZED SIGNATURE) 			BY (AUTHORIZED SIGNATURE) 	
PRINTED NAME AND TITLE OF PERSON SIGNING SCOTT SADLER, PARTNER			PRINTED NAME AND TITLE OF PERSON SIGNING Samuel M. Kipp, President	
Address 1215 K Street, Ste 1010 Sacramento, CA 95814				
AMOUNT ENCUMBERED BY THIS DOCUMENT (for internal purposes) \$95,000.00	PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT (for internal purposes) \$-0-	TOTAL AMOUNT ENCUMBERED TO DATE (for internal purposes) \$95,000.00	BUDGET CODE 5202-00-580	FISCAL YEAR(S) 2010
			DEPARTMENT Public Affairs & Regulatory Analysis	

# LEHMAN LEVI PAPPAS SADLER

March 19, 2010

TO: Ann Shimasaki  
Assistant Vice President, Public Affairs  
EdFund

FROM: Richard Lehman, Partner  
Lehman Levi Pappas & Sadler

RE: Engagement Letter

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Lehman Levi Pappas & Sadler (hereinafter "LLPS") will represent EdFund before the U.S. Congress, and the U.S. Department of Education on matters pertaining to the Servicing of Federal student loans.

Richard Lehman will provide advocacy services on behalf of EdFund.

The period of this engagement shall be from March 19, 2010 until December 31, 2010.

EdFund shall compensate LLPS the sum of \$8500 per month. Payment will be due upon receipt of a monthly invoice from LLPS.

EdFund will reimburse LLPS for necessary expenses during the course of the engagement not to exceed \$100 per month without prior authorization from EdFund.

LLPS will prepare and file necessary documents as required by law with the clerk of the House and Senate.

Either party may cancel this contract at any time by providing a 30-day written notice.

If you agree to these provisions please sign and date the approval below and retain a copy for your records.

---

Richard Lehman, Partner  
Lehman Levi Pappas & Sadler

\_\_\_\_\_  
AGREED

DATE \_\_\_\_\_ 2010



## POLICY MEMO

SUBJECT:  
**Travel Policy**

NUMBER:  
**026**  
EFFECTIVE DATE:  
**October 1, 2006**

APPROVED BY PRESIDENT

**Scope.** EDFUND's Travel Policy shall apply to at-will employees and certain non-employees (e.g. Board Members, contractors, etc) who incur travel expenses paid by EDFUND. Civil Service employees assigned to EDFUND shall follow State travel policies for their bargaining group.

**Travel Policy.** Effective October 1, 2006, EDFUND shall adopt by reference the short-term travel policy (see attached) of the State of California, with stated exceptions. EDFUND was created as an auxiliary nonprofit public benefit corporation of the California Student Aid Commission, a California state agency, because it was determined that a state agency, with all the limitations associated therewith, could not effectively compete in the highly competitive, dynamic, and changing industry that is associated with the Federal Family Education Loan (FFEL) Program.

Consequently, EDFUND's travel policy shall reflect a balancing of the following: (1) EDFUND's status as an auxiliary nonprofit public benefit corporation of a California state agency and (2) EDFUND's need to remain competitive with similar corporations within the industry.

**Exceptions.** The following exceptions shall apply:

1. **Meal & Incidental Expense (M&IE) Rate.** EDFUND shall follow the per diem rates as published by the United States Internal Revenue Service for meal and incidental expenses. This reflects the cost differential for different cities throughout the nation. EDFUND, as a national guaranty agency with student loan guarantee volume in all 50 states and many of the US territories, requires a number of employees to travel for marketing, support, and industry events outside the State of California.
2. **Vehicle Mileage.** EDFUND shall follow the published United States Internal Revenue Service's allowable rate for personal vehicle mileage. This reflects an annual adjustment based upon costs associated with operating a vehicle. EDFUND, as a national guaranty agency with student loan guarantee volume in all 50 states and many of the US territories, has a large number of employees traveling in other states in order to serve the needs of our customers; thereby necessitating a national approach to mileage reimbursement.

3. **Tolls & Parking.** EDFUND shall permit employees to file for reimbursements of up to \$10 per day for tolls and/or parking without receipt. EDFUND's direct face-to-face support to colleges comes from a number of divisions. For example, a number of colleges charge visitors for parking on campus through the use of parking meters and automated parking lots, where receipts are unavailable. Similarly, a number of states use toll booths to a greater degree than the State of California and in some instances such plazas do not have attendants.
4. **California State Rate.** In situations where California hotels do not accept the EDFUND identification card as a valid state identification card, employees shall document such event and request that the additional amount above the state rate be reimbursed. Such requests for additional reimbursement above the state rate may be denied by their manager.
5. **Exceptional Circumstances.** The Chief Financial Officer of EDFUND or his or her designee is authorized to permit reimbursements for documented exceptional circumstances that fall outside of EDFUND's travel policy. EDFUND, as a national guaranty agency with student loan guarantee volume in all 50 states and many of the US territories, has to be prepared for unforeseen expenses within its operations outside of corporate headquarters in order to remain competitive within the industry.

**Responsibility of Traveler.** Employees shall discuss their travel plans with their managers prior to committing the company to any financial obligation. For those employees whose job it is to travel frequently, it is expected that their manager who has budgetary responsibility will communicate their expectations in regards to travel authorization processes.

EDFUND expects its travelers to spend funds prudently and take advantage of savings opportunities. Business travel expenses will be paid by EDFUND if they are appropriately documented, properly authorized and in compliance with this policy. Travelers must submit expense reports with all required documentation to be reimbursed for travel expenses.

**Responsibility of Authorized Signer.** Authorized signers have primary responsibility for ensuring compliance with EDFUND's travel policy. The authorized signer must verify that expenses and expense reports meet the following criteria:

1. The travel expense was incurred while conducting company business
2. The information contained on the expense report and in all supporting documentation is accurate and in accordance with company policies, including the travel policy
3. All travel expenses are adequately documented and explained, if required, on the expense report, and
4. The expenditure is charged to the proper account(s), cost center(s) and project(s).

## Short-Term Travel Reimbursement for All Exempt, Excluded and Represented Employees

### Effective Dates

*Always verify reimbursement information and effective dates by checking the appropriate Memorandum of Understanding and/or the DPA Travel Rules.*

### Accountable Plan

The State of California reimburses actual business travel expenses in accordance with the provisions of the current bargaining unit agreements, DPA rules for reimbursement, and IRS requirements for an "Accountable Plan." An Accountable Plan means reimbursement is limited to *actual* expenses up to certain limits; all travel expenses require receipts and/or other verification of the expense.

### Method of Travel

Each State agency is responsible for determining the necessity for and method of travel. Once it is determined that travel is necessary, reimbursement is governed by the terms of the current Memorandum of Understanding and/or the applicable Government Code sections and DPA Rules.

Reimbursement for transportation expenses will be based on the method of transportation that is in the best interest of the State, considering both direct expense and the employee's time. If an employee chooses and is authorized to use a method of transportation that is (1) not the least costly, (2) not the typical method of getting from one location to the other, or (3) not "in the best interest of the State," a cost comparison will be prepared and the employee shall be reimbursed only the amount that would have been reimbursed had the employee traveled using the least costly method.

### Meals and Incidentals (In-State/Out-of-State Travel)

The following reimbursement rates are maximums, not allowances. Employees may claim only their *actual* expense and must have receipts substantiating the amount claimed.

For each full 24-hour period of travel, employee may claim the following:

Breakfast	Actual expense up to \$6
Lunch	Actual expense up to \$10
Dinner	Actual expense up to \$18
Incidentals	Actual expense up to \$6

### Trips of 24 Hours or More

For travel lasting 24 hours or more, employees may claim meals (as noted above), based on the following timeframes:

First day of travel	
Trip begins at or before 6 am	Breakfast may be claimed

Trip begins at or before 11 am	Lunch may be claimed
Trip begins at or before 5 pm	Dinner may be claimed
Continuing after 24 hours	
Trip ends at or after 8 am	Breakfast may be claimed
Trip ends at or after 2 pm	Lunch may be claimed
Trip ends at or after 7 pm	Dinner may be claimed

**Trips of Less than 24 Hours**

For travel lasting less than 24 hours, employees may claim breakfast and/or dinner (as noted above), based on the following timeframes:

Fractional day of travel	
Trip begins at or before 6 am and ends at or after 9 am	Breakfast may be claimed
Trip begins at or before 4 pm and ends at or after 7 pm	Dinner may be claimed
Employees may not claim lunch or incidentals on one-day trips. When trips are less than 24 hours and there is no overnight stay, meals claimed are taxable.	

Employees may *not* claim meals provided by the State, meals included in hotel expenses or conference fees, meals included in transportation costs such as airline tickets, or meals that are otherwise provided. Snacks and continental breakfasts such as rolls, juice, and coffee are not considered to be meals.

No meal expense may be claimed or reimbursed more than once in any given 24-hour period.

**Lodging Reimbursement**

**Short-Term Travel**

Employees who incur overnight lodging expenses at a *commercial lodging establishment* catering to short-term travelers, such as a hotel, motel, bed and breakfast, public campground, etc. **must provide a receipt** to claim reimbursement. No reimbursement will be paid without a receipt. The rate of reimbursement is as follows:

All California counties not listed below	Actual expense up to \$84 per night, plus tax
Los Angeles and San Diego counties	Actual expense up to \$110 per night, plus tax
Alameda, San Francisco, Santa Clara, and San Mateo Counties	Actual expense up to \$140 per night, plus tax

**State-Sponsored Conference, etc.**

Employees attending a State-sponsored conference will be reimbursed for *receipted* lodging up to \$110 per night, plus tax, when the lodging is contracted by the State sponsor for the event, and the Appointing Authority has granted prior approval for attendance and lodging at the contracted rate and establishment.

**Non-State-Sponsored Conference, etc.**

Employees attending a non-State-sponsored conference will be reimbursed for *receipted* lodging when the lodging is contracted by the sponsor for the event, and the Appointing Authority has granted prior approval for attendance and lodging at the contracted rate and establishment.

**Out-of-State Travel (to any of the 49 other states)**

Any limitations on lodging are placed by the appointing authority when approving travel. Lodging and meals may otherwise be claimed as follows (applies to all State employees):

With a lodging receipt	Actual cost of lodging; actual meals and incidentals, based on appropriate timeframes
Without a lodging receipt	No lodging reimbursement; actual meals and incidentals, based on appropriate timeframes

**Out-of-Country Travel**

Lodging	Actual expense, supported by receipt
Meals and Incidentals	Actual expense <i>up to</i> U.S. State Department Foreign Per Diem Rates (meal/incidental rates, column B) in effect at the time of travel for the specific foreign location, in accordance with breakdown in Appendix B, Federal Travel Regulation Chapter 301

**Personal Vehicle Mileage Reimbursement**

*The following rates apply only to approved personal vehicle mileage for State business travel incurred on or after the effective dates of the memorandum of understanding and/or the DPA Travel Rules. Claims submitted after the effective date for mileage incurred prior to the effective date will be reimbursed at the rate previously in effect for the employee.*

Employees must have advance approval to drive a personal vehicle on State business. Mileage reimbursement rates are as follows:

Vehicle type	Mileage reimbursement rate
Personal vehicle	34 cents per mile
Specialized vehicle w/ certification	Up to 37 cents per mile*
Private aircraft	50 cents per mile**
Bicycle	4 cents per mile**

A "specialized vehicle" is a vehicle that has been specially equipped for a disabled employee and is the only vehicle the employee is physically able to drive. Amount in excess of the base rate of 34 cents per mile is subject to withholding.  
\* all taxable

An employee may claim mileage to/from a common carrier, as long as no parking expense is incurred at the terminal. Reimbursement is calculated using the appropriate rate above, multiplied by twice the distance to the terminal. If withholding applies to the employee's mileage reimbursement above, it will apply to this reimbursement.

Mileage covers gasoline, the cost of maintenance (oil, lube, routine maintenance), insurance (liability, damage, comprehensive and collision coverage), licensing and registration, depreciation, and all other costs associated with operation of the vehicle.

**Contractors**

Contractors with questions regarding travel reimbursements must contact the agency with which they contract.

**Transportation Contracts**

The Department of General Services, Office of Fleet Administration, has responsibility for State vehicles and State garages and negotiates and administers contracts for State employee rates for airlines and rental vehicles. [Click here](#) to go to the DGS Web site for information on State garage locations and services; [click here](#) for rental car information.