



"Building A Stronger Community
TOGETHER"

POLICY AND PROCEDURE

Subject: Travel & Meal Reimbursement	Group: Personnel	Number: 200-1370
Effective Date: June 24, 2009	Supersedes: Personnel Policy 200-1370 dated 5/26/09	Page 1 of 5
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1.0 PURPOSE:

To establish the City's policy on travel and meal reimbursement.

2.0 POLICY:

It is the City of Shelton's policy to provide sufficient and appropriate reimbursement for employee travel costs and meal consumption to cover accrued expenses in a reasonable manner when conducting official City business according to law and Internal Revenue Service (IRS) regulations.

3.0 REFERENCES:

Internal Revenue Service Publication 15, The Employer's Tax Guide
Applicable Collective Bargaining Agreements
City of Shelton Resolutions 970-0109, 910-0307, 804-503 and 634-994
City of Shelton Personnel Policies 200-1630, Credit Card Use and
200-1601 Standards of Conduct

4.0 APPLICATION:

This policy applies to all individuals employed by the City of Shelton.

5.0 PROCEDURES:

When City employees are required to travel on official business, the City shall pay reasonable amounts for transportation, meals, lodging, and miscellaneous approved expenses. An employee is expected to show good judgment and an appreciation for economy when incurring travel expenses.

5.1 Travel Reimbursement:

- a. **Documentation:** Except as otherwise allowed in Section c. below, approval for expenses allowed herein must be documented on the Request for Travel Form (Annex A). Further, upon return from authorized travel, all travel must be documented using the Conference/Travel Accounting Form (Annex B).

- b. **Travel Involving an Overnight Stay:** All travel involving an overnight stay must be authorized in writing and in advance by the Department Director for their staff, and by the City Administrator for the Department Directors. Requests for training, conferences, meetings, or other official functions that require out-of state travel, must be approved by the City Administrator.
 1. The person authorizing travel, be it the Department Director or City Administrator, shall determine the most cost effective mode of travel. Employees required to travel by air shall travel economy class whenever available. Due to the high-risk exposure and absence of insurance coverage, it is prohibited to use any private aircraft for official City business.
 2. An employee must obtain permission from their Department Director or the City Administrator to use City vehicles. Gasoline must be obtained at the City pumps prior to departure.
 3. When an employee is authorized by the Department Director or the City Administrator to use a personal vehicle for official travel outside of the City, the employee shall be compensated at the current mileage rate as established by the Internal Revenue Service (IRS). The current rate can be found on the IRS website, <http://www.irs.gov/index.html>, in Revenue Procedure 2003-76.
 4. When authorized by the Department Director or City Administrator, a rental car may be used by an officer or employee of the City. The rental car shall be used for official business only.
 5. Employee's lodging expenses shall be covered while traveling on City business. Employees are expected to make lodging reservations in advance whenever possible and to take other actions to insure that lodging is secured at the most reasonable rate possible.
 6. Credit cards may be used by City employees, when on official City business travel status, for accommodations, travel, meal cost, gas use for City vehicles only and emergency City vehicle repairs.
 7. The Department of Financial Services will pay registration, lodging and transportation (air, train, bus, rental car) to the vendor, with receipt of an approved Request for Travel Form (Annex A) with back-up documentation prior to incurring the expenses or 15 days prior to the travel date whichever is earlier.
 8. No advancement of travel expenses shall be allowed to any officer or employee.
 9. Within 10 days of the conclusion of all travel, the Conference/Travel Accounting Form (Annex B) must be completed and submitted to the Financial Services Department.

10. When traveling on official business for an outside agency such as for a state or federal organization and reimbursement rates differ than those of the City, the City rates shall prevail. Employees shall, if directly reimbursed by the outside agency, turn in the reimbursement check to Financial Services and follow reimbursement procedures as outlined in this policy. It is considered unlawful for employees to claim double payments for the same travel.
 11. Employees who submit false or double claims for reimbursement may be subject to disciplinary action up to and including discharge.
- c. Travel Not Involving an Overnight Stay:** Subject to the advanced, verbal approval of their supervisor, their Department Director or the City Administrator, employees are allowed reimbursement for meals and mileage on their personal vehicle, so long as the associated travel does not involve an overnight stay. All requests for meal reimbursements are to be paid or reimbursed as stated in Section 5.2 b. Meals without overnight stay. All requests for mileage reimbursements allowed under this section are to be submitted on either the Conference/Travel Accounting Form (Annex B) as stated in 5.1 b.9 OR monthly on the Mileage Reimbursement Form (Annex C).
- d. Allowable Expenses:** Allowable expenses may include air travel, lodging, conference registration, meals, rental car and gas for City or rental car. Miscellaneous expenses such as photocopying or other clerical requirements, business telephone calls, parking fees, ferry tolls, taxi fare, fax transmissions, and other bona fide miscellaneous expenses, baggage handling, etc., shall be reimbursed upon presentation of actual receipts or other suitable documentation. The Financial Services Director will have the final authority to accept or reject questionable claims for reimbursement.
- e. Non-reimbursable Expenses:** Certain travel expenses are considered personal and not essential to the conduct of official City business and are not reimbursable. Examples of such non-reimbursable expenses may include but not be limited to laundry or valet service, entertainment expenses (television or movie rentals and theater or show tickets), cost of transportation to and from places of entertainment, alcohol or tobacco purchases, room service charges, cost of personal reading material, barber or beauty expenses, personal toiletry articles, postage, medical or dental expenses and theft, loss or damage of personal property.
- f. Use of City Owned Vehicle:** No employee is to use any City owned vehicle unless it is for official business purposes. Such purposes include, subject to the approval of the employee's Department Director, traveling from home to work and back, so long as this use serves the legitimate business interests of the City, and so long as this use is reported to the Financial Services Department for applicable tax reporting in accordance with Internal Revenue Service Publication 15-B.

5.2 Meal Reimbursement

- a. Meals with Overnight Stay:** Any employee traveling on City Business shall receive an allowance of up to the amount allowed by the State of Washington Department of Financial Management, including tax and tip, if meals are paid for by the employee. The City will not pay for alcoholic beverages.
1. The Department Director shall determine what meals shall be allowed based upon the times and dates of travel. Where conference registration or training tuition fees include one or more meals, the City shall reimburse only those meals not covered by such fees.
 2. Where a conference offers meals in conjunction with the conference program, but does not include those meals in the registration fee, the City shall pay for those meals selected by the employee. If the employee elects not to participate in one or more meals offered by the conference, the regular per diem guidelines shall be used for those meals. No receipts for approved meals shall be required unless the employee is requesting an excess meal allowance.
 3. Excess meal expenses shall only be considered because of location or other unusual circumstance. All excess meal expenses must be approved by the Department Director and City Administrator. When excess meal allowance is claimed, all meals shall be paid by itemized receipt amounts only.
- b. Meals without Overnight Stay:** Meal expenses not associated with overnight travel, may be paid or reimbursed by the City subject to the following limits/rules: The purpose of the meal shall be part of attending a business or job related conference, workshop or training or to engage in a “working” meeting, meaning that it must serve a legitimate business purpose. If it is a “working” meeting, the meal shall involve at least one other person. Reimbursement requests must include:
1. The subject or purpose of the meal/meeting.
 2. A list of all persons attending the meal/meeting.

Payments or reimbursements for meals not associated with overnight travel are generally taxable and reported as part of an employee’s annual wages on the employee’s W-2 forms. The Financial Services Department will determine whether the meal is taxable in accordance with Internal Revenue Service Rules. Reimbursements for taxable meals not associated with overnight travel will be reimbursed on an employee’s regular monthly paycheck, provided the Conference/Travel Accounting Form (Annex B) and required expense documentation are submitted to Financial Services by the 20th of the month. Requests received after the 20th will be reimbursed on the next month’s paycheck. Authorization for payment or reimbursement from the Department Director or City Administrator is required.

c. Meals in Conjunction with City Business:

1. Overtime/Call Back. When employees work overtime or are called back, they may be entitled to food vouchers as outlined in applicable collective bargaining agreements. These vouchers have a limited time use and are considered taxable and subject to IRS rules. Reimbursement for these vouchers will be paid for in the employee's next regular paycheck.
2. Emergencies: Meals provided for employees during an emergency (fire or EMS call, broken water main, for example) are not considered a taxable benefit, as long as they meet both of the following criteria:
 - A. Meals are provided for the City's convenience.
 - B. Meals are provided to allow the employee to take a shorter break period than normal, remain on the City work site, or work overtime.
3. Meetings: On occasion, conducting City business through a meal period or for special meetings inviting the public may be necessary. If the meeting is on a City owned facility or building and it is for the purpose of pursuing City related business, meals and light refreshments such as snacks and non-alcoholic beverages may be provided without being taxed.