

RESOLUTION NO. 08-39

A RESOLUTION OF THE RIDGECREST CITY COUNCIL APPROVING THE ADOPTION OF THE POLICY AND PROCEDURES FOR TRAVEL AND EXPENSE REIMBURSEMENT FOR ELECTED AND APPOINTED OFFICIALS AND CITY EMPLOYEES

WHEREAS, the City Council finds that it is in the best interests of the City that elected and appointed officials and city employees remain informed and trained in activities, developments and professional trends affecting the affairs of the City and that attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its citizens; and

WHEREAS, elected and appointed officials include city council members, Planning Commission, and other non-employee members of boards, commissions, and committees; and

WHEREAS, city employees include all individuals employed directly and solely by the City of Ridgecrest; and

WHEREAS, the City of Ridgecrest takes its stewardship over the use of its limited public resources seriously; and

WHEREAS, public resources should only be used when there is a substantial benefit to the City; and

WHEREAS, such benefits include:

- a. The opportunity to discuss the community's concerns with state and federal officials;
- b. Participating in regional, state and national organizations whose activities affect the City;
- c. Attending educational seminars designed to improve officials' and employees' skill and information levels; and
- d. Promoting public service and morale by recognizing such service; and

WHEREAS, a) legislative and other regional, state and federal agency business is frequently conducted over meals; b) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and c) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this Policy provides guidance to elected and appointed officials as well as to city employees on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

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WHEREAS, Government Code section 36514.5 allows council members to be reimbursed for actual and necessary expenses incurred in the performance of their official duties; and

WHEREAS, this Policy satisfies one of the requirements of Government Code sections 53232.2 and 53233.3.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST AS FOLLOWS:

SECTION 1: Resolution numbers 90-72 and 91-103 are hereby rescinded.

SECTION 2: The Policy and Procedure for Travel and Expenses Reimbursement for Elected and Appointed Officials and City Employees, attached hereto as Exhibit "A", is hereby adopted.

SECTION 3: This policy shall apply to the City of Ridgecrest, the Ridgecrest Redevelopment Agency, and all Political Subdivision herein currently and future constituted;

SECTION 4: This resolution shall take effect immediately upon adoption.

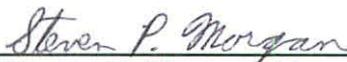
APPROVED AND ADOPTED this 21st day of May, 2008, by the following vote:

AYES: Mayor Pro Tem Morgan, Council Members Wiknich and Clark

NOES: None

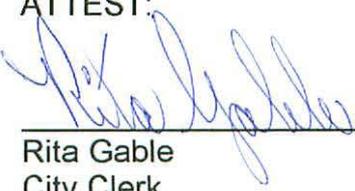
ABSENT: Mayor Holloway and Council Member Carter

ABSTAIN: None



Steven P. Morgan, Mayor Pro Tem

ATTEST:



Rita Gable
City Clerk

Exhibit “A”

Department: Administrative Services

Policy No.: 08-05

Title: Policy and Procedure for Travel and Expense Reimbursement for Elected and Appointed Officials and City Employees

BACKGROUND: The City Council of the City of Ridgecrest believes that it is important that elected and appointed officials (including Planning Commissioners, volunteer members of boards, commissions, and committees) and City employees remain informed and trained in issues affecting the affairs of the City and that attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its citizens. The benefits include:

- e. The opportunity to discuss the community's concerns with state and federal officials;
- f. Participation in regional, state and national organizations whose activities affect the City;
- g. Attending educational seminars to improve officials' and employees' skill and information levels; and
- h. Promoting public service and morale by recognizing such service.

In order to promote these endeavors, to protect public resources and foster public trust in the use of those resources, as well as comply with state law requirements regarding reimbursement of expenses, the City Council hereby sets forth the travel and expense reimbursement policies for the City of Ridgecrest.

All anticipated conferences, conventions and professional meetings shall be budgeted for in the current operating budget. As the trip is being paid for with public funds, it shall be the responsibility of the official/employee undertaking the trip to make every effort to attend the entire conference and/or as many sessions as possible.

I. PURPOSE:

The purpose of this policy is to publicly adopt a written policy to define and clarify authorized reimbursable general business expenses in accordance with California Government Section 53232 et seq. (AB 1234, October 7, 2005). This policy includes, but is not limited to, travel, business meals, lodging, conference expenses, professional memberships, and other related expenditures incurred while conducting City business. This policy also establishes procedures for authorization and reimbursement of such expenses.

II. APPLICABILITY:

This policy is applicable to all elected officials of the City of Ridgecrest, and all Boards, Committees and Commissions (hereinafter "legislative bodies") of the City that are subject to the Ralph M. Brown Act (Government Code Section 54590 et seq.). This policy is also applicable to City employees.

III. EXCEPTIONS:

In accordance with Government Code Section 53232.2(f), all expenses that do not fall within this adopted expense and reimbursement policy must be approved by the governing body, in a public meeting, before the expense is incurred.

IV. AUTHORITY:

This policy is adopted under the legal requirements of AB 1234, signed by the Governor of the State of California on October 7, 2005, and adopted accordingly by the City Council of the City of Ridgecrest on May 21, 2008.

V. DEFINITIONS:

For the purpose of this policy, the following definitions will be used:

“Elected Officials” - those individuals elected by the citizens to office.

“Governing Body” – the City Council of the City of Ridgecrest.

“Legislative Body” – the governing body of a local agency; a commission, committee, board, or other body of a local agency created by charter, ordinance, resolution or formal action of a legislative body.

“Local Agency” – refers to the City of Ridgecrest

“Local Agency Official” (hereinafter “Official”) – any member of a local agency legislative body or any elected local agency official who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.

“City Employee” (hereinafter “Employee”) – an individual employed directly and solely by the City, excluding independent contractors, subcontractors, and other persons performing work on behalf of the City but self employed or employed by other persons, corporations, or entities.

VI. AUTHORIZATION AND REIMBURSEMENT POLICY FOR TRAVEL AND RELATED EXPENSES:

It is the policy of the City that no official and employee shall sustain personal monetary loss as a result of official duties performed in the service of the City. However, all expenditures and any requests for reimbursement shall “logically relate to” the conduct of City business and shall be “necessary” to accomplish the purposes of such business and shall be “reasonable” in amount.

A. Authorization For Travel and Related Expenses

1. Specific Occurrences/Activities:

City funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized City business. Government Code Section 53232.2(b) requires the local agency to specify the types of occurrences that qualify an official of a legislative body to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses. ***Expenses incurred in connection with the following types of activities generally constitute authorized expenses***, as long as the other requirements of this policy are met:

- a. Meetings with government and business leaders where a benefit to the City can be defined.
 - b. Conferences, training and educational trips, including visiting other governments to discuss and observe best practices where a benefit to the City can be defined.
 - c. Lobbying trips and business-related trips where a benefit to the City can be defined.
 - d. Participating in regional, state and national organizations whose activities affect the City's interests.
- i. Such other travel, training, and other activities as shall be periodically defined and / or approved by the City Manager and be budgeted as being a legitimate public purpose benefiting the City of Ridgecrest, the Redevelopment Agency, or any of its legally defined subsets.

All other expenditures shall require the approval of the City's governing body, in a public hearing, before the expense is incurred.

Examples of expenses that the City shall not reimburse include, but are not limited to:

- a. The personal portion of any trip.
- b. Family expenses, including partner's expenses when accompanying an official on City-related business, as well as children or pet-related expenses.
- c. Laundry and entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events.
- d. Political, religious or charitable contributions or events.

2. Transportation:

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements should be used, using the most direct and time-efficient route. **Officials and employees shall use government and/or group rates offered by a provider of transportation when available.** The following transportation modes may be employed for the purpose of traveling on City business:

- a. **Domestic Air** - All officials and employees shall utilize coach or tourist class accommodations when traveling within the continental United States by commercial airline. Reservations, where possible, should be made at least **fourteen (14)** or more days in advance to take advantage of all available discounts. Increased fees related to late booking may be disallowed without a sound business reason. Travel should be arranged through a City-approved travel agent, charged on a City credit card or when necessary, charged on the official's or employee's own personal credit card. Personal credit card purchases will be reimbursed only for the actual round trip airfare and only after the trip. Officials or employees may at their own expense pay to upgrade their airline accommodations.
- b. **International Air** - For travel outside of the continental United States, officials and employees may choose to travel business class with sound business justification and benefit to the City.
- c. **Alternate Travel Methods** – Officials and employees who use alternative travel methods, such as personal vehicle, commercial bus or train for travel to and from designated places on City business outside the City will be reimbursed for the actual expense of the alternative travel method, not to exceed coach or tourist class airfare.

Officials who use their personal vehicle for travel to and from designated places on City business outside the City will be reimbursed for mileage at the rate of \$0.505 per mile (for calendar year 2008) and this rate shall be adjusted annually pursuant to Internal Revenue Service Publication 463. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. Currently, the City is not paying any officials and employees monthly car allowance. However should there be an official or employee receives this allowance in the future, the reimbursable mileage is calculated by deducting 100 miles from the total round-trip miles traveled. Officials who do not receive a monthly auto allowance or usage of a City-owned vehicle shall be reimbursed for total round-trip miles. A rental car used as the primary source of transportation to and from the destination is considered a personal vehicle for purposes of reimbursement.

- d. **Garage and Parking Expenses** - Expenses for necessary parking and storage of personal or City vehicles may be authorized. Receipts should be provided to obtain reimbursement.
- e. **Vehicle Rentals, Taxi, and Transit Fare** - Out of town expenses for such transportation may be authorized where reasonable and necessary to conduct City business. Receipts must be provided to obtain reimbursement. When vehicle rental is chosen over taxi or shuttle service, there should be a business reason or economic benefit to support the rental decision. If rental vehicle is subsequently denied, the related parking fees will also be denied and the official will be reimbursed the round trip shuttle charges.

3. **Lodging:**

Lodging expenses will be reimbursed when travel on official City business "reasonably requires" an overnight stay.¹ Price is an issue in selecting "adequate lodging". **Officials and employees shall use government and/or group rates offered by a provider of lodging services when available.** Lodging rates equal to or less than government and/or group rates are presumed reasonable. Itemized receipts for lodging must be provided to obtain reimbursement.

If lodging is in connection with a conference or event, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, the official shall use lodging that offers rates comparable to government and/or group rates.

Lodging expenses are limited to the cost of the room plus related taxes and other mandatory fees (ex. resort fees) charged by the hotel/resort to all their guests. Advance room deposits may be made directly to the hotel. However, in such instances, the advance deposit must appear on the Travel Reimbursement Request form as such.

Local lodging, defined as within **90** miles from City Hall, will not be reimbursed without prior approval by the City Manager. Specific events that may qualify for approval include being a conference presenter before 9 a.m., or an early morning departure following a meeting/function the night before that ends after 9 p.m.

4. **Out of Town Meals:**

Reasonable and customary expenses for meals are authorized for officials as required to conduct official City duties. Officials and employees traveling on City business shall be entitled to reimbursement of expenses incurred for necessary

¹ Lodging expenses shall generally be limited to the days of the conference or event. Lodging expenses for the day before and/or the day after the conference or event may be approved for prepayment or reimbursement if the program for the first day of the conference or event begins by or before 9 a.m. and/or the program for the last day of the conference or event concludes after 4 p.m.

meals not to exceed breakfast, lunch, and dinner in any one day. The maximum that will be reimbursed for meals in one day is **Fifty Dollars (\$50.00)**, including gratuity for destinations considered as high cost localities. For low cost localities destinations, the maximum amount including gratuity is **Thirty Five Dollars (\$35.00)**. IRS Publication 1542 will determine what locality is considered high cost or low cost. This sum can be split among meals as desired and should be reduced accordingly for less than full business days. Below are the guidelines per meal:

	High Cost Localities	Low Cost Localities
Breakfast	\$ 10	\$ 8
Lunch	\$ 15	\$ 12
Dinner	\$ 25	\$ 15

Prorating the above per diem rates for meals will be based on the following departure and arrival times.

- a. Deduct the breakfast allowance from the per diem rate for the day if the official or employee departs after 9:00 a.m.
- b. Deduct the breakfast and lunch allowance from the per diem rate for the day if the official or employee departs after 1:00 p.m.
- c. Deduct all the meal allowances from the per diem rate for the day if the official or employee departs after 7:00 p.m.
- d. Normally, per diem shall be reduced accordingly for meals that are provided during the training/conference since those costs are included as part of the registration.

Officials and employees who, during the normal course of performing their duties, must provide meals for representatives of other governmental agencies or other persons doing business with the City in order to most effectively execute their responsibilities are authorized to exceed the meal allowance, but must use prudent judgment and are subject to challenge for excessive amounts. In such cases, the meal must be documented with a description of the purpose of the meal(s), including an explanation of its necessity to the City; and a list of all persons, including other officials who were in attendance, specifying their organizations and/or titles.

Alcohol and personal bar expenses will not be reimbursed.

5. Telephone/Fax/Internet:

Officials and employees will be reimbursed for actual telephone and fax expenses incurred on City business. Telephone bills should identify which calls were made on City business.

Officials and employees will be reimbursed for Internet access connection and/or usage fees away from home, not to exceed **Fifteen Dollars (\$15.00)** per day, if Internet access is necessary for City-related business.

6. Other/Miscellaneous:

Baggage handling fees of up to **\$1.00** per bag and gratuities of up to **15 percent (15%)** for hotel and transportation purposes will be reimbursed. Expenses for which City officials and employees receive reimbursement from another agency are not reimbursable.

All items of expense otherwise unclassified shall be considered in this category. Examples of such expenses which may be authorized are duplicating expenses and the cost of publications of value to the City.

B. Reimbursement For Travel and Related Expenses

1. Expense Reports and Submission Deadlines:

In accordance with Government Code Section 53232.3, reimbursable expenses shall include, but not be limited to, meals, lodging and travel. Officials and employees shall submit expense reports to the City Manager within a reasonable time after incurring the expense, which is defined as **forty-five (45) days**, and the reports shall be accompanied by the receipts documenting each expense necessary to meet this policy for expenditure of public resources. In the event the City Manager is uncertain as to whether an expense is reimbursable in accordance with this policy, the City Manager may seek the advice of the City Attorney. Documentation required includes, but is not limited to:

- a. Credit card and/or cash payment receipts.
- b. Meal, hotel, transportation and other expense receipts.
- c. Conference brochure.
- d. Meeting agenda.
- e. Trip or meeting purpose.
- f. Other attendees at a meal or meeting.

The reason for the expenses should be clearly documented on the Expense Reimbursement Report or in the attached documents.

Convention or meeting registration fees qualify for reimbursement. In cases where early registration is not possible, a receipt or registration form illustrating the fee amount must be provided with the reimbursement request. In all cases, a brochure or registration document must accompany the request.

All expenses are subject to verification that they comply with this policy. The information submitted in the report is a public record.

2. Reports to City's Governing Body: (Applies to Officials only)

In accordance with Government Code Section 53232.3(d), each official shall provide a brief report on meetings and events attended at the expense of the local agency at the next regular meeting of the local agency. If multiple officials attend an event, a joint report may be made.² The official may give either a written or oral report.

3. Reimbursement for No Shows and Late Cancellations:

This section addresses situations where an official or an employee fails to attend an event after the official or the employee has incurred the expenses and seeks reimbursement from the Local Agency.

If an official is unable to attend a planned trip or event, it is the official's responsibility to attach a written explanation to the Travel Reimbursement Request form addressing the reason(s) he or she was **unable** to attend (ex. unexpected illness, injury or death in the family, etc.). The City Manager will determine whether the reason(s) given for the failure to attend complies with this policy. If it is determined that the reason(s) given do not comply with this policy, the reimbursement request may be denied.

C. City Prepayment and Credit Card Use Policy

Whenever possible, the official and employee should arrange for the City to be directly billed or pre-pay by City credit card for expenses such as registration fees, airline, bus or train tickets and lodging expenses. The provisions of **Section VI.A. (Authorization for Travel and Related Expenses)** shall be applicable to the City's prepayment and credit card use practices.

1. Refunds to City for No Shows and Late Cancellations:

If the City has prepaid an official's/employee's expenses and the official/employee is unable to attend a planned trip or event, it is the official's/employee's responsibility to ensure any prepaid and/or credit card fees are refunded within **thirty (30) days** of the unattended event to the City. For any fees not fully refunded, the official/employee shall provide the City Manager with a written explanation within **thirty (30) days** of the unattended event addressing the reason(s) he or she was **unable** (ex. unexpected illness, injury or death in the family, etc.) to attend. The City Manager will determine whether the reason(s) given for the failure to attend complies with this policy. If it is determined that the

² In making a joint report, officials should be mindful of the open meeting laws governing communications among members of a legislative body (i.e. the Brown Act). Officials should not discuss among themselves the content of a joint report in advance of a public meeting; however, one official can be the lead on the report during the public meeting and then ask others if anything was omitted.

reason(s) given do not comply with this policy, the official/employee shall promptly refund the City. Failure of the official/employee to provide a written explanation addressing the reason(s) he or she was unable to attend the event and/or to refund the City for any prepaid and/or credit cards fees, may result in the fees being deducted from the officials'/employee's compensation, salary or stipend, in addition to other remedies identified in Section VIII of this policy.

VII. PROCEDURE FOR AUTHORIZATION AND CASH ADVANCE

To obtain approval for attending meetings, conferences, or other events involving overnight accommodations, or cash advances, the following procedure must be followed:

1. The official/employee must find out if the cost of the travel is included in the annual operating budget in the fiscal year the travel cost will be incurred. If it is included, proceed to step #2. All other travel not included in the operating budget shall require the approval of the City Council, in a public hearing, before the expense is incurred.
2. The official/employee must complete Part A (Pre-Travel Authorization and Advance Requisition) of the "Travel Authorization and Reconciliation Form" at least ten business days prior to the date the check advance is needed. This request must be forwarded to the City Manager.
3. The City Manager will review all travel requests. An approved travel request will be forwarded to the Administrative Services Department (ASD). Unapproved requests will be returned to the official/employee.
4. The ASD will process the travel advance check request on the check run prior to his/her departure date.
5. Upon returning from travel, the official/employee must complete Part B (After Travel Reconciliation) of the "Travel Authorization and Reconciliation Form" within the guidelines of Section VI, B-1.
6. Any unused cash advance must be returned to the City treasury within ten (10) business days of the official's/employee's return.
7. Charges made on the city issued credit card will be considered cash advance for the purpose of calculating amount owed to or amount owed by the official/employee.

VIII. VIOLATION OF THIS POLICY

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: a) loss of reimbursement privileges; b) a demand for restitution to the City; c) the City's reporting the expenses as income to the official/employee to state and federal tax authorities; d) in the case of employee, disciplinary action that may lead employment termination; e) civil penalties of up to \$1,000.00 per day and three times the value of the resources used; and, f) prosecution for misuse of public resources.

Approved by City Manager:  Date: 5-22-08