

# CITY OF VALLEJO

## ADMINISTRATIVE RULE

**SUBJECT: TRAVEL and BUSINESS  
EXPENSES**

A.R. NUMBER: 3.5  
ORIGINAL DATE ISSUED: 9-30-75  
DATE EFFECTIVE: 9-30-75  
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### **1.0 Purpose**

It is the purpose and intent of this Administrative Rule to reimburse city employees for their necessary and reasonable expenses actually incurred in the conduct of their official business on behalf of the City. Authorized travel shall be consistent with budgets provided for such purpose and all expenses incurred under this Administrative Rule must be charged to a travel expense budget line item. When applicable for Police Department personnel, this Administrative Rule is not intended to supersede P.O.S.T. reimbursable travel policies established by the State of California.

The City recognizes the constructive value of professional conferences, seminars, meetings, and training and it is anticipated that the City will derive benefit from training and information received at such events and therefore provides travel and expense funds for travelers who attend such approved events.

Employee travel may be authorized for conducting official business requiring local and non-local travel activities such as professional meetings, conferences and training sessions. Allowing City staff to attend conferences and meetings promotes the exchange of ideas, assists staff in keeping up-to-date with new laws and practices in their field, and enhances their abilities to improve services to city residents and businesses.

Each Department Head shall be held responsible and accountable for the interpretation and administration of this Administrative Rule within his/her department. Department Heads will be expected to consult with the Finance Director and/or the City Manager on any questions related to this Administrative Rule.

The City Manager or Department Head or designee who authorize travel and business expenses are responsible for determining that the cost is reasonable and justified. They should be certain that the training or conference will enhance the effectiveness of the city's operations. Also, they need to determine whether some other means could be used to achieve the same results at a lower cost.

It is the further purpose of this Administrative Rule to:

- a. Control and limit City cost to those expenses necessary and essential for the conduct of official business based on the purpose, nature and circumstances of the travel, business meeting or activity; and
- b. To assure the public that the City is a good steward of the City's resources and that all City funds expended for conferences, training sessions, etc. are properly used by the employee for the benefit of the City, and are properly accounted for by the City.

Reimbursement will include reasonable and customary out-of-pocket expenses incurred in the performance of employee's assigned duties while on travel status (travel status is defined as visiting a location other than the employee's regular place of business) and for other non-personal expenditures made while conducting official business for the City.

## 2.0 Procedures

### OVERVIEW OF TRAVEL PROCEDURES

**STEP 1**  
**Travel Authorization**

Who	What
<b>Employee</b>	<ul style="list-style-type: none"> <li>• Consult with Department Head on the need for travel and obtain approval.</li> <li>• Plan itinerary, transportation &amp; lodging.</li> <li>• Complete Request for Travel Expense Advance form and/or Payment Authorization for each direct vendor payment requested.</li> </ul>
<b>Department Head</b>	<ul style="list-style-type: none"> <li>• Review Request for Travel Expense Advance form for conformance with City travel guidelines and department priorities.</li> <li>• Verify that adequate funding exists in the appropriate travel budget to cover all costs.</li> <li>• Approve Request for Travel Expense Advance form, provide a copy to the employee and submit the original to the Finance Department.</li> </ul>
<b>Finance Department</b>	<ul style="list-style-type: none"> <li>• Make cash advance to employee and vendor payments as requested on the Request for Travel Expense Advance form.</li> <li>• File Request for Travel Expense Advance form in employee's vendor file.</li> </ul>

**STEP 2**  
**Expense Reporting**

Who	What
Employee	<ul style="list-style-type: none"> <li>• Complete and submit the Travel Expense Report accounting for all reimbursable expenses to the employee's Department Head within 5 working days after completion of travel.</li> <li>• Attach required detailed receipts.</li> <li>• Sign report attesting to its accuracy.</li> <li>• Attach check if a balance is due to the City.</li> </ul>
Department Head	<ul style="list-style-type: none"> <li>• Review Travel Expense Report for conformance with City travel guidelines.</li> <li>• Verify accuracy of expenses reported and inclusion of required backup information including detailed receipts for all expenses.</li> <li>• Approve expense report, make a copy for departmental records, and submit the original to the Finance Department.</li> </ul>
Finance Department	<ul style="list-style-type: none"> <li>• Deposit any balance due received from employee or process any payment due to the employee and file the expense report in employee's vendor file.</li> </ul>

**2.1 Responsibilities**

Every employee who travels on official business on behalf of the City is responsible for knowing and complying with this Administrative Rule. A Department Head is responsible for reviewing and approving or denying all travel requests for compliance with this Administrative Rule.

**2.2 Advance Travel Authorization Required**

- a. **Non-Local Travel.** With the exception of emergency travel, all travel and business expenses must be approved by the City Manager or Department Head prior to the employee attending any non-local conference, seminar or meeting. "Non-local" is defined in Section 3.2 of this Administrative Rule. The authorization must be obtained by the employee's submittal of a "Request for Travel Expense Advance form." Travel out-of-state or out-of-country will require the City Manager's approval in writing in advance of incurring any associated expenses.

Emergency travel must have the verbal approval of the City Manager or Department Head prior to the employee incurring the

expense. Emergency travel is defined as an unforeseen set of circumstances that requires an employee to travel in order to protect the City's immediate interests or needs. This may include, but is not limited to, police investigators traveling at night, holidays, or weekends to interrogate or take custody of a person or persons who is suspected of witnessing or committing a crime within the city limits of Vallejo and is currently being detained by another jurisdiction.

The Finance Department is not authorized to pre-pay business expenses or advance monies for travel without the signed and approved Request for Travel Expense Advance form.

- b. **Local Travel** - "Local" is defined in Section 3.1 of this Administrative Rule. City employees must complete a mileage log pursuant to the Section 7.1 of this Administrative Rule.

### 2.3 Authorization Responsibility

Travel must be properly authorized through approval by:

- a. **City Manager** - The City Manager, or his or her designee, is responsible for authorizing all travel, conferences, meetings and seminars, and approving the reimbursement of funds expended for Department Heads.
- b. **Department Head** - A Department Head or his or her designee is responsible for authorizing all travel, conferences, meetings and seminars, and approving the reimbursement of funds expended for all employees in their department.
- c. **City Council** - The City Council is responsible for authorizing all travel, conferences, meetings and seminars, expenses for the City Manager and City Attorney through the adoption of the City's annual budget. The City Manager and City Attorney report directly to the City Council and their general business expenses have been authorized by their employment contracts. Any disputes regarding a specific travel/expense item that cannot be resolved between the City Manager and the Finance Director or the City Attorney and the Finance Director will be brought to the Mayor and/or the City Council for consideration and resolution.

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- d. The Finance Department staff is responsible for making advances or reimbursements for expenditures upon receipt of appropriate authorization.
- e. All employees are responsible for maintaining and presenting detailed records and receipts necessary to verify and substantiate the funds expended on behalf of the City.

#### **2.4 Official Representatives or Guests Expenses**

Official representatives or guests are defined in Section 11. Only the City Manager may authorize City funds to be used for official representatives or guests when incurring travel and business expenses on behalf of the City.

#### **2.5 Authorizing Official's Responsibilities**

The City Manager or Department Head who authorized travel and business expenses is responsible for determining that the cost is reasonable and justified. They should be certain that:

- a. Training will enhance the effectiveness of the City's operations;
- b. Mail, telephone, on-line resources or other less costly means cannot be used to accomplish the purpose of the meeting;
- c. The itinerary ensures effective accomplishments of the purpose at the lowest reasonable cost;
- d. The employee understands and follows these policies and procedures;
- e. There are enough funds available in the budget to cover the entire cost of the travel.

## **2.6 Basic Expense Standard**

Attendance at conferences, seminars and meetings shall be limited to the minimum number of employees required to represent the City, obtain information and/or maintain skills and professional qualifications.

This Administrative Rule is not to be construed as requiring employees to obtain the cheapest possible accommodations, transportation or meals when conducting official business. Employees are expected to exercise good judgment and incur only those expenses that would be incurred by a "reasonable person" in the conduct of business at his/her own expense.

## **2.7 Personal Expense**

Personal expenses should not be mixed with official business expenses. The City will not reimburse employees for personal expenses. The following expenses are normally considered to be personal expenses: expenses incurred by a spouse, family member or guest; pay television; room bar; valet service; entertainment; repairs to personal automobile; laundry, hair styling, manicure, massage therapy, or personal telephone calls added to bills. Under no circumstances will the City reimburse employees for purchases of alcohol. This is not intended to be an exhaustive and complete list.

## **2.8 Credit Cards**

- a. The City's credit card program is provided as a convenience for those employees who are required to travel for official business and should only be used for payment of official City business expenses. Charging personal expenses, even if the intent is to reimburse the City later, is prohibited. Doing so may result in disciplinary action.
- b. The credit card program provides the following benefits to participants:
  - 1) Increase the employee's and the City's cash flow by minimizing the need for cash advances;
  - 2) Reduce the frequency of reimbursements for travel expenses;
  - 3) Provide emergency funds to the employee;

- 4) Eliminate the need for the City to direct pay airline tickets, hotel accommodations, and car rental agencies;
  - 5) Provide guarantee for hotel rooms and other services requiring a deposit; and
  - 6) Provide the City with various financial reports regarding employee travel expenses.
- c. Credit cards shall be used by designated, eligible employees solely to charge purchases of goods and services necessary for, or incidental to, travel for official business consistent with this Administrative Rule.

## **2.9 Approvals**

The Travel Expense Report form for reimbursement of expenses under this Administrative Rule must be signed and approved before being submitted to the Finance Department. Claims for reimbursement are to be submitted no later than five (5) days after the return from travel. The Travel Expense Report must be properly completed by the employee and approved by:

- a. City Manager and City Attorney travel is approved through the adopted budget consistent with their employment contracts.
- b. Department Heads or employee reporting directly to the City Manager must be approved by the City Manager.
- c. Other employees must be approved by their department head or for employees in the City Attorney's office by the City Attorney.

## **2.10 Leave of absence during travel**

- a. When a leave of absence of any kind is taken while in travel status, the exact hour of departure and return to duty status shall be shown on the Travel Expense Report. Except as provided in the following paragraph, expense reimbursement, including transportation to and from the employee's regular place of business shall not be granted for such period.
- b. Whenever an employee takes a leave of absence because of incapacitation due to illness or injury, not due to the employee's own misconduct, the authorized reimbursement for lodging and meals

may be continued during the leave period, but not to exceed in total the authorized cost for return to the employee's regular place of business or residence, whichever is closer, and then back to the assignment.

## **2.11 Compensation and Weekends**

Employees may be paid lodging and meal reimbursements while in travel status on Saturdays, Sundays, and holidays even though no official business may occur. An employee may be reimbursed for transportation, lodging and meal expenses incurred while returning home over the weekend; provided the reimbursement amount does not exceed the amount that would have been allowed had the employee remained at the city, town or location traveled to.

When travel time exceeds the employee's normal work-week, the City's rules for overtime apply if the employee is eligible for overtime. In determining overtime compensation, normal commute time should be deducted from the total travel time. Additionally, normal unpaid meal periods are not considered work time when employees are traveling.

- a. **One-Day Travel.** For purposes of compensation, travel time over and above the employee's normal daily hours of work shall be considered hours worked.
- b. **Overnight Travel.** For purposes of compensation, travel time that occurs within the employee's normal daily hours of work will be counted as hours worked whether or not said travel time occurs on the employee's normal work day.

1) **Compensated Time:** Only time delineated below is compensated.

- (a) Time spent at conference, attending conference sessions and, other than attending conference sessions, up to employee's regular daily hours of work.
- (b) Travel time corresponding to employee's regular daily hours of work exclusive of normal meal periods.

Example: If employee's regular daily work schedule is 8 a.m. - 5 p.m. with an hour off for lunch (12 noon - 1 p.m.), hours spent traveling or at a conference between 8 a.m. - 12 noon and 1 p.m. -

5 p.m. are compensated regardless of the day of the week which the travel occurs.

If an employee is offered public transportation but requests and is given approval to use his/her vehicle, travel time considered hours worked shall be the shortest travel time to the intended destination between the two forms of transportation.

## 2) Non-Compensated Time:

All other time (other than time delineated in item [1] above) is not compensated. Non-compensated time includes but is not limited to:

- (a) Travel time during hours outside of the employee's regular daily hours of work.

Example: Travel time after 5 p.m. for any employee who regularly works 8 a.m. to 5 p.m.

- (b) Meal breaks.

- 3) Rate of Pay: Compensated conference and travel time occurring on an employee's regular work-day will be paid at regular time. Any time in excess of the employee's normal work-day is paid at 1½ time, provided the employee is eligible for overtime.

If the City requires conference and travel hours occurring on the employee's regularly scheduled days off, they will be compensated at 1½ time provided the employee is eligible for overtime.

All other compensated hours are paid at straight time.

## 2.12 Spouses

Employees will not be reimbursed for the expenses on behalf of a spouse, family member or guest. It is not the intent of this Administrative Rule to preclude spouses, family members and guests from accompanying an employee to a business meeting at the employee's expense.

### **2.13 Proof of Expense/Lost Receipts**

Employees and Department Heads will be required to provide detailed receipts for all expenses (excluding daily per diem). On those occasions when it is impractical to provide a receipt or when a receipt is lost, a memo detailing the expenses on the missing receipt must be prepared and signed by the employee. This memo must be approved by the Department Head or City Manager and attached to the Travel Expense Report routed to the Finance Department.

### **2.14 Reimbursements for Other Agencies and Persons**

Any amount paid by others to reimburse the City for the cost of travel, business expense or representation expense shall be reported on the Travel Expense Report if the revenue is directly tied to the expense reported. The name and address of any agency to be billed must also be shown. Further, the employee may need to report the reimbursement on the employee's Fair Political Practices Commission (FPPC) California Form 700 Statement of Economic Interests.

### **2.15 Reimbursement of Cost**

Reimbursement of cost shall be based upon the minimum number of days and hours to transact City business. Conference brochures with the agenda will be submitted as justification for the days and hours requested.

### **2.16 Incapacitation Due to illness or injury During Trip**

If an employee becomes incapacitated due to illness or injury while on official business away from the City, they will be reimbursed for their additional living expenses (except those directly related to the illness, such as physician or hospital costs) for a period not exceeding three days.

Employees should notify their supervisor as soon as possible if they become ill. The time will be counted as sick leave if it occurs during the employees normally scheduled work hours, and the City's normal sick leave rules will apply.

### **2.17 Employee and Department Accountability of Funds Advanced**

All employees are fully responsible for funds advanced to them and shall account for the funds in accordance with this Administrative Rule. Neither state law nor these rules, however, in any way relieve the Department

Head from the responsibility of accounting for all funds expended for travel purposes.

## **2.18 Required Documentation of Travel Expenses**

Employees who received an advance or are requesting reimbursement for travel expenses are required to submit a Travel Expense Report form detailing the entire cost of the travel. A copy of the standard Travel Expense Report form is included as Attachment A. All departments are required to use this approved form and attach all detailed supporting documentation of expenses.

At a minimum, the Travel Expense Report form should include the following information:

- a. Itemized expenses for authorized lodging, mileage, transportation, and miscellaneous expenses;
- b. Explanation of any expenses which exceed the established limits and of any unusual expenses;
- c. Explanation of the purpose for the trip;
- d. Description of the type(s) of transportation used;
- e. Airline or Railroad Fares;
- f. Rental of Motor Vehicles;
- g. Supplies;
- h. Registration Fees;
- i. Detailed explanation of any other expenses to be reimbursed.

Employees are required to sign their Travel Expense Report, attesting that the information presented on the form is accurate and attach all supporting documentation of expenses.

Receipts for parking, tolls, mass transit/taxi/airport vans, and communications expenses are required. However, if receipts are not available, a memo detailing the expenses from the missing receipt along with an explanation of the expense must be prepared and signed by the employee and attached to the Travel Expense Report. Receipts for meals

are not required if the employee is claiming meal reimbursement at the current per diem rates.

#### **2.19 Deadline For Submission Of Claims For Travel Expense Reimbursements**

A travel expense is payable or reimbursable out of appropriations for a particular fiscal year. This Administrative Rule requires that claims for reimbursement be submitted no later than five (5) days after return from travel.

#### **2.20 Recovery of advances due to Cancelled or Postponed Trip(s)**

Employee advances must be refunded immediately when an authorized trip is canceled or indefinitely postponed.

#### **2.21 Indirect or interrupted itineraries**

Any extra expense incurred as the result of indirect or interrupted direct travel for personal convenience will be borne by the employee. Reimbursement will be limited to the actual cost incurred, or the charges that would have been incurred, via a usually traveled route. Any resulting excess travel time will not be considered work time and will be charged to the appropriate type of leave.

### **3.0 TRANSPORTATION**

#### **3.1 Local**

Local travel is defined as: Official business travel performed within 100 miles from Vallejo City Hall, and accomplished within one day.

The normal mode of transportation for local travel will be by vehicle, either City-owned or private. Employees are encouraged to carpool whenever feasible to reduce pollution and to eliminate duplication of mileage reimbursements.

When local travel is necessary to conduct official business, employees are expected to use a City vehicle as the preferred means of transportation unless travel by commercial carrier or private vehicle is authorized. Employees will be reimbursed odometer mileage for travel by private vehicle at mileage rates established by the Internal Revenue Service for business miles.

Travel should be by the most direct route. When more than one employee is traveling to the same event, travel by City or private vehicle is to be coordinated and shared.

### **3.2 Non-Local**

Non-local travel is defined as: Official business travel involving at least one overnight absence from the City of Vallejo or to a location over 100 miles from City Hall.

Reimbursable transportation expenses include, but are not limited to, all necessary official business travel on railroads, airplanes, ships, buses, private vehicles, taxi fares, bridge tolls, parking and other usual means of conveyance. Employees should take the most direct and commonly traveled routes. Other routes may be authorized when official business requires their use. If employees take an indirect route or stop along the way for personal reasons, employees will not be reimbursed for non-business expenses. Selection of carrier, reservations, and ticketing should be arranged as early as feasible to obtain the greatest discount. Also consider the use of alternative transportation methods, such as using a nearby airport and ground transportation if the total fares are lower.

### **3.3 Air Travel**

Air travel on official business should be coach class and booked using any common City method of payment. Air travel should not be used into areas in which travel time by ground transportation is less than 3 hours away. Take advantage of lower airfare rates by booking flight as early as possible, and purchasing non-refundable tickets. Employees may sometimes avoid higher airfare by staying over a weekend night. In some instances, an extra night in a hotel/motel can be much less than the added cost of the airfare.

Employees are expected to use commercial air common carriers as a preferred means of transportation to and from meetings which are greater than 200 miles (one way) from Vallejo unless travel by City vehicle, private vehicle or other means of transportation is authorized by the City Manager or Department Head.

Employees will not be reimbursed for transportation expenses greater than the cost of commercial air common carrier to and from their destination, plus taxi or shuttle fare, without the prior written approval of

the City Manager or Department Head. The Travel Expense Advance form must be completed and approved prior to booking airline flights.

The City will pay for coach or equivalent class airfare. City officials or employees may, at any time, use personal frequent flyer miles or similar programs to upgrade to non-coach travel. In addition, nothing in this Administrative Rule shall preclude a City official or employee from personally paying for an upgrade to non-coach travel, including expenses incurred for upgraded seating options.

Key staff and Department Heads may consider taking different flights in case an emergency may occur while in flight.

### **3.4 Receiving Promotional Materials and Frequent Flier Programs**

City employees traveling on official business may have the opportunity to receive promotional materials and frequent flier program awards. The City will follow the guidelines for use of promotional materials and travel awards, as set forth below:

- a.** Employees may receive promotional benefits or materials recommended by a travel service provider; however, any such promotional benefits or materials received from a private source in connection with official City travel are considered the property of the City of Vallejo. Any City representative traveling on official business must:
  - 1)** Accept the benefits or materials on behalf of the City of Vallejo; and
  - 2)** Turn the benefits or materials over to the City of Vallejo in accordance with this Administrative Rule.
- b.** Employees are encouraged to join frequent traveler programs to realize cost savings or reduce official travel costs.
- c.** Frequent traveler benefits earned on official travel may be used to obtain travel services for a subsequent official travel assignment(s).
- d.** Employees must utilize the least expensive means of purchasing tickets without regard to whether or not the provider gives frequent travel benefits.

- e. Employees must establish separate frequent traveler accounts for personal and official use. Employees may not utilize frequent travel benefits accrued on an official account for personal use.

### **3.5 Rail Travel**

Rail travel shall also be at coach class or equivalent. In cases where rail travel exceeds eight (8) consecutive hours of travel from point of origin to destination, sleeping accommodations may be authorized. Such accommodations must have the prior written approval of the City Manager or Department Head.

### **3.6 Private Vehicle**

A private vehicle may be used in lieu of air travel for non-local travel if it is more advantageous to the City. Prior approval must be obtained. However, the total documented mileage and all other transportation expenses incurred cannot exceed the airfare amount. The City shall only reimburse the lesser of the two means of travel. For employees, the additional time spent driving must also be considered and approved by the City Manager or Department Head prior to the trip.

When using a private vehicle, appropriate mileage reimbursement shall be processed. All travel claims should be submitted reflecting the starting and ending points at Vallejo City Hall, regardless of where the actual travel began or ended (i.e. home, another meeting, etc.). Reimbursement shall be at the current rate authorized by the Internal Revenue Service. Realize that any gas, damages, needed service, or repair to the employee's personal vehicle occurring on the trip will be the employee's responsibility, as these costs are included in the per mile cost reimbursement.

When driving a privately-owned vehicle on official business, employees must meet the following conditions:

- a. Have a valid California driver's license;
- b. Comply with California statutory requirements for vehicle insurance;
- c. Use economy parking when available (the City will only reimburse at the economy rate).

### **3.7 City Vehicles**

City vehicles may be used if they are available. If refueling is necessary, the employee may request reimbursement for any gasoline purchases documented with a receipt. Make sure to check the vehicle for safety and damages before beginning travel.

### **3.8 Rental of Motor Vehicles**

Rental vehicles must be approved in writing in advance. Employees obtaining rental vehicles cannot also be the approval official. Rental vehicles, at City expense, may be obtained when on official business but only under exceptional circumstances related to business necessity, not personal convenience and only if other modes of transportation are not available, too costly, or impractical.

Only intermediate size or smaller vehicles, or vehicles with an equivalent rental rate, will be authorized. If two or more persons are attending the same meeting or conference, and a vehicle is needed for official business, only one vehicle may be rented at City expense. If available, employees are to obtain both liability and collision/comprehensive coverage provided by the car rental agency. As a precaution against paying for pre-existing damage, carefully examine the condition of the rental vehicle before leaving the lot, and immediately report any damages to the car rental office. Be sure to refill the gas tank before returning the car to the rental agency.

### **3.9 Public Transit and Carpooling**

Employees are encouraged to make optimum use of available public transit services and carpooling.

### **3.10 Shuttle or Taxi Expenses**

Shuttle or Taxi expenses between the airport and the business meeting site or hotel, as well as any reasonable transportation costs between the employee's home and airport will be paid by the City.

## **4.0 LODGING**

Lodging is allowed only for non-local travel (travel that is further than 100 miles from the employee's regular place of business), unless prior City Manager or

Department Head approval is received. Lodging may be allowed for local travel if the following conditions are met:

- a. The length of the conference is more than one day or the distance is more than 100 miles from the employee's regular place of business or the employee's residence, whichever is the greater distance; or
- b. If the employee's presence is required for activities before or after the regular conference hours.

Employees will be reimbursed for the actual lodging expenses, provided the expenses are reasonable. Lodging expense may be advanced and paid by the City directly to the hotel. Hotel reservations may be guaranteed or paid with the employee's City credit card, or the employee's personal credit card, with the expense being reimbursed upon return.

#### **4.1 Lodging Daily Rate**

Lodging expense reimbursement is limited to the lodging establishment's lowest available rate for normal single occupancy on the day (or days) the lodging expense was incurred. The official receipt from the lodging establishment must be submitted with the employee's Travel Expense Report form. Employees should request a "government rate" be applied to their stay if available.

#### **4.2 Lodging Days of Occupancy**

The City will pay for lodging for the evening preceding and up through and including the last day of a convention or business event if the employee would have to travel at unreasonably early or late hours to reach his or her destination.

#### **4.3 Official Lodging Receipts**

Itemized lodging receipts are required for reimbursement. Receipts provided to employees using express checkout are also acceptable provided that the dates of lodging, the daily room rate, and the total lodging charges are in agreement. Credit card receipt paper does not qualify as a lodging receipt.

In limited exceptional circumstances, the lodging expense may be reimbursed without the official receipt upon presentation of written justification with the Travel Expense Report form explaining why the

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official lodging receipt is unavailable and a statement that the claim represents a true and actual claim in accordance with this Administrative Rule. In addition, the justification should include the dates of lodging and an itemized breakdown of charges (daily room rate, taxes, telephone, etc.). The City Manager, Department Head, or designee authorized to approve the travel forms, must approve the justification.

#### **4.4 Not Required To Share Lodging**

Employees are not required to share lodging accommodations with other employees when traveling. However, if employees choose to share lodging accommodations, reimbursement will be calculated, if practical, on a prorated share of the total cost.

When a City employee on travel status is accompanied by someone who is not a City employee on travel status, the City employee is entitled to reimbursement at a single room rate.

#### **4.5 Convention Hotel Recommendation**

All lodging reservations to attend a convention, conference, seminar, symposium, workshop or similarly titled event may be booked directly by the employee at the hotel where the event is held. Whenever possible, the employee should stay at or very near a hotel that is specified by the conference or seminar they are attending. A higher cost may be justified in order to avoid wasting training time and incurring excessive transportation costs between a lower cost hotel/motel and the location of the meeting.

#### **4.6 Government Rate or TOT Exemption**

When making arrangements for lodging, a request should always be made for a government rate. If such a rate is available and lower, it should be used.

Some cities exempt a government employee traveling on government business from the local transient occupancy tax (TOT), be sure to ask for this exemption. An employee may stay with a friend or relative while attending an out of town meeting or conference; however, the City will not reimburse the employee for any payment to the friend or relative for lodging, meals or transportation.

#### **4.7 Hotel Shuttle Service**

Most major hotels offer free "courtesy shuttle" service to and from the airport. Often there are motel/hotel telephones with direct free lines to the motel from the airport terminal. On arrival, employees should call the hotel, confirm the reservation and ask to be picked up. If this service is not available, ask at the information desk about the airport bus service to the hotel.

Taxis should not be used unless there is no courtesy shuttle or bus service available from the airport.

#### **4.8 Lost Luggage**

If an employee finds that their luggage has not arrived on the flight with them, an employee should tell the airline baggage office where they are staying and to deliver it when it does come in. The airline should deliver it at no charge. The City will not reimburse for lost items.

### **5.0 MEALS**

#### **5.1 Per Diem**

Per diem for all employees when on travel status (i.e., non-local travel) is paid pursuant to the rates published by the federal government on the [gsa.gov](http://gsa.gov) website. This information is updated annually and is specific to certain areas. No receipts are required for meals that do not exceed per diem rates.

Expenses that are higher than per diem rates and are justified may be submitted for reimbursement if accompanied with proper receipts. For example: When a meal is scheduled as part of a meeting agenda and has a fixed price over which the employee has no choice, the "working meal" may exceed the above limit. This situation, being an exception, requires a receipt and an explanation on the back of the Travel Expense Report form.

Meals, food and beverages charged to a motel/hotel room via room service shall be counted towards the per diem.

The Meals and Incidental Expenses ("M&IE") rates differ by travel location. View the per diem rate on the [gsa.gov](http://gsa.gov) website for the employee's primary destination to determine which M&IE rates apply. As

of the date of issuance of this Administrative Rule, the per diem rate is composed of the following amounts (which includes tip and tax) and will be reduced by the following amounts for meals that are provided as part of the conference/meeting fees paid directly by the City on behalf of the employee:

Rates Effective October 1, 2011, Subject to Annual Change

M&IE Daily Per Diem Total	\$46	\$51	\$56	\$61	\$66	\$71
Continental Breakfast/ Breakfast	\$7	\$8	\$9	\$10	\$11	\$12
Lunch	\$11	\$12	\$13	\$15	\$16	\$18
Dinner	\$23	\$26	\$29	\$31	\$34	\$36
Incidentals	\$5	\$5	\$5	\$5	\$5	\$5

In calculating meal allowances for partial days, the following guidelines should be used:

**Departure Day**

- If the employee departs after 8:00 a.m., they may not claim the breakfast allowance for that day.
- If the employee departs after 2:00 p.m., they may not claim the breakfast or lunch allowances for that day.
- If the employee departs after 8:00 p.m., they may not claim any meal allowances for that day.

**Return Day**

- If the employee returns after 6:00 p.m., they may claim the full per diem meal allowance for that day.
- If the employee returns between 12:00 p.m. and 6:00 p.m., they may claim the breakfast and lunch allowances.
- If the employee returns between 8:00 a.m. and 12:00 p.m., they may claim the breakfast allowance.

### ***General***

- If meals are provided without charge at a meeting or while in transit (meals served on a plane, for example), appropriate deductions must be made from the per diem meal allowance. The exception to this is a continental breakfast included in the price of lodging. Although this is considered a free meal, it is not considered a complete breakfast. No deduction needs to be made from the per diem meal allowance for continental breakfast.

## **5.2 Tipping**

Reasonable gratuities paid for meal service, baggage handling or necessary physical assistance are considered payments for service and are reimbursable expenses. Include gratuities paid to meal servers in the cost of each meal shown on the Travel Expense Report form. Gratuities paid to baggage handlers or for necessary physical assistance are to be reflected in the "other expense" column of the Travel Expense Report form.

## **5.3 Business Meals**

Employees may be reimbursed for the cost of their business guests, including tip, for the meal when approved by the City Manager or their Department Head as necessary in the conduct of official business. The City will purchase meals when necessary to maintain an "arms length" relationship with developers, contractors and vendors. A list of guests must be attached to the Travel Expense Report form, indicating all guests for whom the meal was purchased by the City.

## **5.4 Alcoholic Beverages**

Alcoholic beverages consumed with meals shall be considered a personal expense of the employee. Under no circumstances shall City funds be used to purchase alcohol or reimburse employees for alcohol related costs.

## **6.0 PAYMENT METHODS AND REPORTS**

### **6.1 Payment Methods**

There are three ways to pay for travel expenses:

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- 1 Direct vendor payment
- 2 Employee cash advance
- 3 Employee reimbursement

Direct vendor payments are made by the City to an organization to pay for specific travel related costs. These are usually registration fees, lodging, and airfare and can be paid through Accounts Payable or through the use of a City credit card. Cash advances are lump sum payments made to the employee prior to the event to cover expenses as they arise on the trip. The amounts authorized for cash advances are up to \$200.00 per day or a total not to exceed \$600.00. The third method of payment is employee reimbursement which occurs when the employee elects to pay for some or all travel related expenses first, and is reimbursed upon completion of the travel and submittal of an approved Travel Expense Report form requesting reimbursement.

To obtain either direct vendor payments or a cash advance, the employee must complete a Request for Travel Expense Advance form and attach a copy of the flyer or brochure announcing the event including the agenda, as well as any other appropriate supporting documentation. Any requests for advance should be submitted to the Finance Department *at least twenty-one (21) days* prior to travel.

## **6.2 Accounting For Expenses**

Upon return, a final accounting of all expenses must be approved by the City Manager or Department Head and submitted to the Finance Department within five (5) working days. A Travel Expense Report form is required in all cases - whether an advance and actual expenses are equal, whether the employee is eligible for additional reimbursement, or whether the employee owes money to the City.

Upon return, the employee must account for all expenses incurred, and return any unused portion of a cash advance. The employee will be reimbursed the difference if the actual, authorized expenses incurred exceed the amount advanced.

After completing the Travel Expense Report form, the employee should attach all required receipts, sign the report attesting to its accuracy, and submit it to the City Manager or the employee's Department Head for review and approval. If the employee owes the City for the unused balance of a cash advance, the employee should include (in check form) the amount due with the expense report. If the City owes the employee,

the reimbursement will be processed on the next accounts payable check register.

The City Manager and Department Heads approving expense reports are responsible for ensuring that:

- a. All expenses are reasonable, necessary, and consistent with these guidelines.
- b. All required receipts are attached.
- c. The final disposition is correct (e.g., balance due employee; balance due City).
- d. Any amounts due to the City are reimbursed.
- e. Final accounting of all expenses is submitted to the Finance Department.

### **6.3 Accounting for Cash Advances**

Funds advanced for travel shall be accounted for as "accounts receivable" on departmental balance sheets. The "accounts receivable - travel advances" account should be used, as appropriate. A subsidiary record shall be maintained for each employee who receives a cash advance. These subsidiary records shall be periodically adjusted for all travel expense statements and reimbursements.

## **7.0 LOCAL TRAVEL AND BUSINESS EXPENSES**

The City will reimburse, advance by cash or credit card, or prepay the expenses of employees and official guests when conducting official business in and around Vallejo when authorized by the City Manager or a Department Head. Local travel is considered to be travel that does not require overnight accommodations and is within a 100 mile radius of Vallejo.

### **7.1 Mileage Log**

City employees will be reimbursed for mileage when using a private vehicle for official business. The city's mileage reimbursement rate is equivalent to the IRS standard mileage rate in effect at the time of travel and is intended to cover the cost of fuel, maintenance and insurance

costs. Employees should submit properly completed mileage logs to the City Manager or their Department Head on at least a monthly basis by the tenth day of each month for the prior month's travel. Reimbursement will be provided upon receipt of the employee's Travel Expense Report form or equivalent mileage log.

## **7.2 Local Business Meal Expenses**

Local business meal expense is eligible for reimbursement if incurred in the necessary discharge of the employee's official duties. Employees are expected to limit themselves to what is appropriate for the occasion and location. Reimbursement will be made only in those instances when clearly related to official business. Casual or routine meals with individuals, consultants, employees of the City or other local agencies, where the purpose is primarily social, are not eligible for reimbursement. For the City Manager, City Attorney and Department Heads, attending service club meetings is considered official business and could be eligible for meal reimbursement.

The City will pay the expenses of City employees when attending meetings or conferences held locally which do not include overnight accommodations. When these meetings include meals, which are not paid for in the cost of registration, or other expenses, the City will reimburse the employee for their meal expense plus tip and any other valid expenses resulting from attendance of the meeting or conference. If meals are not included in the cost of registration or as part of the meeting or conference, the City will not reimburse the cost.

## **8.0 TRANSPORTATION OF MATERIAL**

The cost of transporting material by private or City vehicle in lieu of using commercial carriers may be reimbursed to employees as follows:

- a.** City Vehicle — not reimbursed except for the purchase of gas/oil and emergency repairs;
- b.** Incidental Transportation Expenses — actual cost of tolls and fees;
- c.** Private Vehicle — mileage rate authorized by the Internal Revenue Service based on odometer miles.

## **9.0 OFFICIAL REPRESENTATIVES' EXPENSES**

City employees, guests or designated individuals are occasionally asked to represent the City or participate in events, celebrations, or special meetings to promote the interests and traditions of the City. Such events and activities normally celebrate National, State or local holidays. However, they may include promotional events; celebrations recognizing individuals for service to the City and/or participation in activities of organizations with a State-wide or regional goal to represent promote or advocate good government and policies of the City.

To ensure that City representatives are appropriately reimbursed for participation in these events or reimbursed for sponsoring these events, the City Manager may authorize employees, guests and officials to be reimbursed for those expenses incurred when representing the City.

When these expenses have been authorized, the City's representatives are expected to use good judgment and incur only those expenses that are reasonable and appropriate based on the occasion or event, place, time, setting and participants involved.

Expenses for official representatives may be authorized for the following:

- a. To reimburse officials and employees for expenses of a spouse, family member or other adult guest when they are official guests of the City at events, meetings, celebrations or activities sponsored by the City; or
- b. To pay for the cost of sponsoring or participating in State-wide or regional activities and events to promote good government, business, or activities in the City; or
- c. To pay for the cost of hosting Sister City events and activities; or
- d. To pay costs associated with attending meetings, conferences, and celebrations to promote the City, to recognize individuals or groups and/or to promote good government. Includes the costs of meals, lodging, transportation, gifts, decorations for employees and guests.

## **10.0 ALLOWABLE AND NON-ALLOWABLE EXPENSES**

### **10.1 Excess Luggage Weight**

Charges for luggage in excess of the weight or size carried free by transportation companies are reimbursable if such excess weight or size

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is required for official business (excess personal luggage expense is not reimbursable). Charges for storage of the luggage are also reimbursable if related to official business. Specific justification must be submitted with the Travel Expense Report form for incurring the luggage weight and storage charges.

## **10.2 Telephone and Facsimile Messages**

Expenses for official business telephone calls, telegraph messages, fax transmissions, internet usage, or other authorized communications that must be paid by the employee are reimbursable by the City. Expenses incurred from the use of coin-operated telephones for access are also reimbursable.

The City recognizes that overnight travel is at the City's request and it is anticipated that the City will derive a benefit from training and information received in such events. In addition, the City recognizes that employees have personal responsibilities that must be attended to. Therefore, employees will be reimbursed for personal telephone call(s), up to a total amount not to exceed the amount allocated for incidentals on the gsa.gov website for the employee's primary destination, when traveling overnight out-of-town on official business.

## **10.3 Purchase of Services and Supplies**

Expenses for stationery, supplies, photocopying, or duplicating services may be reimbursed, provided the expense is directly associated with a work related project and the cost is reasonable. In addition, work related postage expenses may be reimbursed. Employees requesting reimbursement of these expenses must document actual expenses on the Travel Expense Report form and explain the purpose for these expenses. Receipts/invoices must accompany the Travel Expense Report form.

## **10.4 Laundry and Valet Service**

Actual cost of laundry and/or valet service are reimbursable expenses when employees are required to be away from the City for more than six days at one time or the conditions under which they are required to work while away from the City create a more than normal need for such services.

## 10.5 Miscellaneous Expenses

The following are examples of reimbursable and non-reimbursable expenses subject to the limitation of the rules herein:

### a. Reimbursable Expenses:

- Airline fares
- Railroad fares
- Bus, shuttle & taxi fares
- Rental cars (requires prior written approval)
- Personal vehicle mileage at the IRS approved rate
- Garage & parking fees
- Bridge & highway tolls
- Hotel/motel rooms at rates considered reasonable under circumstances
- Meals as specified
- Postage, telephone, telegraph, fax, internet usage & express mail for business purposes
- Appropriate tips
- Entertainment, when required for official business
- Printed materials, tapes, or other training material that may be available for sale at the conference or seminar.

### b. Non-reimbursable Expenses:

- Personal entertainment
- Tour bus fees or sightseeing tours
- Traffic and parking violations
- Theft, loss or damage to personal effects
- Incidentals such as: haircuts, shaves, manicures, magazines, shoeshine, newspapers, tobacco, etc.

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- Luggage, briefcases, etc.
- Air insurance policies
- Medical expenses
- Household expenses while away from home
- Expenses of employee's spouse and family on a business trip unless their presence is necessary for official business and authorized in advance
- Cocktails or Alcoholic Beverages
- Unexplained or unaccounted for expenses
- Exercise, sauna or steam room, massage and spa treatment expenses
- Attendance at quasi-social functions such as retirement or testimonial dinners unless approved in advance by the City Manager.
- Personal long-distance phone calls, except as authorized by this Administrative Rule
- Movie channel rental expense
- Baby-sitting expense

## **11.0 Definitions**

The following definitions have been used:

### **Employee**

For the purpose of this policy, "employee" shall mean all employees of the City of Vallejo. This includes permanent, part time, seasonal, temporary, volunteer and contract employees.

### **Business Expense**

Expenses incurred by employees for transportation, meals, lodging, incidental expenses and registration expenses at conferences, training and meetings in the conduct of official business.

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### **Business Meal**

This means a meal expense incurred by an employee in the conduct of official business. This could be a breakfast, lunch or dinner expense for the employee and official guest, or for promotional panels that assist the City.

### **Lodging**

This means a hotel, motel, inn, or similar entity that furnishes lodging to the public for pay.

### **Business Meeting**

Generic name used in this Administrative Rule to describe a meeting, conference, or training seminar within a distance not greater than 200 odometer miles in one day.

### **Honorarium**

This means a payment, reimbursement or gift to honor or recognize services of a person(s).

### **Local Travel**

Travel within and around the City with a distance not greater than 100 odometer miles from the employee's regular place of business.

### **Official Business**

The conduct of official City business by City officers and employees when performed for a public purpose. Official Business includes events from which the City derives specific benefits through attendance or conduct of City officers and employees.

### **Official Guest**

A person designated by either the City Manager, or Department Head as an "official guest" for whom City funds may be charged to offset expenses when conducting official business.

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### **Official Representative**

Includes persons under contract or designated by the City Council to represent the City.

### **Per Diem Meal Allowance**

The daily rate paid for overnight travel as published by the federal government on the gsa.gov website for the travel destination.

### **Not All-Inclusive**

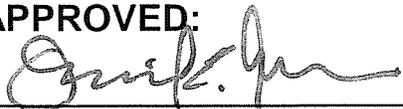
This Administrative Rule does not claim to have addressed all contingencies and conditions that may arise in the course of City travel. Accordingly, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of the City's resources.

Any necessary and reasonable expenses that may from time-to-time be justified due to circumstances or opportunities for the City will be honored upon approval of the Travel Expense Report form submitted with adequate documentation and justification.

## **12. Penalties and Enforcement**

Employees who violate this Administrative Rule are subject to appropriate disciplinary or corrective action, up to and including termination.

**APPROVED:**



Daniel E. Keen  
City Manager

Dated: SEPTEMBER 18, 2012