

CHAPTER 11

REIMBURSEMENT & BUSINESS TRAVEL POLICY

11.1 PURPOSE

The purpose of this policy is to establish rules to reimburse District officials and employees for reasonable and prudent costs associated with travel and business meals while serving a District purpose or for training, which will be of benefit to the District.

11.2 EMPLOYEE INCURRED EXPENSES

Management or your supervisor must pre-approve reimbursable expenses and travel requests that exceed \$25. Expenses under the amount of \$25, which are incurred by employees for PID purposes, will be reimbursed through its petty cash fund. Expenses over that amount will be reimbursed through normal accounting procedures after completion and submission of an expense report or employee reimbursement form. All requests for reimbursement must include an itemized receipt for each expense and be requested within 30 days of the expense.

11.3 CREDIT CARD USE

Credit cards may be issued to specific employees who either travel on a regular basis on District business, or have the need to frequently purchase supplies or services. Credit cards shall be used only for legitimate, approved business of the District, subject to the following regulations. These cards should be used for all approved expenses as authorized in this section.

- A. No personal items may be charged on the business credit card unless approved by management.
- B. All charges must be in line with travel guidelines or as approved by management
- C. Receipts must be submitted to the Manager, Office Manager or Accounting Technician with the approved travel expense report, expense claims reimbursement form or the charge card request/authorization form within one week of making the charge.

11.4 MILEAGE

The mileage reimbursement rate for operating privately owned vehicles will be the allowable IRS rate in effect at the time the vehicle is used. All tolls will be reimbursed at actual expense. The mileage distance should be calculated from home or the PID offices using the shortest reasonable, direct route.

11.5 AIR TRAVEL

Travel exceeding 300 miles in each direction, as measured from the Sacramento Airport should, be done by air travel if practical. The reimbursement rate will be at the most economical and time efficient rate found on the Internet at the time of purchase. Should an employee decide to drive their own vehicle, total mileage reimbursement will not exceed the cost for air travel and associated costs. Payments for travel time will always be paid in consideration of the quickest time (i.e., air travel versus driving time).

11.6 CAR RENTALS

Employees should use the District's corporate accounts for car rentals when needed, but should always seek out the lowest rates available. Employees should search the internet for the lowest available rate. Reimbursement for rental car will include the cost of the rental car, gas, and rental insurance.

11.7 MEALS

The District will not provide reimbursement for meals associated with single day travel.

The following guidelines should be used for reimbursement of meals while traveling overnight on PID business. Meals and incidental expenses (M&IE) will be reimbursed based on the M&IE per diem rates established in IRS publication 1542, using the "high-low" method. If reimbursement is based on actual expense, itemized receipts will be required and there is no reimbursement for alcohol. Special circumstances will be required to justify actual reimbursement (as approved by the Manager). The IRS M&IE per diem rate will be allocated between three meals and incidentals based on the following percentages:

<u>IRS M&IE PER DIEM %</u>	
Breakfast	15%
Lunch	25%
Dinner	50%
Incidentals	10%

In order to be eligible for meal reimbursement, the following criteria must be met:

A. For Breakfast –

You must have started traveling prior to 7 a.m. or have stayed overnight.

B. For Lunch –

You must have started traveling prior to 11 a.m. or have stayed overnight. If the travel ends prior to noon, lunch expenses will not be eligible for reimbursement.

C. For Dinner –

You must have started traveling prior to 4 p.m. or have stayed overnight. If the travel ends prior to 6 p.m., dinner expenses will not be eligible for reimbursement.

D. Incidentals –

Only one allowance for incidental expenses will be permitted for each night spent away from home on District Business.

11.8 LODGING

The reimbursement rate will be based on the lodging per diem rate established in IRS publication 1542, using the “high-low” method. This reimbursement amount will cover all hotel-related costs, but additional reimbursement maybe available for parking and internet access if those costs exceed the per diem lodging rate. Hotel-related costs include necessary telephone usage, use of hotel facilities and resort fees, etc. At industry conferences, the reimbursement rate shall be the rate set for single rooms at the conference hotel. Hotel-related costs will be reimbursed when the conference rate option is used. When it is impractical to travel to a seminar or business meeting in the morning before the event occurs, an employee may consider staying overnight the day before. When an event is concluded and the employee cannot reasonably arrive home by 8:00 p.m. that same night, then the employee may consider staying over.

11.9 PHONE

Employees that are issued a mobile phone or are approved for the mobile phone reimbursement policy are expected to use that phone to place all calls while traveling on PID business. Employees not issued a mobile phone and traveling on PID business will be reimbursed for up to 10 minutes every night for necessary personal calls unless lodging is being reimbursed on the IRS publication 1542 high-low method, in which case such calls would be covered by reimbursements for lodging and/or incidental expenses.

11.10 PARKING

Daily parking reimbursement must based on the cost of the most reasonable and convenient option. Airport parking shall be reimbursed for the lowest available daily rates only.

11.11 TRAVEL APPROVAL PROCESS

Approval for travel must be signed by the General Manager or Department Supervisor before travel. A travel purchase order must be filled out and signed with approximant total cost of travel.

11.12 BOARD MEMBER TRAVEL

- A. Where there is any question regarding the level of appropriate reimbursement, the Board shall approve the reimbursement rate at the Board meeting held before the expense is incurred.
- B. Budgeted and reimbursable Board Member travel includes industry conferences, training, official meetings with officials from other governmental bodies to conduct official District business.
- C. Board Member Travel must comply with Government Code Sections 53232.2 & 53232.3.
- D. The District will not pay for or prepay for Director's guest expenses.
- E. If the lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board Member at the time of booking. If the group rate is not available, the Board Member shall use comparable lodging that is consistent with the District's Travel Reimbursement Policy.
- F. Board Members shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.
- G. If the District reimburses a Board Member for actual and necessary expenses incurred in the performance of official duties, then they shall provide expense report forms to be filed by the Board Members for reimbursement for actual and necessary expenses incurred on behalf of the District in the performance of official duties. Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel.
- H. Expense reports shall document that expenses meet the existing policy, adopted pursuant to Section 53232.2, for expenditure of public resources.
- I. Board Members shall submit expense reports within a reasonable time after incurring the expense, as determined by the District, and the reports shall be accompanied by the receipts documenting each expense.
- J. Board Members shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.
- K. Board Members shall report to the General Manager as soon as possible if they are unable to attend pre paid meetings in order to attempt to find a replacement.

- L. Board Members shall report at the next regular Board meeting the reason for missing any prepaid, preapproved meetings for which expenses were incurred. A majority of the Board may require that the Board member reimburse the District for expenses incurred by the District.
- M. All documents related to reimbursable District expenditures are public records subject to disclosure under the California Public Records Act (California Government Code § 6250 st seq.).
- N. Directors driving private vehicles on PID business are encouraged to attend a defensive driving class every four years to be held at the District office.

11.13 SMALL REIMBURSABLE AMOUNTS

The Manager and his staff shall pre-approve reimbursable District travel and business meal requests. Expenses under the amount of \$25.00, which are incurred by District personnel, may be reimbursed through the District petty cash fund. Expenses over that amount will be reimbursed through normal accounting procedures after completion and submission of an expense claim report. All petty cash requests for reimbursement must include an itemized receipt for each expense and be requested within thirty days of the expense date.

11.14 CONTRACT EMPLOYEE REPORTS

Contract employees of the District shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.

11.15 DISCLOSURE OF REIMBURSEMENTS

An annual disclosure of Board Member or employee reimbursements for individual charges over \$100 shall be recorded and is available to the public in accordance with the California Public Records Act during the hours when the District offices are open.