

CITY OF BURLINGAME

X. EXPENSE REIMBURSEMENT PROCEDURES

- A. **Purpose:** The City of Burlingame is obligated to ensure that expenditures made by the City are for clearly public purposes and the City is accountable to taxpayers and citizens of the City to be prudent and wise in making those expenditures. The purpose of these procedures is to provide the process by which a City officer or employee may seek reimbursement for expenses that the officer or employee has incurred in the conduct of City business as authorized by the employee's supervisor or manager or other action. All such reimbursements are to be made in accordance with the budget for that expense. Officers and employees should ensure that their proposed expenses are reimbursable before incurring the expenses. Either the officer or employee seeking the reimbursement and the person approving the reimbursement are personally responsible for the integrity of the reimbursement process.¹
- B. **General Policy Statement.** Reimbursement for expenses are made in order to advance the public, corporate purposes of the City of Burlingame. The California Constitution, the Government Code, the Burlingame Municipal Code, and the administrative procedures of the City govern the expenses that can be lawfully incurred and reimbursed on behalf of the City. City Council pre-approval for travel outside the State of California is required. Expenses cannot be used for personal benefit to the officer or employee. All expenses claimed for reimbursement are subject to audit.²

Before making a personal expenditure that will result in a claim for reimbursement, officers and employees should consider the use of a purchase order or prepayment by the City. While this will not always be possible given time constraints or the nature of the vendor, direct payment by the City will often result in cost savings to the City and avoid the necessary delay involved in any reimbursement.

¹ "Officers and employees" as used in these procedures include all volunteers. "Department head" as used in these procedures with regard to reimbursement payable to a department head means the City Manager. "Department head" as used in these procedures with regard to a board member or commissioner means the department head liaison to that board or commission. "Department head" as used in these procedures with regard to a Councilmember means the City Manager. "Department head" with regard to the City Manager means the Finance Director.

² An officer or employee may also be audited by the Internal Revenue Service and should ensure that the officer or employee keeps any necessary personal records, such as unreimbursed business expenses for a sufficient period of time.

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C. ***Travel Expenses***

Travel expenses incurred while on City business or at the direction or authorization of the City are subject to reimbursement as follows:

1. Length of travel.
 - a. No reimbursement for meals will be made for any travel/business totaling less than six (6) hours. Meals are often included as an integral part of a seminar or conference, and the included meal(s) will be reimbursed as part of the seminar or conference registration fee. If a meal is not included as part of a single-day conference, seminar, or training, an employee may be reimbursed for the cost of a meal.
 - b. Unless expressly authorized in advance in writing by the City Manager based on exceptional travel circumstances, no reimbursement for lodging will be made for any of the following trips:
 - i. A single-day conference, training, or business that is less than 180 miles road distance, one-way, from Burlingame and that ends or is over by 6:00 p.m. However, if the single-day conference, training, or business is 100 miles or more road distance, one-way, from Burlingame and begins at 9:00 a.m. or before, reimbursement for lodging for the evening before the conference can be approved even though the conference, training, or business may end before 6:00 p.m.
 - ii. Any multiple day conference, training, or business that is less than 65 miles road distance, one-way, from Burlingame.
2. Transportation/Transit
 - a. The maximum reimbursement for transportation expenses, such as vehicle mileage, airfare, or train fare, will be at the lesser of the following: 1) the vehicle standard mileage rate allowed by the Internal Revenue Service or 2) the group airfare rate for League of California Cities travel, if available. http://www.ofa.dgs.ca.gov/Travel+Programs/AirFares_CityPairs.htm .
 - b. If the travel is to a location that is more than 200 miles road distance, one-way, from Burlingame, the City will reimburse that employee for either the lowest commercial fare to that location based on the proposed itinerary or the vehicle standard mileage rate, whichever is less.

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- c. The City will not reimburse an official or employee for any travel insurance of any kind.
- d. In addition to reimbursement at an airfare or mileage rate, the City will reimburse an officer or employee for the actual costs of any tolls for bridges or roadways actually paid.
- e. If an officer or employee believes that the limitations imposed by this subsection will actually cost the City more because of the travel time that may be involved, the officer or employee may seek the written approval of the City Manager for alternate travel.

3. Parking

- a. Parking fees incurred at either a hotel or at a parking facility are reimbursable. However, unless the official or employee can demonstrate that no other reasonable alternative existed, valet parking costs will not be reimbursed beyond that incurred for a normal parking fee.
- b. Parking fees incurred at an airport parking lot during the time that the officer or employee is on travel are reimbursable to the extent that the total cost of the travel is within the limits established in subsection B(1) and (2) above, and do not exceed the cost of reasonable transportation to and from the airport.

4. Other Transportation

- a. Transportation to and from an airport, train station, or other transit facility is reimbursable. Public officials and employees are encouraged to use public transit whenever feasible, and determination of the reasonableness of the transportation used will be based on the availability, usability, and itinerary. As with parking fees, the total cost of travel is subject to the maximum amounts set forth in Subsection B(1) and (2) above.
- b. Transportation while at a conference, training, or business event is judged on a reasonableness standard. Unless the rental car and taxi expenses are within the total amount allowed under Subsection B(1) and (2) above, rental car, taxi or other transportation expenses will only be approved when the official or employee demonstrates that there was no reasonable alternative to the use of that mode of transportation at the location involved or the mode was required by the nature of the trip or event. Rental car expense will be approved if the rental car is being used to transport other City employees or public employees and the financial

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benefit from the sharing of transportation results in an actual reduction in the net cost to the City.

5. Lodging

- a. Officers and employees are expected to use the most cost effective lodging reasonably available. Government lodging rates are almost always available and should be sought. Conference hotel rates are usually negotiated by the organizations hosting the conference and may be used even though other lodging might be less expensive. The City will provide a transient occupancy tax exemption certificate if the host city permits such an exemption and requires back-up as Burlingame does.
- b. Lodging reimbursement approval will be based on no more than the maximum lodging rate allowed by the U.S. General Services Administration for that location. The current rates are available on the GSA Website at

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC

If government facilities are made available at a cost-effective rate, the official or employee is expected to make use of those facilities. However, if the lodging is in connection with a conference, training, or other education activity, lodging reimbursement shall not exceed the maximum group rate published by the conference, training, or activity sponsor, provided that lodging at the group rate is available at the time of booking. If the group rate is not available, the GSA per diem rate will govern.

6. Meals and incidental expenses

- a. Daily meal allowance and allowance for incidental expenses, such as laundry, tips, and similar expenses, are based on the maximum Meal and Incidental Expense Rate established by the U.S. General Services Administration for that location. The current rates are available on the GSA Website at

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC

Partial meal and incidental expense allowances can be paid for multiple day conferences, seminars, and business that require partial day travel.

- b. No meal allowance will be provided if meals are included in the conference or training package; if only some meals are included, the following deductions from the daily rate will be made for included meals: \$7 for breakfast; \$14 for lunch; and \$20 for dinner.

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7. Telephones

- a. Telephone usage for City business purposes while away from the City is reimbursed on the reasonable costs of such calls. Cellular phones are often more cost-effective than using hotel phones directly. Collect calls should be avoided.

8. Conference/Training Registration

- a. It is expected that most conference, seminar, or training registration will be done in advance. This avoids the need for reimbursement claims for this expense. It also tends to insure the best rates, which are often given for advance registration. The City may disallow reimbursement for the additional costs incurred when advance registration is not used, unless the officer or employee can demonstrate that extraordinary circumstances or City needs compelled the late registration.

9. Advances

- a. The City recognizes that officers and employees may not be able to use their own funds or credit to pay for necessary expenses. An officer or employee may request an advance to pay for transportation, lodging, and meals if a written check request accompanied by a copy of the registration confirmation is filed with the Finance Department no later than ten (10) days before the travel is to commence. In an emergency situation, this time requirement may be waived by the Finance Director.
- b. In order to be eligible for approval of an advance, the Advance Request form attached to these procedures shall be completed and approved by the officer or employee's department head. A written estimate of the lodging expense and reservation shall be provided. The applicant shall also provide a statement as to the form of transportation to be used and a copy of the transportation reservation, if any.
- c. Advances shall be made by check payable to the officer or employee.
- d. Within five (5) days of the completion of travel, the officer or employee shall file documentation as required for reimbursements below that demonstrate the expenses incurred. If overpayment has been made by the advance, the officer or employee shall repay the City for the overpayment within ten (10) days of the determination by the Finance Director that an overpayment has occurred under the these procedures.

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D. *Entertainment*

Payment of any expenses for hosting of non-City officers or employees is generally not done on an individualized, reimbursement basis, but rather as a department expense. This type of expense is to be approved by the City Manager in advance. When a City officer or employee entertains on behalf of the City, the entertainment activity must be directly related to City business and should not personally benefit the host or other officers or employees. Elected officials of the City are currently barred by California Attorney General opinion from reimbursement for entertainment costs incurred with regard to persons who are not officers or employees of the City.

1. Administrative meetings. Reimbursement for the cost of light refreshments served during an administrative meeting if the meeting is directly related to City business can be reimbursed. The cost of a meal can be reimbursed if the meal is an integral and scheduled part of the meeting, such as a working lunch.

Note: When two or more officers and employees choose to dine together in order to continue business, reimbursement for the meal is not allowable.

2. Host to official guest(s) of the City. The cost of light refreshments or meals incurred when acting as a host to official guests of the City can be reimbursed.

Examples of such guests are:

Visitors from other governments, government agencies or organizations

Members of the community

Prospective employees

Meetings of an organization of which the City is a member or for which the City sponsors membership of an officer or employee, such as the League of California Cities

3. Receptions/Luncheons. The cost of light refreshments and food served as part of a reception or luncheon. Receptions may be held in conjunction with conferences (receptions that are not included in the registration fee), meetings of an organization of which the City is a member or for which the City sponsors membership of an officer or employees; employee recognition; length-of-service awards or retirement presentations; employee, staff, or volunteer picnics; rotation of officers.

Employee birthdays, weddings, anniversaries, or farewell gatherings (other than retirement) are not considered official entertainment.

E. *Other expenses*

1. Officers and employees may find that some day-to-day expenses require

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purchasing directly without using normal purchasing procedures or petty cash. These should be used very sparingly and only when they have been authorized by a department head. If they are not authorized in advance, the claim for reimbursement may not be honored.

F. *Documentation*

1. A claim for reimbursement is submitted through the appropriate department approval process to the Finance Department.
2. Original receipts are required for all of the following:
 - Conferences and seminars
 - Lodging
 - Rental Cars
 - Parking and tolls
 - Other transportation
 - Other purchases

Credit card receipts are generally acceptable.

3. Original receipts are not required for telephone bills for use of personal telephones, such as cell phones. Copies of the applicable charge sheets may be substituted.
4. Original receipts are not required for meals if the officer or employee is only seeking reimbursement within the meal and incidental expense rate described in Travel Subsection F above.
5. The required travel expense report for claiming reimbursement for travel expenses is attached. For reimbursement of other expenses, the claim form attached shall be used.
6. If an original receipt has been lost, the officer or employee may submit a declaration in the form attached seeking approval of the affected expense.

G. *Time for submittal*

1. Any claim for reimbursement for non-travel expenses must be submitted within ninety (90) days of the purchase for which the reimbursement is sought. A claim filed after the ninety (90) day period will not be paid except in case of an intervening emergency or catastrophe that has prevented the submittal from being timely.

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H. *Prohibited reimbursements*

1. No reimbursement for expenses incurred pursuant to this policy will be made for the following expenditures:
 - a. Alcohol, except with the express approval of the City Council for a particular event.
 - b. Tobacco products or illegal substances of any kind.
 - c. Expenses incurred by or because of a spouse or companion, who is not on City business (72 California Attorney General Opinion 20 (1992)) unless approved as part of a reasonable accommodation pursuant to the Americans with Disabilities Act.

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