



City of Wildomar

Elected Official Travel and Expense Policy

PURPOSE

The purpose of the Elected Official Travel and Expense Policy is to establish responsibilities and guidelines for elected officials when attending business or professional conferences, training seminars or other travel on authorized City business.

It is the intent of the City of Wildomar to ensure compliance with all federal and state regulations and laws, including the United States Internal Revenue Service regulations and California Assembly Bill 1234 (2005).

POLICY

In general, all reimbursements to elected officials constitute a use of public funds. The City expects to reimburse reasonable costs incurred by elected officials when traveling on City business, and elected officials are expected to use good judgment in their expenditure of public funds. Reimbursement of business-related expenses paid to elected officials is generally tax-free; however, elected officials must substantiate the expenses with original receipts. A detailed record of all reimbursable expenses incurred during the travel must be submitted on a City Travel/Expense form.

A. Definitions:

1. Business Travel - authorized attendance at Conferences, meetings, and seminars or authorized travel for any other purpose in connection with official City responsibilities. Business travel includes day trips and trips requiring one or more overnight stays in connection with official representation of the City in order to:

- a. Communicate with representatives of regional, state and national government on City adopted policy positions.
- b. Attend training schools, seminars, symposia, conferences, hearings, conventions or other meetings.
- c. Interview persons, inspect facilities or institutions, conduct surveys, and exchange professional information or otherwise travel for the benefit of the City.
- d. Act as host to persons who, for protocol reasons, merit appropriate courtesies.
- e. Participate in other activities requiring expenditures for travel and/or subsistence as are necessary to serve in the best interest of the City.

2. Business Travel Period – the period of time necessary to travel by the most cost-effective and appropriate travel method to attend conferences, meetings, and seminars related to City business. Additional time required to travel as the result of alternative travel methods selected by elected officials is not included in the business travel period and expenses are not subject to reimbursement.
3. Local Travel - travel within a radius of fifty miles from Wildomar City Hall.
4. Out-of-Town Travel - travel greater than fifty miles from Wildomar City Hall.
5. Mileage Allowance - the reimbursement paid to the elected official for the use of his/her own personal vehicle during travel on official City business. The reimbursement rate will be the prevailing rate established by the Internal Revenue Service (IRS).
6. Allowable Expense - an expenditure deemed by the U.S. General Services Administration (GSA) as a stand-alone expense that is fully reimbursable, and not included as an incidental expense under per diem rates.
7. Incidental Expense - federal travel regulations define "incidental expenses" as fees and tips given to porters, baggage carriers, bellhops, hotel maids, attendants, and similar; transportation between places of lodging or business and places where meals are taken; and the mailing cost associated with filing travel vouchers.

B. Provisions

1. Approvals

- a. It is the policy of the City Council to review all requests for travel expense reimbursement from elected officials for non-budgeted, out-of-county travel, before such travel. However, in those cases where prior travel approval was not specifically considered, if the travel had been discussed by the City Council, such travel should be considered approved for reimbursement.
- b. Any number of elected officials may attend conferences if funds for such purposes are specifically provided for and included in the annual budget, and the number of attendees is justified in consideration of the additional cost. In the absence of an annual budget, such travel must be approved in advance by the City Council.

2. Transportation

- a. Use of air, train, private car or bus shall be selected based on the most cost-effective and appropriate method, taking into consideration distance as calculated by an internet mileage calculator such as Google Maps or Mapquest, as well as total costs to the City after all expense items are tabulated. Trips should be via the most direct and commonly traveled routes. Other routes may be authorized when official business requires their use. Costs associated with indirect routes, stops along the way for personal reasons, or extending the time beyond what is required for official business will not be paid for or reimbursed by the City. Once booked, changes to flights should be avoided whenever possible to minimize the cost to the City.

b. If an elected official wishes to drive rather than fly to a destination, the City will reimburse the elected official the lesser of the mileage rate to and from the site or the amount of the lowest cost airline coach fare within one week after the meeting or conference is booked plus the cost of mileage to and from the airport, the cost of long-term parking, and the cost of transportation from the airport to the meeting or conference site for the time necessary for the business travel only. If parking fees are charged at the meeting or conference location due to the elected official driving their personal vehicle, the mileage and parking costs will be reimbursed up to the cost of the airfare, mileage, parking, and transportation costs listed above for the period of time necessary for business travel. The City will not cover the cost of additional expenditures such as meals, lodging, parking and any other costs incurred as a result of the additional time required to travel by auto.

c. Reimbursement for mileage shall be at the prevailing IRS established rate and mileage will be calculated from Wildomar City Hall. The use of a privately-owned vehicle on City business requires the driver to possess a valid California driver's license and to carry automobile insurance. Any damage to the vehicle or service repairs are of a personal nature and are therefore not reimbursable by the City, and the City shall assume no liability. Reimbursement will be based on the vehicle and not on the number attending (i.e., the owner of the vehicle will be paid and not the passengers). Mileage related to attending conferences or meetings requiring travel is submitted on the Travel Expense Form along with other conference or meeting expenses. Mileage not associated with travel, such as for local events, must be submitted monthly on a Mileage Reimbursement Form within 30 calendar days of the end of the month in order to be eligible for reimbursement. City Council may approve an extension of the 30-day period for extenuating circumstances.

d. Expenditures deemed as an allowable expense by the GSA such as tolls, parking, internet service and checked baggage for airlines, will be fully reimbursed upon presentation of the original receipts for the period of travel time required for City business. If an elected official chooses to extend the trip for additional days, expenditures for these days will not be paid for or reimbursed by the City. The cost of valet parking will only be reimbursed if no self-parking of a lower cost was available.

e. When the use of public air carrier transportation is approved, travel for all personnel shall be in coach class or equivalent service. Private automobile use to and from the airport shall be reimbursed for all miles at the current mileage rate. Long term offsite parking must be used for travel exceeding 24 hours unless the onsite parking rate is lower. If, instead of parking at the airport, the elected official obtains a ride to and from the airport, the cost of the mileage for both round trips will be covered up to what the cost would have been for one round-trip plus the cost of long term parking for the required travel period.

f. While traveling, the use of rental vehicles is discouraged. Shuttle services, buses, taxis, or car services, between airports and meeting locations, including a 15 percent gratuity per fare, will be covered. Rental vehicles shall only be permitted when no other transportation is available, or when alternate transportation would be more expensive or impractical. When rental vehicles are used, the least expensive vehicle practical shall be used, and car rental insurance must be purchased from the rental agency. Car rental fees will be covered only for the period of time required for the official travel.

3. Lodging

A. Lodging shall be obtained at the most economical rate available for good quality accommodations. In general, the City will cover the cost of hotel accommodations at the standard room rate, government room rate, or conference attendee rate, whichever is less. Upgrades to accommodations are not covered and must be paid for directly by the elected official.

i) If lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking.

ii) The City will pay for a single occupancy room (including taxes, parking and other allowable expenses) for as many nights as is necessary to attend the meeting or conference based on the applicable agenda. Any extension of time for personal use is not covered and must be paid for directly by the elected official. If attendance at an event that is not on the agenda is required resulting in additional lodging, meal or other costs, the elected official must attach a statement or other documentation outlining the time and purpose of the meeting attended to obtain reimbursement for the additional costs. Lodging will be provided to elected officials the night prior to the meeting or conference when flight schedules do not allow for arrival on the day of the event prior to the start. Lodging will be provided the last day of the event only if the event ends late in the day and no return flights are available. Elected officials must cancel any reservation that will not be used. If the City is charged for an unused reservation, the elected official will be responsible for that charge unless circumstances requiring cancellation were reasonably beyond their control.

B. An elected official may stay with a friend or relative while attending an out of town meeting or conference; however, the City will not reimburse the elected official for any payment to the friend or relative for lodging, meals or transportation.

4. Meals, Incidental and Allowable Expenses

A. For trips requiring an overnight stay, the allowable cost of meals at a hotel, restaurant, cafeteria, cafe or deli consumed by the elected official while on required business travel will be reimbursed when documented by appropriate receipts. The cost includes non-alcoholic beverages, taxes, and tips. Elected officials are not eligible to receive a per diem allowance.

i) Elected Officials are eligible to receive reimbursement for actual costs of meals and incidental expenses to the maximum allowance under the GSA Per Diem Rate Schedule (www.gsa.gov) for the city where the meeting or conference took place calculated on a daily basis meaning that the meals in totality will be reimbursed up to the maximum allowable for the day, not on an individual meal basis. Partial days, including the first and last days of the conference or event, will be prorated according to the GSA Per Diem Rate Schedule. Meals for spouses or guests must be paid for by the elected official and are not eligible for reimbursement.

ii) If certain meals are provided during a conference, those meals must be subtracted out of the per diem rate allowed for the day using the GSA Per Diem Rate Schedule provisions for partial days for the city in which the meeting took place. The provision of a "Continental Breakfast" will not be counted as a meal provided for the purposes of this section.

iii) Receipts must show the itemized meal and beverages. Credit card receipts devoid of detail are not acceptable documentation.

iv) Other expenditures deemed by the GSA as an allowable expense (i.e., checked baggage for airlines) are reimbursable.

v) Elected officials are required to submit supporting documentation and receipts for all reimbursable purchases, including the elected official's name and the nature of the business.

B. For trips not requiring overnight stays, the actual cost of meals at a hotel, restaurant, cafeteria, cafe or deli consumed by the elected official while on business travel will be reimbursed when documented by appropriate receipts. The actual cost includes non-alcoholic beverages, taxes, and a 15% tip.

i) Receipts must show the itemized meal and should have elected official's name and the nature of the business documented on them.

ii) Reimbursement shall not exceed the daily meal limit amounts set above, regardless of the number of receipts submitted.

iii) Meals for travel under twenty-four hours may be taxed according to IRS regulations.

iv) Elected officials will not be reimbursed for meals if the location of the meeting or conference is within the City since the elected official could have the meal in the way they normally choose.

v) Elected officials will not be reimbursed for meals which are already included in the conference registration fee.

vi) If an elected official is attending a one-day seminar whereby lunch is not included in the price of the seminar, the reimbursement may not exceed the prevailing U.S. GSA lunch rate for the city in which the meeting took place.

5. Cash Advances

a. If an elected official requires a cash advance for travel expenditures related to city business, a cash advance of a minimum of one hundred (\$100) dollars up to a maximum of one thousand five hundred (\$1,500) dollars may be made to the elected official.

- 1) Authorization shall be in the form of a check request from the City Manager to the Administrative Services Department.
- 2) Cash advances shall be restricted to a maximum of meal and incidental allowances as defined in Section 4.

b. Approved cash advances should be submitted to the Finance Department three weeks prior to the departure date.

- 1) The elected official will be notified by the Finance Department when the

requested funds are available for pickup immediately prior to the dates of travel.

2) Receipt of a cash advance for travel expenses does not constitute pre-approval for the expenditure of the entire amount so advanced, as all expenditures must be reasonable, justified, and approved.

c. If an elected official has accepted a cash advance, a reconciliation of the advance payment must be made on the basis of actual expenses incurred as part of the expense report and submitted to the City within ten (10) calendar days of returning from the conference or meeting.

- 1) If actual expenses exceed the amount of the advance, any additional expenses will be reimbursed.
- 2) If actual expenses do not exceed the expense advance received, the elected official shall reimburse the City for the unused portion within ten (10) calendar days of filing the expense report. Any unreimbursed cash advance will be withheld from the elected official's next stipend.

6. Other Provisions

a. Spouses and guests are permitted to accompany the elected official on City travel and at conferences, seminars, and meetings, except when such accompaniment would interfere with the conduct of City business. Any additional costs associated with the participation of the spouse or other guests are the elected official's responsibility.

b. If Internet access is necessary for City related business, the City will reimburse Internet access connection and/or usage fees away from home during the authorized business travel period. The rate must be listed as such on the invoice, so as not to be confused with other incidental costs.

c. Baggage handling fees of a generally accepted, reasonable amount and gratuities of up to 15% will be reimbursed.

7. Unauthorized Expenses

a. Items of a personal nature are not reimbursable, including movies, entertainment, premium television services, alcoholic beverages, snacks, gift certificates, laundering or dry-cleaning, spas, gyms, barbers, magazines, shoeshine, travel insurance, purchase of clothing or toiletries, loss of tickets, fines or traffic violations, non-mileage personal automobile expenses, including repairs, insurance or gasoline, personal losses incurred while on City business, excess baggage, spouse and/or guest accommodations, office equipment and other items of a personal nature.

b. Spouses and guests can accompany the elected official on City travel and at conferences, seminars, and meetings when using public or private transportation. Any additional costs associated with the participation of the spouse or other guests are the elected official's responsibility including any increased lodging rate due to double occupancy. Any increase in cost due to a spouse or guest accompanying an elected official is not to be charged to the City, and must be paid for directly by the official.

c. Expenses for which elected officials receive reimbursement from another agency are not reimbursable.

d. If unauthorized expenses have been paid by the City, the elected official will be responsible for immediate reimbursement to the City by cash or personal check. If payment has not been received within twenty (20) calendar days after the event, the amount due will be deducted from the elected official's next monthly stipend.

C. Travel/Expense Form

1. Upon return from the event, the elected official must submit an approved Travel Expense Form to the Finance Department within ten (10) calendar days. This form itemizes all expenses associated with the event. All original receipts must be attached, as well as a copy of the conference schedule. Electronic receipts will also be accepted.

2. Expense Forms must document that the expenses in question meet the requirements of this policy. For example, if the meeting is with a legislator, the elected official should explain whose meals were purchased, what issues were discussed, and how those relate to the City's adopted legislative positions and priorities.

3. If an elected official has lost a receipt for a travel-related item, a memo is required. The memo must include the following:

- a. Explain the circumstances in detail, such as time, activity, and reason for losing the receipt.
- b. Include all receipt information such as place of business, amount, date, description of the item, etc.
- c. The elected official must sign the memo.

D. Interpretation of Policy

1. The intent of the policy is to provide guidelines to cover the necessary costs associated with elected officials attending conferences and meetings related to, and for the benefit of, the City of Wildomar in the most cost-effective manner. Fiscal prudence should prevail in the interpretation of the policy as it is impossible to cover every unique situation that may arise. Any disagreement as to how the policy should be applied should be referred to the City Manager.

E. Violations of this Policy

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

- 1) loss of reimbursement privileges;
- 2) a demand for restitution to the City of Wildomar;
- 3) the City reporting the expenses as income to the elected official to state and federal tax authorities;
- 4) civil penalties up to the maximum allowable by law;
- 5) prosecution for misuse of public resources.