TRAVEL AND EXPENSE

REGULATION

REGLAMENTO NUEVO 3/9/82



BANCO GUBERNAMENTAL DE FOMENTO para Puerto Rico

RESOLUTION NUMBER 5384

Be it resolved by the Board of Directors of the Government Development Bank for Puerto Rico to amend the existing Travel and Expense regulations as follows:

Section II. D.1.

All officers and employees who are required, because of the nature of their duties and responsibilities, to keep their private automobile available to be used in the discarge of their official duties, shall have the right to a fixed monthly compensation of $75.00 as long as they comply with the policy, and requisites established hereinafter.

Section II. E.1.

Officers and employees on Stand-by Plan using their own private automobiles on authorized official trips within the island of Puerto Rico will receive an allowance per traveled mile of thirty six cents ($0.36), plus three additional cents per mile ($0.03) for each authorized passenger.

Section II. E.2.

Officers and employees who are not included in Stand-by Plan but who are authorized to travel within the island of Puerto Rico using their own private automobiles will receive an allowance of thirty seven cents per mile ($0.37), plus three additional cents ($0.03) per mile for each authorized passenger.

Section II. F.2.a.

For travel within Puerto Rico:

Authorized travelers will be granted an allowance of $52.75 per diem distributed as follows:

Lodging	$35.00
Breakfast	3.50
Lunch	6.75
Dinner	7.50
Total	$52.75

Núm. 3354
Fecha 7 de junio de 1979 5:30 p.m.
Aprobado: S/A M. Calderón
Secretario de Estado
Por: [illegible]
Secretario Auxiliar de Estado

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
San Juan, Puerto Rico

TRAVEL AND EXPENSE REGULATION

This Regulation in enacted with the purpose of establishing an adequate control of expenses incurred by officers and employees while traveling on official business, entertaining official visitors of the Bank, and while in the discharge of official duties.

I. Definitions:

A. Traveling:

Authorized trips necessary to the discharge of official duties.

B. Travelers:

1. Members of the Board of Directors with the approval of the Board of Directors or the President of the Bank.
2. Officers, employees, and/or persons under contract with the Government Development Bank.
3. Officers, employees and/or persons under contract with other government agencies, with the approval of the Board of Directors or the President of the Bank.
4. Spouse of authorized travelers, with the approval of the Board of Directors or the President of the Bank.

C. Order to Travel (Exhibit 1):

The official form used to authorize a trip.

D. San Juan Area:

Includes San Juan, Santurce, Hato Rey, Rio Piedras and Puerto Nuevo.

E. Allowable Traveling Expenses:

Cost of transportation and other incidental expenses incurred while traveling on official business.

F. Per Diem:

Daily allowance authorized to travelers to cover meals and lodging expenses while traveling on official business.

G. Insurance:

Life insurance paid by the traveler to cover aviation accidents only, provided no similar insurance is being paid by the Bank. Premium cost of personal effects and baggage insurance.

H. Automobile Stand-By Fee:

A monthly allowance payable as authorized by the President of the Bank and/or as provided by the Collective Bargaining Contract to an officer or employee of this Bank who owns a car and has it available for traveling on official duties.

I. Working Days:

Shall be interpreted as each of the days of the week from Monday thru Friday, except legal holidays and/or those days or part of them that by law or by proclamation of the President of the United States or of the Governor of

Puerto Rico are declared as holidays and are given off to all public employees of Puerto Rico.

J. Officers and employees:

Officers-President of the Bank, Vice Presidents, Assistant Vice Presidents, Head of Areas, and/or Divisions, Supervisors, and Lawyers.

Employees-All others.

II. Travel Expense Policy:

A. Authorization for Travel (Exhibit 1):

1. Members of the Board of Directors - As authorized by the Board.

2. All other authorized travelers - Written approval through the "Order to Travel Form" will be necessary prior to travel, as follows:

a. For employees assigned to San Juan Office and the Senior Officer in charge of New York Office:

1 Overseas travel - By the President of the Bank or his duly authorized representative. If, prior to travel, the President has authorized in writing the participation of any officer and/or employee in a convention, seminar or any other similar event to be held overseas, the Order to Travel form can be signed by either the Executive Vice President or the Senior Vice President in charge of Finance.

Whenever the Senior Officer in charge of New York Office is required to travel to Puerto Rico or whithin the United States, the Order to Travel form shall be prepared by San Juan Office and signed by the President or his duly authorized representative.

2) Within Puerto Rico:

By the immediate supervisor of the traveler. Order to Travel form shall be issued prior to travel whenever the Officer and/or employee is required to travel outside the San Juan Area.

b. New York Office employees other than the Senior Officer in charge.

For any travel to Puerto Rico or within the United States, the Senior Officer in charge shall authorize the travel.

B. Means of Transportation:

1. Traveler's privately owned automobile
2. Public carriers
3. Government cars on a rental basis
4. Special conveyances; i. e.; boat, auto, aircraft - only when public or regular means of transportation cannot be used advantageously to the best interest of the Bank.

C. Provision related to Order to Travel

1. The trips will be made using the shortest possible routes and the most economical ways available under the circumstances.

2. First-class air transportation will be authorized for the members of the Board of Directors, the President of the Bank, Vice Presidents, Assistant Vice Presidents, and Designated Heads of Departments or Divisions. First-class air transportation is also authorized to all other employees and/or authorized travelers when airlines cannot provide a more economical service for a particular flight. Any other officer or employee authorized to travel together with a member of the Board of Directors, the President of the Bank, a Vice President, an Assistant Vice President or a Head of Department or Division, will also be entitled to use first-class air transportation.

3. A modified Order to Travel shall be submitted with the travel expense liquidation whenever a traveler on official business outside Puerto Rico is requested to stay in excess of the number of days stated in the original Order to Travel.

4. All authorized travelers are required to submit their boarding tickets together with the copy of the flight ticket with their travel expense liquidation.

D. Stand-By Plan:

1. All officers and employees who are required, because of the nature of their duties and responsibilities, to keep their private automobile available to be used in the discharge of their official duties, shall have the right to a fixed monthly compensation of $70.00 as long as they comply with the policy, and requisite established hereinafter.

2. Temporary cancellation of Stand-By Plan

A grantee of a Stand-By Plan shall be subject to a temporaty cancellation of his Stand-By Plan when absent for aperiod of 30 consecutive working days under the following circumstances:

a. vacation leave
b. sick leave
c. military leave
d. maternity leave
e. special leave with pay
f. leave without pay
g. while on official business outside of Puerto Rico
h. while on professional training at educational institutions or other training centers in Puerto Rico
i. judicial leave
j. while under medical treatment at State Insurance Fund

3. Annulment of Stand-By Plan

The fixed compensation can be revoked if one or more of the following situations exist:

a. the elimination of the position for which the Stand-By Plan was allowed.

b. the suppression, for justified reason, of the requirements to have a car as a requisite of the position.

c. that it becomes equally efficient and substantially more economical for the Bank to provide transportation to the employee by means of official vehicles or through any other transportation system.

E. Mileage:

1. Officers and employees on Stand-By Plan using their own private automobiles on authorized official trips whithin the island of Puerto Rico will receive an allowance per traveled mile of thirty four cents ($0.34), plus two additional cents per mile ($0.02) for each authorized passenger.

2. Officers and employees who are not included in Stand-By Plan but who are authorized to travel within the island of Puerto Rico using their own private automobiles will receive an allowance of thirty five

cents per mile ($0.35), plus two additional cents ($0.02) per mile for each authorized passenger.

F. Per Diem

Per diem allowance will be granted as follows:

1. Members of the Board of Directors:

a. Attending Official Meetings

Members of the Board of Directors, other than government officials, attending official meetings; meetings of Committees of the Board of Directors and any other committee of the Bank are entitled to a per diem of $200.00.

b. Traveling on Official Business of the Bank

Members of the Board of Directors when traveling on official business of this Bank, either within or outside Puerto Rico, are entitled to any other allowance as established by this regulation. Payments under this paragraph is subject to the approval of the Chairman of the Board of Directors, the President of the Bank or the person by them designated.

While traveling, the per diem will be distributed as follows:

Lodging	$ 55.00
Breakfast	10.00
Lunch	15.00
Dinner	20.00
Total	$100.00

2. All other authorized travelers:

a. For travel within Puerto Rico:

Authorized travelers will be granted an allowance of $52.25 per diem distributed as follows:

Lodging	$ 35.00
Breakfast	3.25
Lunch	6.50
Dinner	7.50
Total	$ 52.25

b. For travel outside of Puerto Rico:

Authorized travelers, except those employees subject to the dispositions of the Collective Bargaining Agreement related to travel, will be granted a daily allowance of $100.00, distributed as follows:

Lodging	$ 55.00
Breakfast	10.00
Lunch	15.00
Dinner	20.00
Total	$100.00

For the purpose of computing the per diem allowance, the following time schedule of departures and/or arrivals will apply while traveling on official business outside the Bank.

1) Breakfast: Departure from San Juan between midnight and 7:00 a. m.

Arrival to San Juan past 7:30 a. m.

2) Lunch: Departure from San Juan between 11:30 a. m. and 12:30 p. m.

Arrival to San Juan past 1:00 p. m.

3) Dinner: Arrival to San Juan past 7:00 p. m.

4) Lodging: Overnight stay from 6:30 p. m. to 6:00 a. m. of the following day.

Whenever a traveler outside of Puerto Rico stays for a longer period of time than the one specified in the ORDER TO TRAVEL for purposes other than official business, this schedule will apply to compute the allowable per diem corresponding to the day the official trip is interrupted and to the day of return. On the other hand, if the official business, is for a shorter period of time than that specified in the Order to Travel, the officer and/or employee shall return to his point of origin no later than the following day after the official business is terminated. When the circumstances so demand that an employee, as defined in this regulation, is required to work prior to 7:00 a. m., at least one half of the time available for lunch, and past 7:00 p. m., he will also be entitled to the per diem allowance corresponding to said period of time.

Per diem will be paid as follows:

In the San Juan Area:

Breakfast	$ 3.25
Lunch	6.00
Dinner	7.50
Total	$16.75

Outside of San Juan, but within Puerto Rico:

Breakfast	$ 3.25
Lunch	6.50
Dinner	7.50
Lodging	35.00
Total	$52.25

3. In lieu of the lodging allowance fixed by above per diem, the officers and employees on official trips, could claim actual expenses incurred, properly vouched. The President of the Bank, from time to time, will determine the maximum rates allowable according to the official activities attended and/or the position of the officer or employee, and will issue the corresponding administrative guides.

4. When the circumstances so demand that a traveler who is a member of the union representing the employees of this Bank is authorized to travel with an officer or employee who is not a member of the Union, he will also be entitled to the per diem granted to them.

G. Other Provisions Related to Per Diem:

1. Whenever an officer or employee is attending a seminar or convention and the Bank has paid a fee which includes tuition and/or meals, per diem shall be adjusted accordingly and a copy of the seminar program shall be submitted with the travel liquidation.

2. If part of the expenses covered by the per diem allowance is provided by the Bank without charge to the officers or employees, as a result of an activity initiated by themselves or other officers or employees, the per diem payable shall be reduced accordingly, as per the distribution stated in Section II. F. 2. b.

3. Taking into consideration cost of living and other conditions at the place visited and/or the duration of such visit, the President of the Bank, or the persons by him designated, can adjust accordingly the amount of the per diem allowable.

4. In lieu of per diem, a claim for actual expenses completely vouched could be filed, if so elected by traveler. Claims for actual expenses must be approved by the President of the Bank, or the Executive Vice Presidents, or Senior Vice President (Finance), or the Vice President and Controller. In the case of lodging, actual expenses incurred shall not exceed those as determined from time to time by the President of the Bank.

5. Consultants contracted by this Bank will get the per diem authorized in the contract. If not specified in the contract, said per diem will no exceed $52.25 for traveling within Puerto Rico and $100.00 when traveling outside Puerto Rico for consultants who are residents of Puerto Rico. Unless otherwise stated, consultants who are residents of the United States will be entitled to a daily per diem of $100.00.

6. When traveling or visiting in any official mission, outside of Puerto Rico and/or United States, previous consultation should be made to the Department of State or to whatever office is properly designated for such consultations. Employees temporarily stationed at any place other than official station for a period in excess of one month may be granted the per diem authorized by this regulation or a flat compensation or allowance at a lower rate as determined by the President of the Bank or his duly authorized representative.

H. Allowable expenses incidental to official travels:

1. Services:

Hotel reservation expenses
Taxi fare
Official telephone calls
Bank charges
Plane and train fare
Baggage transfer
Surcharge for excess baggage (Properly vouched)
Baggage storage
Baggage checking

Porter and maid tips
Road, bridge and ferry tolls
Parking
Travel reservation expenses
Insurance (Aviation accidents only as subsequently described in Item "d" and personal effects and baggage insurance)
Valet and laundry expenses (Properly vouched)

2. Fees and cost for the securing of:

Passports
Visas
Photographs for passport and visas
Birth certificates
Inoculations

3. Other allowable incidental expenses at actual costs:

a. Telephone, telegraph, cable and radio business messages.

b. Two personal telephone calls of three minutes each will be allowed per employee for each trip while on official business outside Puerto Rico.

c. Rental of:

1) Hotel rooms necessary for business purposes
2) Business machines
3) Winter coats (properly vouched)

d. Freight, express or storage charges on bank property or required personal property.

e. Services of:

1) Secretaries, stenographers and clerks
2) Guides, interpreters, packers, drivers of vehicles.

f. Charges or fees for:

1) Foreign currency conversion
2) Cashing of bank checks or drafts
3) Obtaining traveler's checks

4. Insurance:

   a. Insurance will be provided for air transportation with the payment of a premium of not more than $5.00 when traveling locally or overseas.

   b. Premium cost of personal effects and baggage insurance up to a maximum coverage of $2,000 per individual traveler and of $4,000 when accompanied by his or her spouse. Said expense is authorized in an amount not to exceed the premium cost charged by insurance companies consistent with the number of days covered by the official trip.

   The above insurance expenses will be reimbursed only upon presentation of acceptable supporting evidence.

I. Unallowable Expenses:

1. Expenses of a personal pleasure nature even if such expenses would not have been incurred if the trip had not been made.
2. Personal telephone, telegraph, cable and radio messages, except those provided for in Article II. H. 3. b.
3. Rental of radio, television or movies.
4. Entertainment (Personal)
5. Automobile expenses for personal use.
6. Loss or damage to personal property. (See Article II. H. 4. b. of Other Provisiones Related to Per Diem.)
7. Medical expenses

III. Representation Expenses (Exhibit II):

A. Authorized Expenses

1. Public relations expenses when incurred by officers of this Bank in entertaining guests provided such expenses are incurred as part of the public relations program contained in the yearly budget as approved by the Board of Directors.

2. Meal expenses when incurred with officers of the Commonwealth of Puerto Rico, its agencies and instrumentalities, the Municipalities and other guests, as approved by the President of the Bank or his duly authorized representative.

3. With the approval of the President of the Bank, his duly authorized representative or the Comptroller, meal expenses incurred by officers and employees when dedicating their meal time to the Bank's official business, as a continuation of regular working hours.

B. Unallowable Expenses:

1. Parties, for the benefit of the employees of the Bank.

2. Farewell parties to officers and employees of the Bank, except as authorized by the Board of Directors.

C. All activities should be approved in accordance with the following rules:

1. Activities initiated by an employee of a department must be approved by the Director of said department, prior to reimbursement, except those that need the approval of the President.
2. Activities initiated by a Director of a department or an Assistant Vice President must be approved by the President, the Executive Vice President or the Vice President and Comptroller.
3. Activities initiated by a Vice President must be approved by the President of the Bank.
4. Activities initiated by the President of the Bank should be revised by the Comptroller to determine the sufficiency of the supporting evidence.

In all expenses, sobriety will prevail and it is the duty of the Auditor to bring to the President's attention any violation to this precept.

IV. Travel Expense Report (Exhibit III):

A. Purpose

1. To outline responsibilities for the control and reporting of travel expenses.
2. To provide the mechanics necessary to the reimbursement of such expenses.

B. Procedure

1. An Order to Travel must be approved before each trip, except for those in the San Juan Area, which may be authorized verbally.

2. The officer in charge of Special Activities is responsible for the procurement of transportation tickets, unless the individual traveler makes arrangements of his own. He is also responsible for obtaining refunds of unused tickets.

3. Travel advances must be settled not later than thirty (30) calendar days from date of return.

4. If a traveler's trip extends beyond thirty (30) days, he must mail his Travel Expense Report to the proper authorized signer not later than the third day after expiration of said thirty (30) days.

5. When travel advances are not settled within the prescribed period, the Comptroller shall issue instructions to the officer in charge of the Control and Budget Unit to make a preliminary settlement of such advances until a final Travel Expense Report is submitted by the individual traveler. In the case of travelers that work for the Bank on a contract basis, any balance due on a preliminary settlement will be deducted from subsequent payments.

6. The traveler shall submit the Travel Expense Report form in complete detail, sign and attach to it all the supporting vouchers, and will submit it to the authorized signer for review and approval. The supporting vouchers include but are not limited to:

   a. copy of Order to Travel

   b. flight ticket and boarding passes

   c. hotel ticket (when claiming actual lodging expenses)

   d. Seminar or Convention program

   e. invoice for insurance expenses

   It will then be forwarded to the Control and Budget Unit for final settlement.

7. Authorized signers are responsible for the documentation and approval of travel expense reports submitted by the employees under their jurisdiction.

8. In order to provide for the allocation of expenses on the fiscal period in which they are incurred, monthly traveling expenses must be settled within the current fiscal year or thirty (30) days, whichever the first.

9. It is the responsibility of the Office of the Comptroller to:

   a. Maintain currently and review monthly Employees Accounts Receivable (Travel Advances).

   b. Follow up each account reflecting a balance due to the Bank.

   c. Provide each authorized signer with a monthly statement reflecting in detail the balance due by employees under his jurisdiction.

FORM NO. 2 - Accounting
Revised - 6/15/72

Commonwealth of Puerto Rico
GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

ORDER TO TRAVEL

To: _____ Date: _____

_____

You are hereby authorized to travel pursuant to the terms and conditions of this ORDER TO TRAVEL and of the TRAVEL and of the TRAVEL AND EXPENSE REGULATION of this Bank, as follows:

1. Destination: _____

_____

2. Purpose of Trip: _____

_____

3. Approximate duration of business: _____

4. Leaving on or about: _____

5. Means of transportation: ☐ Public Car ☐ Private Car ☐ Plane ☐ Boat

6. Allowable per diem, according to TRAVEL REGULATION : $ _____

7. It is hereby authorized and advance of funds for traveling of: $ _____

8. Authorization is also granted to _____ to accompany you in this trip and be entitled to travel expense and per diem of $ _____

9. Upon completion of the duties assigned, you have to return to your Home Office, unless otherwise authorized.

I certify that this travel is necessary for and in the interest of the Government Development Bank for Puerto Rico.

_____
Authorized Signature

DISTRIBUTION:
Original - Accounting-for advance needed or with Travel Expenses Account.
Copy 1 - Auditing p/c Comptroller.
Copy 2 - Personnel Office.
Copy 3 - Issuing Department.

NOTE: See terms and conditions governing the advances of funds on the back.

EXHIBIT II

BANCO GUBERNAMENTAL DE FOMENTO PARA PUERTO RICO
San Juan, Puerto Rico

_____
Fecha

INFORMACION CON RELACION A INVITADOS

Fecha de la actividad: _____

Lugar: _____

Persona responsable: _____

Actividad (Breve descripción): _____

_____

Cantidad: $_____

ASISTENTES

	Nombre	Título	Entidad que representa
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Certifico que los gastos señalados anteriormente fueron incurridos por mí en gestiones oficiales de mi cargo.

_____
Firma

Aprobación del supervisor inmediato: _____

Aprobación del Contralor del Banco: _____

Cárguese a: _____

EXHIBIT III

Form No. 1-Accounting
Revised- February - 1982

Commonwealth of Puerto Rico
GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
Santurce, Puerto Rico
TRAVEL EXPENSE ACCOUNT

Trip to: _____

Date and Time of Departure: _____

Date and Time of Arrival : _____

Date	Advances - Description	Subtotals	Total Amount
	Total . . .		
	Claims - Description		
	Total . . .		
DUE (TO) - (BY)			

Approved-Supervisor	
Computed by:	
Verified by:	
Approved for payment:	

I certify that the above expenses were severally incurred by me while engaged on official travel.

_____
Signature

_____
Official Title

_____
Date

Charge to: (Name of Account)

Distribution:
Original and Copy 1 - Accounting
Copy 1 - To be sent to General File
Copy 2 - Personnel Office
Copy 3 - Individual Traveler

(See over for rules and instructions)

RULES AND INSTRUCTIONS

Under advances, please include the following information:

1. Cash advance or travelers checks
2. Air flight ticket if paid by Bank
3. Payments for Hotel Reservations
4. Seminar or Convention fees (if applicable)

Expenses listed below are reimbursable provided they are directly attributable to official business. Places where incurred should be expressed:

1. Per diem for meals
2. Lodging expenses or per diem
3. Representation expenses properly vouched
4. Cost of Seminar or Convention fees
5. Plane and/or train fare
6. Hotel reservation expenses
7. Taxi fare
8. Telephone calls
9. Bank charges
10. Baggage transfer
11. Baggage surcharges for excess
12. Baggage storage
13. Baggage checking
14. Porter and maid tips
15. Road, bridge and ferry tolls
16. Parking
17. Travel reservation expenses
18. Insurance (properly vouched)
19. Valet and laundry expenses (properly vouched)
20. Rental of winter coats
21. Fees and cost for the securing of:

    a. Passport
    b. Visas
    c. Photographs for passport and visas
    d. Inoculations
    e. Birth certificates

The following expenses are not considered attributable to official business:

1. Personal telephone calls
2. Rental of radio, television or movies
3. Automobile expenses for personal use
4. Medical expenses
5. Entertainment (personal)

All regulations or orders of the President of the Bank regarding the of adequate invoices or receipts should be complied with.

CERTIFICATION

I, do hereby certify, having examined this Travel and Expense Regulation, and found it consistent with the Auditing Division Requirements.

Roberto Quevedo Barea
Vice President and
General Auditor

APPROVAL

This Travel and Expense Regulation was approved by the Board of Directors on March 9, 1982 through Resolution No. 4659.

Sarah M. Rodríguez
Vice President and Controller