



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
LANSING

Keith W. Cooley  
DIRECTOR

**October 24, 2008**

**Meal Reimbursement Policy**  
**EFFECTIVE DATE: 11/01/08**

**Purpose:** To provide policy and procedures to the Department of Labor and Economic Growth's employees, vendors, and contractors for obtaining reimbursement for meals on and after November 1, 2008.

It is the policy of the Department to reimburse an employee for necessary expenses incurred while performing assigned duties. An employee traveling on official business is expected to exercise the same care in incurring expenses that a prudent person would exercise while traveling on personal business.

Under no circumstances shall an employee request reimbursement for expenses not incurred, when someone other than the employee has paid the expense, or without receipts.

**Meal Allowances:** All employees conduct state business on a daily basis, most are not in travel status and have the ability to bring their lunch or perhaps even go home for lunch. The State of Michigan's meal allowance for employees in travel status is intended to reimburse out-of-pocket expenses that may have not been necessary if not in travel status, not as a monetary benefit. The standardized travel regulations establish other criteria to qualify for meal reimbursement, the basic premise of the regulations is that an expense must have been incurred in order to be eligible for reimbursement.

An employee is entitled to reimbursement for meals when assignments require the employee to be away from his/her official work station city or home city.

Employees are entitled to meals in accordance with the following schedule:

Breakfast: If travel commences prior to 6:00 a.m. and extends beyond 8:30 a.m.

Lunch: If travel commences prior to 11:30 a.m. and extends beyond 2:00 p.m.

Dinner: If travel commences prior 6:30 p.m. and extends beyond 8:00 p.m.

Midnight: Shall be at the lunch rate if work extends beyond, midnight, 12:00 a.m.

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**Meal Receipts:**

1. Employees must submit original detailed receipts for each meal. The receipt should be cash register generated to include the place, date and time of the meal, and the menu items purchased. The receipts will be audited to ensure that the correct amount of reimbursement was requested (refer to reimbursement schedule) and that the items purchased comply with the meal reimbursement policy. Exceptions related to receipt details or meal purchases as described above can be submitted for evaluation by the DLEG Accounts Payable staff. **However, without a receipt, no reimbursement should be requested in any case.**

2. Meal reimbursement requests made by an employee cannot include the purchase of a meal intended for someone other than the employee (except in the case of a pre approved group lunch). Only the actual amount expended, up to the allowable rate, will be reimbursed. (Reminder that alcoholic beverages are prohibited and therefore will not be reimbursed).

3. The amount of reimbursement will be the amount of the actual meal expense, as noted on the receipt, or the allowed meal rate, whichever is less. Meals will be reimbursed at the meal rate closest to the time the meal is taken.

4. Group lunches require prior Administration approval.

5. Group refreshments require prior Administration approval.

6. Commissioners are required to provide meal receipts to receive reimbursement.

Meals must be purchased within the starting and ending time of travel. For example, items purchased at a grocery store the night before the travel occurs are not reimbursable. Only single meal items consumed during the meal period are acceptable, i.e., no bulk quantity items such as bags of apples, loaves of bread, cases of water, etc.

If a traveler is entitled to a full day's allowance for meals (breakfast, lunch and dinner), the meals (and receipts) will be considered in total and not individually however reimbursement request should not exceed the total meal allowance for the day.

For example the traveler spends \$4.75 for breakfast, \$5.25 for lunch and \$30.00 for dinner, the receipts total \$40.00 but the reimbursement request cannot exceed the \$31.00 daily allowance.

However, if a traveler does not qualify for a full day's allowance for meals, then each individual meal will be reimbursed up to the allowance. For example, if a traveler only qualifies for breakfast and lunch, and the meal allowance is \$7.25 for each meal, then

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the reimbursement request for breakfast must not exceed \$7.25 and the reimbursement request for lunch must not exceed \$7.25.

When submitting meal receipts for reimbursement it will be required that **all** receipts (not just meal receipts) smaller than 4 ¼" x 5 ½" be attached with **tape** to a piece of paper no smaller than ½ the size of a normal sheet of copy paper (8 ½" x 11"). All documents should be held together with only one staple in the upper left hand corner. In the event one staple will not hold all the documents please bind with a clip of some kind (i.e. paper, binder). When attaching receipts please use tape, not staples; you may use the back of the TEV or any area as long as you are not covering any information.

Taxable Meals - Reimbursement for meals that do not include an overnight stay will be taxed. Taxable meals are a 1099 reportable (taxable) benefit. For taxable portions of travel reimbursements, the federal tax liability will be calculated using a supplemental wage rate established by the Department of Management and Budget. Recording the expenditure in the correct column on the travel voucher will ensure proper taxable treatment of the reimbursement.

**Questions:**

Contact Ann Smith at 517 241-0777 or Shirley Callahan at 517 373-4915.

**These Frequently Asked Questions will answer some common questions about the requirement to submit receipts for meals.**

**1. When do I have to start submitting receipts for meal reimbursements?**

Receipts for meals are required for business travel occurring on or after November 1, 2008

**2. If I provide a receipt, can I claim more than the meal rate published?**

No. A receipt is required to request reimbursement of meals up to the published maximum meal rate for the area of travel, while in travel status.

**3. Can I purchase food prior to my travel to take with me and submit that receipt for meals?**

No. All receipts must have the date of the purchase and be within the dates of official travel status.

**4. Does the maximum published meal rate include the tip?**

Yes. The total amount paid for food and non-alcoholic beverages including tax and service tip is reimbursable up to the maximum published meal rate.

**5. My receipt does not show the cash tip I left the waitress. How can I claim the tip?**

When tipping is appropriate 15% will be the maximum allowed in the total reimbursement allowed. The amount should be written on the receipt.

**6. What is acceptable as a receipt?**

The original receipt is required. The receipt should be cash register generated to include the place, date and time of the meal, and the menu items purchased. There will be no reimbursement without original receipts.

**7. Can I submit a copy of my credit card statement in lieu of a receipt?**

No, we would accept credit card receipts not statements as they don't give the breakdown.

**8. Can I make copies of all my receipts to submit with my travel expense voucher?**

No, only original receipts will be accepted for reimbursement.

**9. How is a meal defined?**

Food consumed in a meal period.

**10. Another employee is traveling with me, and we share a pizza for dinner; one of us pays the entire bill. How do we submit for meal reimbursement?**

You would need to give us the names of the individuals splitting the meal and the cost couldn't exceed the published meal rate.