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Virginia Port Authority
600 World Trade Center
Norfolk, Virginia 23510-1617
Telephone (757) 683-8000
Telecopier (757) 683-2897

J. Robert Bray
Executive Director

Virginia Port Authority
Board of Commissioners Meeting
January 28, 2003

John G. Milliken, Chairman
Remarks regarding VPA Travel Policy

Eight months ago the Warner Administration directed a review of state policies relating to travel. Legitimate questions had been raised about certain earlier practices and the Governor directed that a review be made to insure public money was being properly spent.

The Port Authority has participated in that review. We recognize that we are not a typical state agency. One of our principal jobs is to market the Port of Virginia and to market the Commonwealth as a place to locate your business if you are a principal user of port facilities. In that marketing we are in head-to-head competition with New York, Savannah, Charleston, Baltimore and others. A part of our job is to win new customers and to show appreciation for existing ones. We travel a lot. We stay in hotels and eat meals around the country and around the world in search of new business for Virginia's ports.

We are a public agency, but I would remind everyone approximately half of our funds are revenues generated by terminal operations. The public funds we receive are used in connection with capital projects. Our operating revenues are generated by the business we run and pay the expenses required to make that business a success.

Having said that, we have a public responsibility to use Port funds prudently and wisely. So while we are different, we share a responsibility with all other state officials.

In our proposed travel regulations we have tried to strike that balance. Some issues are clear. First class air travel is not permitted. Business class travel is permitted only in limited circumstances and to make a point clear, a traveler cannot aggregate two or more short trips and call it a long trip justifying business class.

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Remarks regarding VPA Travel Policy

John G. Milliken, Chairman

VPA Board of Commissioners

In our travels and our regular day in and day out expenses for meals and incidentals, the VPA policy is identical to the general state policy. When we are entertaining business clients or potential clients, flexibility is given to the Executive Director to approve meal expenses that are reasonable and necessary. In reviewing such expenses, he will use the Internal Revenue Service guidelines for assistance. In order that there be a regular review of the use of the exception, the Executive Director will provide to the Executive Committee of this Board a semi-annual review of meal and other entertainment expenses approved in excess of the general statewide guidelines.

I believe the new VPA policy will insure the prudent use of Port resources in the future.

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