



Policy & Procedure

Subject:	TRAVEL AND BUSINESS EXPENSE POLICY	
Index:	FINANCE	Page 1 of 5
ADMINISTRATIVE POLICY		Effective Date: May 1, 2025

1.0 PURPOSE

To establish policies and procedures for allowable travel and business expenses incurred in the course of official city business.

2.0 ORGANIZATIONS AFFECTED

City employees, members of city council, commissions, and citizen advisory committees are covered by this policy and are collectively referred to herein as "employee" for the purposes of this policy.

3.0 REFERENCES

Lynden Municipal Code 2.36
RCW 42.24.090 - 42.24.170
US General Services Administration Travel Rates
Internal Revenue Service (IRS) Regulations

4.0 POLICY

The City allows the attendance and participation of authorized employees at meetings, conventions, seminars, and other events where such participation is determined to be in the best interests of the city.

Employees are responsible for complying with travel policies and procedures. Care must be taken to avoid unnecessary or excessive expenses. Only those expenses directly related to official city business are allowable.

5.0 TRAVEL AUTHORIZATION

Overnight Travel: Overnight travel requests shall be documented on the *Travel Authorization Request Form* and approved, in advance, by the director. Employees should retain the approved form to submit with their travel expense.

Overnight accommodations are not allowable within a 50-mile radius of city hall, with limited exceptions. Exceptions are when weather conditions make driving dangerous, or where conference or other work-related event hours make the drive to or from the city unreasonable. Any approval of overnight accommodations within the local, 50-mile travel area will be approved only after careful consideration by the employee and manager.

Non-Local Travel: Travel for official city business that does not include an overnight stay shall be authorized by the department head. The *Travel Authorization Request Form* will be required if travel expenses will be incurred.

6.0 TRANSPORTATION

City Vehicle: For daily or overnight travel for official city business, the use of a city vehicle is encouraged. Costs for the operation of a city vehicle outside the city limits are authorized for fuel, oil, and any necessary minor repairs. If any major repairs are needed, the employee operating the vehicle shall contact the public works director for authorization of repairs. In accordance with policy, no employee shall use a city-owned vehicle for personal use.

Personal Vehicle: An employee must receive prior authorization from his/her department head to use a personal vehicle for city business. The rate for reimbursement is the current rate per mile established by the US Government for federal employees. Reimbursement for mileage expenses will be paid through the accounts payable process.

If the employee elects to use his/her own vehicle and air transportation is less than the mileage reimbursement, the city will pay the lesser amount. The selection is subject to approval via the *Travel Authorization Request Form*.

Should more than one employee travel in the same vehicle, only the employee owning the vehicle shall be entitled to reimbursement for transportation.

If an employee uses a personal vehicle, the employee must carry liability insurance when his/her vehicle is used for city business. Proof of insurance must be on file with the City prior to the travel being authorized.

Mileage will be calculated from the lesser of the employee's official workstation or employee's home to the business destination when traveling from home.

Mileage will not be reimbursed for local travel, within the City limits and 8 miles beyond.

Air Travel: Arrangements for air travel shall be made by the department whose employee is involved in the travel as outlined below:

Air travel arrangements shall be requested and approved on the *Travel Authorization Request Form*. Employees should obtain approval at least three weeks in advance of the departure date. Air travel shall be based on the lowest available airfare for a regularly scheduled flight which reasonably accommodates the time of travel requested. All tickets purchased must be in coach. If changes in travel plans occur that are the result of city business requirements, the city will pay the associated costs. The employee will pay any increase in costs due to changes for personal convenience.

Rental Vehicle: The use of a rental vehicle must be approved in advance of travel through the *Travel Authorization Request Form*, and the vehicle should be the least expensive option to meet the needs of the trip. Personal use of rental cars must be reimbursed to the city on an equitable basis (days of use or miles driven).

Taxi/Ride-Share Services: Reasonable costs for transportation are allowable when clearly identified as required to conduct official city business.

Parking: The cost of parking while conducting official city business is reimbursable. If parking costs were paid in a lot that does not offer receipts, an alternative method for documenting costs must be submitted.

7.0 MEALS

Local Meals are defined as a business meal expense incurred in the necessary discharge of the employee's official duties.

Allowability of costs for local meals are contingent upon the availability of adequate budgeted funds at the department level. Individual meals will be made on an actual cost basis to include the cost of the meal, beverages (excluding alcohol), and a reasonable, customary gratuity.

The following list of activities is provided as an illustration of qualifying meal expenses:

- A meal for elected officials, City Administrator, department heads, and other staff as appropriate where official city business is being conducted.
- A manager takes a job applicant to lunch as part of a selection process. Expenses of this nature should be limited to position finalists.
- Meal expenses associated with special events, such as departmental retreats and in-house training sessions are allowable if approved by the department head or City Administrator in advance. Special events are infrequent activities (i.e., annual, or semi-annual events vs. weekly or monthly events). Department heads are accountable for exercising responsible judgment in determining when to approve meal, beverage, or snack purchases under this section. The purchase of doughnuts and coffee for regularly occurring meetings such as department staff meetings are not allowable business expenses.

Travel-Related Meals for Overnight Travel:

Meals consumed while on official City business and overnight, by employees and City officials, shall include the cost of the meal, beverages (excluding alcohol), and a reasonable, customary gratuity up to the per diem limit for the destination location. The per diem allowance is determined each year by the Internal Revenue Service (IRS) for each locality across the United States. Meals included as part of the conference, meeting, or training, shall not be claimed by the employee for per diem.

Qualifying Meals (employee must be in travel status)

Travel Status	Time Period	Meal(s) allowed
If travel status begins:	Before 8:00 am	Breakfast, Lunch, Dinner
	Between 8:00 am - 2:00 pm	Lunch, Dinner
	Between 2:00 pm - 6:00 pm	Dinner
If an employee comes off travel status by returning to the official duty station or residence:	Before 12:00 pm	Breakfast
	Between 12:00 pm - 6:00 pm	Breakfast, Lunch
	After 6:00 pm	Breakfast, Lunch, Dinner

Travel-Related Meals for Day Travel:

When an employee is traveling outside the 50-mile radius of the City, they are eligible to receive the cost of their lunch up to the per diem limit for the destination location. Meals included as part of the conference, meeting, or training, shall not be claimed by the employee.

8.0 LODGING

Travelers should request the lowest room rate available (i.e., government rate, conference room block, etc.)

9.0 UNALLOWABLE EXPENSES

Include, but are not limited to, the following items:

- Alcoholic beverages
- Expense of a spouse or other persons not authorized to receive reimbursement under this policy
- Personal entertainment
- Personal telephone calls
- Theft, loss, or damage to personal property
- Costs associated with damage caused by employee actions
- Barber or beauty parlor services
- Airline or other trip insurance
- Personal postage

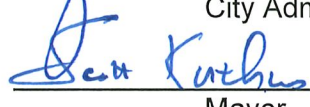
- Reading material
- Personal toiletry items
- Valet or laundry service
- Parking fines

Expenses incurred on a combined business/personal trip are allowable to the extent of the business component. Airfare costs will be based on a round-trip coach fare from the traveler's official work location to the business destination, calculated at the time of booking the trip. Personal mileage incurred at the business destination, such as sightseeing, is not allowable.

Meals and lodging expenses are limited to the period of duration of official city business. Meal and lodging expenses incurred during additional travel days relating to the personal component of the trip are at the expense of the traveler. In instances where additional travel days result from the employee's decision to use his/her personal vehicle rather than air travel, meals associated with the additional days are at the expense of the traveler.

10.0 TRAVEL EXPENSE REIMBURSEMENT

Requests for travel expense reimbursement shall be made to the Finance Department on the *Reimbursable Business & Travel Expense Form*. Detailed receipts and a copy of the agenda, schedule, or syllabus must be attached. Receipts are not required to be submitted for meals claimed using the per diem method. Request for reimbursement must be submitted to the Finance Department within 30 days of the travel. Approval for any expenses not covered by this policy must be received in writing and approved by the City Administrator in advance of travel. The written approval shall be submitted with the *Travel Authorization Request Form*.

POLICY APPROVALS	
Approved By: 	Date: <u>4/25/25</u>
Human Resources Director	
	Date: <u>4/24/25</u>
City Administrator	
	Date: <u>4/25/25</u>
Mayor	