



## **CITY OF LOS ALTOS ADMINISTRATIVE POLICY AND PROCEDURE TRAINING AND TRAVEL EXPENSE POLICY**

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### **PURPOSE AND SCOPE**

It is the policy of the City to administer a training program that will provide for the professional growth and continued development of its personnel. By doing so, the City will ensure its personnel possess the knowledge and skills necessary to provide a professional level of service that meets the needs of the community. All travel should be for business and training purposes that is of value to the City and its residents. All expenses incurred while on City business should constitute actual and necessary expenses that are reasonable and justified use of public funds. When traveling, employees shall choose the most cost efficient, direct and economical travel options available. This policy shall be consistent with the City's Purchasing Policy, CalCard Policy and Petty Cash Policy.

### **POLICY**

The purpose of this policy is to establish business travel guidelines for City employees that are fair, accountable and transparent. This policy addresses the criteria for City payment of travel expenses and/or advances incurred by the City employee. It is the policy of the City that no employee shall sustain personal monetary loss as the result of duties performed in an official capacity. However, it is not the policy to reimburse for more than actual, reasonable, and justified expenses incurred.

### **INTERNAL CONTROLS**

In order to safeguard public funds from fraud, waste and abuse, the following internal controls shall be followed by all employees that incur expenses while traveling on City business:

- All employees are responsible for reading and complying with this policy.
- All training and travel expenses shall be properly authorized in advance of travel, except in emergency.
- 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 a timely manner.
- All training and travel expenses shall be consistent with budgetary limitations.
- If an advance check is provided, the employee shall make certain the amount corresponds to the total estimated expenses minus any prepayment.
- Prior to any travel during which reimbursable expenses will be incurred, the employee's Supervisor will estimate the expenses which will be incurred as a direct result of the travel and attendance at the training or conference.

- It shall be the responsibility of the employee incurring the expenses to provide the proper documentation for each expense, including receipts as required.
- It shall also be the responsibility of the employee to be aware of and understand the estimate of expenses established by the employee's Supervisor. The employee shall monitor expenses to ensure they are within the estimated amount unless unusual circumstances exist and if so, document such circumstances.
- In the event an employee needs to cancel his/her training at the last minute, it is the employee's responsibility to cancel his/her hotel reservations after obtaining cancellation approval from his or her Supervisor.

## 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 seminar, meeting, function certification training or conference is mandatory or necessary to accomplish key City or employee goals and objectives. Such activities include, but are not limited to:
    - Participating in and attending meetings of regional, state and national organizations whose activities effects the City's interests.
    - Attending educational seminars designed to improve skill and information levels.
    - Attending business meetings, functions of local civic or community organizations where there is a clear nexus between the event and City employee duty, i.e., not purely social events.
  - If the training location requires an overnight stay, efforts should be made to ensure no local option is available. Government rates should be used when available. Attendance at conferences and travel time to and from the conference must receive prior approval from the employee's supervisor. If the employee is eligible for overtime or compensatory time accrual during the travel time and conference event, wages will be calculated in accordance with FLSA requirements or in accordance with the employee's MOU. Public Safety Personnel should refer to the POA MOU section 17.15. Lodging at conference sponsored or group rate discount are to be utilized. Exceptions may be made for Public Safety personnel with prior approval from the Police Captain or his/her designee.
  - 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 should be obtained whenever possible.
  - When training is scheduled for any employee, it shall be considered mandatory and part of the employee's obligation to participate. An excused absence shall be requested in writing prior to the training date.

International and out-of-state travel for any event or activity requires advance approval by the City Manager or his/her designee.

## **Prohibited Expenses**

2. The following are examples, but not all inclusive, of personal expenses for which the City will not reimburse the employee, even when incurred in conjunction with approved reimbursable expenses:
  - 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 employee.
  - Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline.
  - 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.
  - Any expenses incurred by individuals that are not City employees.
3. Payments for travel and expenses may be requested as an advance, prepayment or reimbursement of appropriate expenses for lodging, food, transportation and incidental expenses. Some departments may have additional regulations for their staff, such as Public Safety attending training required by POST. Reimbursement of expenses may be made only for City employees; no reimbursement is allowed for non-employees accompanying the attendee.
4. All reimbursement claims or advances for travel and expenses (including registration) shall be accompanied by sufficient supporting documentation including 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*.
5. All claims for travel and expenses shall be signed by the employee's Supervisor and Department Head or his/her designee.

## **LODGING, MEALS AND TRANSPORTION**

### **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 should be used when available.

2. Transportation costs to and from the authorized destination will not exceed advance purchase economy class airfare unless such fare is not available. Employees shall inquire as to any government discount the airlines may provide. The City will not pay for upgrades (e.g. seat upgrades or early boarding options) without prior approval from the Department Head or his/her designee.

### **Automobile**

1. City vehicles should be used whenever possible. No allowance or reimbursement for transportation is authorized when a City vehicle is used.
2. When two (2) or more employees are traveling by vehicle, the employees should make every effort to travel together.
3. Automobile mileage will 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. Exceptions may be made for Public Safety Personnel according to specific provisions of the POA MOU section 17.15. 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. Any employee in a management position who receives a vehicle allowance, or has a take home City vehicle assigned, is not eligible for mileage reimbursement. Mileage reimbursement should be submitted within thirty (30) days of travel.
4. If a personal vehicle is used to and from the airport, the actual mileage will be reimbursed. If a personal or City vehicle is left at the airport, the reimbursement will be the lesser of the following: round trip and parking costs compared with shuttle transportation.
5. The necessity for a rental car must be established and authorized in advance by the Department Head or his/her designee. Only economy car models may 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 will be reimbursed. The employee is required to notify the City's Risk Manager and their supervisor, immediately, in the event of any incident or accident related to the rental vehicle. When 2 or more employees are attending the same training, the rental vehicle, if approved, should be shared.
6. If an employee chooses to travel by vehicle instead of air, the employee is only eligible for travel time equal to the estimated length of the air travel. If travel time is longer, as a result of driving, the employee must use time off for the difference. Exceptions may be made at the discretion of the Department Head or his/her designee.
7. Employees involved in any vehicle accident while on City business shall report such accident to his or her Supervisor within a reasonable period of time.

### **Taxis/Shuttles**

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

### **Lodging**

1. No lodging expenses incurred by employees within a 50-mile radius will be reimbursed unless there are extenuating circumstances with prior Department Head or his/her designee approval.
2. Lodging expenses may be prepaid directly to the hotel or reimbursed. Prepayment or reimbursement will be limited to single occupant room rates. Lodging reimbursement shall not exceed conference hotel cost or host group rate with the exception the lodging is not available. No reimbursement will be made when lodging is at a family/friend's residence.
3. Hotels often provide exemptions from transient occupancy tax for government employees. Employees should request exemption for hotel transient occupancy taxes if applicable.

### **Meal Costs**

1. The City will reimburse for documented meal expense, including gratuity (not to exceed 15%), according to the daily Maximum Federal Rate. For per diem rates within the US, 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 will not be reimbursed without approval of the Department Head or his/her designee.
3. The per diem rates are to be reimbursed only for full days of travel (travel away from City overnight). If partial day of travel, the City will reimburse meal based on the Federal Meal Rate.
4. If any meal is included in the registration fee or the hotel fee, the employee will 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 an employee returns home after 1:00 p.m., the employee will receive the per diem for breakfast and lunch. If an employee returns home after 6:00 p.m., the employee will receive the full day's per diem.

### **Miscellaneous Expenses**

1. Expenses related to City business will be reimbursed for actual telephone, fax, parking expenses, tolls, tipping (non-meal related as this fall under the Maximum Federal Rates), taxi, hotel wireless charges, or other reasonable expenses. Miscellaneous expenses must be itemized and receipts must be provided. Where receipts are not available, a signed declaration of expenditures may be accepted by the Administrative Services Director or designee at their discretion.
2. Incidental expenses incurred for fees and tips given to porters, baggage carriers and hotel staff will be reimbursed up to General Service Administration (GSA) limit (currently at \$5 per day). If the employee receives a full day's per diem, no additional incidentals will 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.) are not reimbursable.

4. If a personal side trip is planned, the City will reimburse not more than the advance purchase economy class airfare to and from the original destination. Any additional costs related to personal travel will not be reimbursed by the City.
5. If a companion accompanies an employee, only the business cost incurred by the employee will be reimbursed. All costs incurred in addition to the employee costs will not be reimbursed by the City.

### **Business Meeting Expenses**

1. Prior to any business meeting, the Department Head or his/her designee 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 will only be reimbursed for the cost(s) of the eligible item on the meal receipt. Overcharged amounts will not be reimbursed.
3. Meal reimbursement should be submitted within 30 business days of the meeting.

### **PROCEDURE**

#### **Employee**

1. Discuss planned travel and expenses with immediate supervisor prior to travel and obtain approved estimate of any potential travel expenses. Obtain prior authorization for any nonstandard expenses (i.e., rental car, travel by air, etc.)
2. Submit requests for registration and any advances or prepaid items within the standard disbursement time period.
3. Employees are responsible for turning in all receipts (except for per diem meals) to their Supervisor within 30 business days of returning from travel. The employee's Supervisor shall review all receipts for reasonableness of expenses and conformance to this policy. Excessive or questionable expenses will be reviewed with the involved employee and may require additional explanatory documentation. Only expenses deemed reasonable and appropriate for the nature of the event will be reimbursed by the City.
4. Within 30 business days after the employee's return from a trip, a Statement of Travel Expenses (travel and expense report) must be filed with the Finance Division complete with the proper signing authority.
5. All Statement of Travel Expenses shall include copies of documentation of previous prepayments or advances made, including registration, airfare, hotel, training agenda, etc.

#### **Finance Division**

1. Receives completed Statement of Travel Expenses from department.

2. Required backup documentation: Conference/Meeting/Training 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.

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Gabriel Engeland, City Manager

Revision: