



CITY OF  
**ELK GROVE**

PROUD HERITAGE. BRIGHT FUTURE.

# Interoffice Memorandum

March 30, 2009

.....  
Date

All Employees

.....  
To

Laura S. Gill, City Manager

.....  
From

City of Elk Grove Administrative Policy  
**Employee Travel and Expense**

.....  
Subject

The City of Elk Grove has recently updated its Employee Travel and Expense Administrative Policy to ensure consistent travel throughout the organization. The purpose of the policy is to establish business travel guidelines for employees that are fair, accountable, and transparent.

It is in the best interest of the City for employees to remain informed and trained in activities, developments, and professional trends affecting their ability to provide high-quality external and internal customer service. As such, attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its residents.

The Administrative Policy (AP) applies to all City of Elk Grove (City) employees who travel on official business for the City of Elk Grove. Contract employees and consultants are not covered under this AP: they will be governed by the contractual agreement between their company and the City of Elk Grove. It does not include members of the City Council, Planning Commission, other Advisory Commissions/Committees, or groups as those entities are subject to a separate Council adopted policy, Resolution 2006-295.

Training for Managers and specific staff will be scheduled shortly. The Travel Report Form mentioned in this policy can be accessed on elknet on the Finance Web page. For specific questions related to this policy, please contact the following staff members:

- ✓ Kara Reddig, Assistant to the City Manager, [kreddig@elkgrovecity.org](mailto:kreddig@elkgrovecity.org), (916) 478-2249
- ✓ Rebecca Craig, Finance Director, [rcraig@elkgrovecity.org](mailto:rcraig@elkgrovecity.org), (916) 627-3423



# City of Elk Grove

## Administrative Policy

### Employee Travel and Expense

No. 1500-002

**Date:** 3-30-2009  
**Revised:**

**Department:** Finance

**Authority:** City Manager

This Administrative Policy is declarative of existing City policy, is issued under the authority vested in the City Manager, and shall remain in place unless and until rescinded or superseded.

*Laura S. Gill*

**Laura S. Gill, City Manager**

## Table of Contents

SUMMARY OF THE EMPLOYEE TRAVEL AND EXPENSE POLICY	1
1.0 SCOPE:	1
1.1 PURPOSE:	1
1.2 POLICY:	1
SECTION 2 - GENERAL GUIDELINES	1
SECTION 3 - PROCEDURES	2
SECTION 4 - DEPARTMENT SPECIFIC FORMS	3
SECTION 5 - TRAVEL AUTHORIZATION	3
SECTION 6 - PAYMENT	3
SECTION 7 - AUTHORIZED TRAVEL	4
SECTION 8 - UNAUTHORIZED EXPENSES	4
SECTION 9 - TRANSPORTATION	5
SECTION 10 - TRAVEL TIME AND HOURS WORKED	6
SECTION 11 - LODGING	7
SECTION 12 - MEAL EXPENSES	8
SECTION 13 - MISCELLANEOUS EXPENSES	8
SECTION 14 - CASH ADVANCES	9
SECTION 15 - SPOUSES AND GUESTS	9
SECTION 16 - EXPENSES TO ACCOMMODATE DISABILITIES	9
SECTION 17 - TRAVEL COORDINATOR	9
SECTION 18 - RATES	9
SECTION 19 - UNFORESEEN AND UNCONTROLLABLE NATURAL EVENTS	10

## **Summary of the Employee Travel and Expense Policy**

- 1.0 **SCOPE:** This Administrative Policy (AP) applies to all City of Elk Grove (City) employees (hereafter referred to as "Travelers") who travel on official business for the City of Elk Grove. Contract employees and consultants are not covered under this AP: they will be governed by the contractual agreement between their company and the City of Elk Grove. It does not include members of the City Council, Planning Commission, other Advisory Commissions/Committees, or groups as those entities are subject to a separate Council adopted policy, Resolution 2006-295.
- 1.1 **PURPOSE:** The purpose of this policy is to establish business travel guidelines for employees that are fair, accountable, and transparent.
- 1.2 **POLICY:** It is in the best interest of the City for employees to remain informed and trained in activities, developments, and professional trends affecting their ability to provide high-quality external and internal customer service. As such, attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its residents.

## **SECTION 2 - General Guidelines**

- 2.0 This policy establishes the basic guidelines and procedures for travel on City business by all Travelers. Employees who travel on City business – or employees who supervise someone who travels – are responsible for knowing and following this policy.
- 2.1 Throughout this policy, the term Department Head shall include Department Head designee(s) and City Manager shall include City Manager designee(s).
- 2.2 Travelers are responsible for exercising good judgment when requesting, arranging, and making a trip. Good judgment includes being fiscally responsible when spending City funds on travel and related activities. Travel should be thoroughly planned, well in advance. Personal business should not be mixed with official business if it will cost the City in dollars or lost time, or if it will harm the City's interest in any way.
- 2.3 This policy is not intended to address every issue, exception, or contingency that may arise in the course of City travel. Accordingly, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of the City's resources. Any necessary and reasonable expense that may from time-to-time be justified due to circumstances or opportunities for the City may be honored upon authorization by the

Department Head or the City Manager. Those expenses will be reimbursed to the traveler with adequate documentation and justification.

- 2.4 Prior to travel or expense, funds shall be identified and accounted for in each department's line-item budget. If possible, funds shall be encumbered prior to actual travel.
- 2.5 The City's preference is to reimburse Traveler's actual and necessary costs after travel has occurred through receipts, rather than provide Travelers funds in advance of travel or expense. However, the City will, on a case-by-case basis, provide travel advances upon request.
- 2.6 Itemized receipts are required for all business travel expenses. Itemized receipts include a list of each cost incurred, item by item. For example, an itemized receipt from a lunch establishment would include the cost of the hamburger, fries, soda plus tax/tip on separate lines. In addition to the itemized receipt, all travel expenses shall include the following information:
  - 2.6.1 The amount of the expenditure;
  - 2.6.2 The date and place of the expenditure;
  - 2.6.3 The business purpose of the expenditure; and
  - 2.6.4 The business relationship to the person entertained, as well as the individual's names.
- 2.7 The IRS requires that if the expenditures are not substantiated with the above information, they may be considered "wages" subject to payroll tax withholding.

### **SECTION 3 - Procedures**

- 3.0 The key document in this AP is the Travel Report Form (TRF). Use of this form will ensure that travel is conducted in accordance with adopted policies, as well as summarize the total cost of attending conferences, meetings, and seminars. The TRF, which is a two sided form, serves two purposes:
  - 3.0.1 Side A, Travel and Training Request, which is used to obtain prior authorization for travel; and
  - 3.0.2 Side B, Employee Expense Report, which is used for claiming reimbursement for out-of-pocket expenditures as well as outlining full actual trip expenses.
- 3.1 A "Travel and Training Request" (Side A of the TRF) must be completed and authorized prior to travel. This document should be submitted to your Department Head as far in advance of travel as reasonably possible, no less than 14 days prior to travel. Any exceptions to adequate advance notice need to be justified and approved by the Traveler's Department Head. Department Heads approving travel related expenses are

responsible for determining that the cost is reasonable and justified by the trip's purpose. Department Heads should be certain that:

- 3.1.1 The purpose cannot be accomplished by mail, telephone or internet;
  - 3.1.2 The seminar, meeting, or conference is mandatory, reimbursable, or otherwise necessary to accomplish key City goals and objectives and is unavailable locally if overnight accommodations are required;
  - 3.1.3 An appropriate number of Travelers are attending;
  - 3.1.4 The itinerary ensures accomplishment of the purpose at the lowest reasonable cost;
  - 3.1.5 The traveler understands and follows this AP; and
  - 3.1.6 There is enough money in the appropriate travel budget to cover all costs associated with the trip.
- 3.2 When Traveler returns, a final accounting of all expenses should be approved by the appropriate Department Head and submitted to Finance within fifteen (15) working days after completion of travel. The final accounting is made by completing the Employee Expense Report (Side B of the TRF).
- 3.3 After completing the expense report, Travelers should attach all itemized receipts, sign the report attesting to its accuracy, and submit it to the appropriate Department Head for review and approval.
- 3.4 Any Cal Card charges that were incurred by the Traveler during the course of business shall also be included on the Employee Expense Report. The use of a City issued Cal Card for payment of expenditures does not preclude the requirement to complete and submit an expense report.

#### **SECTION 4 - Department Specific Forms**

- 4.0 If Traveler's department utilizes a specific form to authorize travel, Traveler shall continue to fill out those forms in addition to the TRF described in this policy.

#### **SECTION 5 - Travel Authorization**

- 5.0 The City Manager's designee(s) shall receive and review all Travel Report Forms prior to final authorization. The TRF will be reviewed for policy compliance, travel redundancy amongst departments, and other discretionary factors.

#### **SECTION 6 - Payment**

- 6.0 The City will pay all approved expenses for the Traveler's trip. These include transportation, lodging, registration fees, meals, and any other related expenses if they are for official business and fit within this policy.

- 6.1 There are four ways to pay for travel expenses:
  - 6.1.1 direct vendor payment by check in advance;
  - 6.1.2 use of a City issued Cal Card;
  - 6.1.3 payment by Traveler to be claimed for reimbursement; or
  - 6.1.4 advance.
  
- 6.2 Direct vendor payments are made by the City to an organization to pay for specific costs related to a trip – usually registration fees, lodging and airfare – and are the best method of payment. Cal Card credit cards are issued and used pursuant to the City credit card policy. Reimbursement for out-of-pocket expenditures is processed after travel is completed. Advances are provided to Travelers prior to travel and may be provided upon request. If Traveler fails to reconcile expenses upon their return, they shall forfeit the ability to receive future advances.

## **SECTION 7 - Authorized Travel**

- 7.0 Expenses incurred by Travelers while engaging and/or participating in the following activities and/or events constitute authorized and reimbursable expenses (as long as other requirements of this policy are also met):
  - 7.0.1 The seminar, meeting, or conference is mandatory, reimbursable, or otherwise necessary to accomplish key City or employee goals and objectives and is unavailable locally if overnight accommodations are required;
  - 7.0.2 Communicating with representative(s) of regional, state, and national government and their various agencies and entities on City adopted or authorized policy positions;
  - 7.0.3 Attending educational seminars designed to improve skill and information levels;
  - 7.0.4 Attendance at City or community events, department approved conference, convention, hearing, training, seminar, or other meeting;
  - 7.0.5 Participating in regional, state and national organizations whose activities affect the City's interests;
  - 7.0.6 Implementing city-approved strategy for attracting or retaining businesses to the City; or
  - 7.0.7 Attending functions of local civic or community organizations where there is a clear nexus between the event and the Traveler's job.

## **SECTION 8 - Unauthorized Expenses**

- 8.0 The following personal expenditures incurred by Travelers shall not be reimbursed:
  - 8.0.1 The personal portion of any trip;
  - 8.0.2 The purchase of alcohol, tobacco or related costs;
  - 8.0.3 Political or Charitable contributions;

- 8.0.4 Family expenses, including those of a partner when accompanying the Traveler on official business; child or pet care;
- 8.0.5 Entertainment expenses, including theatre, shows, movies (either in-room or in theaters), sporting events, golf, spa treatments, etc.;
- 8.0.6 Non-mileage personal automobile expenses including repairs, gasoline, traffic citations and other expenses;
- 8.0.7 Loss of or damage to personal items while on City business;
- 8.0.8 Changes to travel arrangements for personal reasons that could have reasonably been foreseen.

## **SECTION 9 - Transportation**

- 9.0 Use of air, train, private automobile, or other mode of public transportation shall be selected on the basis of the least reasonable cost to the City after all expense items are tabulated, including travel time salary costs.
  - 9.0.1 Airfare: Travelers shall book the most economical and reasonable mode and class of transportation available that is consistent with the Travelers scheduling needs. First class travel is prohibited.
  - 9.0.2 Automobile: The City's preferred process is for the Traveler to be assigned a City-owned vehicle while attending an event or the City may chose to provide Traveler a rental vehicle for any official City business. See the "Vehicle Use Policy" for further details.
  - 9.0.3 Car rental: Rental rates that are reasonable and economical are eligible for reimbursement. All rental car reservations shall be coordinated through the City's Fleet Manager. Travelers are required to notify the City's Risk Manager and their supervisor immediately of any event, incident, or accident related to the rental vehicle. Travelers shall not purchase additional car rental insurance as that additional insurance is included in the State contract for the rental vehicle.
  - 9.0.4 Taxis/Shuttles: Reasonable actual costs for taxi and shuttle fares will be reimbursed including a 15 percent gratuity per fare.
- 9.1 Automobile mileage is reimbursable if Traveler is required to use a personal vehicle for travel at Internal Revenue Service ("IRS") rates in effect at the time of travel. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. Proof of insurance must be presented if requested.
- 9.2 Reimbursement for personal auto usage for business will be calculated per the current IRS guidelines, based on the following:
  - 9.2.1 If a Traveler drives round-trip from their residence to a meeting or training function, the round-trip mileage the Traveler would have driven from his/her residence to work must be subtracted from the round-trip mileage to the event.

Any excess mileage is reimbursable to the Traveler at the current IRS approved rate.

9.2.2 If a Traveler drives round-trip from work to a meeting or training function, the round-trip mileage from the City location to the event is reimbursable at the current IRS approved rate.

9.3 Travelers who receive a car allowance will not receive any additional mileage/travel reimbursement for travel within the local vicinity, which includes Sacramento, San Francisco, and Lake Tahoe areas or a roundtrip distance of 200 miles or less. If Travel is 201 miles or more, Traveler may submit a reimbursement for the difference between actual miles traveled and 200 miles, taking into consideration that Travelers shall be required to take the most expedient and efficient means of travel possible to meet the needs of the City.

9.4 In instances where more than one individual is traveling to the same event, the Traveler that receives a car allowance shall drive if both Travelers are departing and returning near the same time from the same location. If Travelers are not departing or returning at the same time from the same location, the Travelers may drive separately. The City highly encourages carpooling to not only save city resources, but to be eco-friendly.

## **SECTION 10 - Travel Time and Hours Worked**

10.0 The City wants to ensure compliance with the Fair Labor Standards Act with respect to recording hours worked and compensating Travelers who are required to travel in the course of conducting City business. Therefore, the following principles shall be applied when determining hours worked for the purposes of calculating work hours and proper compensation.

10.1 Ordinary home to work travel shall not be considered as hours worked. If an employee is required by the City to conduct business on their way to work, the employee shall record all hours worked from the onset of that activity to the time the employee reaches the workplace to begin his/her shift. For example, if an employee is directed to pick up supplies on their way into the office, the employee shall record hours from the time he/she makes the stop to pick up those supplies to the time he/she arrives at the worksite through the completion of his/her shift, less normal meal periods.

10.2 Travel time to and from an airport or public transportation terminal is considered hours worked.

10.3 Time spent for air travel or other means of public transportation when required by the City shall be considered time worked. Travel time shall include actual hours for travel, up to one and one half hours of wait time prior to the departure of the flight and shall conclude upon arrival at the hotel or when returning, upon return to the employee's home.

- 10.4 Travelers shall be required to take the most expedient and efficient means of travel possible to meet the needs of the City. Therefore, a Traveler who opts to drive a personal vehicle instead of taking air travel or other faster means of travel, shall only record the time he/she would have received had they traveled via the fastest mode of transportation reasonably available. For example, a Traveler may prefer to drive to San Diego, taking nine hours to reach their destination; however, air travel would have taken less than two hours plus the one and one half hours of wait time prior to the departure of the flight. The Traveler shall only record three and one half hours of work time on his/her time sheet.
- 10.5 If a Traveler is assigned to work in another City or work location outside the City, the travel time to and from the other City may be considered work time if travel to that location falls outside the definition of ordinary home to work travel. For example, a Traveler living in Stockton being asked to report to Roseville would be compensated for travel time to/from the Elk Grove workplace to the temporary Roseville assignment. However, a Traveler living in Roseville, reporting to work in Roseville, would not record travel time as hours worked.
- 10.6 Department Heads should be mindful of Traveler's schedules and try to reduce/prevent over-time as a result of travel whenever possible to meet the interests of the City. Additionally, Department Heads shall use their discretion when accounting for multiple attendees at events and the impact related to the specific mode of transportation.

## **SECTION 11 - Lodging**

- 11.0 The City will pay for or reimburse for lodging expenses when travel on official city business reasonably requires an overnight stay. Lodging shall be booked at the most economical and reasonable rates for lodging that is in a location that is reasonable and convenient in relation to the Traveler's official business needs. For lodging in connection with a conference or organized educational activity, such lodging costs shall generally not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Traveler at the time of booking.
- 11.1 It is recommended that Travelers inquire about and use the Claim for Exemption from Transit Occupancy Tax whenever possible. This form can be found on the Finance Department's Intranet Web page.
- 11.2 While determining appropriate lodging arrangements, Travelers shall take into consideration start and end times as well as the duration of the event. Travelers generally shall not book prior evening overnight accommodations for travel within the local vicinity, which includes Sacramento, San Francisco, and Lake Tahoe areas or a roundtrip distance of 200 miles or less. Additionally, Travelers shall not book overnight

accommodations for the same day the event ends. Any exception to this shall be pre-approved by the Traveler's Department Head.

## **SECTION 12 - Meal Expenses**

- 12.0 Daily meal expenses shall be reimbursed in accordance with current IRS published Maximum Federal Per Diem Rates in effect for the highest cost area of California at the time of travel. The City will reimburse for documented meal expenditures, including gratuity, up to the Maximum Federal Rate.
- 12.1 The Finance Department shall provide Travelers a spreadsheet that outlines the current IRS published Maximum Federal Rates as well as the applicable guidelines, including time departure reductions, on the City's Intranet for Traveler's use and information. The Finance Department shall also account for meals that are provided at a meeting or while in transit (meals served on a plane or a group lunch advertised in a conference brochure, for example). Appropriate reductions must be made from the Maximum Federal Rate based on available information to Finance staff. After travel is completed, if the Traveler did not utilize the paid meal and incurred a personal meal expense, the Traveler may be reimbursed for the applicable meal with proper documentation on the TRF if Traveler can demonstrate a compelling reason why the paid meal was not utilized.
- 12.2 Meal expenses, including gratuity, in excess of the Maximum Federal Rate will not be reimbursed without approval of the Department Head.
- 12.3 City funds cannot be used to purchase alcohol, tobacco, or other related costs.

## **SECTION 13 - Miscellaneous Expenses**

- 13.0 Travelers will be reimbursed for actual telephone, fax, parking expenses, tolls, tipping (non-meal related as this falls under the Maximum Federal Rates), taxi, hotel wireless charges, or other reasonable expenses which shall be supported by receipts. Where receipts are not available, a signed declaration of expenditure may be accepted by the Finance Director at his/her discretion.
- 13.1 Hotel telephone bills should identify which calls were made regarding City business. Reimbursement for expenses incurred in placing telephone calls of a personal nature shall be limited to \$10 per day for travel within California and \$20 per day for travel outside of California. Reimbursement of personal calls in excess of this limit may be authorized by the Department Head, under special circumstances. Staff that receives a cellular allowance shall not incur additional hotel telephone bills.
- 13.2 Travelers shall make every effort to utilize cost effective means to park vehicles overnight. The City recommends overnight parking in the hotel where the Traveler is staying. Valet parking, while not encouraged, is allowed if it is the only means available for reasonable and safe parking for the Traveler.

## **SECTION 14 - Cash Advances**

- 14.0 From time to time, it may be necessary for a Traveler to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such request for an advance should be submitted to the Finance Director no more than thirty (30) days before and no less than ten (10) days prior to the need for the advance as noted on the TRF. Every effort should be made to request the cash advance ahead of the normal check run date occurring prior to the need for the advance.
- 14.1 Upon request, Department Heads shall determine if a cash advance is necessary and appropriate. Employees that receive a government issued Cal Card are not eligible for a cash advance.
- 14.2 Any unused advance must be returned to the City within fifteen (15) calendar days of the Travelers return along with the Employee Expense Report and supporting receipts documenting advance expenditures. If Traveler fails to reconcile expenses upon their return, they shall forfeit the ability to receive future advances.

## **SECTION 15 - Spouses and Guests**

- 15.0 Spouses and guests may accompany Travelers on City travel and at conferences, seminars, and meetings. However, any additional costs associated with the participation of a spouse or guest is the Travelers' responsibility.

## **SECTION 16 - Expenses to accommodate Disabilities**

- 16.0 This policy shall not be construed to limit the City's ability to reimburse Travelers for necessary expenses in excess of that which is otherwise permitted under this policy where such additional expenses are necessary to accommodate for a disability.

## **SECTION 17 - Travel Coordinator**

- 17.0 Each department is encouraged to designate one or more Travel Coordinator(s) who will coordinate the preparation and submission of the required paperwork and documentation. The primary responsibility to assure that all paperwork is submitted remains with the Traveler.

## **SECTION 18 - Rates**

- 18.0 Finance Department is responsible for updating the Maximum Federal Rates published by the U.S. General Services Administration annually on October 1. Adjustment of the maximum aggregate for meal expenses within California shall be based on changes in the GSA Meal & Incidental Allowance for San Francisco. Finance shall also update the IRS

allowed mileage reimbursement rate on January 1 of each year or as any changes are implemented by the IRS.

## **SECTION 19 - Unforeseen and Uncontrollable Natural Events**

- 19.0 Unforeseen and uncontrollable natural events are directly and exclusively results from the occurrence of natural causes that could not have been prevented by the exercise of foresight or caution; an inevitable accident. Examples include: earthquake, flood, hurricane, and tornado. During such an event, the City will work with Traveler to make lodging, meal, travel and other reasonable accommodations. However, the City shall not pay overtime costs associated with such events.