



**TITLE: Travel and Expense Procedure**

**PROCEDURE NUMBER: B-04**

**EFFECTIVE DATE: April 19, 2012**

**PAGES: 1 of 12**

**REVISED DATES: March 2, 2020**

**APPROVED:**

**PURPOSE**

The purpose of this Travel Procedure is to provide guidelines for the authorization and administration of use of public funds for travel expenses for employees of the Town of Los Gatos.

In addition to the distinct elements of this procedure it is understood that all Town policies and procedures are subject to Sub-section 12.5 of Section 12 of the Town's Personnel Rules.

**GUIDING PRINCIPLES**

Employee travel must only be used for authorized Town business. Travel will be authorized only when the cost and purpose result in a benefit to the Town. Employees travelling on Town business should ensure that all expenses incurred are reasonable and are a prudent use of public funds. Department Directors should authorize travel for the minimum number of employees necessary to represent the Town. Travel may be authorized for those employees whose job tasks are directly related to the purpose of travel or to forward an employee's future career growth. Only the employee or authorized person attending the training on the Town's behalf (e.g., a Planning Commissioner) is eligible for reimbursement (spouses or friends are not eligible for reimbursement). The Town Manager and Department Directors are required to consider the total costs of approved travel including registration, travel expenses, accommodation, meals, and required overtime and/or staffing.

**SCOPE**

This procedure applies to Town of Los Gatos employees when traveling on Town business. Travel categories include:

1. Day Trip – travel in California with no overnight stay.
2. In-State – travel in California with overnight stay.

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3. Out-of-State – travel outside California.
4. International – travel to destinations outside of the United States.
5. Emergency – travel for law enforcement purposes, investigative travel, and for protecting Town assets where time is of the essence.

## **PROCEDURES**

### **1. Authorized Travel**

Authorized travel means travel by Town employees or any person traveling at the Town's expense for the purposes of attending conferences, seminars, educational classes, training, and other business activities related to the administration of municipal government.

As a general procedure, employees should attempt to attend meetings and/or trainings within reasonable proximity to Los Gatos. If a particular training session/conference is offered throughout the year at various locations, the venue closest to Los Gatos or to the employee's home must be selected and scheduled accordingly. Annual conferences or training seminars sponsored by well-known governmental and/or professional associations (such as the League of California Cities and the Government Finance Officers Associations) are encouraged as a priority.

### **2. Travel and Approvals**

Town employees authorized to attend conferences, seminars, technical or professional governmental meetings, luncheons, banquets and other functions concerning the business of the Town of Los Gatos will be reimbursed for necessary and reasonable expenses incurred. Expenses will not be reimbursed unless a source of funds has been identified and approved.

Employees must provide advance notice of all travel, including overnight and out-of-state travel to their supervisor and such travel must be approved by the Department Director. All out-of-state travel must be approved by the Town Manager or their designee. Approvals must be obtained before any purchases are made for the trip.

All employees traveling who use a Town credit card issued to them for expenditures shall follow the guidelines as set forth in the Town Procurement Card Procedure.

The Chief of Police or their designated representative may authorize emergency in-state or out-of-state travel by Police Department personnel without prior approval from the Town Manager in the following cases:

1. For lawful extradition of wanted felons.
2. For investigative travel, where such travel requires immediate departure by authorized Police Department personnel.

It is the responsibility of the employee to complete and submit an Authorization to Travel Form. This form is required for all overnight travel, out-of-state travel, and travel requiring an airline flight. For employees requesting in-state day trips, it is an optional form that can be completed and turned in to the employee's supervisor in order to request travel opportunities. Departments may have their own methods for employees to request in-state, day-trip training/travel opportunities (i.e. a written memo or email), which are also acceptable.

Within 30 days of returning from the trip, a copy of the signed Authorization to Travel Form (including the completed "actual expenses" portion), Claim for Reimbursement Form, Mileage Reimbursement Form, and all supporting documentation, if applicable, must be completed and returned to the employee's supervisor. After review and approval by the Department Director, the forms are to be submitted to the Finance Department. See Section 5, "Mileage Reimbursement and Claims for Reimbursement" for more information.

### **3. Travel Allowance and Reimbursements**

#### **A. Registration/Tuition Fees**

Registration/tuition fees may be paid with a Town credit card or a Town-issued check. When a credit card fee is charged, a Town-issued check is the preferred method of payment. To request a check, a Request for Payment/Check/Per Diem Allowance with all required details must be submitted to the Finance Department with the payment deadline clearly marked on the face of the form to assure timely payment.

Any discounts offered for early registration or attendance by additional persons should be obtained whenever possible.

#### **B. Lodging**

A hotel stay should be booked when the commute time to/from the conference, seminar or training would be unreasonable. The discretion of the Department Director should be used when booking hotel accommodations. For a hotel stay at a destination less than 75 miles away from the employee's home or work location (whichever is closer to the travel destination), the Department



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Director's approval is required.

Whenever possible, standard non-deluxe rooms at conference rates should be reserved. If the employee wishes to reserve other accommodations, only the standard non-deluxe conference room rate is to be charged to the Town. When choosing lodging, employees should consider the convenience of the location, along with other best rates available. Any hotel upgrades will be at the employee's expense.

**C. Food and Beverage**

Food and Beverage for One-Day Trips

Meal expenses for trips that are a single day will not be reimbursed unless the employee is assigned to conduct work during the meal (Per Diem Allowance is not applicable).

Food and Beverage for Overnight Trips

Per Diem Allowances can be located per the table below.

For Travel to:	Lodging and Meal Rates Established by:	Rate Tables Can be Found:
The continental US	US General Services Administration (GSA)	<a href="http://www.gsa.gov/">http://www.gsa.gov/</a> <ul style="list-style-type: none"> <li>• Includes 48 Continental States and District of Columbia high cost locations</li> <li>• To look up per diem rates, go to <a href="https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup">https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup</a>, search for the location of travel, and check the numbers in the "M&amp;IE Total" and "First &amp; Last Day of Travel" columns.</li> <li>• If neither the city nor county is listed, use standard CONUS rates.</li> </ul>
The non-contiguous US or US territories	US Department of Defense (DOD)	<a href="http://www.defensetravel.dod.mil/site/perdiemCalc.cfm">http://www.defensetravel.dod.mil/site/perdiemCalc.cfm</a> <ul style="list-style-type: none"> <li>• Includes Alaska, Hawaii and other US territories</li> <li>• Meal breakdown is 25% for breakfast, 30% for lunch and 45% for dinner of total daily meal amount.</li> <li>• Town will only pay actual incidental expenses to the GSA limit</li> </ul>
Foreign destinations	US Department of State	<a href="http://aoprals.state.gov/">http://aoprals.state.gov/</a> <ul style="list-style-type: none"> <li>• Listed in US Dollars</li> <li>• Meal breakdown is 25% for breakfast, 30% for lunch and 45% for dinner of total daily meal rate</li> <li>• Town will only pay actual incidental expenses up to GSA limit</li> </ul>

1. Food and beverages for overnight trips will be paid to the employee via a Per Diem Allowance based on the amounts obtained using the websites found in the table above. The Meals and Incidentals (M&IE) breakdown is the full amount received for a single calendar day of travel when that day is neither the first nor last day of travel. The amount received on the first and last day of travel equals 75% of the total M&IE.
2. Employees must obtain a Per Diem Allowance from the Finance Department either within 30 days before the trip using a Payment/Check/Per Diem Allowance Request Form or within 30 days after the trip using a Claim for Reimbursement Form. Per Diem Allowance requests must include the employee's travel dates, a training/event flyer, and an approved Authorization to Travel Form, if applicable.
3. Food and beverage purchases made while on an overnight trip may not be made with a Town credit card. A Per Diem Allowance for meals must be obtained for food and beverage purchases either before or after the trip.
4. If a meal is provided as part of the business event, the Per Diem Allowance will be reduced accordingly, using the numbers obtained from the websites in the table above. For example, if breakfast or lunch is included in the registration fee for a conference, the Per Diem Allowance for that day will not include the allowance for that meal or meals. Continental breakfasts provided as part of lodging will not be counted as a pre-paid meal and employees may be reimbursed for regular breakfasts. If the employee has special dietary needs, efforts should be made to see if the event provider can accommodate them. If the conference is unable to accommodate the employee's dietary needs, the Department Director may approve in advance an additional purchase for a meal to replace the one provided by the conference.
5. Dining tips are included in the Per Diem Allowance.
6. The Per Diem Allowance includes "incidental" purchases, described by the GSA as fees and tips given to porters, baggage carriers, hotel staff, and staff on ships.

**D. Personal Charges**

Personal charges (i.e. movie charges, spousal/guest expenses, etc.) are the responsibility of the traveling employee.

**E. Use of Personal Vehicle – Mileage Reimbursement**

All mileage reimbursements shall be based on the current IRS applicable rate (see [www.irs.gov](http://www.irs.gov)). When using a personal vehicle for a trip which originates from the employee's home, the mileage reported for reimbursement should be from their home or from the place of work, whichever is less.

Mileage Reimbursements should be submitted within 30 days of return from the trip. A training/event flyer or schedule should be attached as well as driving directions from Google Maps, MapQuest, or other website showing the distance travelled.

**F. Transportation**

The most economical method and type of transportation reasonably consistent with the scheduling need must be used, using a direct and time-efficient route. The cost of a rental vehicle, parking and fuel shall be compared to the combined cost and time of other such forms of transportation and the most cost-efficient method shall be used. Only the amount for the most cost-efficient, reasonable method of transportation is reimbursable, even if that method is not used (i.e., employee will pay the difference if they choose to take a more expensive method of travel).

In the event of an automobile accident while traveling on Town business, a Vehicle Accident Reporting Form must be filled out and submitted to the employee's supervisor within 24 hours of the vehicle accident, if possible.

**Airfare**

1. Airline transportation costs to and from the authorized destination will not exceed advance-purchase economy-class airfare unless such fare is not available.
2. Transportation to and from airports will be reimbursed for either actual mileage if personal vehicle is used, or for reasonable taxi fare, ride share, airport van or other public transportation. Reimbursable mileage includes travel to the airport from the workplace or home, whichever is closer.
3. The charge for the first piece of personal baggage for the employee may be reimbursed.
4. If a personal vehicle is parked at the airport for more than one day, the cost of parking will be reimbursed at the long-term parking rate. Parking will not be reimbursed for more than one day at the short-term rate.
5. Any additional airline fees will not be reimbursed (i.e. for early check-in or seating upgrades).

**Vehicle Rentals**

1. Rental vehicles are only allowed for business purposes and with prior approval of the Department Director. When renting a vehicle, employees should use standard or economy models. Larger vehicles are allowed if there is no additional cost to the Town, or if special circumstances exist such as medical needs, disabilities, weather conditions, multiple employees who will occupy the vehicle, etc.
2. When a rental vehicle is approved for travel, it can either be booked using the employee's personal credit card and later submitted for reimbursement with itemized receipts, or it can be booked using the "Rental Car Purchasing Card" from the Finance Department. Individual Town-issued Purchasing Cards should not be used to book rental vehicles. If using the Rental Car Purchasing Card, the vehicle shall be rented from one of the companies the Town has a business rewards account with: Budget or Avis. The most cost-efficient option for the trip should be selected. The discount number and billing PIN number to be used for the appropriate rental car company can be obtained from the Finance Department.
3. It is the rental vehicle driver's responsibility to ensure that vehicle rental costs are kept to a minimum. This includes returning the vehicle to the same location, retuning the vehicle with a full tank of gas, declining GPS and pre-paid gas options, etc.
4. For rental vehicles booked using an employee's personal credit card, employees should purchase the Collision/Loss Damage Waiver insurance when traveling domestically. Employees shall waive any other additional vehicle insurance options provided that the employee has their own vehicle insurance coverage. Employees should contact their auto insurance company beforehand to confirm coverage. Any questions about coverages should be addressed ahead of time with the employee's Department Director and the Finance Department. When traveling internationally, additional insurance should be accepted if the employee lacks other similar coverage.
5. For rental vehicles booked using the "Rental Car Purchasing Card," employees should decline the rental company's Collision/Loss Damage Waiver insurance, as they are covered by the Auto Rental Collision Damage Waiver Program through the Purchasing Card.
6. Rental vehicles should not be taken across the US Border unless prior approval is received from the Department Director. The Town is not responsible for any border fees if no prior approval was given and the employee must reimburse the Town for these fees if applicable.
7. The Town is not responsible for the fees associated with paid "express" lanes, where drivers must pay a toll in order to use a separate, less congested lane. The employee must reimburse the Town for this expense if applicable.

8. The Town will reimburse all bridge and road tolls, except for redundant toll roads that parallel state or federal highways (e.g., Highway 73 in Orange County, California).
9. The employee is liable for any “damages” to the rental car during the course of rental. The Town Rental Car Purchasing Card on file will only be used for the cost of the rental vehicle booked up front. If the employee damages the vehicle, upon return of the vehicle, they will need to provide an alternate form of payment for any of these “incidental” expenses.
10. In case of any event, incident or accident related to the rental vehicle, the employee must notify the Finance Department and the Department Director as soon as possible. A Vehicle Accident Reporting Form must be filled out and submitted to the employee’s supervisor within 24 hours of a vehicle accident, if possible.
11. Employees may only use the Town’s business rewards program discount number for authorized Town travel. The Town’s business rewards program discount number may not be used for leisure travel.

**Ground Transportation**

1. Ground transportation (i.e., taxis, rideshares, buses, and/or shuttles) will be reimbursed when incurred in overnight or away from home travel.
2. Taxi or rideshare (i.e., Uber/Lyft) costs may be reimbursed for one-day or multiple-day travel, keeping in mind that the most cost-effective mode of transportation should be taken.

**Use of Town Vehicles/Carpooling**

1. Town vehicles should be used whenever possible. The preferred method of transportation for traveling to locations within driving distance is to take a Town vehicle.
2. When two or more employees are travelling by personal/Town vehicle, every effort should be made to ride together.
3. Use of Town vehicles is subject to the rules and regulations set forth in the Town Vehicle Use and Operation Procedure.
4. When operating a Town vehicle, employees must have a valid driver’s license with them and confirm that current proof of Town insurance is in the vehicle prior to use.

**Public Transportation**

Bus, train or other methods of public travel are authorized when such modes are more appropriate and economical.

**G. Miscellaneous Expenses**



Examples of miscellaneous expenses include, but are not limited to: taxi, rideshare, shuttle fares, tips, internet charges, and parking.

1. Taxi, bridge tolls, and ferry fares associated with official business will be reimbursed when supported by itemized receipts.
2. Actual cost for parking will be reimbursed when supported by itemized receipts. In a situation where no receipt is given (i.e., parking meters), a Missing Receipt Form must be submitted.
3. Hotel internet or Wi-Fi charges for work purposes will be reimbursed when supported by itemized receipts.
4. Town business meal purchases, where Town business is discussed and a mealtime meeting is unavoidable due to scheduling restrictions, are reimbursable expenses. The statement reconciliation should list each person in attendance as well as a description of the Town business discussed. If the employee dines with another person and is unable to split the check, the receipt should be clearly marked as to the items purchased for the employee. Business meal purchases do not apply to overnight travel meals where a per diem allowance is applicable.
5. The Per Diem Allowance includes "incidental" purchases, described by the GSA as fees and tips given to porters, baggage carriers, hotel staff, and staff on ships.

#### **H. Town Checks**

Town checks for registration will be made payable only to the organization officially conducting the meeting. If the employee is in need of a check for registration, one will be issued upon notification to the Finance Department. The notification must include a Request for Payment/Check/Per Diem Allowance form approved by the Department Director or the Town Manager, accompanied by the training/conference flyer, approved Authorization to Travel Form (if applicable) and any registration deadline.

The Town will issue approved reimbursement checks directly to the employee.

#### **4. Travel Time**

##### For Management/Exempt Employees

Travel time does not affect the pay for FLSA exempt (management and salaried employees), as exempt employees are not subject to overtime.

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For Non-Management/Hourly Employees

- One Day Travel: Travel time is paid and overtime is applicable, less the employee's normal commuting time and meal periods. When possible, the employee's schedule should be adjusted to minimize overtime.
- Overnight Travel: Travel to and from the event is paid and overtime is applicable. Time engaged in work-related activities such as attending the conference, participating in meetings or performing work is paid as long as the work is authorized and pre-approved. Time engaged in personal activities such as meals, resting, sleeping, or leisure is not paid. Time spent at optional business event/conference-sponsored activities (such as dinners or dinner cruises) is not paid. When possible, the employee's schedule should be adjusted to minimize overtime.

Questions regarding specific circumstances for non-management/hourly employee travel should be referred to the Human Resources Department or Payroll prior to travel.

**5. Mileage Reimbursement and Claim for Reimbursement**

**A. Required Documentation**

A Mileage Reimbursement Form and Claim for Reimbursement Form must be completed to document travel mileage/activity/purchases or process requests for travel reimbursement. Any Per Diem Allowances for meals during overnight travel requested after the trip has been completed should be submitted using the Claim for Reimbursement Form. The forms must include the following documentation:

1. Signed copy of the Authorization to Travel Form (to include the completed "actual expenses" portion), if applicable. This form is required for all overnight travel, out-of-state travel, and travel requiring an airline flight.
2. Supporting documentation that describes the nature of travel (i.e., copies of the conference/training flyer and schedule).
3. Mileage Reimbursements should include driving directions from Google Maps, Mapquest, or other website showing the distance travelled. When using a personal vehicle for a trip which originates from the employee's home, the mileage reported for reimbursement should be from their home or from the place of work, whichever is less.
4. Copy of receipt(s) that itemize any travel purchases, including date of purchase and location.

5. If the employee does not have an itemized receipt, a Missing Receipt Form must be filled out. Missing Receipt Form purchases will be evaluated on a case-by-case basis and may not be reimbursed. If the employee has a Town credit card and submits more than three Missing Receipt Forms within a twelve-month period, Town credit card privileges may be reviewed and/or revoked.
6. No individual food or beverage purchases will be reimbursed. The employee must request a Per Diem Allowance for the trip.

**B. Deadline to Submit Mileage Reimbursement/Claim for Reimbursement Form**

The Mileage Reimbursement Form and Claim for Reimbursement Form should be submitted within 30 days of travel or the meeting date. Claims for reimbursements that are not turned in within the requested timeframe may not be honored, resulting in a cost to the employee, unless waived by the Town Manager.

**6. Non-Reimbursable Expenses**

The following personal expenses are not allowable for reimbursement:

- a. Traffic, toll, and parking violations
- b. Fees to drive in a paid "express" lane or parallel paid freeway (e.g., Highway 73 in Orange County, California)
- c. Mileage for commute to work
- d. Emergency repairs on non-Town vehicles
- e. Alcohol/tobacco
- f. Individual food and beverage purchases while on overnight travel (Per Diem Allowance must be requested)
- g. Medicinal remedies, health supplies, cosmetics, toiletries
- h. Personal entertainment such as in-room movies, fees for exercise room, sports events, personal reading materials, personal grooming, optional tours, souvenirs
- i. Childcare fees
- j. Kennel/boarding fees (except for Town-owned animals)
- k. Expenses related to vacation or personal time while on a business trip
- l. Personal travel expenses that cause additional cost to the Town
- m. Personal losses incurred while on Town business
- n. Expenses related to an employee's family member or friend
- o. Political or charitable contributions or events
- p. Short term airport parking exceeding one day
- q. Any additional airline fees

- r. Other incidental expenses that are determined to be of a personal nature, extravagant, or might be considered unreasonable or unnecessary

APPROVED AS TO FORM:



Robert Schultz, Town Attorney