



TRAVEL APPROVAL & REIMBURSEMENT POLICY

Adopted: 07/23/19

I. PURPOSE

To establish guidelines for reimbursing travel expenses associated with the performance of District business. Reimbursement for expenses is predicated on the understanding that each attendee is returning with knowledge that will be of benefit to the District and/or to individual job performance.

II. POLICY

It is the policy of the Valley Sanitary District (District) to authorize its employees and Directors to attend seminars, conferences, workshops, and other professional meetings to encourage professional development and the improved performance of their duties. Employees and Directors may also be required to travel to conduct official District business.

All employees and Directors who attend meetings, conferences or other functions are expected to be present at all of the scheduled working sessions unless otherwise authorized. Directors and employees shall not attend professional events if it is apparent that there is no significant benefit to District.

Directors and employees are expected to exercise good judgement and a proper regard for economy when incurring expenses. Employees and Directors are responsible for making their own travel arrangements.

Directors or employees may be accompanied by a companion who is not a Director or District employee if their presence does not detract from the attendee's performance of District duties. The District will not reimburse any expenses attributable to any companion.

A Director or employee shall not attend an event for which there is an expense to District if it occurs after the Director or employee has announced their pending resignation or if it occurs after an election in which it has been determined that the Director will not retain their seat on the Board.

In situations where extraordinary travel expenses are expected to be incurred, or where this Policy does not adequately cover the situation or would cause an undue hardship, exception may be made with prior approval of the General Manager for such extraordinary travel expenses for District employees or by the Board President for the General Manager and Directors.

III. AUTHORIZATION FOR TRAVEL AND EXPENSES

Directors are authorized to travel anywhere in the local area (defined as Coachella Valley) for the purpose of conducting District business as assigned by the Board President. Directors are authorized to travel to local functions sponsored by local associations in which District maintains a membership without prior approval. Other travel on District business by Directors shall be undertaken only with the prior approval of the Board of Directors.

The General Manager is authorized to travel anywhere in the local area (defined as Coachella Valley) for the purpose of conducting District business. The General Manager is authorized to participate in conferences, seminars, and events sponsored by professional associations in which District maintains a membership without prior approval. Participation by the General Manager in conferences and seminars conducted by professional associations in which District does not maintain a membership must be approved in advance by the Board of Directors.

A District employee may travel on District business anywhere within Coachella Valley if authorized by their supervisor. With approval of the supervisor, employees are authorized to travel to local functions sponsored by local associations in which the District maintains a membership. Other travel on District business by employees shall be undertaken only with the prior approval of the General Manager or their designee. Employees must complete a Training & Travel Request Form for travel outside of Coachella Valley.

A. Event Registration

The cost of registration, including special events described in the agenda that contribute to educational or professional development, is eligible for reimbursement. Whenever possible, registration expenses are to be pre-paid by District in the form of District check or credit card.

B. Compensation

Directors shall be compensated at the relevant rate for each day of attendance at an approved conference, seminar or workshop, up to the allowable limit.

Employees shall be paid for time actually attending professional conferences, seminars, workshops or meetings. Attendance work time includes the time it takes to travel to and from the event. Attendance at voluntary social events or events that are not of a benefit to District (mixers, golf tournaments, tours, etc.) will not be compensated as time worked.

C. Meals for Non-Overnight Travel

For non-overnight business travel, reimbursement will be made for meals, including beverages and tips. If a meal is provided as part of non-overnight business travel, reimbursement will not be provided for an attendee choosing to skip that meal.

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Reimbursements for meals not provided as part of a non-overnight business travel will be made up to the limits listed below. Receipts are required and no amounts in excess of the limits below will be reimbursed.

Breakfast	\$16.00
Lunch	\$17.00
Dinner	\$28.00

If a meal is provided as part of non-overnight business travel but the cost of the meal is not included in the event price, the amount reimbursed will be the actual cost of the meal and not subject to the limits above. The meal reimbursement amounts shall be adjusted to conform with the applicable IRS rates, as amended from time to time. Snacks or refreshments outside of regular meal times are not eligible for reimbursement.

Alcoholic beverages may be served at business meetings. The consumption of alcohol is guided by applicable District policies. District will not reimbursement employees or Directors for the purchase of alcoholic beverages.

D. Per Diem

Meals and incidental expenses incurred for overnight business travel away from home are governed by the applicable per diem rate, which will be based on the Internal Revenue Service using the Specific Locality Method for Meals and Incidental Expenses (laundry, fees and tips for baggage handlers, etc.) only. Incidental expenses do not include fees imposed by a commercial travel carrier, taxi fares, or parking.

Per diem rates for meals and incidental expenses are calculated by determining the total number of eligible days, which is the total number of overnight stays plus one additional day to allow for travel. The eligible days are multiplied by the identified per diem rate. The per diem rate is identified on the specific locality table located at <http://www.gsa.gov/portal/content/104877>.

Receipts are not required for meals and incidental expenses when using the per diem method. Per diem expenses are **not** allowed to be charged to District issued credit cards.

E. Lodging

Whenever possible, lodging should be arranged at the facility where the event is being held at the event rate. If lodging at the event facility is not available, or if a different facility is needed, reimbursement will be limited to the event facility rate, or the available government rate, whichever is greater, for a double-person occupancy basic room. Exceptions to this limit must be approved, in advance, by the Board.

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Lodging shall not be authorized unless one of the following criteria is met:

- The destination is at least 100 miles, one way, from District's office.
- There is a very early (before 9:00 a.m.) or late (after 5:00 p.m.) official meeting (excludes social events) that could justify the attendee staying overnight at the destination.
- The total event time per day, including commute or travel time, would result in a workday of more than 10 hours per day. For the purpose of determining total event time per day, the hours of work for the day of the event attendance will be the same as the hours of the official event, excluding social events.
- The event lasts for more than one day and the commute expense, including overtime pay, is more expensive than the cost of the lodging, parking and per diem.

Payment for lodging shall be limited to the minimum number of nights required for attendance at the event. An additional night at the conclusion of the event may be authorized if one of the following criteria is met:

- ✓ The total event time per day, including commute or travel time, would result in a workday of more than 10 hours per day and the commute or travel time required to return home would result in an arrival time at home after 9:00 p.m. For the purpose of determining total event time, the hours of work for the day of the event attendance will be the same as the hours of the official event, excluding social events.
- ✓ There are no flights available within a reasonable time after the conclusion of the official event.
- ✓ The event lasts for more than one day and the overtime pay for the commute or travel time is more expensive than the cost of the extra night of lodging, parking and per diem.

Whenever reasonably possible, the justification for the request for an additional night of lodging must be submitted to, and approved by, the General Manager (or their designee) in the case of employees or the Board President, in the case of the General Manager and Directors, in advance of the event. An additional night of lodging due to the cancellation of the return flight by the carrier or other unforeseen emergency does not require advance approval.

Charges imposed by the hotel for the use of internet service may be paid by District if the General Manager has authorized the employee to access their District email account or files during their travel or, in the case of a Director, the

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Board President has authorized the expense. If the employee or Director has not been approved for this expense, they must pay for any internet access charges.

Charges imposed by the hotel for local and long-distance phone calls will be reimbursed when such calls are made in conducting official District business or essential personal calls such as a "safe arrival call."

F. Commercial Travel

Air travel reimbursement shall be limited to economy or coach fares. Travel shall be by the most direct, cost-effective route. If an indirect route is used, any additional costs shall be at the Director's or employee's personal expense. Additional charges for "Friends Fly Free" or other companion fares must be paid by the attendee. Travel arrangements should be made with sufficient lead time to take advantage of the lowest possible rates.

When taking into consideration all travel-related expenses, if it is more cost effective to fly to or from the destination on an earlier or later date, this may be allowed. If an attendee chooses to arrive earlier or stay later for personal convenience, the additional lodging and other related expenses will not be reimbursed by District.

The use of taxis or car services is permissible when shuttles are not available or it is a cost-effective alternative to renting a car.

G. Rental Car

Rental car expenses will be reimbursed if the expense is less than other surface methods of transportation (shuttles, cabs, etc.). Rental car expenses may be reimbursed when an indirect air travel arrangement in combination with a rental car is more cost effective than a direct air travel arrangement. District will not pay for or reimburse pre-paid fuel charges, upgrades or other additional costs not necessary to the rental of the vehicle. District will pay for the cost of, and the attendee should accept, the standard liability insurance coverage on the rental vehicle.

In the event that a rental car is necessary, the cost shall ordinarily be limited to the commercial car rental contract rates established by the State of California Department of General Services (DGS) Statewide Travel Program, which may be found at: <http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx>.

Absent unusual circumstances, the vehicle size shall be no larger than mid-size (intermediate). For purposes of this policy, "unusual circumstances" may include, but are not limited to, multiple employees or Directors sharing the same vehicle, unavailability of a mid-size (intermediate) vehicle, need for a larger vehicle to accommodate an individual with a disability, the availability of a larger vehicle or upgrade that does not increase the cost of the vehicle rental

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and other circumstances that warrant renting a larger size vehicle. If a larger size vehicle is needed, its rental must be approved in advance by the General Manager for District employees or, for Directors, by the Board President. Attendees are required to share the use of a rented car. Attendees are required to use a District credit card when renting automobiles if they have been issued a District credit card.

H. Use of Personal Vehicle

Reimbursement for the use of private cars shall be at the rate established by the Internal Revenue Service (IRS). Mileage reimbursement shall not exceed the lowest available fare for air travel. Parking charges necessary for the business purpose of the trip will be reimbursed.

The distance traveled from an employee's primary residence to their primary work site will not be reimbursed, as this is considered a personal expense. An employee driving a personal vehicle from their primary residence to an event site shall be reimbursed only for mileage that **exceeds** the round-trip distance from their primary residence to their primary work site. If an employee utilizes rideshare, the employee shall be reimbursed only for mileage that exceeds the round-trip distance he/she would have travelled the day of the event attended.

An employee driving to and from the airport when traveling on business will be reimbursed only for mileage that **exceeds** the round-trip distance from their primary residence to their primary work site. If an employee is driving a personal vehicle from their primary residence to an event site on their normal day off, the employee shall be reimbursed for the total distance driven.

Employees who utilize personal vehicles for business purposes are required to have a valid driver's license and at least the minimum insurance coverage required by law. Primary insurance for use of a personal vehicle for business purposes shall be through the employee's personal automobile insurance policy and will be responsible for any damage to the vehicle, as well as for liability. The owner/driver of the vehicle is responsible for all parking fines and moving violation tickets.

Travel in District vehicles may be approved when circumstances warrant it. When traveling in a District vehicle, receipts shall be secured for the purchase of gas, oil and other supplies necessary. These amounts shall be shown on the expense reimbursement form with a notation that a District vehicle was used, indicating the unit number of the vehicle. If emergency repairs are necessary, they shall be paid for by the person to whom the car is assigned. All receipts for such payment must be furnished in order to obtain reimbursement.

I. Reimbursements

Directors and employees are required to complete a Travel & Training Expense Reimbursement Form when incurring expenses. Requests for reimbursement

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should be made as soon as possible following the seminar or conference or by the end of the month in which the expenses were incurred. Claims must be clear, listing the following (certain data may be listed on the attached receipt).

- The amount of the expense
- The time and place of travel or expense
- The business purpose of the expense
- In the case of business-related expenses incurred on behalf of others, the name and business relationship of the individuals.

Receipts, paid bills, etc. must be attached to each expense claim form regardless of amount for the following expenses:

- Registration
- Travel (including air fare, taxi, shuttle, etc.)
- Lodging (hotel bills, etc.);
- Mileage
- Parking
- Meals related to non-overnight travel

Prior to processing requests for reimbursement, the Board of Directors shall approve all Travel & Training Expense Reimbursement Forms for Directors as well as all reimbursement requests for the General Manager when the expenses exceed \$250. The General Manager, or their designee, shall approve all Travel & Training Expense Reimbursement Forms for employees.

Personal or unauthorized expenses are not allowed to be charged on District credit cards. When more than one employee or Director attends the same function, one person may pay the bill for the group, provided a receipt and list of names are included. Any personal or unauthorized expenses charged on the District credit card shall be paid by the employee or Director incurring the charge.

In circumstances where the use of personal credit cards and/or cash is deemed impractical, and where the total expense is expected to exceed fifty dollars (\$50.00), District may provide an advance of funds. Such advance will not exceed one hundred percent (100%) of the anticipated out-of-pocket expense, less those items that are required to be pre-paid. All such payment requests must allow sufficient time for normal processing and approval prior to payment.

If a District credit card was used to pay for the travel and related expenses, requests for reimbursement will not be processed until District is able to reconcile the District credit card statement with the reimbursement form.

No additional reimbursements will be made for personal expenses such as newspapers, laundry and dry cleaning, magazines, haircuts, shoeshines,

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excess personal telephone calls and other personal expenses. These are included in the per diem incidental expenses allowance

This policy is intended to comply with all Internal Revenue Service requirements for an accountable plan so that reimbursements are not treated as part of wages for tax purposes.

It is against the law to falsify expense reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to the following.

- The loss of reimbursement privileges.
- Restitution to District.
- Civil penalties for misuse of public resources pursuant to Government Code Section 8314.
- Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.
- For employees, disciplinary action, up to and including termination.

IV. DEFINITIONS

As used in this policy, the following words and phrases shall have the following definitions.

Incidental Expenses: minor expenses that are incurred while travelling. These often include the purchase of personal items (toiletries, reading material, snacks, etc.), laundry and dry cleaning, haircuts, shoeshines, excess personal telephone calls and other personal expenses.

Per diem: a daily allowance or payment made for expenses incurred each day of travel.

Travel: attendance at meetings, conferences, events or other functions on District business at other than the District's offices or facilities.