



City of Sumas Request for Council Action

Meeting Date: February 23, 2026

Subject:

Resolution 854 - Adopting the City's Travel & Expense Reimbursement Policy

Department: Administration

Prepared By: Mollie Bost

Agenda Location:

Public Hearing Old Business New Business Staff Reports

Brief Summary:

Resolution 854 proposes the adoption of the City's Travel & Expense Reimbursement Policy, which establishes guidelines for travel, and to establish protocol for related expenses and reimbursement to employees.

The policy specifically outlines the practices that the City staff currently adheres to, and gives specific guidelines for allowable and reimbursable travel related expenses, as well as specification for wage compensation during travel.

Legal Review: Reviewed Not Reviewed Review Not Required

Staff Recommendation:

Staff is recommending to adopt Resolution 854 to adopt the City's Travel & Expense Reimbursement Policy

Senior Staff Review:

- Mayor
- Finance Director
- City Clerk
- Public Works Director

Budget Implications:

- Current Budget
- New Budget Request
- Non-Budgetary

RESOLUTION NO. 854

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUMAS, WASHINGTON,
ADOPTING THE CITY’S TRAVEL AND EXPENSE REIMBURSEMENT POLICY.**

WHEREAS, the City of Sumas and the City Council recognize the importance of guidelines and policies to ensure that expectations are clearly conveyed to employees; and

WHEREAS, the City has created a policy to establish guidelines for travel, and to establish protocol for related expenses and reimbursement to employees; and

WHEREAS, it is common for City employees and elected officials to incur business and travel-related expenses in their official capacity working on behalf of the City of Sumas; and

WHEREAS, it is common for City employees to attend training and educational opportunities, which may require travel to attend; and

WHEREAS, this policy is intended to provide guidelines for employees to understand their responsibilities, and limitations when traveling on behalf of the City of Sumas in an official capacity; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMAS, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Approval of Travel and Expense Reimbursement Policy. The City of Sumas hereby adopts the document titled “Travel And Expense Reimbursement Policy” attached hereto and incorporated herein by this reference as if set forth in full, with an effective date of March 1, 2026.

ADOPTED AND APPROVED by the City Council of the City of Sumas on this 23rd day of February 2026.

Bruce Bosch, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Quinn, City Clerk

James Wright, City Attorney

8.0 TRAVEL AND EXPENSE REIMBURSEMENT POLICY

8.1 Purpose

It is common for City employees and elected officials to incur business and travel-related expenses in their official capacity working on behalf of the City of Sumas. This policy provides guidance on addressing the various situations that may arise during official business.

8.2 Authority

City of Sumas officials and employees are authorized by RCW 42.24.090 (reimbursements of expenditures), RCW 42.24.115 (travel expenses), and Sumas Municipal Code (SMC) Chapter 2.98 Travel Policy for reimbursement of expenditures and payment of travel expenses for official business.

8.3 Authorized Individuals

Full-time city employees and elected individuals are eligible for travel and expense reimbursement. Part-time, seasonal employees, or volunteers are not allowed unless an exceptional request is approved by the City Council.

8.4 Authorized Expenses

Reasonable and Necessary

Statutes governing business, travel expense, and personal reimbursement often use the terms “reasonable” or “necessary”. These terms could mean something different to different individuals. The City recommends consideration of the following “reasonableness test” prior to incurring expenses:

“Would the average, reasonable resident agree that the expense was a legitimate use of their taxes? Would you feel comfortable if the expense was selected for audit, if it appeared in the newspaper, or if justifying it to a citizen?”

Travel-Related Expenses

Different trips and destinations may require different modes of transportation such as renting a car, using a personal vehicle, taking a bus, or traveling by plane. Regardless of the mode of transportation, **economical travel should be the priority**. When employees have a choice between two comparable modes of transportation, such as airline vs. driving, and considering time and distance, the employee should generally choose the cheaper option and retain documentation of the decision.

A combination of payment types may be used when planning business travel, such as accounts payable, credit card use, or personal expense reimbursement. Regardless of the type of payment, documentation and itemized receipts must be submitted with a completed travel voucher within 30 days of travel or by the time billing is due.

AIRLINE TRAVEL

- Coach class airfare will be covered by the City. Any upgrades to business class or first class will be at the employee's own expense.
- One carry-on bag will be paid for by the City. Any additional baggage fees will be at the expense of the employee. The City will not be responsible for lost or damaged luggage.
- Airfare should be purchased well in advance to achieve a better rate. The employee should compare rates between airlines and through the State of Washington's airfare contract to potentially obtain discounts.
- Any in-flight purchases for entertainment or upgrades will be at the expense of the employee. Alcoholic beverages are not covered.
- If the employee decides to add personal days to the business trip, they must show that it did not result in higher airfare costs to the City. If additional cost is incurred for a longer trip, it will be at the expense of the employee.
- The flight should be booked to the nearest airport to the destination. If it's not, the employee will need to justify why and demonstrate the lowest cost option was taken considering all the travel costs, such as adding a rental car.
- The City will not cover any expenses for a spouse or family member traveling with the employee.

RENTAL CAR

Employees should consider whether rental cars are necessary or if there is other transportation available such as a free shuttle, bus service, or taxi.

- A variety of rental car companies and the State of Washington rental car contract should be used to obtain the lowest rate.
- Compact vehicles are preferred unless circumstances require a larger vehicle. The City will not pay for upgrades because of family members accompanying the employee.
- The City will pay for the days required for business. Any days added for personal reasons will be at the expense of the employee.
- Rental car insurance is/is not provided by the City's insurance provider WCIA.
- The employee is responsible for honoring rules and regulations issued by the rental car company including any return and re-fueling requirements.
- The City will cover tolls only when a free option or route is not available.
- The City will cover reasonable parking fees.
- The City is not responsible for any fines, forfeitures, tickets or penalties incurred by the employee.
- The employee should never operate a rental vehicle while under the influence of alcohol or any other substance.
- No one unauthorized should operate the vehicle.

PERSONAL VEHICLE

The employee should consider if an alternate form of transportation is more reasonable, such as the use of a City vehicle or carpooling. If driving a long distance, the employee should consider if flying is less expensive when you consider the amount of time paid to drive. The employee should maintain documentation of how the decision was made.

- The City will reimburse for mileage based on the current IRS Standard Mileage Rate available at <https://www.irs.gov/tax-professionals/standard-mileage-rates>.
- Normal commuting miles such, as driving from home to work, will not be reimbursed.
- The employee must submit documentation of mileage for a roundtrip from City Hall to the destination driven. If personal errands are run along the way, those miles should not be included.
- No reimbursement will be made for repairs or damage to privately owned vehicles when such expense is incurred during official travel or as a result of official travel.
- The City is not responsible for any fines, forfeitures, tickets or penalties incurred by the employee.

LODGING

Employees should utilize the State of Washington lodging contract when available.

The following lodging-related expenses **are not covered** by the City:

- Long-distance phone calls placed from the hotel room
- Any expenses incurred by a spouse or family member
- Loss or theft of personal items while traveling
- Personal expenses such as movie rentals or room-service
 - *Exception:* Room-service may be reimbursed only when no other dining options are reasonably available

MEALS

Employees who are required to attend training, conferences, or meetings for official City business may have their meal expenses paid or reimbursed if their travel occurs during established mealtime periods.

Defined Mealtimes

Breakfast: 6:00 AM – 8:00 AM

Lunch: 11:00 AM – 1:00 PM

Dinner: 5:00 PM – 7:00 PM

- Credit Card Payment – Employees may use their City-issued credit card to pay for meal expenses. All receipts must be retained and submitted with the monthly credit card expense report.

- Reimbursement – Employees may choose to pay for meal expenses using personal funds. The City will reimburse all approved meal expenses. Employees must retain all receipts and submit them with a completed Travel and Personal Expense Form (Exhibit A).
- Per Diem – Employees may choose to receive a per diem from the City in lieu of submitting itemized reimbursement claims or using a City-issued credit card. Per diem rates are based on the current Standard Meal Rate published by the Washington State Office of Financial Management (OFM): <https://ofm.wa.gov/accounting/travel/per-diem-rate-tables/>.

Per diem advances are not permitted. Per diem may be prorated for partial travel days. After completing travel, the employee must submit a Travel and Personal Expense Form (Exhibit A)
- Gratuities – 15% maximum allowable expense for meals

PAYMENT OF CLAIMS

The City needs to carefully review travel expenses to ensure there is not reimbursement paid to an individual for expenses that were already paid directly by other payment methods, such as a hotel room paid for by City credit card.

Non-Travel Expenses

MEALS

Employees may be reimbursed for meals purchased while working, such as meals provided during business-related meetings. All meal expenses must be reasonable, necessary, and directly related to official City business. Itemized receipts are required.

MILEAGE

Employees may be reimbursed for personal vehicle mileage when traveling to attend a meeting for official City business. Reimbursable expenses may include:

- Mileage at the approved City rate (current IRS Standard Mileage Rate)
- Tolls
- Parking Fees

MAYOR’S MONTHLY TRAVEL ALLOWANCE

The Mayor is authorized by SMC 2.52.015 (Mayor Compensation) to receive a flat monthly travel allowance to cover costs of traveling to attend meetings and conduct business on behalf of the City. This allowance:

- Replaces individual reimbursement for mileage, tolls, and parking fees
- Is paid with the Mayor’s monthly salary

DUES

Cash Advances are NOT allowed. Any returned purchases must be credited back to the card used for the purchase; cash CANNOT be accepted in exchange.

ALCOHOLIC BEVERAGES/SUBSTANCES

The City credit card CANNOT be used for purchasing alcohol: beer, wine, spirits, or liquor. It CANNOT be used for the purchase of legal or illegal substances.

Oversight

The Finance Director will be responsible for issuing, monitoring, paying bills, training, and ensuring compliance with the City credit card program. Department Heads will be responsible for reviewing and approving transactions of the employees they supervise. The Mayor will review and approve the transactions of the Finance Director and Department Heads. The City Council will authorize payment of the credit card statement to US Bank at a regular City Council meeting.

ONLINE MONITORING

The Finance Director will have online access to credit card transactions and should periodically monitor spending between monthly statements.

CANCELLATION UPON TERMINATION

Any cardholder leaving employment with the City will be required to return the credit card and any supporting documentation of transactions to their supervisor or the Finance Director prior to their last day of employment. The Finance Director will cancel the card with US Bank promptly. All credit card activity will be reviewed prior to issuance of final paycheck in case funds need to be withheld to cover unauthorized purchases.

4.5 Credit Limits

SPENDING LIMIT

City issued credit cards will have an individual spending limit set by the Finance Director and Department Head based on the individual employee or official and type of spending required.

No individual credit card will be issued in an amount over \$10,000 per SMC 2.97.020.

No single purchase may be made by credit card over \$3,000 without prior approval by the City Council SMC 2.97.030 (f).

REMINDER: Each purchase is subject to supervisor approval. It is recommended to communicate purchasing needs with your supervisor prior to purchase to eliminate any unauthorized charges.

4.6 Documentation, Payment, Internal Controls

It will be the cardholder's responsibility to collect receipts and reconcile them to monthly credit card statements.

DOCUMENTATION

The City of Sumas will provide a Credit Card Expense form to cardholders (See Exhibit B) to help track and account for purchases made by City issued credit cards. These forms will be submitted with all supporting documentation and original itemized receipts attached.

PAYMENT

It will be the practice of the City to pay the credit card statement on time to avoid late fees or penalties even if on occasion there is a delay in providing all supporting documentation. This will be remedied as soon as possible following payment.

INTERNAL CONTROLS

The following is the procedure used by the City for internal auditing and review to ensure all charges are necessary, authorized and valid expenses for the City of Sumas.

Procedure for Monthly Reconciliation, Payment, and Internal Controls

1. The Finance Director will distribute to individuals their monthly credit card statement once received from US Bank.
2. The cardholder will complete the Credit Card Expense form and attach itemized receipts, supporting documentation, and the department being charged for the expense. The cardholder will certify by signature that the purchases are just, true, and unpaid obligations against the City.
3. The cardholder will submit the expense form to their supervisor (Department Heads or Mayor) for review and approval.
4. The Department Heads will submit the expense forms to the Finance Director for final approval and payment of the account.
5. The US Bank credit card payment will be included in the vouchers submitted to the City Council for authorization at a regular meeting.

4.7 Other Rules

CARDHOLDER RESPONSIBILITIES

Each employee receiving a City issued credit card will be required to complete a City of Sumas Credit Card User Agreement acknowledging the receipt and understanding of the Credit Card Policy, and their personal spending limit.

It will be the cardholder's responsibility to keep the credit card secure from theft or misuse while in their possession. The cardholder may not lend the card to another individual. The City should be notified immediately upon discovery of theft or fraudulent activity.

PERSONAL LIABILITY

Employees may be held personally liable for any purchase appearing on the credit card bill which is unauthorized or otherwise fails to comply with this policy or SMC 2.97.

If, for any reason, disallowed charges are not repaid, the city shall have a prior lien against and a right to withhold any and all funds payable from the official or employee by check, U.S. currency, or salary deduction up to the amount of disallowed charges and interest and the

official or employee shall not use the card if any disallowed charges are outstanding. SMC 2.97.030 (c) & (h)

WAGES/SALARIES AND COMPENSATION DURING TRAVEL

The City of Sumas compensates employees for time spent in travel and training in accordance with the guidelines below:

1. Compensation During Regular Working Hours

Employees will receive their regular wages for all travel and training time that occurs during their normally scheduled working hours.

2. Travel Outside of Normal Working Hours

If travel is required outside of an employee's normal working schedule (including evenings, weekends, or scheduled days off), such time will accrue as straight compensatory time ("comp time").

- This time **will not** be paid as regular wages.
- This time **will not** be paid as overtime.
- Comp time accrued must be used in accordance with City comp time usage policies as outlined in the personnel policy.

3. Training Outside of Normal Working Hours

Training occurring outside of an employee's regular schedule will be reviewed based on training requirements and classification. If deemed compensable, it will accrue as straight comp time under the same rules outlined above.

4. Approval Requirements

All travel and training—especially those occurring outside normal work hours—must receive supervisor approval in advance to qualify for wage compensation or comp time accrual.

4.8 Consequences of Misuse

The City acknowledges that inadvertent/accidental charges may happen on occasion, but repeated misuse such as personal purchases or unsupported transactions on the City issued credit card may result in card privileges being revoked.

Willful violations of the credit card policy will result in one of the following disciplinary actions:

1. Card privileges being revoked.
2. Disciplinary action.
3. Termination of employment.

Fraudulent, willful violations of the credit card policy may result in criminal charges and prosecution.

City of Sumas

Travel and Personal Expense Claim Form

Employee Name:	
Month & Year	

Section 1. Travel Information

Departure Date & Time (beginning of travel)	
Arrival Date & Time (end of travel)	
Destination of Official Travel:	
Purpose of Official Travel:	

Section 2. Mileage Reimbursement

Mileage Rate for 2026	\$0.725 per mile
Date:	Miles:
Date:	Miles:
Total:	

Section 3. Per Diem Meal Reimbursement

Per Diem Rate for 2026	\$68.00 per full travel day <small>(pro-rated for partial travel days)</small>
Number of Travel Days:	
Total:	

*include mileage verification from Google maps, MapQuest, etc.

Section 4. Reimbursement for use of personal funds

Purchase Date	Vendor	Item Description	Total	Department	Receipt Attached
Total					

"I hereby certify under penalty of perjury that this is a true and correct claim for necessary expenses incurred by me and that no payment has been received by me on account thereof."

Employee Signature: _____ Date: _____

Supervisor Signature: _____ Date: _____