CITY OF CHESAPEAKE, VIRGINIA | **NUMBER: (1.16) 44.2**

ADMINISTRATIVE REGULATION | **EFFECTIVE DATE: 04/14/14**

SUBJECT: DEPARTMENT OF FINANCE OFFICIAL TRAVEL REGULATIONS | **SUPERSEDES: 07/01/13**

REVIEW DATE: 04/14/14

I. PURPOSE:

The purpose of this travel policy is to provide the City Council, employees and citizens with a clear reference on the procedures for reporting and recording travel expenses as required by and within the course of official duty for the City of Chesapeake. It is the purpose of this regulation to provide a reasonable, systematic means by which the costs of such travel and expenses may be estimated for budget preparation purposes and controlled for purposes of economy. These regulations are intended to be consistent with efficient operation, while providing guidance for the traveler and maintaining accountability of the City's resources.

For purposes of this policy, out-of-town travel is defined as all travel outside the City's limit in excess of 120 miles roundtrip from the employee's normal worksite.

The official form to complete for authorized travel is the Travel Summary Reimbursement Voucher and can be found on the City's intranet site (http://citypoint/Departments/Finance/CityWideDocs.)

II. DEFINITIONS:

A. **Accounts Payable** – the Department of Finance, Accounting Division, Accounts Payable Team.

B. **Constitutional Officers** with the authority to permit travel on City business.

C. **Daily Per Diem Allowance** - Provides a daily allowance for meal reimbursement without receipts for overnight official business travel.

D. **Employee/Traveler** – The individual employed by the City and representing the City on an authorized business trip.

E. **Miscellaneous Reimbursement Amount** – A flat reimbursement amount that may be used to recover expenses in lieu of receipts and may not exceed five dollars per day for each day of a trip requiring lodging. Miscellaneous reimbursement amounts may include bellhop/ waiter/ taxi/ limousine tips, personal telephone calls, laundry, and transportation between lodging or business and places where meals may be taken.

F. **Official Mileage Chart** – Form obtained by the traveler for reimbursement of mileage for official travel in a privately-owned vehicle.

G. **Travel Summary Reimbursement Voucher** – Form used to document legitimate business expenses and to claim reimbursement. An interactive form is available on the City's intranet site within the Finance Department section (http://citypoint/Departments/Finance/CityWideDocs.) It is the responsibility of the traveler and department reviewer to insure that all expenses of the entire trip are recorded of the Travel Summary Reimbursement Voucher.

III. PROCEDURE:

A. Official procedures and forms to accomplish this administrative policy have been developed and are maintained by the Department of Finance on the City's intranet site. By reference, the official procedures and forms are considered part of this policy.

B. The amount needed for annual travel and related expenses should be included in the annual budget request of the various City departments.

IV. RESPONSIBILITY AND AUTHORITY:

A. All Department Heads and Constitutional Officers are responsible for determining if there is sufficient funding for anticipated travel expenses prior to travel, ensuring compliance with this policy, and reviewing, authorizing and approving travel-related settlements and reimbursement requests. Department Heads and Constitutional Officers may establish lower per diem limits for their operations to conserve travel dollars.

B. Department Heads and Constitutional Officers have the sole authority to grant or deny requests for business travel and travel reimbursements.

C. Business travel authorizations and reimbursement for Department Heads and members of the City Manager's staff shall be made directly by the City Manager or designee. Employees under the direction of Department Heads and Constitutional Officers shall receive authorization and reimbursement approval from such officials.

D. Business travel outside the continental United States is subject to the approval of City Council. Written notice is to be given to the City Council by the City Manager or designee at least two weeks prior to the intended departure which shall list the purpose of the travel, the destination, members of the traveling group, duration of stay, costs and point of contact. Only where such prior notice is not possible because of unforeseen circumstances and for good cause, immediate written notice shall be provided to the City Council. For international travelers, the department head should require their awareness of the Foreign Corrupt Practices Act.

E. The traveler shall submit an authorized request for out-of-town travel at a minimum of two weeks before departure. It is the responsibility of the traveler to submit a single Travel Summary Reimbursement Voucher per trip with original authorized itemized receipts for charges no later than ten working days after conclusion of the trip. Items covered by the per diem do not require receipts.

F. Travelers who use a City credit card during their trip shall complete a Travel Summary Reimbursement Voucher which itemizes daily costs by category (lodging, car rental, per diem meal allowance, etc.) and clearly indicates which costs were paid via City credit card and which were paid out-of-pocket. Credit card receipts are submitted with the credit card voucher, not the Travel Summary Reimbursement Voucher.

G. The traveler shall be responsible to the City for any fees, deposits and other travel expenses in the event the submitted expenses are not in compliance with these regulations. Where all or a portion of any such fees, deposits and expenses have been prepaid on behalf of the traveler, and the traveler is unable to attend, timely notification shall be given. If, through no fault of the traveler, it becomes impossible to attend the scheduled event because of illness, emergency, or other cause beyond the control of the traveler, or unforeseen business requirements associated with the traveler's position with the City, the traveler shall be excused from the repayment of any such fees, deposits and expenses.

H. Failure to meet the requirements of this policy may be considered unsatisfactory work performance and may result in disciplinary action.

I. Other administrative policies, including the prompt reporting of injuries, accidents, etc. are in force during travel.

J. Travel expenses are public documents and must be able to sustain the test of public review. Prudent judgment is expected when planning and paying for travel. Standards of necessity must be met. The use of City Funds to accommodate personal comfort, convenience and taste is not permitted.

V. GENERAL REQUIREMENTS:

A. Travel expenses may include necessary expenses associated with official City business. Allowable expenses may include travel, transportation, lodging, per diem meal allowance and other business expenses if not paid by any other organization. Original itemized receipts will be required except as expressly provided for within this policy.

B. Employees may travel and have expenses provided as an officer, board member or presenter for professional organizations. Whenever possible, an effort to have the requesting organization reimburse a portion or all of the expenses involved is strongly encouraged. Employees may not request duplicate reimbursement from different funding sources.

C. Approval for travel is not a blanket approval of all expenses incurred during travel. For example, the City will not pay the expenses of accompanying spouses or others, personal items, childcare, pet boarding, or other indirect expenses except as specifically provided in this policy.

D. This policy is intended to be consistent with the following three Internal Revenue Service requirements:

1) There must be a business connection and the expense must be reasonable.

2) There must be a reasonable accounting for the expenses by the traveler.

3) All excess reimbursements must be repaid in a reasonable time.

VI. TRANSPORTATION:

The mode of transportation should reflect the most practical, cost-effective and economical method based on the requirements of the travel to include the nature and urgency of the business, the number of authorized persons making the trip and the distance to be traveled. Receipts for City vehicles, rental vehicles and other related transportation expenses are required with the Travel Summary Reimbursement Voucher. All attempts must be made to obtain a City vehicle before using a privately-owned vehicle.

A. City Vehicles:

1) For other than out-of-town travel, City vehicles should be used whenever possible for ground transportation to and from the destination subject to mileage concerns or other considerations.

2) Any expenses incurred in conjunction with the use of a City vehicle must be documented with a receipt.

3) Family members or other non-business riders are not permitted.

B. Privately Owned Vehicles:

1) Use of an employee's privately owned vehicle may be authorized by a Department Head/Constitutional Officer if other means of transportation are not feasible or where the City's convenience is best served by this type of transportation. Employees electing to use their personal vehicle as a matter of convenience will be reimbursed for mileage at the lowest combined capital and operational trip pool rate as published by the Commonwealth of Virginia (currently 24.6 cents per mile).

2) Reimbursement of private vehicle expenses is at the standard mileage rate for actual and necessary miles traveled, plus self-parking and tolls when documented by itemized receipts. The standard mileage rate will be posted on the City's intranet site by the Department of Finance.

3) In cases where reimbursement for mileage is requested, an Official Mileage Chart is required. The chart provides details on the exact mileage traveled and the destination points. This information can be obtained from Rand McNally, MapQuest, Google maps or a similar site.

4) For local travel within the City when travel is from home directly to the destination without going to the normal worksite, the number of miles to the normal worksite must be deducted from the reimbursement request.

5) No traveler shall be allowed either mileage or transportation expense when transported by another traveler who is entitled to mileage or transportation expense.

6) Any privately-owned vehicle used on City business must be insured to at least the minimum liability amounts required under the law of the state in which the vehicle is registered.

C. Rental Vehicles (other than Central Fleet Motor Pool):

1) **The use of a rental vehicle must be justified as an economical need and not a matter of personal convenience.** Car rental charges will not be reimbursed if shuttle service is available and no business necessity exists for a rental vehicle. The City will not pay for the use of a rental car to accommodate family or non-business associates traveling with the employee. Non-City employees are not covered under the City's self- insurance policy. When traveling together, employees should share cars to minimize costs. Travelers must select the most economical rental vehicle contractor and type of vehicle available. A larger car may be selected only if it is available at the same rate as the compact, if it is the lowest class available, or if it is required to transport a group of City travelers.

2) City employees should not accept optional insurance for collision and comprehensive coverage offered by the car rental agency. The insurance carried by the City covers rental cars. An exception to purchasing the additional insurance would be when statutorily required to do so such as during the transport of prisoners. Please check with your Department Head/Constitutional Officer prior to renting a vehicle in the course of City business.

3) The traveler must ensure that the rental vehicle is refueled before returning the vehicle to the rental contractor to avoid costly refueling charges. The traveler should not enter into a "Fuel Agreement" or pay for fuel at the time of rental.

4) The traveler must submit original gasoline expense receipts, and the original rental car receipt as documentation with the Travel Summary Reimbursement Voucher.

5) No additional transportation charges such as taxicabs will be reimbursable during the time that a rental car is obtained.

D. Commercial Aircraft:

1) Aircraft may be used when this has been determined to be the most economical and feasible means of travel. When a trip is over 200 miles and air transportation is available, the feasibility of traveling by air should be considered.

2) Commercial air transportation rates should not exceed those for economy or coach class. The use of fares purchased in advance is encouraged for all travel.

3) If the cost of air travel is paid for personally by the traveler, a copy of the paid ticket or other itemized receipt must be provided for reimbursement.

4) Where an employee is averse to flying, this section is not to be construed as imposing the obligation to use aircraft travel. However, the travel reimbursement will be limited to the amount of the lowest standard economy commercial airfare available between the points of travel unless the selected method of travel results in a lower amount to be reimbursed. Reimbursement will not be made for any lodging or other costs en route related to the use of a privately-owned vehicle or other type of commercial carrier in this instance.

E. Parking:

Employees will be reimbursed for long-term airport parking rates only when leaving their vehicle while using air transportation. When using parking for other purposes or at other locations, only self-parking rates will be reimbursable.

F. Other:

Employees are encouraged to investigate travel by train since service is available out of Norfolk and Newport News. Employees are also encouraged to use any courtesy transportation available at the travel destination. Taxicabs and public conveyance are reimbursable when justified. Justifiable examples include: ferry fares, road and bridge tolls, bus fare, subway tolls, and parking charges. Original itemized receipts are required for reimbursement.

VII. LODGING:

A. Expenditures for lodging should meet business needs, be reasonable and offer good value. Lodging will be reimbursed for City employees only. If the room is also occupied by a person other than a City employee, reimbursement will be at the single occupancy rate.

B. Itemized receipts are required for reimbursement.

C. When attending a conference, a stay at the conference or convention hotel is encouraged to avoid transportation costs. If accommodations are not available, it shall be permissible to stay in lodging with comparable overall rates when taking into consideration any potential increase in transportation or other costs.

D. Overnight accommodations are only reimbursable if they exceed 60 miles from the employee's normal worksite and if the employee is traveling on overnight travel.

VIII. MEALS:

A. Daily Per Diem Allowance – The allowance for meals and incidentals (including tax and tip) is based on the federal Per Diem Rate Table currently effective as published by the Internal Revenue Service (www.irs.gov/pub/irs-pdf/p1542.pdf.). To obtain this information, travelers are encouraged to utilize the Commonwealth of Virginia Per Diem Calculator at www.vccs.edu/services/perdiem/. Using this method, receipts for meals or incidentals are not required. However, travelers do need to attach a copy of the Per Diem Calculator in effect for the period of travel. For meals while traveling outside of areas c covered by the Virginia Per Diem Calculator, the allowance for meals and incidental expenses including tax and tip will be based on the "Meals per Diem" currently effective as published by the Department of State (www.state.gov).

B. The City credit card may not be used for meals and incidentals covered by the per diem. Should the traveler inadvertently use the credit card for a meal, the per diem will be reduced by that amount.

C. On the day of departure and the day of return, the traveler is entitled to a maximum of seventy five (75%) percent of the per diem rate for that day or a lesser amount at the discretion of the Department Head or Constitutional Officer. Per diem rates are daily rates and there is no roll-over of per diem from one day to the next.

D. No reimbursement will be made for meals included with a conference, seminar or registration fee or provided by third parties. Please use the Virginia Per Diem Calculator to notate conference-provided meals and calculate the related adjustment to the per diem rate. Reimbursement is allowable for those meals that are identified as "continental."

E. Registration at a banquet is considered an appropriate expense for a traveler when he/she is on the program of the function or is an official representative of the City.

F. The City discourages the practice of requesting reimbursement for meals within the local travel area. Meals in the local region are only reimbursable if the individual is specifically authorized by the Department Head or Constitutional Officer. The business purpose and identification of those in attendance must be included with the receipt.

G. The City will not reimburse the cost of alcoholic beverages.

IX. OTHER EXPENSES:

A. Miscellaneous/Incidentals

1) A daily amount of $5.00 for incidental expenses is included in the per diem rate for overnight travel. This includes personal calls home, all tips (including tips for maids, porters, bell hops, skycaps, and taxi drivers), laundry charges and all other gratuities. Incidental charges cannot be itemized and charged to the City.

B. Communications:

1) A personal telephone call home is considered an incidental expense. Personal telephone calls home cannot be itemized and charged to the City.

2) Reasonable business-related postage, telephone, fax or internet connection charges are reimbursable with proper justification for necessary business use and require receipt for reimbursement. Please attach proper justification to the Travel Summary Reimbursement Voucher if requesting reimbursement.

C. Registration:

1) Registration fees should be paid by the City as far in advance as possible to avoid additional charges or penalties. Department-approved registration fee payment requests are to be submitted to the Department of Finance on a voucher no later than two weeks prior to the conference. Employees may be reimbursed for approved registration fees paid out-of-pocket with the submission of a receipt. Fees for professionally-oriented field trips or other special events sponsored by a conference or seminar may be included with the registration. Optional entertainment events will not be reimbursed.

X. NON-REIMBURSABLE EXPENSES:

A. Personal expenses will not be reimbursed by the City. Examples include, but are not limited to:

1) Alcoholic beverages
2) Barber or salon services
3) Personal entertainment such as movies, cable fees, theater, health clubs, night clubs, or bowling
4) Personal toiletry articles, medicines or other personal items
5) Loss of funds or loss/damage to personal belongings
6) Passports, money orders, travelers' checks
7) Personal postage, reading materials, personal sight-seeing, shopping
8) Non-business telephone calls
9) Childcare or pet care costs
10) Parking or moving violation fines, bail or legal fees
11) Donations
12) Medical expenses
13) Personal vehicle repairs or towing
14) ATM or banking service fees
15) Luxury upgrades
16) Candy, gum, cough drops
17) Expenses for children, spouses and companions
18) All expenses related to the personal negligence of the traveler (e.g. fines, services to gain entry to a locked vehicle, etc.)

XI. OTHER:

A. It is possible that circumstances could require a traveler to remain absent overnight when the original travel plans indicated otherwise or could require a change in mode or schedule of travel. In such cases, the traveler will notify his/her Department Head or Constitutional Officer as soon as possible. The expense voucher submitted upon return must note any revisions with an explanation.

B. When an employee/traveler is reimbursed or is to be reimbursed for any expense of travel by other than the City, or when any expense of travel is without charge to the City, the employee/traveler shall not make claim for such expense to the City.

C. When a spouse accompanies a traveler on an official business trip, the City will provide reimbursement for only those expenses which the traveler would normally incur if traveling alone.

D. When traveling out of the country, it is the responsibility of the traveler to provide contemporaneous documentation of the conversion rates when submitting their Travel Summary Reimbursement Voucher. This information is available from the traveler's credit card statement.

E. All travel by City Council members shall be funded directly through the travel portion of their operating budget, with the exception of travel allowances provided by regional organizations.

F. Employees submitting travel reimbursement requests for local travel consisting of mileage, parking and/or tolls will do so on a frequency of no less than monthly. Such travel reimbursement requests are due within ten days of the end of the month for which they apply.

XII. ECONOMIC DEVELOPMENT:

A. In order to preserve the confidentiality of Economic Development clients who are in discussion with the Director of the Department of Economic Development, the City Manager shall hold a log containing the following information, which shall be the "working papers" of the City Manager and not available for release:

1) Code number assigned to the industrial client
2) Name of industrial official(s) dealt with
3) Date(s) of the visit(s)
4) Name(s) of the participating City official(s)
5) Nature of the potential project

B. The code number shall be placed on the expense submission along with the number in the party and an itemized receipt for each meal for which a reimbursement is requested.

C. Entertainment expenses shall be separately identified, and itemized receipts shall include the client's code number.

D. Gifts symbolic of the City of Chesapeake are permissible for Economic Development clients not to exceed the value of $25 per client (receipt required) on a one-time basis.

E. For meals while traveling outside of the areas covered by the Federal Per Diem Rate Table, the allowance for meals and incidental expenses including tax and tip will be based on the "Meals Per Diem" currently effective as published by the Department of State (http://aoprals.state.gov/web920/per_diem.asp)

James E. Baker, City Manager

4/14/14
Date