

CITY OF DEER PARK, TEXAS

CHAPTER 12 - TRAVEL AUTHORIZATION AND EXPENSE POLICY

Revision Dated 3-7-17

I. Purpose and General Guidelines

To protect the interests of the City and to insure uniform application, this policy is established to govern expense allowances granted for all City travel. This policy covers travel allowances for all employees, volunteers, committee members and any other designated representatives (collectively, "travelers") who travel on City business, which shall include out-of-town stays, one-day conferences, and same day travel.

All travelers are expected to exercise good judgment in the use of City funds when conducting business on behalf of the City.

Due to budgetary constraints, a department director has the discretion to set more restrictive policies for travel, but the departmental policies may not exceed the limitations allowed in this travel policy and should be reviewed with the City Manager before implementation.

Any violation of this policy may result in disciplinary action up to and including termination of employment.

II. Travel Authorization and Advance Request

Before making any trip, the traveler may submit a "Travel Authorization and Advance Request" to receive an advance for meals and/or mileage. Approval of the department director and the City Manager is required to complete processing of the request. Advances will be processed by Accounts Payable up to three weeks prior to the departure date.

Note: prior approval from the department director is required for business travel and/or training for City representatives to attend one-day conferences. This approval should be handled in accordance with departmental procedures.

Information to be provided on the form includes the traveler's name, department, event sponsor, purpose and location of the travel, and the departure and return dates. A copy of a conference itinerary should be attached, if applicable.

III. Covered Expenses

A. Meals

Travelers will be reimbursed for meal expenses while traveling on City business. Travelers may select to be reimbursed on the basis of (1) actual expenses or (2) per diem. For each trip, one method or the other is to be used – they cannot be combined.

1. Actual Expenses

Because the costs of meals may vary significantly, there are no set dollar limitations. However, travelers are expected to keep meal costs reasonable. Receipts must be provided and document the date, place, meal order detail and cost (including tip not to exceed 18%).

2. Per Diem

In place of reimbursement for actual meal expenses, a flat meal allowance (per diem) will be provided. Per diems do not need to be supported by meal receipts.

- a. A per diem for meals and incidental expenses (M&IE) will be the primary method for covering expenses for out-of-town business travel and/or training.
- b. The per diem allowance covers meals, tips, and other miscellaneous expenses, and receipts are not required.
- c. The per diem allowance shall be calculated on the following basis:

	In-state	Out-of-state
Daily Per Diem (M&IE) Total	\$60.00	\$66.00
First and Last Day of Travel	\$45.00	\$49.50
Per Diem 25% Reduction per meal	\$15.00	\$16.50

Any amount requested “over and above” the standard per diem must include justification for the additional expenditure(s) and will be based upon the approval and judgment of the department director.

d. Meals provided by the hotel or event sponsor should be utilized. The M&IE per diem amount should be reduced by 25% for each meal provided by the conference, hotel, or vendor, unless one of the following applies:
* The traveler is unable to consume the furnished meal(s) because of medical requirements or religious beliefs;
* The traveler was unable to take part in the furnished meal due to the conduct of official business.

To assist with the determination of which meals were provided during a conference, a copy of the conference itinerary or agenda should be included with the travel reimbursement request. (Note: welcome receptions and continental breakfasts are not considered as meals provided.)

e. If certain circumstances, such as unique dietary needs, make it necessary for the traveler to forego the provided meal, the traveler may then claim up to the maximum per diem meal allowance. **In such cases, a written explanation that does not expose Protected Health Information (PHI) is required.** The traveler must indicate all such meals purchased in lieu of the meals provided by the hotel, event sponsor, or vendor.

f. For venues that require the purchase of a meal ticket or meal plan, a per diem will not be authorized for the days covered by the meal ticket or meal plan. The traveler should not request a per diem for meals covered by a meal ticket or meal plan.

B. Registration fees will be paid directly by the City through the accounts payable process or via charge to a City procurement card. Travelers are encouraged to take advantage of early registration to obtain the best discounted rate available. Travelers are encouraged to avoid writing a personal check or using a personal credit card for registration fees.

C. Transportation

1. Airfare – The least expensive coach class airfare will be considered standard air travel. Travelers are encouraged to take advantage of early reservation discounts to obtain the best rate available. Other classes of airfare may be used only if advance purchase, non-refundable tickets are no longer available.

Air travel is usually more economical in time and money when making a long trip. The City will pay for roundtrip, coach class airfare in advance through the accounts payable process or via charge to a City procurement card. If the traveler is not a procurement card holder, arrangements should be made with the department director to arrange payment for the airfare on a department procurement card. All procurement card receipts should be forwarded to the department record keeper.

While travelers may use other forms of transportation, the City will not reimburse more than the equivalent of the total cost of coach class airfare plus reasonable ground transportation from the airport to the hotel or event. For example, if the use of a personal vehicle results in a \$500 cost for mileage and the combination of airfare and a shuttle to the event costs \$450, the traveler will only be reimbursed for \$450.

Vehicle Rental – Car rentals are sometimes the most expensive mode of transportation; therefore, local transportation such as taxis, shuttles, etc. should be utilized whenever possible. If a car rental is necessary, the traveler shall rent the most economical car available that will satisfactorily meet their needs. If shuttles are available from the airport to the hotel and/or between the hotel and the conference, a car rental will be deemed unnecessary, unless approved in advance by the department director. If available, a City procurement card should be used for payment of the rental car. A receipt is required for all rental car transactions. All procurement card receipts should be forwarded to the department record keeper.

If a rental car is used, the traveler may be reimbursed for fuel, but all payment receipts are required.

The City's Auto Physical Damage insurance includes coverage for the temporary use of a rental car. Travelers should get a copy of the City's insurance card prior to making the trip so there is no need to buy the additional coverage offered by the car rental agency.

2. Personal Vehicle (no car allowance) –The City will pay for the use of a personal vehicle in accordance with the current IRS mileage rate, but the total expense shall in no case exceed the cost of standard coach airfare. If an applicable airfare is not available, the City shall use the closest match to determine the total mileage allowance.

Every traveler taking a personal vehicle is responsible for their own insurance as the City will not be liable for any physical damage or liability costs incurred in the event of an accident.

In the event a traveler has car failure while traveling out-of-town on City business, the City will reimburse the traveler for the expense of towing the vehicle to a garage, repair shop, or car dealership. The City will not reimburse the traveler for the cost of repairs to a personal vehicle. A receipt is required to receive reimbursement of towing services.

When two (2) or more travelers to the same destination plan to travel by personal vehicle, they are encouraged to carpool. When two (2) or more City representatives travel in a single automobile, only one (1) City representative may receive reimbursement for mileage or any other allowable automobile expenses.

When the use of a personal vehicle for out-of-state travel is approved for the convenience of the traveler, lodging, meals, and other expenses will be allowed only on the same basis as if the attendee traveled by air.

Round trip mileage should be calculated using the City Hall address of 710 E. San Augustine as the starting and ending location. Mileage should be rounded to the nearest mile based on anything above 0.5 miles being rounded up and anything less than 0.5 miles being rounded down. The City reserves the right to question any mileage reimbursement requests and will verify any mileage that appears out of line based on the destination.

3. Personal Vehicle (Car Allowance) – Mileage reimbursement will not be authorized for an employee's use of a personal vehicle traveling within the City or within Harris or Chambers County if the employee receives a monthly car allowance from the City.

In the event a traveler has car failure while traveling out-of-town on City business, the City will reimburse the traveler for the expense of towing the vehicle to a garage, repair shop, or car dealership. The City will not reimburse the traveler for the cost of repairs to a personal vehicle. A receipt is required to receive reimbursement of towing services.

4. City Vehicles – Use of a City vehicle may be approved under certain circumstances. When use of a City vehicle is approved, the purchase of fuel, oil, and other routine supplies and/or emergency repairs for the vehicle will be allowed. A receipt is required to receive reimbursement of any allowable expenses.

- D. Lodging - The City will pay for adequate lodging for the actual number of days of the event. Travelers are encouraged to arrange for payment of lodging in advance through the accounts payable process or via charge to a City procurement card. If the traveler is not a procurement card holder, arrangements may be made with the department director to arrange payment for the lodging on a department procurement card. All procurement card receipts should be forwarded to the department record keeper.

Travelers are encouraged to reserve lodging in the same hotel where the event is located to minimize ground transportation fees.

Lodging per night shall not exceed the actual room cost plus tax.

- E. Telephone Calls - The City will allow reimbursement for necessary business calls and reasonable communication with family while traveling on City business.
- F. Parking Fees - The City will allow reimbursement for parking fees (e.g., at the airport, hotel, or conference) while traveling on City business.

- G. Ground Transportation (taxi, bus or shuttle service) - The City will allow reimbursement for taxi, bus, shuttle or other reasonable methods of ground transportation while traveling on City business.
- H. Toll Fees - The City will allow reimbursement for toll fees that are incurred while traveling on City business. Note: City vehicles are not exempt from toll charges, and any toll violations incurred while traveling in a City vehicle will be the responsibility of the traveler.
- I. Course Material - The City will allow reimbursement for electronic or bound materials related to and purchased at the seminar, conference, or training.
- J. One-Day Conferences or Same Day Travel
Same day travel (including one-day conferences) is not subject to a per diem allowance. Additionally, when travel does not involve an overnight stay or is not long enough to require “substantial sleep or rest”, any reimbursement for meals is considered “taxable wages” by the IRS. The traveler may complete a Taxable Meal Reimbursement Form to be reimbursed for eligible meal expenses upon return from the event, attaching all required receipts and submitting the form to the department director for approval. (Note: the traveler must include an explanation for any missing receipts.) The department director shall then forward the form to Payroll for processing. The reimbursement will be included in taxable wages and subject to Federal income tax withholding (including social security taxes and Medicare) but will not be included in the TMRS calculation.

There is an exception for meal reimbursements directly related to and necessary for attending business meetings of certain exempt organizations. These expenses are excludable from wages if the expenses are related to the trade or business (e.g., chambers of commerce, business leagues, or professional associations). Payment for these meals may be via meeting dues paid to the professional association or via the individual purchase of the meal during the meeting.

IV. Procedures for Travel Advance / Reimbursement

A. Travel Advances

1. A travel advance is allowed for meals and/or mileage.
2. Travel advances will be processed no earlier than 21 calendar days in advance of the scheduled departure.

B. Reimbursement

1. Within 15 days after returning from an event, the traveler should complete the Travel Expense Report, attaching all required receipts and submitting the form to the department director for approval. (Note: the traveler must include an

explanation for any missing receipts.) The department director shall then forward the form to Accounts Payable for processing.

- a. If the traveler is due a reimbursement, payment shall be processed in the subsequent Accounts Payable process.
- b. If money is owed to the City, payment shall be made to the City within five (5) working days after returning from the event. Payment should be made at Central Collections, and the payment receipt should be attached to the Travel

Expense Report. Note: if it is later found that more money is owed to the City, the traveler will be responsible for payment within five (5) working days of notification that an additional payment is owed to the City.

- c. A traveler will not be issued a travel advance if any prior travel advance remains outstanding and/or if any amount owed to the City remains unpaid at the time a new travel advance is requested. Special circumstances may be approved by City Manager.
- d. At the end of each calendar year, if the Travel Expense Report has not been completed for travel advances older than 30 days, any amount advanced will be treated as taxable income and will be reported as such to the IRS.

V. Non-Allowable Incidental Expenses

A. The City of Deer Park will not provide reimbursement for the following expenses:

- 1. Alcoholic beverages.
- 2. Spouse / family member travel expenses.
- 3. Tips (note: all tips are included in the daily per diem).
- 4. Laundry or cleaning services.
- 5. Movie rental, hotel pay television and/or videos.
- 6. Health clubs and spas.
- 7. Sporting events.
- 8. Theater or movie tickets.
- 9. Printed material such as magazines and books for personal use.
- 10. Personal items.
- 11. Hotel mini-bar items (e.g., candy, drinks, water, snacks, etc.).
- 12. Traffic tickets or fines (including toll violations).
- 13. Purchase of clothing, gifts, etc.

B. In the event that a non-allowable incidental expense is inadvertently purchased using a City procurement card, the traveler shall reimburse the City immediately upon returning from the event. A receipt and an explanation for these purchases must also be provided as part of the documentation.

VI. Travel for Non-Exempt Employees

A. When a non-exempt employee is assigned to travel out-of-town on a one-day assignment, travel time is paid (as the travel is part of the activity the employee was hired to perform on the workday in question). However, the travel between the employee's home and the airport (or bus/train station) may be deducted, as it falls in the "home-to-work" category.

- B. When a non-exempt employee is assigned to travel out-of-town overnight, travel that occurs outside of the employee's regular working hours as a passenger in an automobile, or on an airplane/train/bus, is not paid time unless the employee performs required work during that travel time (i.e., work on a laptop computer). Travel away from home overnight is clearly work time when it cuts across an employee's regular work day (normal working hours) because the employee is substituting travel for other duties.
- C. If the employee is required to drive, or be a passenger assigned as an assistant or helper, the employee must be compensated for the travel time. Any work that an employee is required to perform while traveling must be counted as hours worked; this includes driving or assisting/helping the driver.
- D. An employee required to operate a motor vehicle (car, pickup truck, dump truck, etc.) out-of-town in order to get to a work assignment away from the City will be paid for travel to the location away from the City.
- E. An employee who is a passenger in a motor vehicle driven out-of-town in order to get to a work assignment away from the City will not be paid for travel to the location away from the City unless the employee-passenger is required to perform work while being driven to the location away from the City or the travel time cuts across the employee's normal work day.
- F. An employee who requests and is permitted to drive a vehicle out-of-town (in lieu of travel by public transportation) outside of the employee's normal working hours, in order to work away from the City, will not be paid for the travel time to the location(s) away from the City.
- G. Questions regarding specific circumstances for non-exempt employee travel should be referred to the Human Resources Department **prior** to travel.