

# CITY OF TEMPLE

## ADMINISTRATIVE DIRECTIVE

AD# 4

Effective Date: 03/10/06

Rescinds: 07/27/01

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SUBJECT: Travel Policy

*D. Blackburn, City Manager*

### Introduction

Traveling on City business is both a privilege and a business necessity. It is a business necessity in the sense that furthering the best interests of the City can, and does, take employees and officials out of town. In addition to the business purposes that can be served, there are other benefits that can accrue to the City as a result of employees and officials traveling out of town such as: 1) furthering the professional development of city employees and officials; and 2) increasing the positive visibility of our community throughout the region, state and/or country.

It is also a privilege for employees and officials to travel on City business. Our ability to represent the City and the community outside of Temple should be viewed as an honor and a privilege. While it is the intent of this Administrative Directive to prescribe certain rules and polices relating to employee and official travel, no rules or policies are intended to supplant or replace the exercise of common sense and good judgment.

### Purpose

The purpose of this directive is **to improve** the procedures that employees, elected officials, and board members must use to receive travel advance or reimbursement for expenses incurred while on official City business. Usage by City employees and officials shall reflect positively on the image of the City by being responsible for appropriate expenses.

### Policy

The City of Temple will pay for **reasonable** expenses which are incurred in the course of authorized City trips for meetings and training. City employees are allowed to attend in-state and out-of-state conferences as specifically budgeted or as realigned and approved by the Department Head. City employees are strongly encouraged to participate in State Association meetings as budgeted and to obtain training within Texas first.

Department Heads shall be accountable for the prudent use and allocation of training dollars for use by their employees. Planning for training needs is essential by Department Heads to avoid overruns in the budget. The primary responsibility for authorizing travel and other business-related expenses and for enforcement of the particulars of the policy rests with the Department Heads. The Department Head is also responsible for ensuring that all requests for, and approval of, activities requiring travel are official City business relating to the duties and responsibilities of the employee making the request. The City Manager has the authority to make exceptions to ensure continuation of City operations and to maintain both public and employee safety.

## Procedures

### TYPES OF TRAVEL

1. Overnight – Business Travel Away From Home. The IRS regulations state, “Traveling away from home is defined as your duties require you to be away from your home substantially longer than an ordinary day’s work, and you need sleep or rest to meet the demands of your work while away from home.” Per the IRS, per diem rates are only allowed while an employee is traveling away from home. (See IRS Publication 463) This type of travel will allow reimbursement for lodging, per diem meal reimbursement, travel expenses, registration, etc.
2. Local Business Travel (also known as Day Trips). If your business travel does not require you to be away from home substantially longer than an ordinary day’s work, and you do not need sleep or rest, this is considered local business travel. This type of travel will allow for mileage reimbursement and registration only. Meals are not reimbursable as the cost of such would be considered taxable wages.

In some cases it is important to consider the best use of the employee’s time, or the employee’s effectiveness upon arrival when selecting travel arrangements. If the employee cannot arrive at the conference or the start of the formal meetings by leaving the morning of the opening day, overnight lodging and meal reimbursement will be allowed if approved by the Department Head. If an employee can leave Temple by 6:00 a.m. and arrive at the conference prior to the start, overnight expenses will not be reimbursed. If an employee can return to Temple, driving or flying, at or before 10:00 p.m., overnight reimbursement will not be allowed. When disputed, determinations of travel time shall be determined by the Finance Department, using appropriate mileage software, and the determination shall be final.

### TRAVEL REQUESTS

All travel and anticipated expenses to attend workshops, conventions, schools or any type of meeting **must be approved in advance** by the Department Head. Department Heads must verify that money is available in the listed account number to cover all expenses. The City will not reimburse for expenses incurred without prior authorization. Employees desiring to travel on official City business should complete Sections 1 and 2 of the Travel Request and Expense Report (Form A attached) and have their Department Head approve the travel request.

Travel Request and Expense Reports are NOT required for the following:

- Travel under \$50.00 which can be reimbursed through petty cash;
- Any type of certification fee or testing fee even though the fee may be budgeted in the travel and training account;
- Any type of registration fee where no other expense will be incurred; and
- Mileage for conducting City business (City vehicle should be used when available).

## **TRAVEL ADVANCES AND REGISTRATION FEES**

Travelers desiring a travel advance should complete Section 3 of the Travel Request and Expense Report. Advances for anticipated travel expenses and registration fees must be requisitioned in HTE and approved by the Department Head or designated representative. Once the purchase order has been issued, the department must "receipt process" and attach a copy of the approved Travel Request and Expense Report to the receiving. Please note that the department is responsible for making sure that all receivings are submitted in a timely manner in order to process an advance or registration fee. In order to process a check for a given Friday payables, the receiving must be received in Purchasing **no later than 5:00 p.m. on the preceding Monday.**

Travel advances shall not be provided to the employee more than 5 days before actual travel begins, unless the employee is taking vacation in conjunction with travel.

## **TRAVEL EXPENSES**

All City employees who travel are individually accountable for obtaining receipts and validating the expenditure of public monies. Itemized receipts for all expenses must accompany the Travel Request and Expense Report except for meals in which the per diem system is being used. Itemized receipts should be detailed as to the individual charges, not just a total charge. If an employee loses a receipt, or does not receive a receipt, a reasonable reimbursement may be made upon receipt of a written explanation declaring that the expenditure was made as approved by the Department Head.

When a traveler returns from a trip, they should complete Section 4 of the Travel Request and Expense Report noting the expenses from the trip. The Department Head should review the expenses, and then sign the form certifying that to the best of his/her knowledge all expenses incurred are for conducting official City business. All receipts should be attached to the form, and the form must be submitted to Finance within five (5) working days after return from travel. Upon receiving a complete and correct Travel Request and Expense Form, the Finance Department will review and return a fully authorized copy of the form to the department within five (5) working days in order for the department to seek reimbursement for the employee through either petty cash (if under \$50) or through a purchase requisition. If the traveler owes the City money, they must submit a receipt to the Finance Department showing reimbursement within five (5) working days after receipt of the authorized copy of the Travel Request and Expense Form.

The Finance Department will not issue any additional travel advances until outstanding advances, receipts or monies are turned into Finance. If the Travel Request and Expense Form is not submitted within the allotted time, the City may deduct the full amount of the travel advance from the employee's paycheck. Exceptions may only be granted by the City Manager.

## **USE OF CITY PROCUREMENT CARDS**

Procurement cards may be used instead of travel advances or reimbursement for the payment of pre-approved expenses within the guidelines and processes set forth by the City's Procurement Card Policy. Individual cardholders and their supervisors are responsible for understanding the applicable guidelines and using the cards appropriately.

No travel meals should be charged on City procurement cards. The City procurement card should be used only for eligible charges such as hotel rooms, employee airfare and car rental. At the time of reservation, the hotel should be alerted that only room charges are allowed on the City procurement card. Any ineligible room service charge, movie charge, gift shop or other charges should not be charged on the City procurement card and shall be subject to reimbursement to the City by the employee.

## **TRAVEL MEALS**

A "meals only" per diem allowance will be paid as an entitlement to City employees traveling on official City business instead of collecting receipts for trips with an overnight stay. A meal reimbursement will not be paid for conferences, meetings or seminars attended on day trips unless included in the registration fee for the specific event.

If the employee cannot arrive at the conference or the start of the formal meeting by leaving the morning of the opening day, overnight meal reimbursement will be allowed. If an employee can leave Temple by 6:00 a.m. and arrive at the conference prior to the start, overnight expenses will not be reimbursed. If an employee can return to Temple, driving or flying, at or before 10:00 p.m., overnight meal reimbursement will not be allowed. When disputed, determinations of travel time shall be determined by the Finance Department, using appropriate mileage software, and the determination shall be final.

1. **Rates** – Per diem will be paid using rates based upon the federal government rate. Per diem is a set amount per day and is adjusted for time of departure and return. (See PER DIEM file on Webley [the City's intranet] for rates and locations.)
2. **Locale** – Generally, the per diem rate is based upon the lodging location. However, if the conference or meeting is held in a higher per diem rate area than the traveler's lodging, then the higher rate can be claimed. The traveler must attach sufficient documentation to substantiate the location of the conference or meeting.
3. **Reductions** – The per diem allowance will be reduced for any meals provided through conference registrations, seminars or similar events. Airline snacks, continental breakfasts and socials, where no formal meal is served, are not considered a deduction from per diem.

Per diem meal rates are provided for the traveler on the City's intranet - Webley. These rates will be updated each year as they are issued by the Federal government.

### **Meals En Route.**

Meal reimbursements are allowed on the initial day of travel if the employee leaves the official work station, or place of residence if authorized, on or before the following times:

Breakfast – 7:00 a.m.

Lunch – 11:00 a.m.

Dinner – 5:00 p.m.

Meal reimbursements are allowed on the day of return if the employee returns to the official work station, or place of residence if authorized, on or after the following times:

Breakfast – 8:00 a.m.

Lunch – 1:00 p.m.

Dinner – 7:00 p.m.

Employees are required to adhere to the per diem limit which includes meal-related taxes and tips. If the traveler's Department Head determines the reimbursable meal was not a legitimate business expense, this amount must be reimbursed to the City.

NOTE: Meals included in conference registration fee should be noted as "Ticket" on travel expense report. Per diem should not be requested for these meals. No City procurement card will be used for per diem meals.

### **HOTEL/MOTEL**

If a seminar/conference is within 75 miles of Temple and lasts two or more days at the same destination, then the cost of lodging may be allowed at the discretion of the Department Head. Lodging expenses, as a general rule, are not tax exempt.

If the hotel requires a credit card for making reservations, and the payment is required before the trip takes place, utilize your city procurement card.

An itemized hotel bill, not just a summary receipt, must be submitted to Finance with the Travel Request and Expense Report. The bill shall not include telephone, room service or other ineligible miscellaneous charges. If you have utilized your procurement card for these charges, then submit the original with your procurement card log and a copy with the Travel Request and Expense Report.

Room sharing is strongly encouraged, when appropriate, as a cost saving measure.

Although conference rates are generally offered, employees are encouraged to investigate the availability of government room rates at the conference hotel.

### **REGISTRATION**

The City will pay actual registration fees for conventions, conferences, schools and workshops. When possible, all registration fees should be paid in advance. If the employee pays the registration fee on site, he must attach a registration receipt to the Travel Request and Expense Report.

### **MILEAGE**

#### **City Owned Vehicles.**

Oil and lubricants for all city vehicles must be obtained at city facilities unless an emergency prevails. Fuel, tolls and other incidental operating costs for City owned vehicles will be reimbursed

for extended trips. Fuels purchases should comply with Chapter 15 of the Purchasing Policies and Procedures Manual regarding the purchase of fuel. The traveler is responsible for obtaining a list of fueling stations along their designated route from Fleet Maintenance.

If a City owned vehicle breaks down while traveling, the employee shall notify their Supervisor and the Fleet Maintenance Department. Fleet Maintenance will give instructions on repairing the vehicle depending on where the employee is located at the time.

### **Personal Vehicles.**

When an employee uses his/her personal vehicle on City business, they remain covered by the City's worker's compensation insurance. However, the employee's own personal automobile insurance would be considered primary in the event of any accident or incident. Employees should ensure that they have adequate automobile insurance, as the City will not be responsible for costs incurred in the event of an accident or incident.

When an employee uses his/her personal vehicle, with the approval of their Department Head, they are eligible for mileage reimbursement at the rate established each year by the Internal Revenue Service. Employees who receive a car allowance and travel out of Bell County on approved business, will be reimbursed for their total mileage, less 50 miles, at the rate designated by the Internal Revenue Service.

Employees who are traveling in or around the Temple area on City business using their personal vehicles are eligible for mileage reimbursement at the rate established each year by the Internal Revenue Service. Employees will be required to keep a mileage log (Form B attached) and submit such with their request for reimbursement.

### **TRAVEL BY PUBLIC TRANSPORTATION**

Ground transportation, tolls and parking will be reimbursed only when incurred on official business. Public transportation or airport shuttle service should be used whenever feasible in preference to taxis. The traveler is expected to utilize the least expensive, most practical, direct route of transportation from the airport to the hotel, etc. The employee will be reimbursed the actual fare of public transportation.

### **RENTAL CAR**

As a rule, car rentals are not encouraged, but will be allowed if the cost is more reasonable than alternate means of transportation. If extenuating circumstances require car rental, an explanation of the need for the car rental is to be attached to the request for reimbursement. As a general practice, rental cars will not be approved if the employee is staying at or in the near proximity of the conference hotel or meeting location. All car rentals must be approved by the Department Head.

For travel by rented auto, the employee will be reimbursed the actual cost of the rental plus fuel. Weekly car rental rates will be allowed if the cost is less than the total cost of renting at the daily rate. Employees obtaining rental cars shall not accept any provisions for fuel to be provided by the rental agency. It is normally much less expensive if the rental car is returned full of fuel, paid for by the renter at a private gasoline station. When fuel receipts are present, they will be reimbursed by

the City. Purchases of fuel for rental cars are also allowed on the procurement card. The receipt should be attached to the procurement card log with a copy of the receipt attached to the Travel Request and Expense Report. If a car is rented, City employees are covered under the city's liability insurance; consequently all optional liability insurance should be declined. At the employee's option, the City will reimburse for property damage insurance for rental cars. The City recommends that employees purchase property damage coverage when renting a vehicle, if it is offered separately from liability insurance.

### **AIRFARE**

An employee will only be reimbursed for the cost of economy airfare. Prior to airfare being booked, travel should be approved and registration processed. Employees are expected to secure airline reservations in an appropriate manner consistent with obtaining the lowest fare. Employees who obtain their ticket in advance and are obligated to pay for the ticket prior to the trip, should use their procurement card.

If the traveler is reasonably sure that a particular trip will be taken, it is recommended that the lowest possible airfare be utilized, even though there may be a penalty for cancellation or changes. If a non-refundable ticket is obtained, and the trip cannot be taken due to required work or documented personal problems that are approved by the Department Head, the City will assume responsibility for any penalty.

Often a conference designates an airline as the recommended method of travel. Normally a special "code" is provided in the conference literature. Travelers should provide this code information to the person making reservations so that any special reduced airfare can be obtained. If special packages are available from any source, and they meet the employee's needs, call and discuss it with the Department Head.

### **AIRPORT PARKING**

If an employee must park at the airport, the city will reimburse for costs incurred. Parking will not be reimbursed for parking in the SHORT TERM area. Detailed receipts must be provided for proper reimbursement.

### **PHONE, FAX AND INTERNET**

**Personal Calls** – The City will not pay for personal telephone calls. No telephone calls may be charged on the hotel bill.

**Business calls** – If a city cell phone is not available, a city phone card must be used. Calls made on the calling card will appear on the appropriate department's long distance bill. (Phone cards may be obtained from the IT Department.) No telephone calls may be charged on the hotel bill.

**Faxes and Internet Access Charges** – These are allowed to be charged on the hotel bill, but the traveler must document the business purpose of such.

## MISCELLANEOUS

If for any reason a trip is canceled, and expenses have been incurred for the trip, a Travel Request and Expense Report should be completed by the employee, board member or elected official.

Hotel parking will be paid for both private and city vehicles. Valet parking will only be allowed if it is the only option available. Rate should be reasonable.

All toll fees will be reimbursed.

Receipts are required to be submitted with Travel Request and Expense Form in those instances where a receipt is normally given. For expenses where receipts are not provided, such as tips to skycaps, bellhops, etc., a written explanation is required.

Tips for meals are included in the per diem rates and are not reimbursed as a separate expense. The City will reimburse other tips under the following guidelines:

- Doorperson                 \$1.00
- Bellhop                     \$1.00 per bag
- Taxi                         15%

Business related postage and shipping will be reimbursed when properly documented.

Laundry expenses may be reimbursed if traveling more than seven consecutive days.

The City will pay for work related tours, special site visitations and approved special events.

Vacations or personal trips in conjunction with travel for city business require special authorization, and the expenses incurred in connection with such are not reimbursable. Personal transportation for such trips will be obtained and utilized if an employee takes an extended side trip. A city vehicle shall not be used for personal trips other than for meals and incidental stops. If a traveler is combining city business and vacation, and part of the extended travel time consists of a bridge between the two, no per diem or lodging for that bridge time will be allowed.

## FISCAL YEAR OVERLAP

Travel that occurs in the next fiscal year will be charged to next fiscal year's funds regardless of registration date.

## NON ELIGIBLE EXPENSES

The City will not pay for travel-related expenses for spouses, friends or other family members of employees, board members or elected officials. The employee must reimburse the City for any expenses within five (5) working days of Finance Dept. review of the travel expense report. An employee traveling with a spouse or guest will pay any additional charges for double occupancy at hotel/motel.

The City Procurement Card is for official use only. You should not charge or incur charges for spouses or other non-eligible expenses. Personal credit cards should be used for spouse expenses or non-eligible expenses. Spouses of employees, board members, or elected officials travel related expenses shall be deducted from the total expenses of travel as personal expenses on the Travel Request and Expense Report.

Some examples that are normally not reimbursed include:

- Personal care items, hair care, and shoe shines.
- Parking and/or traffic tickets for violations of laws or regulations.
- Deviations, for personal convenience, from the most direct and usually traveled route.
- Dependent care, pet boarding or house sitting expenses while the employee is traveling.

The City will not pay for recreation expenses including alcoholic beverages, golf, exercise room charges, movies, hotel pay movie channels, or any general forms of entertainment. The employee must reimburse the City for any such charges.

**Any Department Head who countersigns an employee's Travel Request and Expense Report must make sure that the form is properly completed and has the necessary receipts attached. Preparation of the Travel Request and Expense Report is the responsibility of the employee claiming reimbursement and is accountable for by the Department Head.**