



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 20, 2006

ITEM NUMBER: **VI-7**

SUBJECT: ADOPTION OF TRAVEL POLICY/AB 1234

DATE: JUNE 8, 2006

FROM: FINANCE DEPARTMENT, ADMINISTRATION DIVISION

PRESENTATION BY: MARC R. PUCKETT, DIRECTOR OF FINANCE

FOR FURTHER INFORMATION CONTACT: MARC PUCKETT AT (714) 754-5243

RECOMMENDED ACTION:

Adopt Resolution No. ____ approving City Council Policy 100-9 entitled "Expense Reimbursement and/or Overnight Travel" in conjunction with the requirements of AB 1234.

BACKGROUND/ANALYSIS:

Assembly Bill 1234 was signed into law by Governor Schwarzenegger on October 7, 2005. One of the significant provisions of the bill is that it requires local agencies that provide reimbursement for expenses to members of its legislative body to adopt a written policy governing how such reimbursement payments may be made and imposing certain substantiation requirements for such payments. These requirements are applicable for expense reimbursements, other than compensation based on attending meetings of the legislative body or an advisory body, or for time spent attending a conference or organized educational activity. Of particular note is a requirement that members of a legislative body provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

Staff has herein proposed a Council Policy governing reimbursements of business-related expenses and/or overnight travel expenses for members of the City's legislative bodies. This Policy addresses the provisions of AB 1234. Attached to this staff report is a copy of the proposed Council Policy 100-9.

ALTERNATIVES CONSIDERED

No alternatives were considered. AB 1234 requires the City to adopt a written policy governing such expense reimbursements.

FISCAL REVIEW

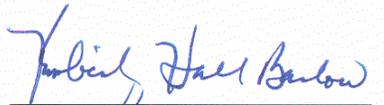
The proposed budget for FY 06-07 includes a \$10,000 allocation for City Council's official travel expenses/attendance at various conferences and/or meetings.

LEGAL REVIEW

The City Attorney has reviewed the attached Council Policy and has approved it as to form and content.

CONCLUSION:

AB1234 requires the City Council to adopt a written policy governing expense reimbursements to the City's members of legislative bodies. The attached proposed Council Policy 100-9 complies with AB1234 and is recommended for adoption by resolution.


KIMBERLY HALL BARLOW
City Attorney


MARC R. PUCKETT
Director of Finance

- Attachment: 1) Resolution No. ____ Adopting the City Council Policy 100-9
2) Proposed Council Policy 100-9 Expense Reimbursement and/or Overnight Travel

RESOLUTION NO. 06-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING THE CITY COUNCIL POLICY 100-9 ENTITLED "EXPENSE REIMBURSEMENT AND/OR OVERNIGHT TRAVEL".

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City Council of the City of Costa Mesa has established Council Policy 100-9 to govern expense reimbursement and/or overnight travel; and

WHEREAS, the Governor of California has signed into law Assembly Bill 1234; and

WHEREAS, Assembly Bill 1234 requires local agencies that provide reimbursement for expenses to members of its legislative bodies to adopt a written policy governing how such reimbursement payments may be made; and

WHEREAS, the City is desirous of adopting Council Policy 100-9 to comply with Assembly Bill 1234.

NOW, THEREFORE, BE IT RESOLVED that the City of Costa Mesa, California, hereby adopts Council Policy 100-9 in conjunction with the requirements of Assembly Bill 1234.

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PASSED, APPROVED, AND ADOPTED this 20th day of June, 2006.

Allan R. Mansoor, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Folcik, City Clerk

Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, JULIE FOLCIK, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that foregoing is the original of Resolution No. 06-___ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 20th day of June, 2006, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 21st day of June, 2006.

JULIE FOLCIK, CITY CLERK

(SEAL)

EXPENSE REIMBURSEMENT AND/OR OVERNIGHT TRAVEL**I. PURPOSE:**

The purpose of this regulation is to establish guidelines for the reimbursement of the actual and necessary expenses incurred in the performance of official duties and attendance at various conferences and meetings from which the City will derive a specific benefit through attendance by members of legislative bodies (“members”) subject to compliance with the provisions of AB1234.

This regulation is also intended to define the City’s expectations of its members who are authorized or required to travel in connection with their City responsibilities and clarify which expenses the City will reimburse and which expenses are considered the personal responsibility of the traveler.

II. POLICY:

In general, all reimbursements to members are a use of public funds. The City expects to reimburse reasonable costs incurred by members when conducting or traveling on City business, and members are expected to use good judgment in their expenditure of public funds.

Also, the attached Travel Guidelines are hereby incorporated into this policy statement by reference.

A. Definitions:

1. Members of legislative bodies are defined as members of City Council, Parks and Recreation Commission, and Planning Commission.
2. Business travel is defined as authorized attendance at conferences, meetings, and seminars or authorized travel for any other purpose in connection with official City responsibilities. Business travel includes day trips and trips requiring one or more overnight stays.
3. Local travel is defined as travel within a radius of fifty miles from City Hall.
4. Out-of-town travel is defined as any travel greater than fifty miles from City Hall.
5. Mileage reimbursement is defined as the reimbursement paid to the member for the use of his/her personal vehicle during travel on official City business. The mileage reimbursement rate will be the then-current rate established by the Internal Revenue Service.

B. Provisions:

1. All conferences and meeting involving an overnight stay and/or cash advance will be reimbursed in accordance with this policy.
2. Attendance at conferences shall be allowed only when said conference is planned for in the adopted budget or approved as set forth below.
3. Conferences, seminars, or other expenses (such as mileage) not planned for in the adopted budget or contemplated within this policy shall require advance approval by City Council prior to the event and before the expense is incurred.
4. The only persons permitted to attend out-of-state conferences shall be City Council members, unless specific permission has been granted in advance by the City Council.
5. Any member who plans to attend or send an appropriate alternate to a conference within a five hundred (500) mile radius of the City of Costa Mesa should request such conference be included in the budget with regard to the estimated expenses.
6.
 - a) If in the judgment of the member, the estimated expense is too high to expect the member to finance it himself/herself and be reimbursed at the end of the month, the City Manager may authorize a cash advance of a minimum of one hundred (\$100) dollars up to a maximum of one thousand five hundred (\$1,500) dollars to the member. Exceptions may be granted by the City Manager and/or City Council.
 - b) Cash advances shall be restricted to per diem allowances where possible.
 - c) Approved cash advances up to \$400 should be submitted to the Finance Department three weeks prior to departure date. The payment will be made, in cash, out of the conference Expense Advance Fund. Approved advances in excess of \$400 should be submitted to the Finance Department five weeks prior to departure date. The payment will be paid by City warrant.
 - d) Where possible, all requests for advance payment of conference-related expenses (i.e. registration or hotel expenses) must be submitted to the Finance Department five weeks prior to departure date. The payments will be paid directly to the vendor by City warrant.
 - e) The member will be notified by the Finance Department when the requested funds are available for pick-up immediately prior to the dates of travel. Receipt of a cash advance for travel expenses does not constitute pre-approval for the expenditure of the entire amount so advanced, as all expenditures must be justified and approved.
7. No reimbursement shall be made for any person other than the member authorized to attend the conference or meeting.

8. Spouses and guests are permitted to accompany the member on City travel and at conferences, seminars, and meetings, except when such accompaniment would interfere with the conduct of City Business. Any additional costs associated with the participation of the spouse or other guests are the member's responsibility.

III. EXPENDITURE GUIDELINES:

In general, this policy shall be deemed an "accountable" plan for purposes of submitting supporting documentation and receipts for any cash advance or per diem allowances in accordance with Internal Revenue Service regulations then in effect.

Therefore, receipts are required for all travel-related expenses including meals and incidental expenses (M&IE) reimbursed to members.

A. Transportation, Air Travel, and Mileage Reimbursement:

A coach economy-class airplane passage will be considered standard for all out-of-state travel. Air travel is usually more economical in time and money than other modes of transportation in making long trips. Round trip tickets shall be purchased whenever air transportation is used. Receipts for transportation expenditures must be obtained and submitted with the expense claims. No travel allowances will be made in excess of actual costs of transportation.

Use of personal vehicles for out-of-state travel may be allowed subject to the approval of the City Manager or City Council when the convenience of the City is served, and under certain circumstances when the convenience of the member is served. When personal vehicles are approved for out-of-state travel, the total payment for mileage reimbursement shall not exceed the cost of coach economy-class air passage. In this event, an estimate of the costs of air transportation secured in advance of the travel should be submitted to the Finance Department together with the expense report.

Use of personal vehicles for out-of-city trips within the state may be approved by the City Manager or the City Council. When this mode of transportation is used, mileage expenses will be reimbursed at the then-current standard mileage rate per the Internal Revenue Code. This is a set rate per mile used to compute a rate of reimbursement for the costs of operating a personal vehicle for business use. However, in no case will the amount paid exceed the cost of coach economy-class air passage. Reasonable parking and/or vehicle storage costs will also be allowed.

When air transportation is used, expenses for local transportation such as taxicab, bus fare, and car rental will be allowed whenever such transportation is necessary for the conduct of City business. If available, airport shuttles and/or complimentary shuttles provided to attendees at the conference, seminar, and/or meeting shall be utilized.

B. Lodging

Expenses will be allowed for adequate lodging. Hotel accommodations should be appropriate to the purpose of the trip. Hotel accommodations should be for the standard room rate, government rate, or conference attendee rate, whichever is less, whenever available. Original receipts for lodging must be provided to reconcile amounts paid directly for lodging and/or to obtain reimbursement. A written claim form for exemption to the Transient Occupancy Tax should be submitted to the hotel if such an exemption is available.

Personal charges (i.e. personal phone calls, in-room movie charges, use of spas or gyms, laundry or dry cleaning, miscellaneous sundries, optional quasi-social functions or events in connection with a conference or other items of a personal nature) are the responsibility of the traveler.

C. Telephone calls

Telephone charges will be allowed for official business calls only.

D. Per Diem Allowance

All members traveling out-of-town may, upon request and prior approval by the City manager, receive a “per diem” allowance for meals and incidental expenses in advance of the conference or seminar. The per diem allowance shall be the standard meal allowance for meals and incidental expense in effect for the area where the traveler stops for rest or sleep as outlined in the current U.S. General Services Administration (GSA) Per Diem Rate Schedule. A copy of the current schedule in effect for California cities shall be issued annually by the Director of Finance. Upon request, the Finance Department will provide the per diem rate in effect for travel to destinations outside of California.

The following table outlines the current meals and incidental expense breakdown effective as of October 1, 2005. The Finance department shall determine the applicable rate for the traveler.

Meals and Incidental Expense (M&IE) Breakdown

M&IE	\$39	\$44	\$49	\$54	\$59	\$64
Breakfast.....	7	8	9	10	11	12
Lunch.....	11	12	13	15	16	18
Dinner.....	18	21	24	26	29	31
Incidentals.....	3	3	3	3	3	3

The per diem rate, including any tips and snacks, shall be allocated for meals on all trips and/or conferences and shall be prorated for partial days in accordance with the table above.

Members are responsible for their own meals and incidental expenses for all local travel. On an exception basis, the City Manager may allow reimbursement of meals and incidental expenses up to the per diem allowance for local travel.

In calculating allowable meal expenses for partial days, the following guidelines should be used:

Departure

- If you depart after 8:00 a.m., deduct the breakfast allowance for that day.
- If you depart after 2:00 p.m., deduct the breakfast and lunch allowances for that day.
- If you depart after 8:00 p.m., deduct all meal allowances.

Return

- If you return after 8:00 p.m., you may claim actual expenses up to the full per diem meal allowance for that day.
- If you return between 2:00 p.m. and 8:00 p.m., you may claim actual expenses up to the full amount of the breakfast and lunch allowances.
- If you return between 8:00 a.m. and 2:00 p.m., you may claim actual expenses up to the full amount of the breakfast allowance.

General

- If meals are provided without charge at a meeting or while in transit (meals served on a plane, for example), appropriate deductions must be made from the per diem meal allowance advanced and no reimbursement will be made for meals purchased in lieu of meals provided at the meeting or in transit, except as expressly authorized by the City Council.

The traveler is expected to consume the meals at the conference, meeting or seminar.

E. Lodging, Meals and Travel Time When Traveling by Personal Car

In instances where use of personal automobiles for out-of-state travel is approved for the convenience of the member, lodging, meals and other expenses will be allowed on the same basis as if the member had traveled by air.

F. Registration Fees

Wherever possible, advance registration should be made. However, if this is not accomplished and the member pays for registration upon arrival at said conference, an original receipt or some other documentation of the amount paid for the fee shall be provided with the expense reimbursement claim form.

IV. REIMBURSEMENT:

To be reimbursed for travel expenditures, the member must complete and sign his/her Conference Expense Report, Form CMF 0542-20, and submit it to the Finance Department for review for policy compliance and filing. No reimbursement shall be made until the expense report has been properly executed and approved. All reimbursements will be paid by City warrant.

After returning from the conference and/or trip, members must submit an expense report reconciling the expenses incurred accompanied by the original receipts documenting each expense. All Conference Expense Claims must be submitted to the Director of Finance within twenty-one (21) days after returning from the conference and/or trip. Original receipts for all items must be attached to the expense claim.

V. RECONCILIATION OF ADVANCE PAYMENTS:

If a member has accepted a cash advance, a reconciliation of the advance payment must be made on the basis of actual expenses incurred as part of the expense report. If actual expenses exceeded the amount of the advance, upon approval of the Director of Finance, said expenses will be reimbursed. If actual expenses do not exceed the expense advance received, said member shall attach a personal check made payable to the City of Costa Mesa for the unused portion of said advance to his/her "Conference Expense Report."

It is again emphasized that advance payments do not constitute approval to spend the entire amount advanced. All expenditures must be pre-authorized by the City Council and/or justified as part of the submission of the expense report by the member after returning from the conference and/or trip.

The effective date of this Council Policy is June 20, 2006.

City Council Policy 100-9 TRAVEL GUIDELINES FOR MEMBERS OF LEGISLATIVE BODIES – Adopted effective June 20, 2006

OVERVIEW

These guidelines establish the basic policies and procedures for travel on City business by members of legislative bodies (members). All members who travel on City business are responsible for knowing and following these guidelines.

These guidelines are organized into seven sections:

- General standards
- Planning an official trip
- Submitting travel authorizations and cash advance requests
- Making the trip
- Incurring non-travel expenses
- Accounting for expenses
- Completing travel authorizations/expense reports

The key document in the administrative process is the Expense Report (ER). Besides ensuring that travel by members is conducted in accordance with adopted policies, the ER summarizes the total cost of attending conferences, meetings, and seminars and provides documentation for cash advances and vendor payments. General instructions for completing and processing this form are also included in these guidelines.

GENERAL STANDARDS

These guidelines do not require you to take a bus, stay in a cheap motel, or eat only in fast food restaurants. A bus or a train may cost less than a plane, but the added time away from work can make these slower options more expensive to the City overall or preclude travel by members which will benefit the City. The meal allowances established in these guidelines allow you to eat in moderately priced restaurants.

In all areas, not just costs, you are responsible for exercising good judgment in requesting, arranging, and making a trip. It should be thoroughly planned, well in advance. Personal business should not be mixed with official business if it will cost the City anything in dollars or lost time, or if it will harm the City's interests in any way.

These guidelines are not intended to address every issue, exception, or contingency that may arise in the course of City travel. Accordingly, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of the City's resources.

PLANNING AN OFFICIAL TRIP

How will you travel?

When planning the transportation portion of your trip, consider all aspects of cost to the City as well as actual transportation costs. In general, common carrier (bus, train, plane) is the preferred mode of transportation. You should use an intercity bus, train or airplane unless there is a valid reason for using private transportation. For example, use of a City vehicle - especially if two or more employees or officials are traveling together - may be less expensive for travel within the State. However, as noted above, the increased time for automobile transportation - and the potential for lost work time, overtime, or increased lodging costs - should be considered in determining the best mode of transportation.

All air travel on City business should be coach class.

If you will be driving, you should use a City vehicle if one is available. You may request a cash advance to purchase gasoline or request reimbursement when you return. If a City vehicle is not available, or there is another reason why you should drive your personal car, you may do so with the approval of the City Council or the City Manager. You will be reimbursed at the currently approved standard mileage rate.

To drive a privately owned vehicle on City business you must:

- Possess a valid California driver's license.
- Carry liability insurance limits required by the City's Risk Management Office.
- Realize that any damage to the car, needed service, or repair occurring on the trip will be your responsibility, as these costs are included in the City's standard mileage rate reimbursement.

If you need local transportation at your destination, use of public transit such as buses, streetcars and subways is appropriate. You will be reimbursed for these expenses. You will be reimbursed for taxis when public transit or other common carriers are not reasonably available. If a car rental is required, you may use a cash advance or request reimbursement when you return.

When will you go? By what route?

You should generally take the most direct and commonly traveled routes. Other routes may be authorized when official business requires their use. If you take an indirect route or stop along the way for personal reasons, you will not be reimbursed for expenses not directly related to official business.

Where will you stay?

The City will pay for a single room (including taxes and parking) for as many nights as necessary. The accommodations you use should be economical but practical. For example, it is preferable to stay at the hotel where a conference is held, even if that hotel may be slightly more expensive than others in the area. Location is also important: a hotel close to where you will be conducting business may be slightly more expensive than outlying hotels, but it may be easier to achieve the City's travel goals by staying at the closer location. In general, you should stay at the most reasonably priced accommodations available consistent with the purpose and goals of your travel. If you have a question about using a particular hotel, obtain concurrence or direction from the City Council or the City Manager before making a reservation.

Should you make reservations?

Whenever possible, you should make reservations. They are often required for large conferences. Be sure to cancel any reservations you will not use. If the City is charged for an unused reservation, you will pay that charge unless circumstances requiring cancellation were reasonably beyond your control.

When making lodging reservations, be sure to ask about government rates, group rates, conference rates, and exemptions from the local transient occupancy tax (TOT): some cities exempt travelers on City business, others don't. If there is an exemption, you can save up to 18% on lodging costs depending on the local TOT rate. Almost all lodging operators will require an official, written claim for exemption, and a sample for this purpose is provided in Exhibit A.

SUBMITTING CASH ADVANCE REQUESTS

A Purchase Requisition (PR) should be used to request vendor payments. An Expense Report should be used for cash advances or employee expense reimbursements. City Manager and/or Director of Finance approval of PR's and ER's is required. These documents should be submitted to your staff liaison as far in advance as possible. The City Manager and/or Director of Finance approving PR's and ER's are responsible for determining that the cost is reasonable and justified by the trip's purpose. They should be certain that:

- The purpose cannot be accomplished by mail or telephone.
- The seminar, meeting, or conference is mandatory, reimbursable, or otherwise necessary to accomplish key City goals and objectives and is unavailable locally if overnight accommodations are required.
- The minimum number of City officials and staff members are going.
- The itinerary ensures accomplishment of the purpose at the lowest reasonable cost.
- The traveler understands and follows these guidelines.
- There is enough money in the appropriate travel budget to cover the costs.

Requests for cash in advance and payments to vendors

The City will pay all legitimate expenses of your trip. These include transportation, lodging, registration fees, meals, and any other related expenses if they are for official business and fit within these guidelines.

There are two ways to pay for travel expenses: "direct vendor payment" and "cash advance". Direct vendor payments are made by the City to an organization to pay for specific costs related to a trip - usually registration fees, lodging, and airfare. Cash advances are lump sum payments made to you before you leave to cover expenses as they arise on the trip.

If you request a cash advance, the City Manager and/or Director of Finance must review the amount to be sure it is reasonable. When you return, you must account for all expenses you incurred, and return the unused portion of the advance. You will be reimbursed the difference if the actual, authorized expenses you incurred exceed the amount advanced, provided that the applicable per diem or per meal rate has not been exceeded except with prior Council approval.

When requesting a cash advance, you must complete the appropriate section of the ER. Retain a copy of the completed ER because you will need it when you reconcile and account for your reimbursable expenses.

MAKING THE TRIP

There are two key "golden rules" to remember about making an official trip:

- Keep it official.
- Keep records and original receipts for all reimbursable expenses.

Keeping it official

If you take time away from official business for personal matters, or if you delay your return after completing your business, you will not be reimbursed for expenses incurred during that time. When combining business and personal travel in this manner, City Council or City Manager approval is required. If you become sick and must delay your return, you should notify your staff liaison as soon as possible.

Keeping records for all reimbursable expenses

As discussed below under "Accounting for Expenses", you must maintain a detailed record and keep original receipts for all reimbursable expenses incurred during your travel: meals, incidentals, transportation, lodging, baggage handling, parking fees, registration fees, telephone, and any other reasonable and necessary expenses.

Meal allowances and incidental expenses, including beverages, taxes and gratuities.

All members traveling are deemed to be on an "accountable" plan for purposes of submitting supporting documentation and receipts for any cash advance or per diem allowances. Therefore, original receipts are required for meals and incidental expenses (M&IE) reimbursed as a part of the per diem allowance. Any excess per diem must be returned to the City upon submission of the expense report within twenty-one days of the member's return.

The per diem allowance shall be the standard meal allowance for meals and incidental expense in effect for the area where the traveler stops for rest or sleep as outlined in the current U.S. General Services Administration (GSA) Per Diem Rate Schedule.

In calculating allowable meal expenses for partial days, the following guidelines should be used:

Departure

- If you depart after 8:00 a.m., deduct the breakfast allowance for that day.
- If you depart after 2:00 p.m., deduct the breakfast and lunch allowances for that day.
- If you depart after 8:00 p.m., deduct all meal allowances.

Return

- If you return after 8:00 p.m., you may claim actual expenses up to the full per diem meal allowance for that day.
- If you return between 2:00 p.m. and 8:00 p.m., you may claim actual expenses up to the full amount of the breakfast and lunch allowances.
- If you return between 8:00 a.m. and 2:00 p.m., you may claim actual expenses up to the full amount of the breakfast allowance.

General

- If meals are provided without charge at a meeting or while in transit (meals served on a plane, for example), appropriate deductions must be made from the per diem meal allowance.

INCURRING NON-TRAVEL EXPENSES

The City will pay expenses incurred for such meetings and hospitality as may, from time to time, be determined by the City Council or City Manager to be appropriate. The City will also pay expenses you incur attending meetings or conferences held locally which do not include travel expenditures.

In addition, the City will reimburse you for costs incurred while at a meeting or other function when such costs are directly linked to the program or subject matter of the meeting. Examples of costs which may be borne by the City include printed materials, tapes, or other training material which may be available for sale at the meeting.

Alcoholic Beverages

City funds should not be used to purchase alcohol or reimburse members for alcohol related costs. The City Manager may approve exceptions to this policy on a case-by-case basis.

Spouses and Guests

Spouses and guests are welcome to accompany you on City travel and at conferences, seminars, and meetings. However, any additional costs associated with the participation of your spouse or other guests are your responsibility.

ACCOUNTING FOR EXPENSES

When you return from your trip or official function, a final accounting of all expenses must be completed by you, approved by the City Manager and submitted to Finance within twenty-one days. An expense report is required in all cases - whether your advance and actual expenses are equal, you are eligible for additional reimbursement, or you owe money to the City.

The final accounting is made by completing the "Expense Report" section of the ER. Only eligible expenses for which you are requesting reimbursement should be included. Listing direct payments to vendors is not required unless it affects your request for reimbursement (for example, reconciling any differences between an advance amount paid for lodgings and any final reimbursable costs in excess of this amount that you may have incurred upon check-out as well as deductions for any personal expenses that may have been charged to the hotel bill).

After completing the expense report, you should attach all receipts, sign the report attesting to its accuracy, and submit it to your staff liaison for review and processing. If you owe the City for the unused balance of a cash advance, you should enclose (in check form, please) the amount due with the expense report. If the City owes you the reimbursement will be processed on the next check register.

The City Manager and/or Director of Finance approving expense reports are responsible for ensuring that:

- All expenses are reasonable, necessary, and consistent with these guidelines.
- All required original receipts are attached.
- The final disposition is correct (e.g., balance due employee; balance due City).
- Any amounts due to the City are reimbursed.
- Final accounting of all expenses is submitted to Finance.

OVERVIEW OF TRAVEL PROCEDURES

STEP 1 Travel Authorization

Who	What
Traveler	<ul style="list-style-type: none"> • Consult with Department Director on the need for travel. • Plan itinerary, transportation & lodging. • Complete Expense Report for employee cash advance and/or Purchase Requisition for each direct vendor payment requested.
Department Director	<ul style="list-style-type: none"> • Review ER and/or PR for conformance with City travel guidelines and department priorities. • Verify that adequate funding exists in the appropriate travel budget to cover all costs. • Approve ER and/or PR, provide a copy to the employee and submit to Finance for payment processing.
Finance Department	<ul style="list-style-type: none"> • Make cash advance and vendor payments. • File ER in employee's vendor file.

STEP 2 Expense Reporting

Who	What
Traveler	<ul style="list-style-type: none"> • Complete and submit expense report section of the ER accounting for all reimbursable expenses to the Department Director within 5 working days after completion of travel. • Attach required receipts. • Sign report attesting to its accuracy. • Attach check if a balance is due to the City.
Department Director	<ul style="list-style-type: none"> • Review expense report for conformance with City travel guidelines. • Verify accuracy of balances and disposition. • Approve expense report, make a copy for departmental records, and submit to Finance.
Finance Department	<ul style="list-style-type: none"> • File expense report in employee's vendor file and process any payment due to the employee if requested.

COMPLETING THE TRAVEL AUTHORIZATION

OVERVIEW

The Travel Authorization (TA) form should be prepared whenever the total estimated cost of travel is more than \$200 or overnight lodging is required. The TA is a two-sided form: the front side provides for approval of the travel, summarizes the cost, and provides documentation for any cash advance to the employee and direct payments to vendors; the reverse side is for reporting actual reimbursable expenses within 5 days after travel is completed and reconciling this final amount to the cash advance.

Completing the form itself is largely self-explanatory, and a completed sample is provided for your information. The following highlights key areas of the TA form:

TRAVEL AUTHORIZATION—SIDE 1

The front side of the TA is organized into five major sections:

- **General Information.** Identifies who is going, where the meeting or conference will be held, how long the employee will be gone, how much it will cost, and the account number that should be charged.
- **Purpose.** Describes the reason for the trip.
- **Cost and Payment Summary.** Outlines the estimated cost of the trip by expense type (registration, transportation, lodging; spaces are provided to add categories not pre-listed), vendors to whom payment will be made (including cash advances to the employee), method of payment (voucher, purchase order, credit card), and amount. A summary is then provided of the payments to be made to the employee, vendors, or by credit card. Appropriate vouchers, purchase orders, or credit card requests should be attached to the TA when it is submitted to Finance for processing.
- **Itinerary.** Summarizes when and where the employee will be traveling.

- **Approvals.** Provides a signature box for the employee and approval by the Department Head. Out-of-state travel requires the further approval of the City Manager.

EXPENSE REPORT—SIDE 2

For reporting actual expenses upon completion of travel and reconciling this amount to any cash advance received, the reverse side of the TA is organized into 4 major sections:

- **Reimbursable Expense Detail.** Itemizes actual expenses by type for each day of your trip (spaces are provided for dates and expense categories not pre-listed). Only expenses reimbursable to you should be listed - payments made directly to vendors should not be included.
- **Mileage Detail—Personal Vehicle.** Summarizes miles and cost if you were authorized to use a personal vehicle for the trip.
- **Travel Expense Summary.** Totals the cost of the trip for personal expenses (reimbursable expense detail plus any personal vehicle costs) and reconciles the total cost of the trip with any cash advance received, resulting in either a balance due to the employee or due to the City. This expense report must be completed and submitted to Finance even if the cash advance and actual reimbursable expenses are equal.
- **Approvals.** Provides a signature box for the employee and approval by the Department Director. Any requests for reimbursement in excess of per diem meal allowances requires the further approval of the Director of Finance and/or City Manager.

City of Costa Mesa

TRAVEL AUTHORIZATION

This form should be completed in legible handwriting

Member	Legislative Body	Position

Destination	No. of Days	Account No.	Amount
			\$0.00

PURPOSE

COST SUMMARY

Description	Vendor	Payment Method	Amount
Registration			
Air fare			
Lodging			
Meals			
Mileage - personal vehicle			
Gasoline - city vehicle			
Rental car			
TOTAL			\$0.00

PAYMENT SUMMARY

Cash Advance to Member	
Direct Vendor Payments	
Credit Card	
TOTAL	\$0.00

ITINERARY

Departure	Date/Time	Arrival	Date/Time

Member of Legislative Body	Date	City Manager and/or Director of Finance	Date

Use the reverse side of this form for reporting actual expenses within 5 working days after your return.

Travel Authorization EXPENSE REPORT AND RECONCILIATION TO CASH ADVANCE

This form should be completed in legible handwriting

REIMBURSABLE EXPENSE DETAIL

Description	Date						TOTAL
Registration							0.00
Air fare							0.00
Lodging							0.00
Breakfast							0.00
Lunch							0.00
Dinner							0.00
Gasoline							0.00
Rental car							0.00
							0.00
							0.00
							0.00
TOTAL							0.00

Receipts must be attached for all reimburseable expenses

MILEAGE DETAIL - PERSONAL VEHICLE

Departure/Destination	Odometer Readings		Trip Miles
	Starting Mileage	Ending Mileage	
			0
			0
			0
			0
Total miles - personal vehicle			0
Reimbursement @ _____ per mile			0.00

Standard mileage tables provided in the City's travel guidelines may be used in lieu of odometer readings

[Signature Line]

By signing this expense report, the member certifies that the amounts listed were incurred in conformance with the City's travel guidelines and that no part is claimed for reimbursement of a personal nature.

REIMBURSABLE TRAVEL EXPENSE SUMMARY

Total reimbursable travel expense	0.00
Cash advanced	
() Amount due member	
() Amount due City	

Approval/ Authorized Signatures

Member of Legislative Body	Date	City Manager and/or Director of Finance	Date



City of Costa Mesa

77 Fair Drive, Costa Mesa, CA 92628-1200

CLAIM FOR EXEMPTION FROM TRANSIENT OCCUPANCY TAX

The undersigned claims exemption from paying city transient tax charged for the period from _____ through _____. The undersigned claims this exemption for _____, who is on official business as a member of a legislative body of the City of Costa Mesa.

NOTE: *Operators of hotels should not accept this application unless the person presenting it shows satisfactory identification. A separate application is required for each occupancy period.*

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct:

[Signature of Authorizing Official]

Member of Legislative Body

Date