

CALTRANS TRAVEL TIP 2005-05
FREQUENT FLYER MILES / POINTS
(November 17, 2005)

This note has been approved by Clark Paulsen, Chief of the Division of Accounting, to be sent to all Caltrans e-mail users by the Travel Policy Section. The Caltrans Travel Tip is intended to communicate the Department's travel policies quickly and efficiently to all Caltrans employees.

The Department of Personnel Administration (DPA) issued Personnel Management Letter 2005-046 informing Departments that the State's travel premium (frequent flyer miles / points) policy has changed.

Beginning December 1, 2005, employees who earn travel premiums while traveling on official State business may now use these travel premiums for their personal use.

The change in policy is because:

- Federal Government policy (Federal Travel Regulation, Section 301-53.2) allows Federal employees the right to use travel premiums as they wish.
- The IRS does not view travel premiums as a fringe benefit or income; therefore, there are no tax implications associated with personally receiving or using these premiums.
- It is not practical or cost effective to track and monitor the personal use of travel premiums.

DPA will continue to follow the Federal Government's rules related to this issue. Future Federal Government policy changes may require a change to State policy.

If you have any questions or need assistance on this subject, please contact Katie Kennedy at (916) 227-8652.

For individuals with sensory disabilities, documents may be obtained in alternative formats. To obtain such services, please e-mail Gilbert Petrissans at Gilbert_Petrissans@dot.ca.gov. TTY users may also call (711) or 1-800-735-2929.

Happy Travels.



Cal T. Rans

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