

City of Grand Prairie
CITY COUNCIL ADMINISTRATIVE DIRECTIVE – **DRAFT AMENDMENT**

SUBJECT: Business Expense, Travel, And Meal Policies for Elected Officials	A.D. No.	<u>1.0</u>
	Effective Date	August 13, 1991
	Revisions	November 16, 1993
		February 22, 1999

PURPOSE

To ensure appropriate use of travel/training and business related appropriations.

POLICY

The City will reimburse or provide payment to Elected Officials for out-of-town travel and/or training when the trip is budgeted and when the trip will enhance the knowledge of the individual, in turn benefiting City operations. Such travel is an important part of an Elected Official's responsibility, is in the public interest, and should not require a personal financial sacrifice. Reasonable expense associated with such City travel and business will be borne by the City. Each Elected Official will be limited to 20% of the total City Council budget allocated for travel for each fiscal year.

A. **ELIGIBLE TRAVEL**

The annual City Council budget, to the extent practical, shall include appropriations sufficient to cover expected Council travel requirements. At a minimum, the budget will include funds to support participation and attendance at:

- National League of Cities (NLC) semi-annual conferences
- Texas Municipal League (TML) semi-annual conferences
- TML Institute for Mayors, Council members, and Commissioners (AMCC)
- U.S. Conference of Mayors
- TML Regional Meetings
- NLC/TML Policy and Policy Steering Committee Meetings
- Representation of the City's interest before the legislative bodies and administrative agencies of the United States and State of Texas
- Trips incident to securing and maintaining financial condition and a beneficial credit rating

B. **PAYMENT**

When budgeted through the annual City Council budget, two forms of business related payment will be available to the Elected Officials:

- Travel and training for expenses incurred under "Eligible Travel" as defined above or locally as outlined in "Eligible Expenses" as defined in subsequent sections of this directive. Both require receipts as documentation for reimbursement or application of the IRS approved per diem allowance.
- A monthly stipend issued to consenting Elected Officials to cover the following related City business expenses incurred locally. No receipt or similar documentation required.
 - Mileage for local travel on City business
 - Postage and materials for City business
 - Telephone calls for City purposes
 - Meals not coordinated through City staff

C. ELIGIBLE EXPENSES

Expenses will be paid directly or reimbursed by the City as described below:

- **MEALS WHILE TRAVELING** – The City will pay the actual amount of meals and tips (provided receipts are maintained), or the IRS approved per diem allowance (Exhibit 1). On Exhibit 1, the meals rate is the rate in the column headed “M&IE” for “meals and incidental expenses.” The per diem rate will be adjusted as the IRS amends its rates periodically. The rate includes breakfast, lunch, dinner, tax and tips. Without receipts, meal expenses should generally be allocated as follows for partials days:

Per Diem

- 20% Breakfast
 - 30% Lunch
 - 50% Dinner
-
- **LOCAL MEALS** – Expenses associated with attendance at local events, including but not limited to Chamber of Commerce monthly luncheons; Annual Chamber of Commerce and Hispanic Chamber of Commerce Banquets, TML Regional dinners, non-profit banquets, dinners, and fund raisers, etc. where attendance is coordinated through City staff will be paid by the City.
 - **BUSINESS MEALS** – An Elected Official may find it necessary to periodically pay for the meals of business associates, including other Elected Officials, while discussing City business or while attending professional association meetings. Payments must be approved by the City Manager and reimbursement may be made through petty cash or payment documents. Elected Officials receiving monthly stipend will apply stipend funds toward these types of expenses.
 - **MILEAGE** – The City will pay the IRS allowable rate for travel incurred by Elected Officials utilizing his/her personal vehicle on City business. Elected Officials receiving a monthly stipend will apply stipend funds toward local mileage expenses.
 - **TRANSPORTATION** – The City will pay for mileage, round trip airfare (coach class), train fare, taxi fare, tips, tolls, auto rental (when required), and parking. When a personal vehicle is used (instead of a public carrier), expenses for mileage shall not exceed the cost as well as an evaluation of the lost time due to driving versus flying. The City will not pay local (30 miles or less one way) mileage for use of a personal vehicle for those Elected Officials who receive a monthly stipend, but will pay for mileage for such Elected Officials using personal vehicles for travel of longer distances as described under Section A, “Eligible Travel.”
 - **SPECIAL AIRFARE** – Elected Officials who must remain at their travel destination to qualify for reduced airfares may be reimbursed for their additional meals, lodging, rental cars, parking, etc. if the combined cost of the additional expenses and the discount airfare is less than or equal to the average coach airfare between the Metroplex and the travel destination.
 - **LODGING** – Lodging expenses will be reimbursed for the actual number of days of the conference or other meeting, plus allowance for travel time. Lodging per night will not exceed actual room cost plus taxes and tips.
 - **REGISTRATION** – Registration fees will be paid directly by the City through the vendor accounts payable system. It should not be necessary for Elected Officials to obtain a cash advance or write a personal check for registration. If necessary, on-site registration at conferences or business meetings may be billed to the City.

- **EXPENSES NOT REIMBURSED** - Expenses excluded from city reimbursement are health clubs, pay television, bar bills other than part of meal expenses, and other entertainment expenses unless venues are a component of a conference program. Also excluded is any travel expense by an Elected Official challenged and denied by a majority of the City Council.
- **AIRLINE CREDIT** – Airline mileage credits earned for City paid travel may be used for personal or City travel.
- **TRAVEL TIME** – Travel times should not exceed one day prior to and one day following business meetings or conferences. Exceptions will be made through the City Manager’s Office.
- **CONSTITUENCY ASSOCIATIONS** - The City will fund to the extent practical, the annual dues of Elected Officials for membership in TML or NLC constituency organization, i.e. NBC/LEO, WIMG, HELO, etc.
- **EXPENSES FOR SPOUSE/GUEST** – Airfare for a spouse/guest to accompany an Elected Official will be borne by the city. Meals of a spouse/guest, locally or traveling will be eligible to be borne by the City if incurred while accompanying the Elected Official.

D. PROCEDURES

- **TRAVEL ARRANGEMENTS** – Travel arrangements for Elected Officials will be made by the appropriate City Department as directed by the City Manager’s Office or by the individual Elected Official, if desired.
- **PRE-PAID EXPENSES** – When possible, all major expenses items will be pre-paid, i.e. transportation, registration, lodging, etc.
- **CASH ADVANCES** - Cash advances may be obtained by completion of an *Estimated Expense Report* (see Exhibit 2) by the City Manager’s Office or their designee in accordance with established Finance Administration guidelines.
- **MILEAGE REPORT** – A separate form is used to request reimbursement for mileage when traveling locally. This form will be provided to Elected Officials not receiving a monthly stipend upon request to the City Manager’s Office and will be reimbursed in accordance with Finance Administration guidelines. When mileage is incurred while traveling out-of-town, *Actual Expense Reports* may be used to request mileage reimbursement. When they are used in the manner, reimbursement will be made through Accounts Payable instead of Payroll. The City will pay the allowable rate for travel incurred by an Elected Official eligible for reimbursement according to the policy.
- **FILING REQUIREMENTS** - Within 20 working days after the return trip, the Elected Official shall submit documentation to the City Manager’s Office or their designee from which an *Actual Expense Report* can be completed, signed and delivered to the Accounting Division with the required receipts attached. Adequacy of documentation should be examined and ensured at the coordinating Department level; the City Manager’s or Mayor’s approval must be evidenced on the *Actual Expense Report*.
- **BACK-TO-BACK TRIPS** – Two or more multiple trips made within the same 20 calendar day period will be treated as one trip for the purposes of determining *Actual Expense Report* due dates. The *Actual Expense Report*’s due date will be 20 working days after the Elected Official returns from the last trip. Trips will be considered to have been made within the same 20 calendar day period if any part of the trips occurred during the 20 calendar day period.
- **MISCELLANEOUS EXPENSES** - Miscellaneous expenses less than \$50, including business meals but excluding mileage, may be reimbursed through the petty cash system without completing an *Actual Expense Report*; Elected Officials receiving a monthly stipend will apply stipend funds toward these types of expenses. All other business travel, including out-of-town mileage reimbursements and business related expenses, must be reimbursed through use of an *Actual Expense Report*.

- **FUNDS OWED TO THE CITY** – If an Elected Official has received an advance in excess of actual expenses or a spouse/guest airfare was initially billed to the City and a reimbursement to the City is required, this obligation shall be fulfilled at the time the *Actual Expense Report* is to be filed with the Accounting Division, payment should be made through the Revenue Management Division and receipt attached to the *Actual Expense Report* when delivered to the Accounting Division.
- **FUNDS OWED TO AN ELECTED OFFICIAL** – If an Elected Official's actual expenses exceed the advance, or if no advance was received the Elected Official will be reimbursed by the City. This reimbursement will be made within five working days after the Accounting Division receives the final completed *Actual Expense Report*.
- **SUBSEQUENT TRAVEL EXPENSES** – If expenses are not substantiated to the City within 60 calendar days after the expense has been incurred, and any excess returned to the City within 120 calendar days after the expense is incurred, the entire amount of the advance will become taxable income and subject to withholding taxes in accordance with IRS requirements.
- **OUTSTANDING EXPENSE REPORTS** – No additional or follow-on airline tickets will be purchased for or cash advances made to an Elected Official if *Actual Expense Reports* from previous travel have not been finalized and reconciled in accordance with directive guidelines.
- **EXCEPTIONS** - Exceptions to this directive can be made but require documentation with signed approval by the City Manager or Mayor.

Jim Swafford, Chairperson
Finance and Government Committee
Grand Prairie City Council

Ron Jensen, Mayor
City of Grand Prairie, Texas