

## Chapter 11: TRAVEL AND TRAINING

### 11.11 TRANSPORTATION METHOD AND MILEAGE EXPENSE

The traveler is required to review the available options in determining the lowest cost method of travel, should choose the method of transportation that is the lowest total cost. For non-local travel outside of Marshall city limits, the traveler is encouraged to use a rental car, where there is a cost benefit to the City. The Supervisor shall approve the method of travel utilized. The Supervisor may require an employee to use his/her assigned City-owned vehicle, as deemed appropriate.

While on City business, the traveler will be reimbursed for mileage expenses while utilizing a personal vehicle. Mileage will be reimbursed at the standard business mileage rate for transportation expenses paid or incurred as allowed by the Internal Revenue Service (IRS). When a rental vehicle is the lowest cost option and is available, if declined by the traveler, mileage reimbursement will be paid at the rate of ten cents (\$0.10) less than the current standard business IRS mileage reimbursement rate on the most direct route.

Claims for mileage reimbursement will include date of travel, purpose, and total miles submitted on an approved form. No mileage reimbursement will be paid for commuting from an employee's personal residence to City Hall or a workstation. The IRS adopted rate will remain in effect unless modified by the Marshall City Council.

When two or more employees are attending the same seminar, convention, or meeting, carpooling shall be practiced whenever possible. Mileage will be based upon the official State Highway Map from Marshall, MN to the destination, unless there is a valid reason for additional mileage. If an employee, for his or her own convenience, travels by an indirect route or interrupts travel by the most economical route, the employee will bear any extra expense involved. Reimbursement for such travel will be for only that part of the expense as would have been necessary in order to travel.

Vehicle allowances may be provided to City employees based upon a demonstrated business need. The City Council will determine whether a demonstrated business need has been established as well as the appropriate level of vehicle allowance to be received. All vehicle allowances will be reviewed annually as part of the budget process. Criteria to be considered in evaluating business need and/or purpose include:

- The nature of the position and the duties which require the employee to be mobile;
- The extent to which the employee's position involves duties and obligations beyond the normal work hours and work location; and
- Any comparable market factors applicable to the position or like-positions.

Vehicles operated by those receiving such allowance should be appropriate for business use. As representatives of the City, those receiving a vehicle allowance are expected to maintain their vehicles and keep them in a safe and clean condition. When operating their vehicles, such employees shall observe applicable rules of the road.

Employees receiving a vehicle allowance may receive a non-taxable payment toward the vehicle allowance up to the vehicle allowance rate under Appendix A by providing documented work related miles traveled according to the Internal Revenue Service (IRS) rate. The schedule and documentation shall be provided by the Human Resource department. Any undocumented vehicle allowance payments will be included in the employee's taxable income. No mileage reimbursement shall be paid to employees receiving a vehicle allowance for local travel using his/her personal vehicle. Employees receiving a vehicle allowance are eligible for non-local mileage reimbursement in accordance with the IRS rate. Reference Appendix A for approved positions and allowance amounts.