



CITY OF LOS ALTOS POLICY AND PROCEDURE TRAINING AND TRAVEL EXPENSE POLICY FOR MEMBERS OF LEGISLATIVE BODY

PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the authorization and administration of public funds for travel expenses and reimbursements for official City business as they apply to members of legislative bodies. For ease of reading, members of legislative bodies refers to Mayor, Vice Mayor, Council members, and Commission members in the following policy. Additionally, meetings can refer to any meeting, seminar, training, or conference in the following policy.

All travel paid by the City shall be for business and training purposes that is of value to the City and its residents. All expenses incurred while on City business shall constitute actual and necessary expenses that are reasonable and justified use of public funds. When traveling, members shall choose the most cost efficient, direct and economical travel options available. This policy shall be consistent with AB 1234.

City officials shall keep in mind that some expenditures shall be subject to reporting under the Political Reform Act and other laws. All agency expenditures are subject to disclosure under the Public Records Act.

POLICY

The purpose of this policy is to establish business travel guidelines for members that are fair, accountable and transparent. This policy addresses the criteria for City payment of travel expenses and/or advances incurred by the member. Only the authorized members are eligible for reimbursement.

This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources. This policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

City funds, equipment, supplies, and staff time must only be used for authorized City business and shall not exceed the adopted budget appropriation.

The Council's training and travel budget shall include a separate appropriation for all Council members to attend the League of California Cities Annual Conference.

INTERNAL CONTROLS

In order to safeguard public funds, all of the following internal controls shall be followed by all members that incur expenses while traveling on City business:

- All members are responsible for reading and complying with this policy,;
- All training and travel expenses shall be properly authorized by the legislative body in advance of travel, except in emergency by the City Manager,;
- The duties between the travel authorization and reimbursement payment shall be properly segregated,;
- All training and travel expenses shall be properly supported by adequate documentation,;
- All reimbursement claims shall be filed in accordance with the policy,;
- If an advance check is provided, the member shall make certain the amount corresponds to the total estimated expenses minus any prepayment,;
- It shall also be the responsibility of the member to be aware of and understand the estimate of expenses established by the estimate. The member shall monitor expenses to ensure they are within the estimated amount unless unusual circumstances exist and if so, document such circumstances,;
- Prior to any travel during which reimbursable expenses will be incurred, the member shall estimate the expenses which will be incurred as a direct result of the travel and attendance at the training or conference,; and
- It shall be the responsibility of the member incurring the expenses to provide the proper documentation for each expense, including receipts as required.

GENERAL GUIDELINES

Allowable Expenses

1. Allowable expenses are those that are properly authorized and shall include, but are not limited to, authorized business expenses incurred while engaging and/or participating in the following activities and/or events, which meet the criteria listed below:
 - The meeting is mandatory and/or necessary to accomplish key City goals and objectives. Such activities include, but are not limited to:
 - Participating in and attending meetings of regional, state and national organizations whose activities affect the City's interests,;
 - Attending educational seminars designed to improve skill and information levels that may be benefit to the City,; and
 - Attending business meetings, functions of local civic or community organizations where there is a clear nexus between the event and their official City duty, i.e., not purely social events.
 - If the training location requires an overnight stay, efforts shall be made to ensure no local option is available. Government rates shall be used when available. Attendance at conferences and travel time to and from the conference shall receive prior approval from the legislative body.
 - Registration fees will be fully paid by the City via check or credit card. Any discounts offered for early registration or attendance by additional persons shall be obtained whenever possible.

PROHIBITED EXPENDITURES

1. The following are examples, but are not all inclusive, of personal expenses for which the City shall not reimburse the member, even when incurred in conjunction with other approved reimbursable expenses:
 - Receipts that are not itemized;
 - Any expenses that have not been properly authorized;
 - Double-dipping of expenses (submitting the same expense for reimbursement more than once through the same or various means);
 - Expenses incurred as a result of supplemental personal travel;
 - Political or charitable contributions or events;
 - Family or companion expenses, including those related to child or pet care;
 - Entertainment expenses;
 - Meals for any person other than the member;
 - Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;; air flight upgrades
 - Personal losses incurred while on City business;;
 - Inaccurate receipts that are greater than the reimbursable cost of the item;;
 - Alcohol and gambling expenses;;
 - Traffic and toll violations;; and
 - Any expenses incurred by individuals that are not members;
2. Payments for travel and expenses shall be requested as an advance, prepayment or reimbursement of appropriate expenses for lodging, food, transportation and incidental expenses. Reimbursement of expenses shall be made only for members; no reimbursement is allowed for non-members accompanying the attendee.
3. All reimbursement claims or advances for travel and expenses (including registration) shall be accompanied by sufficient supporting documentation including properly approved Request for Travel Authorization Form, original receipts, copies of registration forms, invoices, cancelled checks or notation for any receipts that are lost. An exception to this requirement is listed under section entitled *Meal Costs*.

LODGING, MEALS AND TRANSPORTATION

Airfare

1. Use of air, train, private automobile, or other mode of transportation shall be selected on the basis of the least expensive option for the City. Government and group rates shall be used when available.
2. Transportation costs to and from the authorized destination shall not exceed advance purchase economy class airfare unless such fare is not available. Members shall inquire as to any government discount the airlines may provide. The City shall not pay for upgrades (e.g. seat upgrades or early boarding options) without prior approval from the legislative body.
3. Members shall receive reimbursement for additional expenses (checked bags, travel insurance, etc.) with prior authorization.

Automobile

1. Automobile mileage shall be reimbursed at the rate set by the Internal Revenue Service (IRS) in effect at the time of travel and will be reimbursed for the distance between home and the destination or work and the destination, whichever is less. The Finance Division shall be responsible for determining the applicable rate at the time of travel. This amount does not include bridge and road tolls, which are reimbursable at actual rates. Mileage reimbursement shall be submitted within thirty (30) days of travel.
2. If a personal vehicle is used to and from the airport, the actual mileage shall be reimbursed. If a personal vehicle is left at the airport, the reimbursement shall be the lesser of the following: round trip and parking costs compared with shuttle transportation.
3. The necessity for a rental car must be established and authorized in advance by the legislative body. Only economy car models shall be rented, unless the upgrade is provided at no additional cost to the City. Prepaid gas is not to be selected, but optional insurance is required and shall be reimbursed. The member is required to notify the City's Risk Manager immediately in the event of any incident or accident related to the rental vehicle.

Taxis/Shuttles

1. Whenever possible, hotel courtesy buses or local shuttle services shall be used. Taxi service shall be used only when no other convenient, less costly transportation is available.

Lodging

1. No lodging expenses incurred by members within a 50-mile radius shall be reimbursed unless there are extenuating circumstances with prior legislative body approval.
2. The number of nights in the hotel shall be equal to the number of days at the conference unless prior legislative body approval for an additional night prior or afterward for necessary and legislative body related activities.
3. Lodging expenses shall be prepaid directly to the hotel or reimbursed. Prepayment or reimbursement shall be limited to single occupant room rates. Lodging reimbursement shall not exceed conference hotel cost or host group rate. If conference lodging is not available, prepayment or reimbursement will be made for alternate lodging, but shall not exceed the conference hotel cost or host group rate. No reimbursement shall be made when lodging is at a family/friend's residence.

Meal Costs

1. The City shall reimburse for documented meal expenses including gratuity (not to exceed 15%), according to the daily Maximum Federal Rate. For per diem rates within the US, the member shall use rate listed on <http://www.gsa.gov/>. If the destination city is not listed, then the rate for the county applies. If there is no rate for the city or county, the lowest rate applies.
2. Meal expenses, including gratuity, in excess of the daily Maximum Federal Rate shall not be reimbursed without approval of the legislative body.

3. The per diem rates are to be reimbursed only for full days of travel (travel away from City overnight). If there is a partial day of travel, the City shall reimburse meal based on the Federal Meal Rate.
4. If any meal is included in the registration fee or the hotel fee, the member shall not receive reimbursement for the included meal. For example, if lunch is included in the registration fee, then the full day per diem will be less the per diem allocated for lunch.
5. If a member returns home after 1:00 p.m., the member will receive the per diem for breakfast and lunch. If a member returns home after 6:00 p.m., the member shall receive the full day's per diem.

Miscellaneous Expenses

1. Expenses related to City business shall 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. Miscellaneous expenses shall be itemized and receipts shall be provided. Where receipts are not available, a signed declaration of expenditures shall be accepted by the City Manager or designee at their discretion.
2. Incidental expenses incurred for fees and tips given to porters, baggage carriers and hotel staff shall be reimbursed up to General Service Administration (GSA) limit (currently at \$5 per day). If the member receives a full day's per diem, no additional incidentals shall be provided, as this is already included in the GSA daily rate.
3. Personal expenses (e.g. shoe shine, in-room entertainment, personal phone calls, traffic fines, etc.) shall not be reimbursable.
4. If a personal side trip is planned, the City shall reimburse not more than the advance purchase economy class airfare to and from the original destination. Any additional costs related to personal travel shall not be reimbursed by the City.
5. If a companion accompanies a member, only the business cost incurred by the member shall be reimbursed. All costs incurred in addition to the member's costs shall not be reimbursed by the City.

Business Meeting Expenses

1. Prior to any business meeting, the legislative body shall approve any meal expense based on the Federal Meal Rate or in excess. The itemized receipt shall include the amount of the expense, the date and place of the expense, the business purpose, and who attended the business meeting.
2. Meals shall only be reimbursed for the cost(s) of the eligible item on the meal receipt. Overcharged amounts shall not be reimbursed.
3. Meal reimbursement shall be submitted within 30 business days of the meeting.

PROCEDURE

Member shall comply with the following procedures:

1. Complete the Request for Travel Authorization for City staff and Finance Department with all information regarding meeting, travel dates, travel plan, hotel information, estimated costs, and justification for the event at least sixty days before registration for the meeting closes.
2. The relevant parties shall agendaize the request as early as feasible for legislative body review.
3. Legislative body shall approve or deny the proposed travel expenses.
4. Submit requests for registration and any advances or prepaid items within the standard disbursement time period.
5. Members are responsible for turning in all receipts to the Finance Division within 30 business days of returning from travel. Only expenses approved prior to travel shall be reimbursed by the City.
6. Within 30 business days after the member's return from a trip, a Statement of Travel Expenses (travel and expense report), supported by the Approved Request for Travel Authorization Form, shall be filed with the Finance Division complete with the proper signing authority.
7. All Statement of Travel Expenses shall include copies of documentation of previous prepayments or advances made, including registration, airfare, hotel, training agenda, etc.
8. Following an event for which a reimbursement claim has or will be submitted, the official seeking reimbursement shall briefly report on the event during the next regular meeting of the legislative body and no more than 30 days after the claim has been fulfilled. If multiple officials attended, a joint report shall be made. This report shall be made verbally, or provided as a written report to be included as information in the agenda packet.

Finance Division shall comply with the following procedures:

1. Receives completed Statement of Travel Expenses with the Approved Request for Travel Authorization Form from member.
2. Receives the required backup documentation: Meeting agenda, receipts for airfare, hotel, tax/transit, map to and from if mileage is used, per diem rate of the travel destination from GSA website or meal receipts with details if actual meal expenses is used.
3. Reviews requested prepayments, advances and reimbursements related to travel. Checks the budget for consistency with budgeted funds.
4. Process Statement of Travel Expenses and provides payment for advances, prepayments or reimbursements.