

SPECIAL EXPENSES

Description and Scope - Special expenses are expenses incurred in connection with official functions of an agency or assigned duties of a State employee which are not reimbursable through the regular expense regulations. Because special expense provisions are referenced in collective bargaining agreements and plans established under Minn. Stat. § 43A.18 but are not defined, it is necessary to identify those specific expenses which are special expenses. This procedure applies to all employees in the executive branch and to all persons serving on statutory and non-statutory boards, councils, task forces, and commissions, excluding consultants on contract for the State.

Objective - To provide appointing authorities and employees with a clearly defined list of reimbursable special expenses and provide guidelines for establishment of procedures for reviewing special expense requests.

Responsibilities -

A. Appointing Authorities:

- Develop and maintain written procedures for the review and approval/disapproval of special expense requests within the agency. These may include formal delegation of approval authority by the appointing authority.
- Approve/disapprove the special expense requests listed in Provision A, consistent with this Administrative Procedure and the agency's procedures. Except in emergency situations, approval is required before any special expense is incurred and before commitments involving special expenses are made.
- Document and submit the special expense requests listed in Provision B for approval by the Department of Employee Relations. Requests must include a Department of Employee Relations Request for Approval of Special Expenses form signed by the appointing authority.
- File copies of any delegations of authority with the Secretary of State.
- Develop reimbursement provisions pertaining to international travel for their agency if necessary.

B. Department of Employee Relations:

- Authorize approval of special expenses identified in Provision B of this procedure.

Provisions -

- #### A. Special expenses approved by an appointing authority may include reasonable costs for only the following:

1. Full cost of a meal when it is a part of the structured agenda of a conference, workshop, seminar, or meeting which the appointing authority has authorized the employee to attend. This does not include routine staff meetings.
2. Registration and tuition fees for conferences, seminars, workshops, or education courses. Prior approval is required only if the cost exceeds \$500 per participant. Each agency's written procedures shall address how it will control and monitor this area.
3. Refreshments for department sponsored meetings, conferences or workshops where the majority of participants are not state employees.
4. Refreshments, meals and other conference costs for department sponsored events where registration fees are charged and the majority of the participants are not state employees.
5. Refreshments and/or meals for meetings that consist primarily of state employees when the refreshments and/or meals are an integral part of the event and are necessary to sustain the flow of the meeting and to retain the captive audience, and if the event is:
 - a. a meeting with participants from many geographic locations where the majority of the participants are in travel status;
 - b. a department-wide annual/quarterly staff meeting for all employees;
 - c. a department senior management/cabinet planning or organizational meeting;
 - d. a department-wide annual/quarterly staff meeting for all managers;
 - e. an annual/quarterly staff meeting of all division/district/regional employees; or
 - f. a structured training session, available to employees generally and conducted by persons outside the agency, provided it has been approved by the agency training or staff development office.

With the exception of structured training sessions, the meetings described shall be held no more frequently than once each quarter. All meetings shall be scheduled to minimize inclusion of meals.

6. Refreshments and/or meals during official meetings of statutory boards, councils, task forces, advisory committees and commissions and during official meetings of external non-statutory councils, task forces, advisory committees and commissions for which expenses are authorized by statute or as a condition of a federal grant or contract. Official meetings include meetings of sub-committees provided that such meetings are authorized by the full board, council, task force, advisory committee or commission. All meetings shall be scheduled to minimize inclusion of meals.
7. Lodging for an employee who is not in travel status if:
 - a. weather conditions or other unforeseen occurrences prevent the employee from returning home; or
 - b. the appointing authority authorizes overnight participation in an approved event. Authorization should be based on the benefit of such participation to the State.

8. Expense reimbursement for lodging, travel and meals for one attendant for an employee with a disability who requires daily assistance in performing various personal tasks or who has special mobility needs.
 9. Expenses as follows for employees assigned to work at the State Fair:
 - a. fees for admission to the fairgrounds;
 - b. one meal during each shift of fewer than ten hours or two meals during each shift of ten hours or more, subject to the meal amounts for in-state travel contained in the appropriate collective bargaining agreement or plan;
 - c. taxi fare for employees with a disability who are unable to drive or use other means of public transportation between their normal work station and the fairgrounds or between the employee's residence and the fairgrounds, whichever distance is less.
 10. Expenses as follows for individual employee awards and agency recognition events:
 - a. awards for individual or group achievements which are limited to non-cash/non-negotiable items of nominal value (not taxable wages or benefits) under IRS guidelines.
 - b. reasonable costs for annual official agency/institution employee recognition events which may include up to 100% meal reimbursement for employees being recognized but shall not include reimbursement for other guests and travel.
- B. The following special expenses require the approval of the Department of Employee Relations:
1. Expense reimbursement for international travel authorized by the appointing authority. If not approved in advance by the Department of Employee Relations, reimbursement limits for international travel will be the same as out of state travel provisions contained in the appropriate collective bargaining agreement or plan.
 2. Employee recognition events beyond those listed in A 10 above.
 3. Other special expenses not identified in this procedure.
- C. Special expenses may not be used to pay for:
1. private club memberships,
 2. alcoholic beverages,
 3. entertainment,
 4. employee parties (including holiday and retirement parties), or
 5. refreshments or meals for meetings consisting of a majority of state employees except as provided in A 5 above. This includes ad hoc meetings and staff meetings, whether held periodically or on a call basis.

D. Forms.

Requests must be made on the Department of Employee Relations Request for Approval of Special Expenses (form PE-00668) or on an agency request form that includes the same information.

E. Approval after the Fact.

Requests submitted to an appointing authority or the Department of Employee Relations after the event or too late to provide a proper review must include an explanation of why the request was not provided in a timely manner. Each agency's special expense procedures shall include a process for monitoring and reporting all such requests to the agency head or internal audit unit of the agency.

Other Relevant Laws, Personnel Rules, Contracts and Administrative Procedures

M.S. § 15.059 - Advisory Councils and Committees, Subds. 3 - Compensation and 6 - Advisory Task Forces

Collective Bargaining Agreements and Plans established pursuant to M.S. § 43A.18 - provisions on expense reimbursement