

FDA Staff Manual Guides, Volume III – General Administration

Financial Management - Travel

Gainsharing

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1. Purpose

This Staff Manual Guide (SMG) describes the FDA Gainsharing Travel Savings Program and eligibility for a Travel Savings Incentive Award (TSIA) for FDA civilian employees.

The [Government Organization and Employees Incentive Awards Act \(5 U.S.C. § 4501-4507\)](#) authorizes an agency to pay a cash award for “personal effort” that improves “efficiency” or “economy.” The FDA Gainsharing Travel Savings Program (“Gainsharing Program”) is designed to reward employees who save the government money while on Temporary Duty (TDY) travel.

2. Policy

A. General

1. Participation in the Gainsharing Program is not mandatory. Employees are encouraged to participate, although participation is strictly optional.
2. The TSIA is based on savings of FDA funds. If the travel is paid for by another government agency or a non-governmental organization, FDA funds are not involved; therefore, it is not eligible for FDA’s Gainsharing Program.

3. Only savings for travel expenses related to lodging, use of frequent flyer miles, and/or use of alternative transportation are eligible for a TSIA (see sections C, D, and E).
4. Employees must use the government issued travel charge card and government provided E-Gov Travel System (ETS) to arrange for common carrier transportation, lodging, and a rental car, when these services are provided by the Agency. Exceptions:
 - a. Employees who are using frequent flyer miles, hotel loyalty, or rewards programs to cover the entire cost of the ticket or lodging.
Employees who are incurring no cost lodging (e.g., staying with a relative or friend).
5. Gainsharing travel savings are issued as a payroll award and do not impact other award program limitations.
 - a. Each Center/Office/Program (COP) should plan for potential gainsharing award expenses within their spend plan.
 - b. Gainsharing awards come from the traveler's COP.

B. Types of Travel Covered

1. TDY travel by civilian FDA employees for FDA official business.
2. Extended details are eligible. The Gainsharing award would be calculated according to applicable regulation and based on the reduced per diem rate for extended details.
3. Relocation, sponsored, and local travel are not covered by the Gainsharing Program.
4. Employees are not entitled to a TSIA if a travel arranger or preparer is used to book the travel.

C. Lodging – Employees who participate in the Gainsharing Program can receive cash awards for incurring lodging expenses at a daily rate that is less than the maximum lodging rate for the locality as established by the General Services Administration (GSA), the Department of State (DoS), or the Defense Travel Management Office (DTMO) depending on type of travel.

1. Lodging should be at a Federal Emergency Management Agency (FEMA) approved property for domestic travel.

2. If an employee and a co-worker choose to share a room while on official travel and there is a lodging savings, the employees would be entitled to Gainsharing.
 - a. Employees should arrange to be billed separately.
 - b. If separate bills are not possible, a daily rate must be determined for each employee. Divide the total lodging costs by the number of employees and the number of nights to arrive at a daily rate for each employee.
 3. Employees who stay with someone while on official travel and avoid lodging expenses will receive credit for half of the lodging rate for the locality toward the travel savings cash award.
 4. Lodging That is Not Eligible:
 - a. Lodging that was prepaid or prearranged, and lower hotel rates that were the result of contractual arrangements with the hotel.
 - b. Lodging costs incurred on personal time, such as annual leave in conjunction with official travel or any other type of personal preference travel used with official travel, will not be counted as lodging savings under the Gainsharing Program.
 5. Reduction of Savings – Lodging savings must be reduced by the amount of any additional transportation costs incurred as a result of staying at lodging more distant from the TDY site. Additional transportation costs should be calculated using the same methodology that is used to calculate Actual Expenses. GSA mileage rates should be used for determining the cost of additional fuel.
- D. Use of Alternative Transportation – Under certain circumstances, employees may receive a TSIA for choosing privately owned vehicle (POV) transportation for trips traditionally requiring air transportation. Use of a POV must be approved in advance and in accordance with the requirements outlined in the [Federal Travel Regulation \(FTR\) § 301-10.4](#).

Travel by common carrier (i.e., air, rail, or bus) is presumed to be the most advantageous method to perform official travel and must be used when reasonably available. There must be a balancing test performed to determine whether travel by POV would be most advantageous to the government.

1. Gainsharing travel savings are not earned if an employee is authorized to use a government owned vehicle (GOV) and chooses to drive their POV claiming the reduced mileage rate.

2. To be eligible for Gainsharing, the approved travel by POV cannot increase the number of hours in transit and/or reduce the time available for an employee to accomplish work.
3. If travel by POV for Gainsharing includes travel on employee's own time, the employee may not receive additional per diem (e.g., if the employee's travel by POV requires additional personal travel days, such as weekends). The travel order must note that "early departure is at traveler's discretion and no additional per diem is authorized."

E. Redemption of Frequent Flyer Benefits

1. Employees who obtain a free ticket with frequent flyer benefits, earned on either official government or personal travel, are eligible to receive a TSIA.
2. Savings will be measured against the contract rate in effect at the time of the flight, plus the applicable Travel Management Center (TMC) fee.

F. Amount of Award

1. The amount of the award will be 50 percent of the savings on the lodging, airfare, and/or alternative transportation (e.g., use of POV).
2. TMC processing fees must also be deducted prior to any savings calculations.
3. Applicable taxes will be withheld.

G. Criteria for Award

1. All employees who save at least \$250 in a given fiscal year for FDA will be eligible to receive a cash award.
2. Payments will be made twice a fiscal year (approximately every six (6) months).
Note: If an employee saves over \$250 and receives an award during the first payout, the employee is eligible for a second award, even if the amount saved is less than \$250 for the period covered for the second payout, because the annual requirement was met.

3. References

- A. Federal Travel Regulations (FTR), Chapter 301-10.4
(<https://www.ecfr.gov/current/title-41/section-301-10.4>)

- B. 5 U.S.C. § 4501-4507
(<https://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title5-chapter45&edition=prelim>)

4. Responsibilities

A. Senior Travel Official (STO)

1. Distributes the data calls for Gainsharing award submissions.
2. Serves as final authority on any disputed or rejected Travel Savings claims.

B. Traveler

1. Completes, signs and submits the FDA Travel Savings Form (Form FDA 4073) to the Division of Travel Services' (DTS) FDA Senior Travel Officer (STO) Mailbox (seniortravelofficer@fda.hhs.gov) with the applicable travel voucher for each trip where savings have resulted. *Note: More than one (1) Gainsharing reward can be annotated on the FDA Travel Savings Form (Form FDA 4073).*
2. Maintains the approved FDA Travel Savings Form(s) (Form FDA 4073) until the \$250 threshold has been met and the data call is distributed from the Office of Financial Management (OFM).
3. Submits responses to the Gainsharing data calls by attaching the signed completed FDA Travel Savings Form(s) to the Reward and Recognition Program Nomination (Form FDA 3450). The Reward and Recognition Program Nomination Form must be signed by the employee's supervisor.

C. Traveler's Supervisor

1. Reviews the Reward and Recognition Program Nomination Form FDA 3450 (with supporting approved Travel Savings Forms).
2. If the threshold has been met, signs and routes the Reward and Recognition Program Nomination (Form FDA 3450) to the Office of Human Capital Management (OHCM) for processing.

D. Division of Travel Services

1. Reconciles the amount requested on the FDA Travel Savings Form (Form FDA 4073) against the previously approved voucher(s).
 - a. Mathematical accuracy of savings calculations
 - b. Compliance with eligibility requirements
 - c. Proper documentation (receipts, vouchers, etc.)

2. Reviews and approves or rejects each claim. If approved signs the Form FDA 4073 and returns it to the employee.

E. Office of Human Capital Management

1. Ensures the Reward and Recognition Program Nomination (Form FDA 3450) is completed properly and all Form FDA 4073s are attached.
2. Processes the TSIA and they initiate the personnel action.

5. Effective Date

This policy was signed by Sahra I. Torres-Rivera, Deputy Chief Financial Officer (DCFO), and is effective July 6, 2026.

6. Document History – SMG 2344.1, Gainsharing

Status (I, R, C)	Date Approved	Location of Change History	Contact	Approving Official
Initial	07/01/2026	N/A	OO/OFBA/ OFM	Sahra I. Torres-Rivera, DCFO

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Appendix A – Gainsharing Travel Savings Examples

The following are examples of how to evaluate travel savings:

- A. **Additional Transportation Expenses:** Normally, when I travel to a particular location, I stay at a hotel near my temporary duty point and incur no transportation expense between the hotel and where I am going to work. Instead, to be eligible for a travel Gainsharing award, I stay with a friend at no cost to the government, but now my transportation cost would be \$5 each way.

The Approving Official determines that the savings should be reduced by the \$10 per day in transportation costs.

- B. **Lodging with Additional Transportation:** The government hotel rate is \$100 per night, but the employee was able to get a room for \$50 per night. However, the additional transportation to the cheaper hotel was \$30 per day.

The lodging savings to the Agency is \$20 per day (i.e., actual lodging costs

minus additional transportation).

Note: Additional transportation may include, but is not limited to, costs associated with taxis, TMCs, rental cars, parking, tolls, and fuel (use GSA mileage rates to determine).

- C. **Early Return:** I am in travel status at a TDY location. I had planned to complete my assignment on Friday but finished early and returned home on Thursday.

Your travel status ended when you returned home on Thursday. The government was not obligated to pay any lodging expense Thursday night since you were not in travel status. Since there was no obligation to pay for lodging, no travel savings were realized.

- D. **Travel Status:** I am taking a government trip to attend a meeting. Normally, I would leave the day before the meeting, spend the night, and receive reimbursement for my lodging expense. Instead, I leave very early the day of the meeting.

By leaving the day of your meeting, you were not in travel status the night before; therefore, you did not incur any reimbursable lodging expense; therefore, no savings was realized, and you are not eligible to receive a TSIA.

- E. **Frequent Flyer Miles:** The contract carrier rate was \$1,000 round trip. The employee uses his or her frequent flyer benefits for a half-price ticket (i.e., \$500 benefit) and has a TMC fee of \$20.

The airfare savings to the Agency is \$480 (i.e., frequent flyer benefits minus TMC fees).

Appendix B – FDA Travel Savings Form (Form FDA 4073)

Form FDA 4073

Appendix C – Reward and Recognition Program Nomination (Form FDA 3450)

Here is the URL for the Reward and Recognition Program Nomination (Form FDA 3450)

Note: It must be opened in the application: FDA-3450_Dyn_Sec_Ext_01-04-23.pdf