

## MEAL PER DIEM FREQUENTLY ASKED QUESTIONS (FAQ)

Q1: Is the meal per diem reimbursement procedure effective 07/05/2024 applicable to all travel or FY2025 and forward? Are receipts needed for FY2024 after 07/05/2024?

A1: The effective date of SAE Travel reimbursement procedures applies to the dates of travel incurred regardless of when the travel reimbursement claim is submitted.

- All FY 2024 travel will be reimbursed under the procedure in effect prior to 07/05/2024, which requires receipts and reimbursement of actual expenses up to the applicable daily meal subsistence limits.
- FY2025 travel incurred July 1-4, 2024 is subject to the procedure in effect prior to 07/05/2024, which requires receipts and reimbursement of actual expenses up to the applicable daily meal subsistence limits.
- FY2025 Travel incurred on and after 07/05/2024 will be subject to the procedure change for meal per diem reimbursements and does not require the submission of receipts.

Q2: Several of us are traveling the last week of June. It is unlikely, due to the holiday, that we will be able to submit expense reports prior to this taking effect. For that trip, will we still be submitting meal receipts? The presumptive answer is yes, but having a definite answer will be helpful.

A2: The effective date of the procedure change is July 5, 2024. Any travel expenses incurred prior to July 5, 2024 regardless of submission date will require the submission of receipts.

Q3: What does up to 75% mean for the first day and last day of travel? What is meant by the term "up to"?

A3: The employee is only eligible for maximum meal reimbursement up to 75% of the daily meal limits for the first and last day of travel. Any meals provided by an outside source (i.e. complimentary breakfasts from a hotel, meals provided as part of meetings or a conference, etc.) must be removed from the daily reimbursement amounts. This is why there remains to be a per meal break down. If traveling in state the total daily meal per diem is \$37; 75% of this amount is a maximum limit of \$27.75 in meal reimbursement to the traveler if the traveler purchased all of their meals absent an outside source providing the meal. Example: If an outside source provided lunch on the first day of travel, the lunch allotment would be removed from the calculation ( $\$37 - \$10 = \$27 * 75\% = \$20.25$  meal per diem reimbursement for the day).

Q4: We have one management staff member who stays with family when traveling to the Des Moines area. Per procedure No. 210.235 she is allowed to be reimbursed for the full amount of her meals up to the cost of a hotel room. Will this be taken into consideration or will the procedure 210.235 dated 7/1/2009, be removed based on this new order?

A4: At this time, SAE Procedure 210.235 remains in effect.

Q5: Is an overnight stay still required for Meal reimbursement?

A5: Please refer to SAE Procedures: 210.103(1); 210.205(2)(b)(1); 210.305(2)(b)(1)

Q6: Assuming no outside source provided meals, and the employee left at 5:00 a.m. and returns at 10:00 pm (not unusual for travel) employees would receive full meal per diem for all 3 meals?

A6: If an individual has:

- 1) obtained the appropriate approvals prior to travel as required in SAE Procedure 210.103(1); **and**
- 2) they depart and return within the same day without overnight lodging, the meals will be reimbursed up to 75% of the daily maximum meal per diem consistent with the first day of travel reimbursement rules.

There are no time constraints for determining the amount of the meal per diem reimbursement, please note the time requirements have all been removed from the SAE Procedures. Per Diem is a set reimbursement no matter the actual cost to the employee or time departed and returned.

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Q7: Do these changes to meal per diems apply to Board Members as well? In reviewing the accounting manual, it appears it has not changed for them but just wanted to double check.

A7: Yes, this change applies to board members as well; please refer to SAE Procedure [210.245\(3\)](#). Language in the procedure was changed from subsistence allowance to per diem for meals. Also, language for the requirement of receipts for meals has been removed. As noted in the memo on June 7, the maximum reimbursable rates do not change. Additionally, please note the provisions of SAE Procedures 210.103 and 210.305 includes that Meal Per Diem Reimbursement is applicable to Officers, Employees, Board and Commission members and other individuals traveling on behalf of the State.

Q8: Do we know what the amounts are going be for the Per Diem?

A8: As stated in the June 7, 2024 memo, there are no changes in the meal reimbursement rates. Please refer to the applicable DAS SAE Procedures for the maximum daily meal per diem rates.

Q9: Just to clarify, the In-State meal reimbursement is \$37.00 for the day?

A9: See also SAE procedures [210.103\(1\)](#) for required prior approvals and [210.205\(2\)\(b\)](#) for maximum limits. Please note the first and last day reimbursable amounts are 75% plus other exclusions, please see other questions.

Q10: Does per diem apply to out-of-state travel?

A10: Yes, per diem applies to out-of-state meals as well as International travel. Please notice the policy removes the requirement for receipts for the purchase of meals.

Q11: Is the out-of-state reimbursement still the same depending on the city level?

A11: Per the June 7, 2024 memorandum sent to Department Financial Managers and Iowa Advantage Users: "The meal per diem amounts will be the current maximum meal reimbursements listed in the SAE Policy and Procedure Manual." See Procedure [210.305\(2\)\(b\)](#) for maximum limits. For International Travel, see Procedure [210.405\(2\)](#)

Q12: We still do not get reimbursed when at a conference if the breakfast or lunch was provided as part of the conference, correct?

A12: That is correct. Please review the applicable travel procedures as there are additional provisions in the procedures.

Q13: Are we allowed to give meals if a hotel still provides breakfast?

A13: If a hotel provides breakfast, the breakfast per diem amount is not allowed for reimbursement. There are no changes from prior requirements. Please see SAE Procedures [210.205\(2\)\(b\)\(5\)](#) and [210.305\(2\)\(b\)\(3\)](#). Meals from an outside source (i.e. hotels, provided as part of a conference or meeting, etc.) must be excluded from the calculation of the maximum meal per diem to be paid to the claimant.

Q14: If an employee attends a conference or class and meals are provided, are we allowed to give meals?

A14: There are no changes from prior requirements. Meals from an outside source (i.e. hotels, provided as part of a conference or meeting, etc.) must be excluded from the calculation of the maximum meal per diem to be paid to the claimant. Please see SAE Procedures [210.205\(2\)\(b\)\(5\)](#) and [210.305\(2\)\(b\)\(3\)](#).

Q15: Are tips still 15% before Tax?

A15: Per SAE Procedure [210.103\(4\)](#) tips and applicable taxes are included in the maximum meal per diem rate.

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Q16: Does an employee still need to leave before 6 am to receive breakfast and return after 7pm to receive dinner?

A16: Under a per diem methodology, there are no time constraints for meal reimbursements. These have all been removed from SAE Procedures.

Q17: Is it still an unallowable expense on the Travel card when a meal is at a conference, or training for in state?

A17: There are no changes to PCard or Travel Card Procedures.

Q18: To verify, the switch to per diem does not affect Taxable Meals rules. Meals provided or reimbursed without having lodging/overnight stay are still taxable to employee. Occasionally feedback is received from staff that feel the interpretation of IRS rules should be that meal reimbursement is de minimus and should not be taxable. Has the switch to per diem caused any discussions or changes on the taxable piece?

A18: There are no changes to the IRS Guidelines for taxable meals. See Internal Revenue Code Section 162(a)(2).

Q19: With regard to meal per diem, are there any changes with the exception process or payment for over the limit direct billed meals?

A19: There are no changes to the exception process nor to the direct billed meal process. A detailed invoice would be required on the TP document. Direct billed meals are processed through Iowa Advantage and are not processed through Workday.

Q20: Non-employee reimbursements such as speakers, contractors working on our behalf? Are receipts still required for these meals?

A20: Non-employees traveling on behalf of the state follow the same travel policies as Employees. Exceptions apply as stated in the SAE Procedures.

Q21: Are we still required to have our employees upload a meal receipt for internal review?

A21: As stated in the June 7, 2024 memorandum sent to Department Financial Managers and Iowa Advantage Users: "...effective July 5, 2024, employees will no longer be required to submit receipts for meal expenses." Also please refer to the June 11, 2024 memorandum sent to Department Financial Managers and Iowa Advantage Users which provides:

For travel on or after July 5, the following changes to Workday processing will go into effect:

- Spend Authorizations
  - o Departure Time and Arrival Time for Meal Lines will no longer be required.
- Expense Reports
  - o Departure Time and Arrival Time for Meal Lines will no longer be required.
  - o Actual Receipt Amount for Meal Lines will no longer be required.
  - o Attachments for Meal Lines will no longer be required.
- The aforementioned fields will remain on Workday at this time to ensure processing for travel prior to July 5 can continue.

Please note, department policies may be more restrictive than SAE policy.

Q22: Are out of state meals over the limit still entered in WD as a meal exception or will there be a new code for out of state meals over the limit?

A22: Workday expense items are not changing.

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Q23: Would the per diem amount be listed on Workday? For example, someone is out for all 3 meals in state - they would list combined meals and \$37. They would not need to attach receipts for meals, but everything else is similar?

A23: There are no changes to the maximum daily amounts listed in Workday. Users are required to calculate reimbursable amounts under the new rules. Any meal reimbursements for travel incurred **prior to 07/05/2024** requires receipts and departure and arrival times for those meal reimbursements to be attached. For travel incurred **on or after 07/05/2024**, there will be no requirement to attach receipts for meals regardless of when the travel claim is submitted; receipts are required for reimbursement of all other travel expenses. All other requirements have not changed.

Q24: What options are staff to use in Workday for per diem meals? Is it going to be broken up by in-state breakfast per diem, lunch per diem and dinner per diem or will staff be expected to use combined meals? No explanation has been shared regarding what options will be available in WD with regard to per diem meals.

A24: The expense items that are currently available will still be available in Workday. It is up to the agency to train their staff on using each meal item vs combined meals depending on the agency policy.

Q25: Scenario: Employee is traveling on day 1 of travel to an in-state conference and purchases breakfast on their way and once at the meeting, lunch and dinner are direct billed. They will be overnight at this conference. How would this be entered in WD? How will direct bills be handled in conjunction with other meals paid for by employees with regard to per diems in WD?

A25: Direct billed meals at a conference are meals provided by the conference and would not be included on Workday. Day 1: \$37 (per diem) - \$10 (Lunch) - \$19 (Dinner) = \$8 (available for day) \* 75% (1st day rule) = \$6 (per diem allowed for 1st day).

Q26: Scenario: Employee is traveling on day 1 to an in-state conference and purchases breakfast on the way, the conference provides lunch, and the employee purchases dinner. They will be overnight at this conference. How is this entered in WD?

A26: Day 1: \$37 (per diem) - \$10 (lunch) = \$27 (available for day) \* 75% (1st day rule) = \$20.25 (per diem allowed for 1st day).

Q27: Will both taxable and nontaxable per diem meal rates be available in WD for those staff who are approved for in domicile meals (integral part of meeting)?

A27: Expense Items in Workday are not changing. Taxable and nontaxable meal items will still be available as they are today.

Q28: Are there updated smart guides for WD to reflect these changes, and if so, when will they be available?

A28: Updated Workday Smart Guides will be posted to the new Workday Learning when it is available in July. Information regarding the Workday changes will be sent out in the HR Express communication that goes to all staff on July 2nd.

## MEAL PER DIEM FREQUENTLY ASKED QUESTIONS (FAQ)

### APPENDIX: Examples of Meal Rate Reimbursement Effective for Travel On or After 7/5/2024

**NOTE:** The total maximum daily meal reimbursement rate for In State Travel is \$37.00 (SAE Procedure 210.205). The below examples all use the In State travel maximum meal per diem rates. However, the meal per diem reimbursement procedure applies to all In State, Out of State and International meal reimbursements.

**Example 1:** An employee is in In State Travel status attending an all day meeting where lunch is provided as part of the meeting agenda. The lunch meal was provided by the organizer of the meeting. The total maximum daily meal reimbursement rate for In State Travel for this employee's trip is now reduced to \$27.00 (\$37 - \$10 Lunch) before the application of the 75%. The employee would be given a meal per diem reimbursement of \$20.25 ( $\$27.00 \times 75\% = \$20.25$ ) for any other meals for that day since there was no overnight lodging.

**Example 2:** Same scenario as Example 1 except a single night's lodging and breakfast was provided by the hotel in addition to the lunch meal provided by the outside source:

**First day of travel:** An employee is in In State Travel status attending an all day meeting where lunch is provided on the first day as part of the meeting agenda and breakfast was provided by the hotel on the second day. The lunch meal was provided by the organizer of the meeting. The total maximum daily meal reimbursement rate for In State Travel for this employee's trip is now reduced to \$27.00 (\$37 - \$10 Lunch) before the application of the 75%. The employee would be given a meal per diem reimbursement of \$20.25 ( $\$27.00 \times 75\% = \$20.25$ ) for any other meals for the first day of travel.

**Second (last) day of travel:** The employee in this example was provided breakfast by the hotel and will return back to their work location on this day. Since the breakfast was provided by the hotel, the maximum daily meal reimbursement rate is reduced to \$29 (\$37 - \$8) before the application of 75%. The employee would be given a meal per diem reimbursement of \$21.75 ( $\$29 \times 75\%$ ) for any other meals for the second day of travel.

**Example 3:** Same scenario as Example 2 except there are two night's lodging and breakfast was provided by the hotel in addition to the lunch meal provided by the outside source:

**First day of travel:** An employee is in In State Travel status attending an all day meeting where lunch is provided on the first day as part of the meeting agenda and breakfast was provided by the hotel on the second day. The lunch meal was provided by the organizer of the meeting. The total maximum daily meal reimbursement rate for In State Travel for this employee's trip is now reduced to \$27.00 (\$37 - \$10 Lunch) before the application of the 75%. The employee would be given a meal per diem reimbursement of \$20.25 ( $\$27.00 \times 75\% = \$20.25$ ) for any other meals for the first day of travel.

**Second day of travel:** The employee in this example was provided breakfast by the hotel; all other meals for the day are at the expense of the employee. Since the breakfast was provided by the hotel, the maximum daily meal reimbursement rate is reduced to \$29 (\$37 - \$8). The employee would be given a meal per diem reimbursement of \$29.00.

**Third(last) day of travel:** The employee in this example was provided breakfast by the hotel and will return back to their work location on this day. Since the breakfast was provided by the hotel, the maximum daily meal reimbursement rate is reduced to \$29 (\$37 - \$8) before the application of 75%. The employee would be given a meal per diem reimbursement of \$21.75 ( $\$29 \times 75\%$ ) for any other meals for the second day of travel.