

EXECUTIVE SUMMARY

In the past 12 months Buncombe County has implemented the Lawson Financial System Expense Management module. This implementation required a change in the business process of reimbursing employees for work related expenses, including Travel.

The proposed changes to the Buncombe County Travel Policy bring the policy up-to-date and in compliance with the new process for requesting, reporting and reconciling employee travel. Per Diem allowances and instructions have been modified to follow the new U.S. General Services Administration (GSA) guidelines.

Section 8.0 regarding Meals Away From Home but Not Overnight Travel has been changed to follow IRC §162(a) (2). This code requires that allowances made for meal without overnight travel are considered to be taxable wages. Current policy allows for such payments to be made tax free to the employee. **This is a significant change in policy that will require all payments for meals without overnight travel to be taxable wages to the employee.**

The changes are being recommended to accommodate the new Expense System and be in compliance with IRC §162(a) (2).