

COUNCIL POLICY NO. C-6

TITLE: REIMBURSABLE EXPENSES FOR TRAVEL, TRAINING, PROFESSIONAL DEVELOPMENT, AND OTHER CITY BUSINESS

POLICY: See attachment.

REFERENCE: Finance Department Staff Report dated 3/20/06, Agenda Item No. 4.2 (a) and 4.2 (b) (Supplants Finance Department Staff Report dated 5/23/94, Agenda Item 9.2.1)

REIMBURSABLE EXPENSES FOR TRAVEL, TRAINING, PROFESSIONAL DEVELOPMENT, AND OTHER CITY BUSINESS

General Discussion

During the normal course of city business, the Mayor and members of the City Council (herein referred to as “Council Members”) may incur expenses for travel, meals, lodging, and incidental travel expenses that would require either (1) Council Members to use their own personal resources or (2) request for advancement of City funds. This Council Policy sets forth the policies and procedures applicable to advancement and/or reimbursement of these expenses.

Reimbursable Expenses

I. Mileage and Transportation Expenses

- A. Council Members may use a privately owned vehicle (POV) for travel on City business. Council Members must have a valid Oregon driver’s license and must carry liability insurance as required by State law. Council Members may request, through the City Manager, to use city motor pool vehicles for out-of-town travel.
- B. A mileage reimbursement will be paid for use of a POV for city business. The City of Salem uses the IRS established mileage reimbursement rates in effect at the time of travel. Reimbursable mileage will be measured from the Council Member’s principal place of business (PPB), as defined under applicable IRS regulations, to the travel destination(s) and back to the Council Member’s PPB.
- C. Council Members must purchase commercial travel (i.e., plane, train) tickets through the City’s approved travel agencies. Air travel shall be by the most direct and cost effective air route. Travel shall be coach class. When possible, tickets should be purchased 14 days or more in advance.
- D. Frequent Flyer awards or promotional incentives issued by commercial travel companies are the property of the City of Salem. Recipients of certificates/credits must turn them into the Finance Department.
- E. Reimbursement for travel to and from the airport in a POV will be limited to one round trip plus parking fees. Council Members are encouraged to use the airport shuttle.
- F. A Council Member who elects to use a POV to combine official travel with a holiday or weekend trip, vacation, or elects to travel by an indirect route for personal convenience, will not be reimbursed for the personal portion of the trip. Reimbursement for mileage will be calculated by using the most direct route from the Council Member’s PPB to the destination.

II. Lodging

- A. A dollar limit on lodging has not been established; however, only reasonable and practical accommodations should be obtained. When a spouse and/or guest is sharing a room and the rate for double occupancy is higher than the single occupancy rate, only the single rate will be reimbursed. Council Members should specifically request the governmental rate when making reservations and/or payments for lodging.

III. Meal Reimbursements

- A. General Rules. The following rules apply to all meal expense reimbursements:
 - i. Meals already included in conference registration fees pre-paid by the City will not be reimbursed as an individual expense.
 - ii. Alcoholic beverages are non-reimbursable.
 - iii. Council Members will be reimbursed for the actual cost of eligible meals up to the IRS Scheduled per diem rates, plus a tip of up to 15% of the meal cost. Itemized meal receipts must be submitted to obtain reimbursement (see Expense Reporting, below).
- B. Eligible Meals. The following are the meal expenses for which the City will reimburse a Council Member.
 - i. Overnight Travel. Council Members may seek reimbursement of meal expenses incurred in connection with overnight travel.
 - ii. Business Meals. Council Members who attend a meal while participating in a business meeting with a documented agenda may be reimbursed for the cost of the meal. The reimbursement will only be allowable if the main purpose of the combined business and meal is the active conduct of city business and there is more than a general expectation that specific business benefit will be derived. Council Members who pay for meals of other persons while conducting city business may receive reimbursement for expenses associated with the meal. The following must be submitted with the applicable reimbursement form (See Expense Reporting, below) for reimbursement of such expenses:
 - (a) Receipt
 - (b) Description of the purpose of the meeting
 - (c) List of persons and their organization for whom meals were purchased
 - iii. Professional Association Meals. Council Members who attend a professional association meeting as an authorized representative of the City of Salem may seek reimbursement for meal expenses associated with attending the meeting.

IV. Incidental Travel Expenses

- A. Non-meal Tip Expenses. Council Members may seek reimbursement in the customary amounts for tips given for services such as bell hops, parking attendants, taxi, etc.
- B. Communications Expenses.
 - i. Council Members may seek reimbursement for all business calls and one call to their residence every other night, while traveling overnight on City business.
 - ii. The Council Member shall maintain a record of toll charges. If the calls are detailed on the hotel bill, this can serve as a substitute for the toll record sheet. The bill or toll record shall include the date of the call, the person or agency called, and the area code and number called.

Travel Advances

When advance travel funds are requested, a Travel Request and Expense Report must be submitted to the City Manager. Payments for registration fees, airline travel, and lodging will be paid directly to the supplier. Council Members should indicate on the Travel Request and Expense Report form the name of the payee and the amount due. Request for travel advances should be submitted a minimum of 15 calendar days prior to the date of departure. Due to the costs of processing travel advances, Council Members should not request travel advances for non-overnight travel or for amounts less than \$25.

Expense Reporting

Pursuant to IRS regulations, Council Members must substantiate expenses within 30 days of either the date of the expense, or the return date of travel. A different process is used depending upon the type of travel (overnight or non-overnight)

(1) Substantiating Overnight Travel Expenses

To substantiate expenditures incurred in connection with overnight travel, Council Members should first submit to the City Manager a Travel Request and Expense Report form with applicable cost estimates prior to any overnight travel. Within 30 days from the return date of travel, Council Members should submit a completed Travel Request and Expense Report form to the City Manager with receipts.

(2) Substantiating Non-Overnight Travel Expenses

To substantiate non-overnight expenses incurred while conducting the City's business, Council Members should submit to the City Manager, a Miscellaneous Expense Report form with receipts.

(3) Receipt Requirements

Receipts submitted must identify the date, time, place, amount, and business purpose of the expense.

Council Members that lack receipts should submit a signed affidavit describing the cost incurred and the reason for the lack of a receipt. The affidavit must also identify the date, time, place, amount, and business purpose of the expense.

Finance forms may be modified from time to time to meet reasonable travel accounting requirements, changes in allowances, or changes in law.