

City of Erie

Policy and Procedures for Employee Travel



TRAVEL REIMBURSEMENT POLICY

It is the policy of the City of Erie to provide the opportunity for employees to enhance their job-related skills and capabilities by attending approved professional meetings, seminars, and conferences. It is also recognized that it is to the City of Erie's and employee's advantage to have the City Finance Department validate costs for such training and professional development, as well as for official business meetings that require employee attendance.

The purpose of this policy is to establish clear guidelines for staff to follow with regard to travel and expense reporting. The City of Erie will pay employee business travel expenses if they are reasonable, appropriately documented, and properly authorized. City of Erie travelers are expected to spend funds prudently and should neither gain nor lose personal funds as a result of their travel.

Employees and elected officials are expected to use sound judgment and fiscal responsibility in assessing the need for business, travel, and training expenses.

For any travel, training, seminar, conference, etc. that falls outside the normal scope of day-to-day duty for an employee, the employee is required to complete a Travel Authorization / Advance form in order to attend.

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A. Authorization for Travel and Training

An employee may incur expenses for pre-approved professional meetings, seminars, conferences, and training programs attended for the benefit of the City of Erie. When travel/training is anticipated a Travel Authorization / Advance form must be completed regardless of cost or location. The form must be completed by employee and approved by Department Director, Director of Finance, and Controller prior to incurring any travel-related expenses. A copy of the conference brochure or similar documentation indicating details of program or agenda must be attached along with a cost-breakdown sheet that includes information and total expenses required for lodging, transportation, meals, mileage, and registration, as well as any miscellaneous expenses to be incurred.

Approval should be requested far enough in advance so that payment can be made directly to the sponsoring organization as part of the City's regular payment cycle. Every effort should be made to receive the early registration discount or any other discounts allowed, if available.

For more information regarding travel, allowable expenses, and submission of expenses for reimbursement see the remaining portions of this Policy Guide.

B. Mode of Transportation

No specific mode of transportation is mandatory. However, employees are expected to use the most economical means available with reasonable consideration given to the time and distance involved.

1. Personal Vehicle

Employees may use their personal vehicle for business travel if the use of a City vehicle is not feasible. Employees using a personal vehicle for business purposes will be reimbursed based on round-trip miles traveled. Reimbursement will be at the allowable rate established by the IRS unless otherwise specified in a department or bargaining unit contract.

In determining the allowable mileage rate the IRS takes into account all automobile expenses such as fuel, depreciation, repair costs, insurance, etc. To receive reimbursement employees must submit documentation of total miles traveled, including origination, destination, business purpose, and number of miles per trip. The address of City Hall: 626 State Street, Erie, Pa 16501 should be used as the originating address for all mileage reimbursement requests. Mileage reimbursement will be reimbursed at an even dollar amount, rounded up to the nearest dollar based on the mileage calculation. The City will reimburse the driver for mileage by the most direct route. Personal vehicle mileage will only be reimbursed for travel of more than 30 miles roundtrip from City Hall with pre-approved Travel Authorization / Advance form.

When personal vehicles are used on City business, the employee must have adequate liability insurance coverage. The minimum prescribed liability insurance is as follows:

- \$100,000 for personal injury to, or death of, one person
- \$300,000 for injury to, or death of, two or more persons in one accident
- \$100,000 of property damage

An employee who uses a personal vehicle on City business is required to have, and provide upon request, satisfactory evidence of liability insurance coverage. Upon request, proof of such coverage must be provided to the Finance Department.

Should an accident occur, the driver should immediately contact:

- Local authorities, as required
- His/Her personal insurance company
- His/Her supervisor
- The Risk Management/Finance Department at 814-870-1283

2. Rental Vehicle

When more advantageous to the City, as compared to other means of transportation such as a taxi, a vehicle may be rented. Reservation for the rental vehicle will be made by the Purchasing Department for obtaining the best available rate, in accordance with the City's policy, commensurate with the requirements of the trip. Personal use of the rental vehicle is prohibited. Itemized fuel receipts must be retained and submitted in order to receive reimbursement.

Should an accident occur the driver should immediately contact:

- Local authorities, as required
- The rental company in accordance with rental agreement
- His/Her personal insurance company
- His/Her supervisor
- The Risk Management/Finance Department at 814-870-1283

3. Air Travel

When it is determined that ground travel is not a practical or cost-effective means of transportation, the employee may seek approval for travel via air. When scouting potential flights, every effort should be made to obtain the lowest priced fare. Approved flight reservations will be made by the Purchasing Department to obtain the lowest possible round-trip economy fare. The amount reimbursable for baggage is limited to one checked/carry-on bag fee per employee. Any upgrades, enhancements, or fees for additional baggage are personal expenditures and will not be paid by the City.

Travelers should also review the following topics, as applicable to their situation:

- Companion/Spouse/Family Travel Expenses
- Combining Personal and Business Travel
- Travel Extended to Save Costs

These topics are addressed in Section F - Special Travel Situations.

4. Official City Vehicle

When employee uses a City vehicle for travel in lieu of a personal vehicle, employee will be reimbursed for all fuel expenses, provided that receipts are kept and submitted to the Finance Department upon return. This applies to fuel expenses that are not charged directly to the City via credit card. Toll and parking expenses incurred while traveling in a City vehicle will also be reimbursed provided that receipts are retained and submitted upon return. Reasonable efforts should be made to avoid these charges if possible.

Only City employees are permitted to travel in City vehicles.

Should an accident occur the driver should immediately contact

- Local authorities, as required
- His/Her supervisor
- The Risk Management/Finance Department at 814-870-1283

5. Other Forms of Transportation

Transportation expenses in other forms (Taxi, Uber, Lyft) are allowable when determined to be necessary, and the date, time, origination, and destination are clearly documented. The volume of reimbursable trips shall be reasonable in nature. When available, the use of public transportation (e.g., bus, rail) or a hotel/airport shuttle is encouraged. Reimbursement for the reasonable cost of tips related to these forms of transportation is also allowed. Receipts must be retained and submitted upon return in order to receive reimbursement.

C. Lodging

Overnight Lodging Accommodations

Lodging expense is limited to the standard room rate for single occupancy for the minimum number of nights required to attend the function. Hotels connected to the conference hall or location and/or hotels reserved for a particular event are reasonably allowable if the rate exceeds the standard room rate for a single occupancy in a particular area. Lodging reservations will be made by the Purchasing Department upon approval of a Travel Authorization/Advance form. The employee should request the government or corporate rate where available. Itemized invoice(s)/receipt(s) must be retained by traveler wherever possible.

If multiple co-workers are authorized to travel and share accommodations, the hotel room size should be appropriate to the number of employees sharing lodging. Employees are not required to share lodging, but are encouraged to do so where and if appropriate. One employee, generally higher in the City’s organizational structure, should submit the entire lodging expense as part of their travel authorization request, making note of those employees covered by the lodging expense. An additional \$5.00 per night is granted to each employee for the purpose of covering incidental expenses (ex. tips given to hotel staff, baggage carriers), if overnight lodging expenses are incurred.

Stay(s) prior to or beyond that required for the function is the personal responsibility of the employee, see Section F. Special Travel Situations: Combining Business and Personal Travel. Any difference between the single occupancy standard room rate and actual room charges are also the personal responsibility of the employee.

D. Meals

Employee Meal Allowances

Daily Meal Allowance covers meals, including tips, during travel. The meal allowance is an advance against the IRS High-Low Per Diem Method using the “All other” location meal cost in effect at the time of travel. As of October 1, 2019, the rate in effect is \$55.00. This amount is updated annually by the IRS and will be provided to department heads when the amount changes. This does not include expenses for laundry and personal telephone calls which are the responsibility of the employee. An additional \$5.00 per night is given to cover incidental expenses related to overnight travel as outlined in section C.

The City will reimburse employees for meals only in accordance with the following schedule unless otherwise authorized:

<u>Traveling Any Part Of</u>	<u>Reimbursement</u>
12:01am – 6:00am	\$13.00
6:01am – 12:00pm	\$14.00
12:01pm – 6:00pm	\$14.00
6:01pm – 12:00am	\$14.00

Employees are not required to submit receipts for meals in which an allowance is approved. Receipts for meals will only be required for meals that are not pre-approved as part of the travel authorization process. These circumstances are outlined in subsequent paragraphs of this section.

For full-day travel, a Daily Meal Allowance of \$55.00 per full day will be advanced to the traveler. Any unused portion of the Daily Meal Allowance must be returned to the Treasurer’s Office by the employee upon return from travel.

For travel to meetings, conferences, and seminars, etc. where meals are provided to attendees, travelers will not be advanced allowances for those meals. In the event a traveler is unable or

unwilling to consume provided meals due to allergy, dietary restriction, etc., they may be reimbursed for an alternative meal, but must submit a receipt upon return in order to qualify for reimbursement. The cost of an alternative meal will be reimbursed up to the meal per diem restrictions indicated above.

Reimbursement for alcoholic beverages is strictly prohibited.

Reimbursement will not be provided for meals when approved travel occurs within Erie County limits.

E. Miscellaneous / Other expenses

1. Telephone Usage

As indicated in section D above, charges incurred for personal telephone calls are not reimbursable by the City of Erie, and are solely the responsibility of the employee. This includes, but is not limited to, charges incurred for personal text messaging or data usage incurred during travel.

2. Tolls and Parking

Expenses related to tolls and parking incurred during travel whether traveling in City, rental, or personal vehicle will be reimbursed only with a receipt or evidence of payment. Retain receipts in order to receive reimbursement.

3. Other Expenses

Any other necessary and reasonable expenses will be considered for reimbursement provided a receipt or evidence of payment accompanies the request for reimbursement.

- Meals provided for another individual shall be so noted including the individual's name, affiliation, City business being discussed, or reason the City is paying the additional cost.

Prohibited expenses include, but are not limited to, the following:

- Personal items, including personal grooming items
- Beverages and snacks, hotel mini-bar charges
- Gifts
- Golf outings, fitness events or other "recreational" activities
- Entertainment and recreational expenses, including hotel movies and health club activities
- Expenses for spouses, guests or family members
- Alcoholic beverages

Conference registration related special events such as banquets are only allowable for the City representative.

F. Special Travel Situations

1. Companion / Spouse / Family Travel Expenses

The City will not, under any circumstances, authorize or reimburse any expenses incurred as a result of a companion, spouse, or other family member accompanying an employee on properly authorized City travel.

2. Combining Business and Personal Travel

If an employee combines business with personal travel, only the business portion of the trip is reimbursable. This amount may not exceed the amount of reimbursable expenses which would have been incurred had the trip been strictly for business purposes.

If an indirect route is taken as a result of personal travel, the reimbursement of expenses shall be limited to the lesser of actual costs incurred or the charges that would have been incurred via a more direct route. In the case of airfare, the employee must document the lowest reasonable cost for round trip economy airfare to the business destination, as well as submitting actual expenses. The City will reimburse the employee for the lesser amount.

3. Travel Extended to Save Costs

Additional expenses associated with travel extended to save costs (e.g. a Saturday night stay for air travel) may be approved when the cost of airfare plus the additional expenses would be less than the cost of airfare had the traveler not extended the trip. These additional expenses include the additional cost of lodging, meals, and incidental expenses incurred in the vicinity of the business destination. If requested, the employee must provide documentation of the cost savings derived from extending the trip.

4. Ground Transportation in Lieu of Air Travel

An employee may use ground transportation for personal reasons even though air travel is the more economical and efficient mode of transportation. In this case the cost of meals, lodging, mileage, parking, tolls, etc. while in transit by ground transportation will be reimbursed as allowed by the parameters set forth in this policy. However, such costs shall not exceed the cost of airfare, based on the lowest available economy fare, plus costs to and from the airport terminal. The employee must provide documentation of potential airfare costs (on/near the days that air travel would have been utilized) before receiving reimbursement for the ground transportation.

If the employee's election to use ground transportation results in additional time away from work, the employee must use leave time for the additional absence from work. No specific mode of transportation is mandatory. However, employees are expected to use the most economical means available with reasonable consideration given to the time and distance involved.

G. Travel Authorization / Advance Form Process

1. Employee completes Travel Authorization/Advance Form.
 - A separate Travel Authorization/Advance Form must be completed for each individual requesting to attend.
2. Employee must attach all supporting documents for Travel Authorization/Advance Form.
 - Registration information and/or materials related to travel (brochures, e-mails, website, agenda, and any additional correspondence related to travel)
 - Detailed information on lodging and room rates
 - Completed breakdown sheet of expenses (mileage reimbursement should be calculated at an even dollar amount)
 - Miscellaneous expenses (tolls, parking, transportation, etc.)
 - Any other additional information regarding travel request
3. As of 1/1/20, employees have the ability to choose one of two methods of funding their travel expenditures.
 - Option 1 - Employees may take a cash advance for meals, tolls, fuel, incidentals, etc., and submit itemized receipts for all non-meal expenditures upon their return.
 - Option 2 - Employees may choose to pay for meals, tolls, fuel, etc. using a personal method of payment (credit/debit card or cash), and submit itemized receipts for all expenses incurred upon their return, including meal expenditures.
 - Note that all meal expenses incurred using this option must fall within the approved dollar thresholds. Employees will not be reimbursed for expenses that exceed the approved amount.
 - Both options require employees to obtain all necessary approvals prior to travel
 - Employees must select option 1 or option 2 on their Travel Authorization/Advance form prior to submitting for approval. If the method of reimbursement is not clearly chosen it will be considered incomplete and returned to the employee for correction.
4. Return completed form to Department Director for it to be approved and signed. Form will then be forwarded to Director of Finance and Controller for final approval prior to incurring any travel expenses.
 - Reimbursement will not be provided for any expenses incurred without obtaining proper authorization prior to the travel.
5. Approved form will be returned back to employee after Purchasing Department makes any necessary reservations for the employee to attend requested event and obtain cash advance. Direct payment for airfare, registration, lodging etc. can be made by check request or City credit card after approval. Advance money may be obtained from City Treasurer's office by the employee only no more than three (3) days prior to the employee departure date.

6. Bottom section of Travel Authorization/Advance Form should be completed within ten (10) days after return. Receipts for money spent on any miscellaneous expenses such as parking, tolls or any other expense deemed reasonable and necessary need to be attached to Travel Authorization/Advance Form. Be sure date, location, time, and cost for tolls, taxi fares, and parking charges are listed on the receipts. If receipts were not obtainable for these items, reimbursement will be made for reasonable costs when the date, location, time, and amount paid are noted. Itemized receipts are required for lodging, airfare, auto rental and taxi fare.
7. Any reimbursements received by the employee from a third party must be promptly remitted to the City by sending a check to the Finance Department.

H. Other

The Finance Department retains the authority to make decisions in the best interest of the City of Erie pertaining to situations not explicitly stated in this policy.