Travel by Third Party Provider

**Question 1:** *Is it required that board providers adopt the State’s travel policy?*

It is not intended that the third party provider adopt the State’s travel policy, but it is intended that the board will apply the State’s travel policy when authorizing travel and advancing or reimbursing the consultant’s or adviser’s travel costs. When the board is seen as ‘authorizing travel’ for the third party, then the travel event is subject to Section 112.061, F.S.

**Question 2:** *When is the board seen as ‘authorizing travel’ for the third party?*

To be subject to Section 112.061, F.S., the nature of the agreement with the provider must be such that travel expenses are separately identified and contemplated for ‘reimbursement’ as an element of the invoiced amount. The Section would apply to the original contract and any amendments that affect the payment of travel related expenditures, if the nature of the agreement dictates.

Examples of contract structures:

<table>
<thead>
<tr>
<th>Nature of the Agreement</th>
<th>Subject to Section 112.061, F.S.</th>
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<tbody>
<tr>
<td>A fixed price contract where the cost of the travel may or may not be contemplated when determining the price of the contract, but the actual travel costs have no effect on the amount paid on the contract. The provider bills only based on the number of hours of service provided or completion of a deliverable. In other words, this contract may or may not require travel in order to perform responsibilities under the contract, but any actual travel costs will have no effect on the fixed price paid to the contractor.</td>
<td>No</td>
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<tr>
<td>A fixed price contract where the cost of travel is a separate line item <em>not</em> included in the hourly rate or other amount identified for the actual provision of the service. The provider bills a fixed amount for their service and a separate amount for their travel.</td>
<td>Yes</td>
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<tr>
<td>A cost reimbursement contract where the cost of travel is a separate, identifiable cost element within the contract and on the invoice from the provider. The provider is reimbursed periodically by submitting invoices for actual costs incurred.</td>
<td>Yes</td>
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<td>A cost reimbursement contract where the provider is reimbursed periodically based upon deliverables. In this agreement, the provider is expected to only bill their actual costs. However, since they are not billing on a ‘reimbursement’ basis, the amount paid to the provider can include travel costs which are not in accordance with Section 112.061, F.S., but that are in accordance with the provider’s travel policy and that reflect actual costs incurred.</td>
<td>No</td>
</tr>
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**Question 3:** Does the type of provider matter for whether the costs are subject to Section 112.061, F.S.?

No. Whether the provider is deemed subrecipient or vendor does not impact whether the costs are subject to Section 112.061, F.S. The construct of the agreement dictates whether the provider’s costs are subject to the State’s travel policies.

**Question 4:** If the travel is deemed subject to Section 112.061, F.S., what does that mean for the provider?

For the provider, the following will apply:

- If the board is paying for meal and subsistence, the provider will be reimbursed in accordance with the meal allowance and per diem amounts in statute, not based on their internal approved rates.
- If the board is paying for mileage, the provider will be reimbursed in accordance with the allowable mileage reimbursement rate in statute.
- The provider should calculate mileage using the DOT map mileage for origination to destination travel and based on actual mileage for local vicinity mileage.
- Travel must be by the most economical means possible, when evaluated against the criteria listed in Section 112.061(7), F.S. The provider should be able to demonstrate that the costs incurred are by the most economical means.
- The provider may be reimbursed for incidental expenses in accordance with State travel policy, as listed. Any other costs incidental to the travel event can be approved and paid by the board, if reasonable and NECESSARY.
- The provider should capture the total travel event cost and prepare a voucher for reimbursement with the following elements, as is required by board staff for their travel:
  - Detail of expense categories and types – separate airfare from rental car, separate transportation costs from lodging costs, etc.
  - Original receipts as supporting documentation, where available
  - Total travel costs – show all costs associated with the travel event
  - Copy of the authorization to incur, in whatever form it was given
**Question 5:** What type of authorization is required by the board for third party travel?

Authorization by the board can come in different forms. It’s up to the board to determine the appropriate format, but below are the key elements and items to remember when crafting that authorization.

**Key Elements:**
- Travel must be pre-approved. This could be within the contract itself or via a separate process.
- As with board staff travel authorizations, the documentation should include:
  - The name of the traveler(s)
  - The elements of travel cost (lodging, meals/per diem, mileage, etc.)
  - The estimated cost
  - The purpose of the trip
  - The period or dates of travel
  - Statement of benefits accruing by virtue of the travel