

 Travel Policy	Administrative Policy Manual Chapter 4 – Fiscal Article 5
	Related Forms: <i>All Forms located on Finance SharePoint Forms Page</i> <ul style="list-style-type: none"> • 4.5A) Travel Authorization Request Form • 4.5B) Travel Expense Report • 4.5C) Mileage Reporting Form
Effective Date: 1/9/15	Responsible Department: Finance
Related Policies & Notes: <p>Prior Version: October 12, 2011</p> <p>Cross Reference: <i>Vehicles and Motorized Equipment Policy</i> (Chap 6, Article 1)</p>	

Section 1. Policy Statement

Policy. The City expects to pay all reasonable costs incurred by City employees traveling on approved City business; and City employees are expected to use sound fiscal stewardship when expending public funds, and to travel in the most logical and least expensive manner possible.

Purpose. The purpose of this policy is to define the City's expectations of its employees who travel in connection with their work responsibilities and to clarify which expenses the City will fund and which expenses are considered the personal responsibility of the traveler.

Section 2. General Procedures and Guidelines

Subd. 1. Authorization

City Manager authorization is required in advance of travel or the commitment of City funds for the following:

- Travel by Department Directors.
- Out of State travel by any staff.
- Travel by two or more staff (not counting Directors) to the same overnight destination.
- Travel that will cause a department to exceed its approved travel budget.
- Any exception to this policy.

Authorization shall be sought via submittal of a [Travel Authorization Request \(Related Form 4.5A\)](#).

Director Authorization Required

In-state, overnight travel requires the approval of a Department Director via submittal of a Travel Authorization Request in advance of travel or the commitment of City funds.

Supervisor Authorization Required

A formal Travel Authorization Request (TAR) is not required where overnight or out-of-state travel is not concerned, but an employee is required to obtain approval from his or her supervisor prior to any business travel for which the City is expected to pay for meal(s), mileage, bridge tolls and/or parking. Receipts are necessary to receive reimbursement. An employee may not approve his or her own travel documentation.

Subd. 2. Travel Arrangements

Travel arrangements shall be made as far in advance as possible to obtain the best possible fares and rates. Registration for conferences and training shall be made far enough in advance to take advantage of early (discounted) fees, and to avoid late registration fees. If travel arrangements must be cancelled for any reason, the person who made the arrangements shall cancel them in sufficient time to prevent the City from incurring unnecessary costs when possible.

Individual travelers may make their own travel arrangements. At the Department Director's discretion, and upon written notice to the Department of Finance, one or more persons may be designated a Travel Coordinator and be assigned responsibility for making travel arrangements for all business travelers within a department. Designated Travel Coordinators shall use their City purchasing cards to secure travel arrangements within their department.

Subd. 3. Transportation

Travelers shall use whatever mode of transportation is the most logical and least expensive. When planning the transportation portion of a trip, the employee shall consider all aspects of cost to the City including daily expenses, overtime, lost work time as well as actual transportation costs.

If an employee elects to use a mode of transportation other than the most logical and least expensive, the City will pay only the cost of the most logical and least expensive mode. If the most logical and least expensive mode of transportation is determined to be a City vehicle or the traveler's private vehicle, the traveler shall comply with the City's Vehicles and Motorized Equipment Policy (Administrative Policy Manual, Chapter 6, Article 1). The difference between the selected mode and the least expensive mode shall be considered the employee's personal expense; and any additional lodging and meal expenses resulting from the employee's selection shall also be paid by the employee. In addition, the employee shall charge any additional time spent en route during normal work hours to vacation or a similar leave. This paragraph does not apply to special accommodations made to qualified employees under the Americans with Disabilities Act provided that the alternate mode of transportation is approved in advance.

A. Air Travel

Employees shall not limit their air travel options by specifying an airline. The airline offering the lowest fare for a logical route shall be selected.

B. Use of Private Vehicles

With the exception of employees who have been assigned a City vehicle or who receive a car allowance, employees shall be compensated for the use of their private vehicles for business travel at the current IRS standard mileage rate, provided that it is the most logical and least expensive method of transportation. Compensation shall be based upon the number of miles between the travel destination and either the employee's designated work location or residence, whichever is the shortest distance.

Employees may also be compensated at the current IRS standard mileage rate for the use of their private vehicles for routine travel on City business between City facilities or to other locations in Sunnyvale or the adjoining communities. Employees must keep a log of such routine travel using the [Mileage Reimbursement Form \(Related Form 4.5C\)](#).

The City will pay all expenses, such as bridge tolls and parking fees, incurred as the result of an employee's authorized use of a vehicle while traveling on City business. Employees requesting reimbursement for the payment of such expenses shall obtain receipts and submit them with their Travel Expense Reports. Also, whenever possible, employees attending the same event shall travel together to minimize expenses.

To drive a City or privately-owned vehicle on City business an employee must possess a valid California driver's license. A driver of a privately-owned vehicle must also carry adequate liability insurance coverage, and be responsible for any damage, service, or repair to the car occurring on the trip, as these costs are included in the City's per mile cost reimbursement.

C. Train and Other Mass Transit

Employees shall be compensated for train or other mass transit fares and fees provided that it is the most logical and least expensive method of travel.

D. Ground Transportation at Destination.

Supplementary transportation within the destination city shall be accomplished by hotel courtesy buses, local shuttle services or public transportation, if available and logical. Taxi or car service shall be used only when no other convenient, less costly mode of transportation is available.

E. Rental Vehicles

Rental vehicles shall be used only when no other mode of transportation is available or when alternate transportation would be more expensive or impractical and must be authorized in advance by the Department Director. If a rental vehicle is authorized, employees shall request the least expensive vehicle category that meets their needs. Employees shall not purchase optional insurance offered by the rental agency.

F. Travel Time

Travel time is compensable under certain conditions identified in the Fair Labor Standards Act (FLSA). As a charter city, the City follows current FLSA regulations for determining the compensability for travel time. The FLSA regulations are available at: <http://www.dol.gov/whd/regs/compliance/whdfs22.htm>

Subd. 4. Lodging

The City will pay lodging expenses for approved City travel, including the evening preceding or subsequent to a meeting or business event when the employee would otherwise have to travel from his/her residence before 6 a.m. or after 9 p.m. to reach or return from his or her destination.

Employees are expected to use the most cost effective lodging reasonably available. When a conference or training session is held at a specific hotel, the City shall pay for actual lodging expenses up to the standard lodging rate advertised by the conference or training sponsor.

When there is not a specific lodging site associated with official City business, the City shall pay for actual lodging expenses up to the GSA maximum rate allowed by location (<http://www.gsa.gov/perdiem>). Note that the GSA maximum rate applies to the base room rate only, and does not include taxes. Every effort shall be made to obtain lodging at or near the facility where official City business is to take place to minimize travel time and transportation costs. The lodging should also be clean, safe and appropriate for business travel. Government rates are often available and should be sought.

The City will pay only for standard single rooms for individual employees. Single standard rooms at conference, government or corporate rates shall be requested. The City will pay additional charges for a double room only if two employees share the room. If a double room is requested by an employee because he or she is accompanied by a spouse or other person, the difference between the single and double room rate will be paid by the employee.

The Travel Coordinator may make room reservations using a City purchasing card. The Travel Coordinator shall request a copy of the hotel's credit card authorization form. This form should be used to authorize the hotel to charge the total room cost, including all taxes, on the Travel Coordinator's purchasing card. Employees shall personally pay

for any additional expenses incurred, such as movie rental, mini-bar bills, etc.

Employees shall cancel any reservations for lodging they will not use. Any charge for an unused reservation shall be considered the employee's personal expense unless failure to cancel the reservation was due to circumstances reasonably beyond the employee's control.

Subd. 5. Meals

The City will pay for an employee's meals during authorized travel, including tax and tips, up to the per diem amount established by the GSA for the destination location (available at: <http://www.gsa.gov/perdiem>). The Meals & Inc. Exp column will be used to generate the per diem rate for meals. Use the guide on <http://www.gsa.gov/mie> to breakdown the per diem amount for each meal.

The City will not pay for the following:

- Breakfast on the first day of travel.
- Meals that the employee elects to purchase from another source when the meals are included in the cost of a conference, training registration fee, or hotel stay.
- Alcoholic beverages.

The City will pay for meals during partial days of travel on a pro-rated basis, as follows:

- If the partial day includes travel before 8 a.m., the City will pay for the employee's breakfast.
- If the partial day includes travel between 11 a.m. and 1 p.m., the City will pay for the employee's lunch.
- If the partial day includes travel after 5 p.m., the City will pay for the employee's dinner.

Any meal reimbursement where an employee is not required to travel away from home overnight will be taxable in the amount of the meal reimbursement under Internal Revenue Code Section 162(a)(2).

Subd. 6. Miscellaneous Fees/Business Expenses

A. Gratuities/Tips

The City will pay reasonable and customary gratuities and tips during City business travel. Tips for meals are included in the standard per diem rate.

B. Business Expenses

The City will pay for goods and/or services deemed necessary for the completion of official business, such as faxes, copier and computer usage, etc.; for Internet usage at actual cost and for all business telephone calls. Cellular phones are often more cost-effective than using hotel phones directly and should be considered as a primary option. Collect calls should be avoided. Fees which include use of

local calls, wireless Internet access, or other such amenities will be covered by the City. Whenever possible, employees shall anticipate the need for supplies and shall take whatever they will need with them instead of buying supplies at their destination. The City will also pay for printed materials, tapes or other training materials that may be available for sale at training, conferences, etc., provided that the materials are of benefit to the City and will remain the City's property.

C. Baggage Fees

If the airline charges for all checked baggage, the City will cover the cost for one checked bag only. Excess baggage charges are not reimbursable.

D. Personal Expenses

Personal expenses will not be paid by the City. In addition to those items identified as personal expenses throughout this policy, personal expenses include personal telephone calls, in-room movies, spas and gyms, optional recreational events in connection with a conference, laundry or dry cleaning, miscellaneous sundries, or other items of a personal nature.

Personal travel shall not be mixed with business travel if it will cost the City anything in dollars or lost time or if it will harm the City's interest in any way. The City will not pay for any expenses of a spouse or other person who accompanies an employee on business travel.

Subd. 7. Payment of Expenses

The payment of travel expenses using City purchasing cards is not allowed unless the cardholder is a designated Travel Coordinator. Employees, other than designated Travel Coordinators, may pay for allowable travel expenses by requesting a City check to pre-pay for certain expenses, such as registration fees, or a travel advance in an amount up to the total estimated expenses for the trip minus any pre-paid expenses. Allowable expenses may also be paid out of pocket and reimbursed upon completion of travel. Designated Travel Coordinators may pay for travel expenses for themselves or other authorized travelers within their work units, excluding meals, using their City purchasing cards.

Subd. 8. Settlement of Trip Expenses

The Department of Finance is responsible for processing travel advances and reimbursing out-of-pocket travel expenses.

Within two weeks of an employee's return from a business trip, a final accounting of all expenses associated with the trip shall be made by completing a [Travel Expense Report \(Related Form 4.5B\)](#), and an associated [Mileage Reporting Form \(Related Form 4.5C\)](#), if applicable, attaching original receipts substantiating all reported expenses with the exception of meals, and submitting the report to the Department of Finance. Uncompleted training will not be paid by the City unless the

employee's failure to complete the training was due to a cause outside the employee's control.

If the employee received a travel advance and actual expenses were less than the amount advanced, any unused amount of the travel advance shall be returned to the City via a payroll deduction. Should an employee who has received a travel advance fail to submit a Travel Expense Report within two weeks of return, the Department of Finance may deduct the amount of the travel advance from the employee's next pay check unless the employee can verify timely submission of paperwork or an extension has been requested and approved with valid reason.

If the employee personally paid for allowable business trip expenses, the City will reimburse the employee through the biweekly payroll process. Reimbursement of travel expenses received from an outside source must be forwarded to the Finance Department upon receipt.

Subd. 9. Exceptions to this Policy

This policy does not claim to address all contingencies and conditions. However, any exception requires City Manager approval via a Travel Authorization Request (TAR) for anticipated/known exceptions or via a Travel Expense Report for unanticipated/unplanned expenses. Requests for exceptions should be accompanied by the traveler's written justification for the expense.

Examples of exceptions to this policy include, but are not limited to, the following:

- Unusual business expenses.
- Per diem and/or lodging expenses which exceed GSA limits.
- The purchase of one or more meals from another source even though they were included in a conference and/or seminar registration fee.
- The use of an alternate mode of transportation under the Americans with Disabilities Act.
- Lodging expenses incurred during local travel.
- Travel costs in excess of budgeted amounts.

Subd. 10. Finance to Conduct Periodic Audits

The Department of Finance shall conduct periodic audits to ensure compliance with this policy. Audit results shall be submitted to the City Manager.