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EXECUTIVE ORDER

Concerning State Employee Travel

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, Bill Owens, Governor of the State of Colorado, hereby issue this Executive Order concerning state employee travel.

1. Background and Purpose

A recent performance audit of the Statewide Travel Management Program revealed that state employees traveling on official business have cost the taxpayers of the State of Colorado 4.3 million dollars more than necessary by failing to utilize several common sense cost saving strategies. For example, according to the report, state travelers spent \$16,700 on unnecessary car rental insurance. State travelers who irresponsibly use their state issued travel cards for personal expenditures on which they default cost the State of Colorado \$42,000 a year in volume savings and state employees spent \$1.1 million unnecessarily on late purchases of airline tickets. Employees who failed to secure less expensive Internet airfare rates lost significant savings opportunities for the taxpayers of our state.

The state auditor's report confirms that the State of Colorado lacks an adequate system to monitor employee travel and the expenses generated through this travel. While a Colorado Statewide Travel Management Program has been in place since 1994, the state auditor makes a compelling case for reform of this system. That is why I support and plan to sign Senate Bill 243 if it is adopted by the General Assembly to abolish this program effective July 1, 2004.

In light of the need to reform Colorado's state employee travel policies, I am directing all executive departments of state government to adopt new procedures to take advantage of the savings available to the State of Colorado through increased vigilance of our official business travel activities. By this Executive Order I am encouraging Institutions of Higher Education to adopt consistent procedures to accomplish these travel reforms. It is my intention that all travel management reforms including their implementation and enforcement will be accomplished using existing state resources.

2. Directive

To better manage the State of Colorado's necessary employee travel expenses I direct the following:

A. Procedures for approved state travel

Each executive director of a principal department of state government or his or her designee shall require pre-approval in writing of all out-of-state travel performed by their state employees.

Each executive director of a principal department of state government shall designate an individual to be responsible for overseeing compliance and enforcement of travel rules and policies.

The Department of Personnel and Administration shall develop rules requiring submission of receipts for reimbursement for per diem allowances unless the executive director's travel compliance designee approves the purchases in writing.

I direct the Department of Personnel and Administration to educate director's travel compliance designees, department controllers, and department purchasing agents concerning proper oversight, compliance and enforcement actions pursuant to the rules required to be developed by this Executive Order.

The Department of Personnel and Administration shall adopt rules and procedures to expressly permit the purchase of Internet airfares if the Internet fare will achieve a cost savings compared to purchase through an approved state travel agent.

B. Procedures for a State of Colorado travel card

Effective May 1, 2003, the State of Colorado will utilize a new state travel credit card to facilitate transactions regarding necessary and approved state employee travel. I direct the Department of Personnel and Administration to develop appropriate rules and regulations to require that this state travel card be used for both in-state and out-of-state travel purposes. It is my intent through this directive to enable employees to use their individual state travel card or the applicable department, agency or institution state travel card for official business travel purposes.

Purchases with a state travel card are currently restricted to expenses incurred for the benefit of the state and completed using the most economical means available which will satisfactorily accomplish the state's business. Nevertheless, some purchases are made that do not legitimately relate to official state business. Therefore, I direct the Department of Personnel and

Administration to develop appropriate rules and regulations to require state employees who make purchases in violation of the state benefit rule personally responsible for payment of those unauthorized purchases. Similarly, the Department of Personnel and Administration shall seek to amend the state personnel rules if necessary to subject a state employee who fails to pay his or her state issued travel card bill to disciplinary action including termination from employment with the state at the discretion of the employee's hiring authority.

C. Rental car use

I request that the Department of Personnel and Administration use best efforts to negotiate a provision in the July 2003 car rental contract that includes penalties if car rental companies awarded state contracts sell unnecessary insurance to state employees.

I direct the Department of Personnel and Administration to develop rules and regulations preventing state employees who accept unnecessary automobile rental insurance from receiving reimbursement for the purchase of this insurance.

D. Travel to Washington D.C.

The State of Colorado spends an estimated 7.5 million dollars in travel to the Washington, D.C. area. Some of this travel is unnecessary or duplicative. Accordingly, I direct all principal departments of state government to submit travel plans to the Office of the Governor's travel designee in advance of travel to Washington, D.C. Travel plans required by this subsection shall include, the purpose of the trip, length of stay, the cost of the trip, intended source of payment for the trip, and a schedule of all appointments with any member of Congress or his or her staff or federal government department or agency personnel.

E. Institutions of Higher Education

I instruct the executive director of the Colorado Commission on Higher Education to develop a proposed travel policy consistent with this Executive Order for consideration by the Colorado Commission on Higher Education. The executive director shall work with the Commission to achieve adoption of a travel policy pursuant to the Commission's authority to establish system-wide policies concerning administrative costs.

In the interim, I encourage the Presidents of state-supported institutions of higher education to adopt their own travel policies to coordinate with this Executive Order, including requiring written pre-approval for all out-of-

state travel, procedures governing reimbursement accountability and procedures allowing maximum cost savings.

F. International Travel

This Executive Order recognizes that international travel authorization is required pursuant to State of Colorado Fiscal Rule 5-1 .03. This rule provides:

“Prior written or electronic authorization by the chief executive officer, or a delegate, of a state agency and the governor, or a delegate, shall be required for all international travel, except for the Department of Higher Education. Prior written authorization by the executive director of the Colorado Commission on Higher education shall be required for all international travel by employees within the Department of Higher Education. The executive director of the Colorado Commission on Higher Education, with approval of the State Controller, may delegate the authority to approve international travel to the chief executive officer, or a delegate, of a specific higher education institution.”

3. Implementation

All departmental changes necessary to implement the reforms contained in this Executive Order shall be made within existing budgetary appropriations. Departments shall not seek additional resources from the legislature to comply with the provisions of this Executive Order.

4. Duration

This Executive Order shall remain in force until modified or terminated by further executive order of the Governor.

GIVEN under my hand and
the Executive Seal of the
State of Colorado, this 17th day
of March, 2003.

Bill Owens
Governor