

	MANAGEMENT POLICY	POLICY NUMBER: 201
	SUBJECT: TRAVEL AUTHORIZATION AND EXPENSES	EFFECTIVE DATE: 03/15/79 Revised: 07/24/18

I. PURPOSE

This Management Policy establishes uniform regulations and citywide procedures to govern travel authorizations, allowable travel expenses, reimbursements, and reconciliations for an *Authorized Traveler* in *Travel Status* for City-related business.

A City employee working/meeting within forty (40) miles of their *Work Site* is not considered in *Travel Status* and, consequently, shall not be governed by this Management Policy.

II. DEFINITIONS

- A. *Authorized Traveler*. This means any City employee, and members of City boards and committees.
- B. *Incidentals*. Minor miscellaneous expenditures e.g., fees and tips.
- C. *Itemized Receipts*. Receipts that show details or breakdowns of the total expenses incurred.
- D. *Per Diem*. Maximum daily allowable expense for meals and tips, including *Incidentals*, as determined by the U.S. General Services Administration.
- E. *Travel Advance*. A request for payment of travel-related expenses prior to approved travel.
- F. *Travel Authorization and Expense Report*: This refers to the City form used to approve travel to allow an *Authorized Traveler* to be in *Travel Status*; to authorize *Travel Advance* to an *Authorized Traveler*; to report estimated and actual expenditures for the approved travel; and to reconcile any reimbursements to the *Authorized Traveler* or City.
- G. *Travel Coordinator*: This refers to a Department designee who coordinates travel arrangements for an *Authorized Traveler*.
- H. *Travel Status*: An *Authorized Traveler* is considered to be in *Travel Status* anytime City business-related duties or assignments take them more than forty

(40) miles from their normal *Work Site*. *Travel Status* begins when the *Authorized Traveler* departs for their business destination and ends upon return to their normal *Work Site* or primary residence.

- I. *Work Site*. The designated location where an employee spends the largest portion of their regular workday or working time.

III. **POLICY STATEMENT**

- A. Travel is usually warranted when personal contact is the most effective method of conducting City business, or when personal attendance is the most effective method of obtaining training, new ideas, or serving an official capacity as a City representative. The purpose of the travel must ultimately be for the public's benefit and related to the City's activities and programs.
- B. The *Authorized Traveler*, prior to traveling for City business, is responsible for obtaining a copy of this Management Policy and becoming familiar with the regulations and procedures set forth herein.
- C. Travel must be accomplished within a Department's approved budget. The Department Director is ultimately responsible for compliance with the regulations and procedures set forth in this Management Policy.
- D. Approval to travel must be granted by the Department Director authorizing the *Travel Authorization and Expense Report* prior to any travel arrangements being made. If the *Authorized Traveler* is a Department Director, approval must be granted by the City Manager, an Assistant City Manager, or Executive Staff. The City may withhold *Travel Advances* and/or reimbursements for travel expenses for non-compliance with this requirement.
- E. *Travel Advances* payable to an *Authorized Traveler* must be approved by the Department Director or designee. If the *Authorized Traveler* is a Department Director, approval must be granted by the City Manager, an Assistant City Manager, or Executive Staff. Advances will not be issued any sooner than ten (10) working days prior to *Travel Status*.
- F. Qualified expenditures will be reimbursed once travel is complete and the *Travel Authorization and Expense Report* is approved.
- G. Reimbursement of allowable expenses, unless pre-paid by the City, will only be allowed if incurred by an *Authorized Traveler*, while in *Travel Status*.
- H. The use of a City Procurement Card for travel-related expenses shall also comply with [Management Policy 211](#) (Procurement Card Program) and the associated [Procurement Card Program Guidelines and Procedures](#) (available on Purchasing's SharePoint site).

- I. Use of a City-owned cell phone or wireless data device while in *Travel Status* shall comply with [Management Policy 114](#) (Telecommunications).
- J. Exceptions to this Management Policy may only be granted in writing by the City Manager or designee.

IV. **RESPONSIBILITIES**

- A. Accounting Services shall review requests for *Travel Advance* and reimbursement to determine that each meet the intent of this Management Policy and validate all supporting documents and approvals.
- B. Authorized Traveler shall be familiar and comply with this Management Policy and all related policies and procedures; use discretion and good judgment when incurring travel expenses; and complete all applicable sections of the *Travel Authorization and Expense Report*.
- C. Authorized Traveler's Supervisor shall be familiar with this Management Policy and all related policies and procedures; review the *Travel Authorization and Expense Report* for conformance prior to submitting it to the Department Director for approval; and ensure prompt reporting to Accounting Services for audit.
- D. Department Director, or designee, shall screen all travel requests to regulate the purpose of the trips, the number of employees traveling, points to be visited, itineraries, the duration of the trips, and to limit trips to those that are essential to the performance of the Department's mission. Department Director is granted discretion in approving travel expenses to adequately provide for emergency circumstances.
- E. Travel Coordinator shall make travel arrangements in a fiscally responsible manner. Such arrangements shall include, but may not be limited to, airfare reservations, lodging accommodations, shuttle service and other transportation arrangements, car rental reservations, etc. The *Travel Coordinator* who made the original travel arrangements shall be responsible for canceling or making changes to reservations.

V. **ALLOWABLE EXPENSES**

Allowable expenses can be prepaid by the City using a Procurement Card or check, paid for with *Travel Advance* funds, or submitted for reimbursement.

The *Authorized Traveler* shall request an *Itemized Receipt* for all travel-related expenses that are paid by a credit card (whether personal or a City Procurement Card) or with cash.

A. Airfare:

The *Authorized Traveler* should use the most efficient method available for travel arrangements. The *Authorized Traveler* is encouraged to take advantage of discounted airline ticket opportunities by making travel arrangements through their Department's *Travel Coordinator*, who can use a Procurement Card issued by Purchasing to buy tickets directly from airlines or Internet travel services. In all cases, criteria for flight selection shall be based on the most economical airfare that meets the business need of the City.

Airfare shall be purchased at best rates. Reimbursement will be for the cost of airfare, taxes, and surcharges. Whenever possible, the *Authorized Traveler* shall make reservations far enough in advance to receive the discounted fare. If an *Authorized Traveler* makes personal stops en route to the destination for the City-related business, they will only be reimbursed for the portion of the airfare attributable to the City-related business travel.

Flight changes (e.g. depart on an earlier flight) made for personal reasons that result in additional charges will be the responsibility of the *Authorized Traveler*.

If the *Authorized Traveler* purchased their airline ticket using personal funds and the trip is cancelled and they cannot obtain a refund, the Department Director can approve the write-off of the airline ticket cost. If the *Authorized Traveler* terminates City employment, or vacates the seat of a board or committee, prior to taking a trip for which a ticket has been purchased with City funds, they must reimburse the City for the cost of the ticket, or it may be written off by the Department Director.

B. Vehicle Mileage (use of a City vehicle or personal vehicle):

If a City vehicle is not available for in-state travel while in *Travel Status*, the use of a personal vehicle will be allowed at the current City mileage reimbursement rate per mile. However, if the *Authorized Traveler* receives a monthly vehicle allowance, they are not eligible for mileage reimbursement compensation unless the destination of the City-related business is outside Maricopa or Pinal Counties, in which case the employee will receive the standard City mileage reimbursement.

State law mandates liability insurance for all private motor vehicles, and mandates that the private insurance policy covering a private motor vehicle provide primary coverage in the event of an accident or other loss. All *Authorized Travelers* in *Travel Status* shall carry liability insurance to be authorized to drive a privately-owned vehicle on City business.

All *Authorized Travelers* in *Travel Status* must possess a valid driver's license and be in compliance with *Management Policy 309* (Operation of Vehicles) to drive their private motor vehicle on City business.

Though a personal vehicle may be used in lieu of air travel, mileage reimbursement shall not exceed the cost of refundable round-trip air transportation (economy class) for a reservation made at least twenty-one (21) days in advance of the authorized travel.

When City vehicles are used for out-of-state travel, lodging, meals, and travel time will be allowed on the same criteria as if the *Authorized Traveler* had traveled by air.

Mileage will be reimbursed between the airport (or lodging) and the *Authorized Traveler's Work Site* or primary residence, whichever is less, when travel occurs during a normal workday. Mileage will be reimbursed between the airport (or lodging) and the *Authorized Traveler's* primary residence at all other times.

C. Lodging:

Expenses will be allowed for adequate lodging necessary and appropriate to the purpose of the authorized travel. Lodging cost should be paid by procurement card whenever possible. Lodging arrangements should be made at the single room, moderate rate, as applicable. Seminar or governmental discount should be requested.

D. Per Diem Rates and Incidentals:

The *Authorized Traveler* must be in *Travel Status* in order to be eligible for *Per Diem*.

Travelers may not “double-dip” by receiving a *Per Diem* for a meal that was purchased using a Procurement Card.

The *Authorized Traveler* in *Travel Status* will be reimbursed for meal expenses incurred including taxes and tips up to the allowable U.S. General Services Administration (GSA) *Per Diem* rate without furnishing receipts. The meal allowance rate will be determined based on rates allowed under GSA's web site <http://www.gsa.gov>. Use the “Per Diem Rates” link on the web site to find the state and travel destination city. The M&IE (Meals and Incidental Expenses) rate column is used for the meal allowance rate.

The GSA rate will be used from the time in which *Travel Status* begins to the time in which it ends. The *Authorized Traveler* is eligible for daily *Per Diem* for each full twenty-four (24) hours they are in *Travel Status*. The *Authorized Traveler* is eligible for *Per Diem* in individual meal amounts on their first and last day of travel, or if they are in *Travel Status* for less than twenty-four (24) hours.

The *Authorized Traveler* in *Travel Status* may choose to submit itemized meal receipts for reimbursement instead of utilizing the *Per Diem* rate.

When itemized meal receipts are provided, the amount of reimbursement may not exceed the *Per Diem* rate.

Travelers must choose to use either the *Per Diem* rate or itemized meal receipts on the *Travel Authorization and Expense Report*.

Meals/snacks included in airfare are not to be deducted from the meal allowance. Likewise, continental breakfasts included in course/conference registration fees or included in the hotel registration fees are not to be deducted from the meal allowance.

Meals included in course/conference registration fees should be deducted from the meal allowance unless medical/religious/dietary needs are not able to be accommodated.

Authorized Travelers with medical and/or religious dietary restrictions attending trainings or conferences must make every effort to request an accommodation as part of the paid event.

Reasonable and customary tips are reimbursable when incurred in the conduct of City-related business. Tips are to be written in on the bottom of the receipt thereby becoming a part of the total of the particular expense category. The following are suggested guidelines for common tip occurrences:

- Restaurant tips should be 15%-20% depending on the level of service. These tips are paid from daily *Per Diem* funds.
- Room service tips are usually included in the bill. These tips are paid from daily *Per Diem* funds.

Local customs and circumstances should determine actual expenditure. For example, when traveling outside the U.S. tips are typically included in the restaurant bill.

E. Registration Fees:

The *Authorized Traveler* is encouraged to pay for registration fees through their Department's *Travel Coordinator*, who can use a Procurement Card issued by Purchasing to register for a conference/class(es) and pay for associated fees by mail, fax, or internet. The cost of the registration should be included on the *Travel Authorization and Expense Report* even if paid directly by the City, so that the total cost of the trip can be determined.

A Department Director may elect to deny reimbursement of conference/class registration fees that were not estimated and approved on the *Travel Authorization and Expense Report* prior to the *Authorized Travel*. These can include, but may not be limited to, expenses for pre-and/or post-conference/class activities that are paid for by the *Authorized*

Traveler, however, prior approval was not granted. Such determination shall be submitted in writing.

The *Authorized Traveler* may get reimbursed for using their personal credit card for registration fees. If the *Authorized Traveler* doesn't attend the conference/class, the Department Director can approve the write-off of the registration cost. If the *Authorized Traveler* terminates City employment, or vacates the seat of a board or committee, prior to attending the conference/class for which registration has been purchased, they must reimburse the City for the cost of the fees, or it may be written off by the Department Director.

F. *Car Rental (Including Liability Insurance):*

If car rental at the destination is required in conjunction with the approved *Travel Status*, it can be pre-arranged by the *Travel Coordinator* or the *Authorized Traveler* may make their own car rental reservation using a personal credit card or Traveler Procurement Card. Quotes should be based on a compact/midsize vehicle; reflect total estimated cost and special discount rates available.

Additional liability insurance offered by the auto rental agency for damages to the vehicle itself and for other liability exposures shall be accepted at the time the vehicle is rented. At a minimum, the "Loss Damage Waiver" insurance should be accepted. The Department Director may approve "supplemental" liability insurance.

Information should be obtained about available ground transportation and costs from the organization sponsoring the conference. *Authorized Travelers* should inquire about all ground transportation options and use the most economical in calculating comparative costs.

G. *Taxi, Bus, Shuttle, Transportation Network Company (TNC) (e.g., Uber, Lyft) (or Other Ground Transportation):*

Reimbursement is allowed when other modes of transportation are necessary (e.g., bus, taxi, shuttle, TNC) by the *Authorized Traveler* while in *Travel Status*. *Authorized Travelers* should check ahead to see if a shuttle service is available for airport pick-up to conference or seminar locations. Suggested driver tip for ground transportation is 10-15%.

H. *Business Communication Expenses:*

Expenses related to business communications that are determined to be reasonable and necessary for the *Authorized Traveler* to complete City work efficiently are allowable. Hotel charges for internet access should be limited to City-related business that is necessary while traveling. Business related postage and/or fax transmission expenses will be reimbursed.

I. *Business Entertainment:*

Reimbursement of business entertainment is allowable when the Department Director determines it to be advantageous to the City to show hospitality and gratitude. Such entertainment should be expected to return a benefit to the City. To be reimbursed for such an expense, the *Authorized Traveler* must indicate on the *Travel Authorization and Expense Report* "who is to be entertained and for what reason they will be entertained."

J. *Other Expenses:*

Other expenses that are directly related to authorized travel may include, but are not limited to: baggage fees, gas, laundry, tolls, and parking fees. The City will not reimburse for oversized baggage fees except for instances of transporting City equipment deemed oversized that is needed on City business travel.

Laundry and valet costs are reimbursable only if the duration of the trip is longer than 4 consecutive days or when the *Authorized Traveler* is unexpectedly required to extend a trip beyond its intended duration. When such criteria are met, laundry expenses shall not exceed a reasonable amount.

The City will reimburse for uncovered economy parking. Reimbursement of covered parking is at the discretion of the Department Director.

Receipts are not required for cash expenses not to exceed \$20 for the entire trip.

VI. **EXPENSES NOT REIMBURSABLE**

The *Travel Authorization and Expense Report* should reflect all the *Authorized Traveler's* travel-related expenses (estimated and actual) while in *Travel Status*, regardless of whether they are reimbursable under this Management Policy.

A. Items that shall not be reimbursed include, but may not be limited to:

- First class airfare
- Any portion of the airfare that is not attributable to the City-related business travel
- Any expenses resulting in the *Authorized Traveler* volunteering to be bumped from a flight
- Use of internet while in flight, except for City-related business
- The cost of the liability insurance required to be authorized to drive a privately-owned vehicle on City business

- Damage to an *Authorized Traveler's* personal vehicle that was used while on City business
- Gasoline when claiming mileage for use of a personal vehicle or the use of a rental car for personal convenience
- Any expenses that are related to family members accompanying the *Authorized Traveler*
- *Authorized Travelers* may stay with a friend or relative while in *Travel Status*, however, the City will not reimburse for any payment to the friend or relative for lodging, meals, or transportation
- Fines or penalties (hotel late charges) incurred due to failure to notify and/or cancel the reservation unless due to work-related circumstances
- Mileage and/or taxis for personal trips while on City business
- Traffic and parking tickets
- Valet parking, unless self-parking is not available
- Alcoholic beverages
- Tobacco
- Personal entertainment (hotel movies, spa services, etc.)
- Theft, loss or damage to personal effects
- Any expenses determined to be unrelated to the authorized travel or that are found to be unnecessary or unacceptable by the Department Director

VII. UNDOCUMENTED EXPENSES

The *Authorized Traveler* is financially responsible for all undocumented expenses. Any *Travel Advances* or prepayments related to the trip that the *Authorized Traveler* cannot substantiate with documentation (if required), **MUST** be repaid to the City by the *Authorized Traveler* within ten (10) working days upon return to the *Work Site*.

VIII. REIMBURSEMENT AND TRAVEL AUTHORIZATION & EXPENSE REPORT

A. Advance Payment Reconciliation

The *Authorized Traveler* is responsible to pay the amount owed to the City within ten (10) working days of return from *Travel Status* for the unused portion of any *Travel Advance*. Payment is to be made to Customer Service. If actual expenses exceed the *Travel Advance*, reimbursement to the *Authorized Traveler* will be made following submittal of the *Travel Authorization and Expense Report* with necessary documentation.

B. Submission of Travel Authorization and Expense Report

Travel Authorization and Expense Reports must be submitted to the Accounting Services Division within ten (10) working days after the trip is concluded. *Travel Authorization and Expense Reports* should be accompanied by a Cash Receipt from Customer Service if the *Authorized Traveler* owes the City money.

If the *Authorized Traveler* owes the City less than \$1.00, then payment to Customer Service is not necessary. If the City owes the *Authorized Traveler* less than \$1.00, the *Authorized Traveler* may choose to not receive reimbursement. This is at the *Authorized Traveler's* discretion. This should be noted on the *Travel Authorization and Expense Report*.

ISSUED BY:



CHRISTOPHER J. BRADY
City Manager