



City Council Travel Budget and Expense Reimbursement Policy

The travel guidelines in this Policy establish a City policy for official travel by elected City officials. Travel should be necessary to accomplish the city's purposes effectively and economically, and incurred expenses should be prudent, reasonable, and necessary. The Mayor and Councilmembers may undertake official, authorized travel and be reimbursed by the City for all reasonable and necessary expenses incurred while traveling on City business.

It is the policy of the City Council of the City of South San Francisco that Councilmembers and the Mayor be reimbursed for actual and necessary expenses incurred in the performance of official duties, subject to budget, applicable laws, standards, and procedures established by the Council.

Approval process for travel requests:

All travel and meeting expenses shall be approved as part of the annual budget process. Once the budget is approved, travel and meetings included therein will be considered as approved, and no further Council action is necessary. The City Manager's office will monitor appropriations and controls. Travel and meeting expenses not included in the Council's budget must be approved on consent at a Council meeting prior to the travel dates.

Reimbursable expenses are limited to those that would be deductible business expenses under IRS regulations and are incurred in compliance with IRS "accountable" plan requirements. Expenses will further comply with the **City's Administrative Instructions, Section IV, No.2 (Travel and Training Policy and Reimbursement of Expenses)**. An expense will not be reimbursable if it is paid for or reimbursed by another entity or person.

All claims for reimbursement shall be submitted using the **City Council Expense Reimbursement Forms (Appendix D)**, signed and certifying that expenses were incurred in connection with an eligible expense. All expense reimbursement forms shall be completed to show the general nature of the costs incurred, such as travel, meals, and lodging, and the relationship of all expenses to City business in compliance with the city's expense reimbursement policies. The forms will be processed by the City Manager's Office and approved by the Finance Department.

As part of the adoption of the annual operating budget each fiscal year, the City Council will allocate an individual appropriation amount for Council travel and expense reimbursement for each Councilmember and the Mayor. Such allocation may not be exceeded without approval of the City Council. To the extent an individual annual budget allocation is exceeded without Council approval, such excess will be the responsibility of the Councilmember.

A City credit card may be issued to a Councilmember upon request following the established guidelines listed in the **City’s Administrative Instruction, Section IV, No. 6 (Use of City Issued Credit Cards)**. All receipts for charges on a City credit card, including supporting documentation and receipts, shall be submitted to the City Manager’s Office within five days of the incurrence of the charge or completion of the travel, whichever is later.

The City Manager's office shall make all travel arrangements, except for the use of a personal vehicle, to ensure the most economical fare available, consistent with the individual's available travel time. Government and group rates must be used for lodging and transportation when available.

If the business travel includes a non-business personal trip, the City Manager’s office will make the travel arrangements so that the business portion of the cost can be identified. In these instances, the cost of personal travel will be paid for by the individual Councilmember and the City credit card may not be used to pay for the travel arrangements. Any additional expenses resulting from the inclusion of the nonbusiness trip will be the responsibility of, and will be paid for by, the individual.

If the trip is paid for by the individual making a nonbusiness personal trip, then an expense claim for reimbursement of the expenses related to City business must be submitted at the completion of the trip with supporting documentation and receipts.

Unless the City Council approves the expense in advance, no expense will be reimbursed that exceeds the following rates:

- A. Air Fare: Allowable air travel costs shall be calculated using the shortest and most direct route with the least en-route stops. All air travel shall be booked as far in advance as possible to receive the lowest fares possible, except where the lowest fare is for an overnight flight, which may be chosen by the individual but is not required.
- B. Personal Vehicle Use: The federal mileage rate for business use of a taxpayer’s private vehicle, as published by the Internal Revenue Service of the United States of America, will be multiplied by the number of miles traveled in an individual’s personal vehicle to determine the maximum expense reimbursement allowed.
- C. Use of City Vehicle: When City vehicles are available, their usage is encouraged but not required.
- D. Lodging: If lodging expense is incurred in connection with a conference or organized educational activity specified in Government Code Section 53232.2(d), then the 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 when booking the reservation. If the group rate is not available, then lodging expenses that are comparable and deemed reasonable shall be subject to approval and reimbursement.
- E. Meals: Councilmembers will be entitled to reimbursement for meals and associated gratuities in an amount equivalent to the per diem rate for City employees with

supporting documentation as listed in the **City's Administrative Instructions, Section IV, No.2 (Travel and Training Policy and Reimbursement of Expenses)**. Alcohol expenses will not be reimbursed.

- F. Other Expenses: Actual and reasonable incidental costs incurred for travel away from home, considering all the circumstances, will be reimbursed for: Telecommunication and fax charges, telephone expenses, laundry and/or dry cleaning charges, parking, shuttle, and taxi, and other miscellaneous necessary expenses.

Reports at Next Regular Meeting

The Councilmember shall provide a brief oral or written report on the accomplishments of any business trip attended at the expense of the City at or by the next regular meeting of the City Council.



OFFICE OF THE CITY MANAGER

Administrative Instruction
Section IV
No. 2

Travel and Training Policy and Reimbursement of Expenses

Supersedes: January 1, 1992, May 30, 1997, June 16, 1997, August 2000, July 2005, and February 17, 2011

Effective Date: April 26, 2018

I. Purpose

The purpose of this Administrative Instruction is to:

1. Establish and define authorized business travel training and membership expenses incurred associated with conducting City of South San Francisco business.
2. Specify the procedures for reimbursement of City employees for their actual mileage, transportation, lodging, meals and other related expenses while attending conferences, training sessions, meetings and/or other official City business.
3. (Note: the City Council has their own travel reimbursement policy and procedures, developed with the assistance of the City Attorney's Office, and this Administrative Instruction does not apply to them).

II. General Policy

The City recognizes the benefit in training and attendance at meetings and functions for the purpose of advancing professional knowledge and skills through the exchange of information relating to local government. Authorizing attendance at these functions is considered to be in the best interest and for the overall benefit of City operations.

Each budget cycle, the City Council approves the final operating budget that includes authorization for travel and training expenditures. These expenditures shall conform to the administrative guidelines described as follows.

III. Procedures

1. Authorization for Travel

- A. Travel that does not require overnight stay must be authorized by the employee's immediate supervisor.
- B. Travel for City related business that requires a single overnight stay must be authorized in advance by the Department Director (or City Manager if requiring absence for multiple days of overnight stay).
- C. Travel for City related business outside of California is permitted only when budgeted for and when pre-approved by the City Manager.

2. Reimbursable Expenses

- A. Registration Fees: The City will reimburse in full for such registration fees as may be required for attendance at required and/or authorized conferences and meetings.

B. Transportation

- 1. Employees shall exercise judgment with the selection of an economical means of transportation.
- 2. An employee using a personal car for approved City business will be reimbursed at the current Internal Revenue Services (IRS) rate. This rate per mile incorporates all costs incurred while operating such vehicles, such as gasoline, depreciation and insurance. Employees using personal vehicles are required by State law and City policy to have up to date liability insurance coverage.
- 3. Employees driving to meetings or trainings should drive in a safe manner, and maintain their attention on the road in a non-distracted fashion. Employees should refrain from using cell phones when driving, and should be used only when the car can be pulled off the road and parked safely. Refer also to the Administrative Instructions on use of Cell Phones and on duty Use of Vehicles While on City Business for more information.
- 4. Necessary expenditures will be reimbursed for parking, toll charges, and ground transportation (i.e., bus, taxi and airport shuttle) while incurred in connection with official City business travel. Note: reimbursements will be made through the City's "Statement of Expenses" form, which should be scanned into the Eden financial system record requesting payment, or attached to a Petty Cash Reimbursement Form. Receipts must be provided for all reimbursements, except bridge tolls.

C. Lodging

- 1. Expenditures for lodging will be reimbursed when the situation necessitates the employee staying overnight. Hotel/motel accommodations should be appropriate for the purpose of the trip and reimbursable on the basis of actual expenditures. Additional cost for non-City employees sharing the same room with the City

employee is to be borne by the employee and subtracted from the total cost prior to submittal for reimbursement. Preauthorization is required by the City Manager for overnight travel, using a Travel Authorization Form.

- 2 In the event that the City is to be billed for a hotel/motel room, charges of personal incidental expenses, i.e., personal telephone calls, room service, gym usage, alcohol, etc., are to be cleared from the bill prior to departure, that is, paid by the employee directly/separately.

D. Meals

- 1 While conducting City business and attending one-day events (i.e., workshops) and training sessions, the actual costs of meals may be reimbursed, subject to the IRS guidelines. When attending conferences requiring overnight travel, an amount not to exceed \$75 per day, excluding alcohol, will be allowed for meals provided the reimbursement does not fall under the IRS restrictions/guidelines on taxable income (see below).
- 2 The IRS guidelines on taxability of meals are contained in the publication on this web site: http://www.irs.gov/pub/lirs-tegel/fringe_benefit_fs.lg.pdf. The IRS requires that, with some exceptions (outlined below), meal reimbursements for training sessions where the employee does not stay overnight must be reported as taxable to the IRS. The City will **not** reimburse employees for meals that are considered taxable income. The IRS considers some meal reimbursements taxable income (see below) because it is assumed that in a regular work situation where no overnight travel is required, the employee would normally pay for or make provisions their own meals, and that therefore employer reimbursement would constitute taxable income.

Exceptions to Meal Reimbursements as Taxable Income:

One of the following conditions must occur for the IRS **not** to consider a meal taxable income, and for the meal to therefore be eligible for reimbursement by the City:

The meal is a part of a trip on City business that requires overnight travel by the employee. The IRS generally sets at 90 miles or more one way from the workplace as the condition requiring overnight travel; or

The meal is one at which official business is conducted during the meal itself, and the meal is organized as part of the meeting itself. If an employee went to a legislative update meeting where lunch was provided during the meeting itself, that meal (as part of the cost of the meeting registration) could be reimbursed.

Other examples include:

1. a meeting between a City employee (typically a manager or supervisor) and his or counterpart in another City on official City business in which specific items of mutual concern to both cities are covered;

11. a periodic luncheon of professional staff members in which the City employee (typically a manager or supervisor) participates to keep abreast of professional developments in his or her field. These types of luncheons typically have speakers or agendas. Examples of this type of meeting includes the Chamber of Commerce and trade or professional associations;
 111. If an employee went to a training session, and part of the cost of registration for that session was for lunch, and where that lunch is required as part of that meeting registration itself.
 3. Employees will not be paid a meal allowance, but only for meals actually taken, accompanied by valid receipts and which otherwise comply with these sections.
- E. Receipts and other documentation of expenditures must be affixed to any request for reimbursement which is submitted to the Finance Department through the Eden Financial System, or through a department's petty cash using the Petty Cash Voucher Form. Requests without receipts will not be processed, with the exception of bridge tolls. A Statement of Expense Form should be used, regardless of whether the reimbursement is from petty cash or through the Eden system. To satisfy **IRS** requirements for meal reimbursements, the nature of the meeting should be included/described in the documentation, preferably, along with a copy of the meeting agenda.
- F. Cash Advances
1. Cash advances for official City business expenses are discouraged, and except for Recreation program supervisors, will only be allowed in rare or emergency situations. They will only be allowed when the employee cannot reasonably use a City credit card, or use a personal credit card and get reimbursed for expenses after the fact. Departments are encouraged to prepay meeting registrations using department credit cards rather than request a cash advance. Requests for additional departmental credit cards should be authorized by the department head and forwarded to the Finance Department Administrative Assistant.

Employees requesting such cash advances must submit a memo justifying why an advance is required, with an explanation of why prepayment could not be arranged by department or why the employee's own credit card could not be used. That cash advance request must be signed by the Department Head, and scanned into the Eden financial system as an invoice request. Include supporting documentation such as workshop flyers/announcements with the information scanned into Eden. Immediately upon return from the business excursion, the employee must file a full accounting of expenses with the Finance Department, but not later than 30 days after the initial request was made.

Request for cash advances for travel and other official City business expense must

be submitted to Finance, at least ten days in advance. If employees fail to provide sufficient documentation for cash advances within 30 days of the advance, that privilege will be suspended.

G. Executive Team Member Auto Travel

Executive team members, as they have either an auto allowance or an assigned vehicle, may choose from any of the following options for travel to a location by car that is greater than 100 miles away:

1. Use a City pool vehicle.
2. Rent a car.
3. Be reimbursed at the IRS mileage rate for the mileage above the threshold



Mike Futrell
City Manager

Dated: April 26, 2018



OFFICE OF THE
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Administrative Instruction
Section IV
No. 6

Use of City Issued Credit Cards

Supersedes: December 1, 2000 and July 2005

Effective Date: August 1, 2021

Purpose

The City of South San Francisco provides credit cards to City employees for use restricted to official City business. The purpose of this memo is to clarify documentation and other procedures for using City issued credit cards.

Issuance

The issuance of City credit cards will depend on the need and will be reviewed by the Department Head and the Finance Director. Administrative staff will submit the "City Issued Credit Card Request Form" (http://intranet.ssf.net/includes/secure_file.cfm?ID=155&menuID=5019) to Finance for review and approval by the Finance Director. Once approved, the City credit card will be issued, and the cardholder will sign and return the "Cardholder Certification Form" to Finance prior to using the credit card. Only the named cardholder may use the City issued credit card.

Cardholders Responsibilities

Not for Personal Use - City issued credit cards may only be used for official City business and may not be used for any personal expenditures at any time. Cardholders shall be held personally responsible for any and all unauthorized expenditures and will be required to repay the City for all charges that are not considered official City business.

Lost or Stolen Cards - The cardholder is responsible for notifying the issuing financial institution immediately upon discovering that a City issued credit card is lost or stolen. The cardholder is also required to notify the Finance Department by email.

Obtaining Pre-approval for Purchases - Cardholders must obtain pre-approval on purchases depending on award authority threshold levels. See Administrative Instruction "Purchasing Policy and Guidelines" for detailed information.

Accounting and Record Keeping - Cardholders must maintain and keep track of their credit card activities so they do not go over their card limit. It is required for all cardholders to maintain good record keeping whenever they use City credit cards.

Timely Submission of Credit Card Receipts for Processing - The cardholder must submit the receipts to their departmental administrative staff with the description of the business expense within five business days of either incurring the expense or returning back to the office. The administrative staff in each department will maintain a file of all departmental cardholder receipts and reconcile each receipt against each cardholder's monthly credit card statement. In case of lost or missing receipts, the cardholder must complete the "Missing Receipt Acknowledgement and Approval Form" prior to submitting billing statements for processing:

(http://intranet.ssf.net/includes/secure_file.cfm?ID=27&menuID=5019).

It is the cardholder's responsibility to ensure that all expenses incurred are processed monthly on a timely basis.

Consequences - Violation, misuse, frequent missing receipts and/or multiple late payment submissions shall result in the revocation of City issued credit card privileges by the Finance Director.

Types of City Card Expenditures

Meal Expenses – Receipts submitted for meal expenses must be itemized; cardholders may not submit the credit card slip that shows the total only as evidence of the expense. The itemized receipt must be submitted with a detailed notation related to the nature of the City business (*i.e.*, names of meal attendees and reason for meal expense). Some entry descriptions are "Lunch with Human Resources Director—AFSCME negotiations" or "Dinner with Councilmember regarding traffic issues on El Camino" or "Lunch with Millbrae Mayor regarding airport issues".

Purchase of Services, Materials or Office Supplies - City cards may only be use for ordering items for City purposes. City credit cards may not be used with vendors that have open credit lines with the City (*e.g.*, Amazon, South City Lumber, etc.). All receipts must be itemized along with a brief description as to the purpose for the expense: "Miscellaneous office supplies" or "Wall Street Journal subscription for work".

Travel/Conference - Travel outside the Bay Area requires submission and approval of a "travel authorization" form before any credit card expenses are incurred. When submitting a credit card bill for payment, attach a copy of the approved "travel authorization" form. See Administrative Instructions "Travel and Training Policy and Reimbursement of Expenses" for more information on travel expenses: (http://intranet.ssf.net/includes/secure_file.cfm?ID=110&menuID=2000185)

Request for Credit Limit Increase

The Supervisor and/or Department Head will review staff requests for credit limit increase before submitting any request to Finance. Complete the "City Issued Credit Card Limit Increase Request Form" (http://intranet.ssf.net/includes/secure_file.cfm?ID=170&menuID=5019) and submit the form to the Finance Administrative Assistant for the Finance Director's approval. The cardholder will be notified by email.

Upon Employee Separation

The cardholder must surrender and return the City issued credit card to his/her/their supervisor upon notice of separation from the City. It is the responsibility of each department to notify the Finance department immediately of any cardholder separation such that the credit card can be canceled.



Mike Futrell
City Manager

Dated: August 1, 2021