

INTRODUCTION

Scope

These policies and procedures are applicable to all officers, employees, and persons in the service of the Sacramento Employment & Training Agency (SETA).

Purpose

The Travel Policies and Procedures are developed: (1) to provide travelers with information needed for preparation of travel requests and claims, (2) to provide guidance to travelers, travel arrangers, approvers, and auditors on cost-effective management of travel expenses, (3) to identify reimbursable versus non-reimbursable expenses, (4) to clarify employee responsibility for controlling and reporting travel expenses, and (5) to specify the types of travel reimbursable by SETA for members of SETA's legislative bodies. These policies and procedures are developed in accordance with the County, State and all government codes and follow the Internal Revenue Service (IRS) rules and regulations (Internal Revenue Code (IRC) Section 62(c); Reg. Section 1.62-2; Reg. Section 1.274-5).

It is impossible to anticipate every situation that may be encountered while traveling on business. Each employee is expected to exercise good judgment in incurring travel expenses and to obtain prior approval for all foreseeable travel-related expenditures.

Expenses which are not approved or which are not in compliance with this policy will be the traveler's personal responsibility.

Policies

General

When the cost of travel shall be reimbursed to the employee by another agency, whether, state, federal, or private, such reimbursement and the intent for same shall be disclosed as a source of funding on the travel request. In advance of travel the employee must decide whether to accept the rates of SETA or other agency. If the travel costs are borne by SETA, reimbursement from the other agency shall be paid to SETA and deposited as an abatement of expense.

Approval to incur any travel expenses shall be obtained from the Executive Director or Fiscal Chief and Department Chief or the individual designated to act for same prior to making travel arrangements. The travel request is required for the protection of the employee while traveling as an agent of SETA.

SETA reimburses employees for travel and job related expenses in accordance with the Accountable Expense Reimbursement Plan per the Internal Revenue Service. Under an accountable plan, allowances or reimbursements paid to employees are excluded from wages or taxable income and are not subject to withholding or reporting. Reimbursements of travel and other business expenses to SETA employees, contractors or volunteers will be considered to be made under the Internal Revenue Code definition of an "Accountable Expense Reimbursement Plan" if the following requirements are met:

TRAVEL POLICIES AND PROCEDURES

- A. The person substantiates his or her expenses by submitting an expense report with:
 - a. Amount of the expenditure,
 - b. Time and place of the travel or business entertainment,
 - c. Business purpose of the expenditure, and
 - d. Names and business relationship of any persons entertained.
- B. The person documents the expenses with supporting receipts, paid bills, etc. within sixty (60) days the expense is paid or incurred, and
- C. Excess advances, if any, are repaid to SETA within 60 days after expense is paid or incurred.

Policy Intent

Travel policies enunciated shall be construed so that no officer or employee shall suffer any undue loss while traveling on official SETA business. The Travel Policy is intended to facilitate business required travel, while managing costs and time in order to maintain efficient business processes.

Authorized Expenses by members of SETA's legislative bodies

In accordance with California Government Code §53232.2(b), "if a local agency reimburses members of a legislative body for actual and necessary expenses incurred in the performance of official duties, then the governing body shall adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a member of that legislative body to receive reimbursement of expenses related to travel, meal, lodging, and other actual and necessary expenses."

SETA funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized SETA business. 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. Official board, council, committee, commission meeting schedule subject to the Brown Act;
- B. Attending conferences, seminars, workshops or educational events related to the business or operation of such group;
- C. Attending legislative and educational seminars, workshops and training, including ethics training, designed to improve legislative body expertise and information levels;
- D. Participating in regional, state and national organizations whose activities affect SETA's interests;
- E. Opportunities to meet with city, county, special district, state, or federal officials to discuss legislative body interest and to implement SETA-approved strategy for attracting or retaining businesses to SETA, which typically involve at least one staff member. Expenditures not specifically covered by this list of occurrences will require prior approval by the SETA Governing Board, or other approved legislative body action, at a public meeting before the expense is incurred. Expenses will be reimbursed in accordance with the procedures in this Travel Policy. All documents related to reimbursable SETA expenditures are public records subject to disclosure under the California Public Records Act (Government Code section 6250-6270).

Reports to the Governing Board

At the following meeting of the SETA Governing Board or other applicable legislative body, each official shall briefly report on meetings attended at SETA expense. If multiple officials attended, a joint report may be made.

Violations of this Policy

The use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: 1) loss of reimbursement privileges, 2) a demand for restitution to SETA, 3) SETA reporting the expense as income to the elected official to state and federal tax authorities, 4) civil penalties of up to \$1,000 per day and three times the value of the resources used, and 5) persecution for misuse of public resources.

Approving Authority for Travel

All travel requests must be approved by the Department Chief and the Fiscal Chief or the individual designated to act for same prior to trip departure. The Executive Director's approval is required for out-of-state travel requests. The Fiscal Department is authorized to reimburse travelers whose expenses are justifiable and in compliance with this policy.

Travel Arrangements

The traveler is responsible for submitting a travel claim form to the SETA Travel Coordinator as soon as possible after approval for travel has been granted. The SETA Travel Coordinator will then complete airline and hotel reservations and process and send payment for conference registrations. The SETA Travel Coordinator will then send a confirmation email to the traveler with a listing of the travel reservation and conference details.

Travel Advances

The Fiscal Department is authorized to pay 100 percent of registration or conference fees and advance up to 100 percent of the estimated meal allowance, and for Head Start parents, other expenses for official travel. In addition, travel advances may include up to 100 percent of the estimated personal private mileage reimbursement, when personal vehicles are approved for use for official travel. Request for advances shall be included on the submitted travel claim form. Advances shall not be made for amounts less than one hundred dollars (\$100) and will not be issued prior to two (2) days before expected travel unless adequate justification is submitted to show that undue hardship to the individual will result in the event the smaller advance is not made. **Advances will not be made if a previous advance is unsettled.**

Lodging

- A. Reimbursement for the cost of lodging is limited to the actual lodging cost incurred.
- B. When a companion travels with an employee on official business, reimbursement for lodging will be at the lowest available single-occupancy rate for the accommodations. It is the responsibility of the

SACRAMENTO EMPLOYMENT AND TRAINING AGENCY

TRAVEL POLICIES AND PROCEDURES

employee to obtain the lodging rate for both single- and double-occupancy and indicate them on the travel claim.

- C. The employee should ask for government rates (unless a group or conference rate is less) and provide a completed Transient-Occupancy Tax exempt form at the time of arrival. An identification or business card is generally sufficient identification. Upon return, original itemized hotel receipts must accompany completed claims. SETA is not responsible for reimbursement of luxury upgrades (ocean view, king-size beds, suites, etc.).
- D. Hotel reservations and cancellations are the responsibility of the traveler. Any cancellation charges incurred will be billed to the traveler unless reasonable justification is provided.
- E. When lodging must be pre-paid to ensure reservations (particularly with PC/PAC parents), the SETA Travel Coordinator may request Credit Card Authorization Form from the hotel and authorized only room and tax expenses charged to the SETA America Express corporate credit card.

Meals

- A. Reimbursement for meals shall be made only when travel extends for a minimum of six (6) hours during the normal working day. In addition, the travel must last for a minimum of six (6) hours, ending after 6:00 p.m. to qualify for dinner. For purposes of determining eligibility for reimbursement, travel shall be considered to begin when the traveler departs his or her residence if the trip begins before or after normal office hours. If the trip begins during normal office hours, travel shall be considered to begin when the traveler departs his or her office. In order to be reimbursed for cost of meals, travel must begin at or before the time shown on the following schedule.

MEAL	TRAVEL BEGINS BEFORE	TRIP ENDS AFTER
Breakfast	6:00 a.m.	7:00 a.m.
Lunch	11:00 a.m.	12:00 p.m.
Dinner	5:00 p.m.	6:00 p.m.

- B. Meals which are supplied by common carrier or are included in conference fees or hotel rates will not be reimbursed (i.e., if a traveler is booked on a flight which serves lunch, no reimbursement will be provided for the lunch meal). A continental breakfast does not constitute a meal. Travelers should inform the Travel Coordinator of any special dietary requirement at the time reservations are made, and travelers should remind the flight attendant of the special request.
- C. Meal reimbursement will be for the actual amount up to the maximum allowed by Sacramento County based on the location of the travel. The employee must report on the SETA travel claims the actual amount expended for each meal for each day whether or not it exceeds the maximum reimbursement. Because of new Internal Revenue Services (IRS) requirements, employees should keep a record of these expenses for Federal Income Tax purposes. The record should include:

- The name and location of the establishment where the meal/event took place.

TRAVEL POLICIES AND PROCEDURES

- Exact amount and date of the expense.
- Specific business discussed.

Transportation

Normally, travel will be by the most reasonable means available, taking into consideration requirements for reimbursement for meals and lodging and employee time devoted to travel at the expense of performance of other duties.

When a private vehicle is used, it is required that the vehicle have appropriate insurance coverage and the driver have a valid driver's license.

A. Air Travel

1. The SETA Travel Coordinator will arrange for reservations and tickets for approved travel requests authorizing air transportation. The lowest available fare will be used for air travel unless otherwise specifically authorized by the approving authority. Reservations should be refundable whenever possible in the event the trip is changed or canceled. Many airlines offer reduced rates, but are nonrefundable, these may not be the best options for reservations due to the fact trips are subject to change due to various business reasons. As a general rule, employees will be expected to accept flights departing within two (2) hours of the desired departure time. Such a window may not be suitable for all situations.
2. The Travel Coordinator must carefully monitor flights with cancellation fees. If cancellation occurs due to a SETA-related change, SETA will cover the penalty cost. If, however, cancellation occurs due to a traveler's personal request, the traveler will be required to pay any cancellation fees. An exception may be made for cancellations related to a family death (for which the airlines may not impose penalties) or an illness, approved by the Fiscal Chief.
3. If an employee wishes to drive his/her personal vehicle in lieu of air travel and possibly a rental car, reimbursement will be authorized only up to the amount of the least expensive alternative. The request for reimbursement **must include a printed copy of the quoted airfare as justification for the cost of air travel** and the cost of the employee's mileage and attest to the least expensive alternative.

B. Train Travel

In some instances train travel may be a viable alternative to air travel or car travel. An example would be AMTRAK to San Francisco, in lieu of a car and paying for parking. The Agency should evaluate the cost and time involved, prior to approval. In most instances it would be expected that the traveler would incur additional taxi fares at his/her destination. This cost should be included in the analysis. In addition, the time involved with the trip must be considered as a factor. A two-hour train trip to San Francisco is reasonable, but a twelve-hour trip to San Diego would not be reasonable, unless the traveler is taking vacation time in route.

C. Car Rental

1. Employees on out-of-town trips should use public conveyances (taxis, airports, shuttles, buses, etc.) whenever such uses appear to be more economical than a rental car. Generally, a rental car should not be requested unless:
 - a. Multiple business meetings that require travel between points make use of public conveyance impractical.
 - b. Three or more SETA employees are attending the same meetings and one rental car for the group would be more economical, or
 - c. If it is less expensive to rent a car overall.
2. Auto sizes per number of people: one or two people, compact or subcompact; three or four people, mid-size permitted.
3. When traveling domestically the traveler shall waive all addition insurance offered when renting a car. However, there might be situations where additional insurance is needed, for example in inclement weather such as snow or ice. Such additional insurance should be authorized by the Fiscal Chief or designee.
4. The traveler should fill the gas tank before returning the car to avoid fuel surcharges. Fuel expenses will be reimbursed based upon the receipts provided. Exceptions to the use of self-service fueling will not be allowed unless the employee can demonstrate and justify the reasons for not using available self-service fuel dispensing facilities.
5. Where extended personal travel is involved, rental car expenses must be prorated to allow reimbursement for only those costs associated with SETA business.
6. When using a rental car and the mileage method is not used; actual purchase of fuel is acceptable with a receipt.

D. Travel by Private Vehicle

SETA reimburses employees for the use of their personal vehicle when used to conduct agency business as assigned. It is a requirement of SETA that employees who use their own vehicles to conduct business on the Agency's behalf maintain adequate vehicle liability insurance. The IRS standard mileage rate is used to calculate the cost of operating a vehicle for business purposes. Parking fees and tolls paid while conducting Agency business can also be claimed with receipts.

Authorized travel out of the county, including travel to the airport, will normally be reimbursed at the approved IRS rate. However, when air travel is the most appropriate and economical means of transportation, reimbursement will be in an amount equal to air coach fare unless the traveler clearly demonstrates to the satisfaction of the Department Chief in advance that travel by other means is more

TRAVEL POLICIES AND PROCEDURES

advantageous to SETA. Travel may begin/end from employee's residence when travel occurs outside normal working hours. Refer to the SETA Mileage Reimbursement Procedures.

E. Accident Reporting

Reporting of vehicle accidents by SETA employees driving a SETA-owned vehicle or their own vehicle on SETA business is required; it must be prompt, accurate, and complete. Proper and timely reporting is mandatory because personal and SETA liability are involved.

General instructions in case of accidents are:

- Be calm.
- Be courteous.
- Call the Police.
- Notify your supervisor immediately.
- Do not engage in any conversation or controversy at the scene of the accident regarding damage or loss.
- Do not admit fault or discuss the accident with anyone except the police or the employee's supervisor.

Reimbursable Expenses with Receipts

While traveling on official SETA business, the following expenses are reimbursable at actual cost **upon presentation of original receipts:**

- A. Necessary taxicabs, Uber or Lyft services, and airport transportation.
- B. Conference registration fees and associates tapes, reports, etc. which can be shown to be of value to the participant in his/he work for SETA.
- C. Parking fees greater than the nominal amount of \$10.00 per travel day.
- D. Other justifiable expenses will be approved based on a review of special circumstances.

Reimbursable Expenses without Receipts

While traveling on official Agency business, the following expenses are reimbursable at **actual cost, without receipts:**

- A. Metered parking and parking in unattended lots (less than the nominal amount of \$10.00 per travel day).
- B. Bay Area Rapid Transit (BART) fares (fee schedule must be attached to final travel reimbursement request).
- C. Bus fares and bridge tolls.

Additional Allowances

- A. When included on the final travel claim, five dollars (\$5) per each night's stay will be allowed, without receipts, to cover baggage handling, and incidental expenses.
- B. While traveling on official SETA business, the following expenses are reimbursable at actual cost on presentation of original receipts:
 - 1. Personal cellular and FAX charges in connection with SETA business; hotel phone usage is strongly discouraged due to high cost;
 - 2. During extended travel (five [5] days or more), personal phone calls will be reimbursed on the following basis:
 - a. One (1) call per day, not to exceed three (3) minutes in length.
 - b. Request for reimbursement of longer or more frequent calls must be accompanied with a letter of explanation and will be considered on a case-by-case basis.
 - 3. Other justifiable expenses will be approved based on a review of special circumstances.
- C. Child care fees for Head Start parents on official Agency travel will be paid at the rate based on the approved Policy Council policy.
- D. Non-reimbursable Expenses.
 - 1. Personal Toiletries and personal care expenses
 - 2. Traffic fines or parking violations
 - 3. Hotel luxury upgrades
 - 4. Expenses associates with a non-employee who accompanies the employee on official business
 - 5. Alcoholic beverages

TRAVEL POLICIES AND PROCEDURES

Procedures

- A. Employees should consult with the Travel Coordinator. The coordinator is responsible for making travel arrangements and can guide the employee with the filing and completion of request and claims for reimbursement.
- B. All travel request and claims for reimbursement must be dated and include the signature and approval of the Executive Director or the Fiscal Chief and the Department Chief or designee.
- C. Travel claims for reimbursement shall be submitted within five (5) days of returning from travel. If applicable, the seminar/training class evaluation form shall be attached to the final travel claim.
- D. Mileage claims for reimbursement shall be signed and submitted to the employee's supervisor, or approving official, within ten (10) days after the end of the month during which mileage has accrued (refer to the SETA Mileage Reimbursement Procedures).
- E. Travel and mileage claims not submitted within 60 days after the last day of travel will become taxable income to the employee.
- F. Outstanding cash advances shall be settled within seven (7) days of returning from travel. Advances unsettled for over sixty (60) days may be subject to payroll deduction.

Conference, Meeting and Training

The Agency will pay for events included in a conference, meeting or training registration fee. Where such events include optional activities at an additional cost, the Traveler must justify the business relationship of the activity to be reimbursed. Networking with other attendees is not a valid business relationship. Where an optional event is not business-related and includes a meal, the Traveler can be reimbursed up to the maximum meal reimbursement rate. An additional charge for cancellation due to a SETA related business need is reimbursable to the Traveler with the approval from the Fiscal Chief or designee.

Personal Travel

Under no circumstances will the SETA reimburse an employee for expenses incurred when the employee opts to extend his/her time at the destination for personal reasons. If on personal travel and the employee is required to return to the office, travel expenses related to the return trip are allowed upon approval from the Executive Director or designee.