

City of Lake Worth Beach
Reimbursement and Travel Expense Policy
Procedural Guide
Authorized by Resolution 01-2022

Adoption Date: 04/19/2022
Effective Date: 04/19/2022

Purpose Statement

As allowed by Resolution 01-2022 (and which may be amended by the City Manager), the City of Lake Worth Beach shall allow travel for business and training purposes that directly benefit City initiatives and activities. Below is a comprehensive procedural guide which implements the City's reimbursement and travel expense policy and is intended to provide for the reasonable and prudent use of public funds. To be expensed and reimbursable, expenditures must be incurred as a result of necessity pursuant to the official duties of City officers, employees, and other authorized persons as defined in section 166.021(9), Florida Statutes.

All persons seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. Reimbursement is allowed only when reimbursement has not been, and will not be, received from other sources. If a circumstance arises that is not specifically covered in this procedural guide, then the most conservative course of action should be taken and the reasonable person test employed.

Scope

This procedural guide shall apply to all City employees, City employees, City officers and other authorized persons as defined in section 166.021(9), Florida Statutes, which includes the Mayor, City Commissioners, appointed board or Commission members, and City employees who are authorized pursuant to the following procedures to incur travel expenses in the performance of their official duties.

Travel shall include the following categories:

- Class A Travel - Continuous travel exceeding 24 hours away from the City- see below for procedures.
- Class B Travel - Continuous travel of up to 24 hours away from the City and requires overnight lodging- see below for procedures.
- Class C Travel - A day trip whereby overnight lodging is not needed. The City will not cover travel expenses for Class C Travel, except for:
 - fuel reimbursement when using a City vehicle
 - mileage when the use of a personal vehicle, not covered by a car allowance
 - lunch when food is not provided by the sponsoring event
 - tolls when incurred for business purposes

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Procedures

- Authorization: All travel must be pre-approved at least ten (10) days prior to the travel event. The City Manager, or designee, may provide an exception to the 10-day requirement, but the prepayment of certain or all expenses may not occur due to time constraints.
- An attestation of the availability of funds on the Travel Request and Authorization Form must be documented. The Director must attest to the availability of funds for all requests submitted by their department(s) and City boards that they provide liaison staff support to. The Finance Director shall attest to the availability of funds for Mayor and City Commissioners.
- The following is the approval hierarchy for travel approval.
 - Department Director for their staff
 - City Manager, or designee, for Department Directors
 - Mayor for City Manager
 - City Manager for Mayor and City Commissioners
 - International travel shall follow the aforementioned authorization. All international travel shall also require the approval of the City Commission by majority vote.
- In order to receive authorization, Sections 1, 2 and 3 of the Travel Request and Authorization Form must be completed.

Section I: Purpose of Travel - provide a thorough description of the purpose of the travel request, including how the travel will benefit the City.

The Conference Agenda and or itinerary must be attached.

- ***Section II: Travel Estimate and Funds Availability*** - in order to approve the travel request, it is necessary to complete section II. Step 1 is to evaluate the proposed expenses as both reasonable and beneficial; while step 2 is to verify the availability of funding sources. Below is an overview of expenses and how they are treated. Below is an overview of expenses and how they are treated.

- ***Reasonable and Acceptable Expenses***

Reasonable and acceptable expenses are for employees only- the City will not reimburse or pay for any expenses not incurred by a City employee and on behalf of the City. Examples include expenses for spouses and other family members. Examples of qualifying expenses include: registration for workshops, seminars, training and professional development; lodging at single occupancy rates; transportation; food; and sundry travel expenses such as parking, tolls, rental cars, and baggage fees. All travel expenses must be non-personal and business related. Furthermore, all qualifying expenses need to be documented by a vendor's itemized receipt.

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Examples of acceptable or qualifying expenses include registration for workshops, seminars, training, and professional development; lodging at single occupancy rates; transportation; food; and sundry travel expenses such as parking, tolls, public transportation (buses, trains, taxis, ride shares including Lift and Uber, shuttles, and rental cars), and baggage fees. All travel expenses must be non-personal and city-business related. Furthermore, all qualifying expenses must to be documented by a vendor's itemized receipt.

▪ ***Lodging***

Lodging will be paid/reimbursed in the following manner:

- 1) Conferences exceeding one day and beyond 50 miles from the employee's point-of-origin, the employee's residence, or place of work, lodging will be provided.
- 2) At event prices or when another location's price is less than or equal to the host facility. Any price differential shall be paid by the employee. Because of availability, or other situations outside the employee's control, the City Manager may provide an exception to this requirement. The reason for the exception should be documented on the request form.
- 3) For the nights of the event unless the event starts before 10:00 AM, then the City will pay for the previous night. Additionally, the City will not pay for lodging for the last day of the event unless the conference, excluding social events, extends beyond 6:00 PM.
- 4) Because flight schedules may be problematic to coordinate, the exception to this is when airline travel is necessary. Accordingly, lodging will be permissible for the day prior and after the event when scheduling conflicts warrant additional lodging.
- 5) Only standard room rates will be paid by the City. Any upgrades such as: suites, preferred rooms, etc., will be paid by the employee.
- 6) The City will not pay or reimburse for taxes. To avoid payment of taxes, the employee should obtain a copy of the City's Tax-Exempt documentation from the City's Accounts Payable Administrator.

▪ ***Food***

Food will be covered as an eligible expense if not covered by the sponsoring event. Food expenditures cannot be documented via a hotel bill or invoice. These expenses must be documented on a separate itemized receipt.

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Below are the reimbursement rates for each meal. Rates are based on Florida Per Diem Rates:

- Breakfast: (12:00 AM – 10:00 AM) \$15.00 - only for Class A & B travelers
- Lunch: (10:00 AM – 2:00 PM) \$15.00 - All Classes of travelers
- Dinner: (2:00 PM – 12:00 PM) \$25.00 - only for Class A & B travelers

Rates may be modified from time-to-time per City Manager

▪ *Transportation*

If the employee adds vacation time to an approved trip, any cost differentials in airfare, car rental, or lodging must be identified on the Travel Request and Authorization Form and documented. The City will not pay or reimburse for any expenses not directly associated with the event.

Transportation expenses must be reasonable and at the base rate; any upgrades shall be paid by the employee.

The City shall pay for ride share options and public transportation when incurred as a necessary expense associated with the event.

The City shall pay for public transportation such as buses and trains for employees not receiving a car allowance to commute to/from an event.

When traveling by airline, the City will pay for the coach fare only. Additionally, the employee is encouraged to book flights at least 30 days in advance to avoid premium airfare pricing.

The City shall not pay for:

- TSA Pre-Check or similar programs and priority airline boarding
- Preferred seating
- Bag fees, unless not included in the ticket price (meaning the bag fee is paid separately from the ticket). The City will cover the cost of one bag.
- Oversize bag fees and other up-charged items
- Internet and/or entertainment fees

If the employee receives a monthly car allowance, they must use their personal car unless the request is for out-of-state travel, or when traveling more than 400 miles within the state. When traveling out of state, or more than 400 miles within the state, airline travel is permissible.

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For those employees that do not receive a car allowance, they can either use a City vehicle, public transportation, or their personal vehicle. If a City vehicle is used, fuel is eligible for reimbursement when following the appropriate City procedures. If a personal car is used, and is not covered as part of a car allowance, the mileage reimbursement will equal the IRS permissible rate at the time of travel. The mileage request must be documented using Google maps, or a similar application, identifying the point of origin for the destination, and total mileage. The City will not reimburse for additional mileage unless it is necessary to, and associated with, the business travel.

When traveling, and a rental car is necessary:

- The City authorizes reimbursement for the most economic vehicle available. Any upcharges are the responsibility of the employee.
- The rental agreement must clearly show the date and the points of departure/arrival, as well as, the total cost. Drivers must adhere to the rental requirements, and follow the restrictions. Original receipts are required.
- The City requires that collision damage and loss damage coverage be purchased.
- Parking fees, tolls, and other incidental costs associated with the vehicle will be covered when incurred for the trip. Such costs will not be covered for personal use made during the time of travel, such as when incurred on a personal excursion.
- Employees are responsible for fees and or penalties for not complying with the rental agreement. Additionally, employees are responsible for upcharges for not filling the gas tank prior to returning the rental vehicle.
- Employees are responsible for any penalties and/or violations associated with operating a vehicle, such as parking or moving violations.

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▪ *Non-Reimbursable Expenses*

Reimbursable expenses must be for business purposes and cannot be for personal reasons. Examples of non-reimbursable and personal expenses, includes but not limited to, are:

- Laundry
- Entertainment, (e.g., movies, books, magazines, newspapers)
- Alcohol, tobacco, flowers
- Personal articles such as clothing, haircuts, personal grooming, and travel insurance
- Personal telephone calls
- Costs incurred by the traveler's failure to cancel travel or hotel reservations timely, unless cancellation was due to COVID, family emergency, weather, Act of God scenarios, or other instances approved by the City Manager

Section III: Prepayments and Check Requests - The City will allow certain prepayments as follows: registration fees, lodging, and airfare. *Upon the necessary approvals enumerated above*, department staff may prepay these expenses via city purchase/credit cards or the accounts payable process. No air, lodging, registration, or other expenses can be charged to a procurement card until the approval process has been completed.

- Receipts are required for all pre-payments. *If receipts are not provided, associated payments will be disallowed. Staff may become responsible for payment and they may also be subject to disciplinary procedures, including employment termination.*
- If prepayments are to be made through the accounts payable process, then the department should process based on the appropriate accounts' payable procedures *and must include the fully executed Travel Request and Authorization Form* as part of the accounts payable request and documentation.
- Generally: per-diems, prepayment for food, and other sundry travel expenses will not be made due to IRS compliance concerns. The reason for this is, according to the IRS, per-diems must be part of an "Accountable Plan." There are three criteria for the "Accountable Plan": 1) expenses must be incurred while performing services as an employee, 2) expenses must be accounted for within a reasonable time period, and 3) the employee must return any amounts received in excess of actual expenses within a reasonable time.

If any of these three criteria are not met, the prepayment of per-diem expenses then creates a "Nonaccountable Plan." Once a plan is considered a "Nonaccountable Plan", wages become subject to Social Security and Medicare taxes.

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- To avoid an employee hardship, the City Manager may authorize an exception to per-diem prepayments on a case-by-case basis. The per-diem amount shall equal the subtotal of “Sundry Travel Expenses” itemized in Section II of the Travel Request and Authorization Form.
- In the event prepayments for per-diems are approved, the request shall be processed through accounts payable. The department should process based on the appropriate accounts’ payable procedures ***and must include the fully executed Travel Request and Authorization Form*** as part of the accounts payable request and documentation.
- If a City Purchase /Credit Card is used for any travel expense, including sundry expenses, receipts are required for all expenditures. Furthermore, the employee is responsible to follow all relevant policies and procedures associated with purchase/credit card activity. ***If receipts are not provided, or other policies and procedures are not followed, associated payments will be disallowed. As such, staff will become responsible for payments. Additionally, they may become subject to disciplinary procedures, including employment termination, as determined by the City Manager and Human Resources Director.***
- The City will not prepay any personal expenses with the intention of being “repaid” at a later time.

Section IV: Travel Reimbursement and Expense Report - identify all the expenses associated with the particular travel that did occur and to reconcile activity with required documentation.

- The Travel Reimbursements and Expense Report form must be submitted within 30 days after completion of the event’s travel.
- To validate expenditures, all activity must be documented/supported by a detailed, itemized vendor receipt reflecting goods and services provided. A credit card receipt does not suffice for this purpose.
- If a Travel Reimbursement and Expense Report form is submitted after the close of the General Ledger, reimbursements will be disallowed. Furthermore, if reimbursement may not occur, this does not relieve the employee from complying with any remaining policy(s) requirements. If the City Manager deems it appropriate, they may authorize reimbursement for a prior year following prior year bill procedures.
- If a Travel Reimbursement and Expense Report form is submitted after the 30-day period, the employee may lose travel privileges and may be subject to other disciplinary procedures as may be determined by the City Manager and Human Resource Director.
- The City will not reimburse for taxes; therefore, employees are encouraged to use the City’s tax exemption information. This can be obtained from the City’s Accounts Payable administrator.

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- The City shall not pay for gratuities exceeding 20% of the acceptable and documented food expenditures.
- Unauthorized and/or nondocumented expenditures will not be reimbursed to the employee. If the employee uses a City Credit/Purchasing Card during travel, they are responsible for following all appropriate procedures.
- If unauthorized or nondocumented expenditures are paid by purchase/credit cards, the expense shall be immediate, within one pay-cycle, reimbursed by the employee either as an employee authorized withholding from pay or by direct payment by the employee. In addition to being responsible for reimbursing the City, additional disciplinary procedures may result as determined by the City Manager and Human Resources Director, such as the forfeiture of the City Credit or Purchasing Card, termination of employment, and other disciplinary actions as may be warranted.

In order to provide a suitable audit trail, all travel documents must be retained and filed by employee and then by trip. Documents that need to be compiled in the file include: the approved Travel Request and Authorization Form, the conference agenda/itinerary, and copies of all receipts. Original receipts should be maintained with the Accounts Payable files following A/P procedures. While the City's Finance Department has the responsibility to validate expenditure and reimbursement requests and, to maintain these files, it is the responsibility of the submitting department to provide all required information on a timely basis.

If situations arise that are not addressed in this travel policy and procedure, the City Manager may provide guidance.

Attached is the Travel Request and Authorization Form, including

- Section I: Purpose & Benefit of Travel
- Section II: Cost Estimate and Attestation of Funds Availability
- Section III: Prepayment / Check Request
- Section IV: Travel Reimbursement and Expense Form

City of Lake Worth Beach – Travel Request and Authorization Form

Employee Name: _____

Department / Division: _____

Travel Dates:

Departure Date: _____ Return Date: _____

Destination: _____

Section I – Purpose & Benefit of Travel; attach conference agenda / itinerary

What is Purpose of Travel: _____

Define City Benefit: _____

Section II – Cost Estimate and Attestation of Funds Availability

Qualified Prepaid Expenses

Registration Fee _____ Event / conference brochure/itinerary required

Lodging _____ At conference rate

CM Exception _____ Date _____

Airfare _____ Rationale: _____

Subtotal _____

Sundry Travel Expenses

Baggage _____ one bag limit

Private Vehicle _____ Approval: _____ Date _____

Shuttle or Taxi _____

Parking _____

Tolls _____

Rental Car _____ Approval: _____ Date _____

Gas _____

Breakfast _____ at current rate

Lunch _____ at current rate

Dinner _____ at current rate

Other- Specify _____ List: _____

Subtotal _____

Total Estimated Exp _____ Director's Attestation; _____

===== Date: _____

Budgetary Control Number _____

Less: Unencumbered Balance _____

Available Funds _____ Director's/Finance Attestation; _____

===== see AP&P for responsibility

Date: _____

Section III – Prepayments / Check Request - if paid by department P-card; receipts required

Registration Fee _____

Lodging _____

Airfare _____

Total _____ Dept Director Review: _____

Date: _____

Per-diem Prepayment _____ City Manager Approval _____

Date: _____

Approval/ Authorization, see AP&P for responsibility, _____

City of Lake Worth Beach – Travel Request and Authorization Form
Section IV – Travel Reimbursement and Expense Report – Provide for Each Week

Expense Category	Day 1 <i>Date:</i>	Day 2 <i>Date</i>	Day 3 <i>Date</i>	Day 4 <i>Date</i>	Day 5 <i>Date</i>	Day 6 <i>Date</i>	Day 7 <i>Date</i>
Qualifying prepaid expenses							
Registration Fee							
Lodging							
Airfare							
Subtotal							
Sundry Travel Expenses							
Baggage							
Private Vehicle - <i>see below</i>							
Shuttle, Taxi, etcetera							
Parking							
Tolls							
Rental Car							
Gas							
Breakfast							
Lunch							
Dinner							
Other: <i>specify</i>							
Subtotal							
Total Expenses Incurred							
Less:							
Prepaid Expenses							
City P-Card Purchases							
Disallowed Payments (1)							
Subtotal							
Net Reimbursement							

(1) The employee is responsible to reimburse the City per procedures

Private Mileage Reimbursement

Google Map Mileage _____

Multiply x2 = Total Mileage _____

IRS Reimbursement Rate at time of travel _____

Multiple Total Mileage by IRS rate = Reimbursement _____ enter amount above

The employee attests that this Travel Request and Authorization Form, including amounts submitted for reimbursement, is true and correct and that the expenses itemized were both incurred and necessary.

Employee Signature _____

Date _____

Director's Signature _____

Date _____

Finance Review _____

Date _____