



Dear \_\_\_\_\_:

This will confirm the financial terms of your assignment with \_\_\_\_\_ on behalf of ATC.

1. Your straight time wage rate will be \$\_\_\_\_\_ per hour.
2. Your overtime rate for each hour worked over eight (8) in a single workday will be \$\_\_\_\_\_ per hour. [Note: 40 hours in a workweek outside California.]
3. Shift differentials, if applicable, will be as follows:
4. During the period that you are eligible for *per diem* travel allowance, in accordance with ATC's policies, you will be paid an allowance of \$\_\_\_\_\_ per day for each day worked.
5. You agree to provide certificates of qualification and any documentation ATC reasonably requires to substantiate eligibility for travel allowance payments upon ATC's request.
6. In addition to the per diem travel allowance referenced in paragraph 4 above, you may be allowed reimbursement for reporting and travel costs. If you voluntarily terminate your employment within \_\_\_\_\_ months after reporting to work at Client and prior to the completion of your assignment at Client, or if your employment is terminated for just cause within such period, the travel and incidental cost paid by ATC of your reporting travel to Client will be deducted from wages owing you and refunded to ATC to the extent permitted by law. You shall reimburse ATC for the balance if any, thereafter due. ATC will pay return travel costs in the amount indicated above or will pay your reporting costs to your new assignment for ATC at the completion of your assignment to this project.
7. Duration of assignment: \_\_\_\_\_
8. Client assignment: \_\_\_\_\_
9. Required hours: \_\_\_\_\_



## How to Treat Travel Reimbursements as Compensation for those Employees not eligible for per diem travel allowance?

1. ATC could pay the employee compensation subject to withholding taxes and other payroll deductions and indicate the amounts so paid as other compensation on the W-2 form and the employee might then be able to take them as business related expenses. ATC should offer no advice to the employee in this regard and inform them to get independent tax advice.
2. Don't Forget: Ineligibility for per diem travel allowance may also be the result of the expiration of the "one-year rule". The one-year rule limits to twelve months the period, if qualified, that per diem travel allowance may be paid to an employee on a tax-free basis.
3. Payments made pursuant to "non-accountable" plans (see 1. above) must be included in the employee's gross income and the employee can then deduct this type of payment from his taxes as a business expense as itemized deductions (provided substantiation and other deductibility standards are met) subject to IRC 5 § 67 and 68.

Employees must provide an "adequate accounting" to the employer of the mileage incurred along with tolls, etc. to be reimbursed for submitted travel expenses.

Non-accountable plans are used when all requirements of an "accountable" plan are not met. This is usually as a result of a lack on the employer's part rather than the employee being ineligible for payment.

4. Keep in mind that all travel reimbursement is for business related travel while away from home. Commuting to and from work from your home is not generally reimbursable. Accordingly, if the employee has only one home at the worksite then there is no travel away from home.



**Certification of Per Diem Travel Allowance Eligibility**

I, \_\_\_\_\_, certify that the following is my permanent residence address:

\_\_\_\_\_  
Street & Number:

\_\_\_\_\_  
City & State:

I understand that my eligibility for *per diem* travel allowance is contingent upon my incurring duplicate living expenses by maintenance of a permanent residence farther than fifty (50) miles from the facility at which I am assigned to work, and further, that I maintain a temporary residence nearer my place of work. I am aware that by moving my permanent residence to any point closer than fifty (50) miles of the facility at which I am assigned or abandoning my temporary living quarters, my travel allowance will be subject to immediate review and discontinued if eligibility cannot be reestablished.

My temporary address is:

\_\_\_\_\_  
Street & Number:

\_\_\_\_\_  
City & State:

I am registered to vote in the city of \_\_\_\_\_, in the State of \_\_\_\_\_.  
As proof of location of my primary residence, I hereby submit a copy of: a current drivers license **OR** a current motor vehicle registration **OR** a signed resident tax return filed with the State taxing authority.



I further agree to notify ATC at once in writing of any change in the status of either my permanent or temporary residence, giving new addresses when applicable.

(Signed) \_\_\_\_\_ Date

(Witnessed) \_\_\_\_\_ Date

This certification **must be completed** and returned to Mirlene Myrthil, Payroll Manager at ATC Corporate to assure payment of per diem travel allowance. If this certification is not executed and returned to ATC Corporate, the Employee will incur taxable income charges equal to the per diem travel allowance.



## Per Diem ("Travel") Allowance Policy

To be eligible for *per diem* travel allowance in any week, Employee's must complete and submit to ATC an approved timecard (or equivalent) signed by the employee and an authorized agent of the Client. Travel Allowance payments shall be governed by and in accordance with the corporate policy of ATC and applicable law. Travel Allowance is paid for all days the Employee is on assignment provided the terms of this policy and applicable law are satisfied.

During such period as Employee is eligible for subsistence allowance for lodging and meals and incidental business travel related expenses, Employee will be paid a determined per diem travel allowance, per day, for the period of Employee's continuous temporary employment, not to exceed the shorter of one year from the date of initial assignment or the date when ATC's reasonable expectation, if any, that the assignment will be greater than one year, including holidays and periods of bona fide sickness or injury. Employee will not be eligible for per diem travel allowance during periods of Employee requested time off, vacation, or other full day absences or departures from assignment.

If you begin another assignment for ATC where Employee is eligible to *per diem* travel allowance, Employee must complete new forms of attestation for that assignment.

**I have read and understand this policy:**

Signed \_\_\_\_\_ Date: \_\_\_\_\_