

M Management Committee

Business Item

Item:2009-177

Meeting date: May 13, 2009

ADVISORY INFORMATION

Date: May 7, 2009
Subject: Revision of Travel and Meeting Reimbursement Policy
District(s), Member(s): All
Policy/Legal Reference:
Staff Prepared/Presented: Mary Bogie, 651-602-1359
Division/Department: Regional Administration/Fiscal Services

Proposed Action

That the Metropolitan Council approve revision of the Travel and Meeting Reimbursement Policy as outlined to redefine local travel as required business travel that does not include an overnight stay.

Background

The Council reimburses employees for authorized travel and meeting expenses incurred while performing official Council business. Required documentation must be provided for each occurrence.

Rationale

Local travel used to be defined as travel within the seven county metropolitan area only. Any travel outside the metro area would require Out-of-Area Travel authorization by the Regional Administrator.

The revised policy re-defines local travel as any Council-related travel that does not require an overnight stay. Council staff are frequently required to attend meetings with local authorities and communities outside the metro area.

Funding

No Impact

Known Support / Opposition

None.



POLICY - Travel and Meeting Reimbursement

Section/Number:	3-3-2	Total Pages:	5
Dept. Responsible:	Finance	Effective Date:	To be Determined
Special Note:	Supersedes all previous policies covering travel.	Revision No.	1

I. Policy:

The Council will reimburse employees for authorized travel and meeting expenses incurred while performing official Council business. Required documentation must be provided for each occurrence.

Expenses will be reimbursed as follows for **Local travel**, defined as ~~travel within the seven-county metropolitan area.~~ any Council-related travel that does not require an overnight stay.

Use of Private Vehicle

Employees using private vehicles while performing Council duties are eligible for expense reimbursement only in the event the private vehicle being used is covered by vehicle insurance meeting the amounts required by state law. The Council assumes no liability for uninsured vehicles used in violation of this policy. Proof of insurance is subject to audit.

Insurance Deductible

Actual vehicle insurance deductibles incurred by an employee as a result of an accident during travel for Council activities may be reimbursed up to a maximum of \$250.

Mileage Allowance

Employees will be paid not more than the amount of the standard mileage allowance as determined by the Internal Revenue Service for use of their private vehicles in the performance of authorized Council business.

Travel Between Place of Residence and Office

The Council will not pay expenses for routine travel between an employee's place of residence and his/her primary work location. Employees authorized to travel to an alternate work location will be reimbursed for the mileage in excess of their usual daily mileage traveled between the employee's residence and primary work location, on a round trip basis.

Parking Expenses

- **Destinations other than Council offices:** The Council will reimburse employees for the actual cost of parking at destinations other than Council offices to which Council business requires them to travel.

- ~~At Mears Park:~~ The Council will reimburse employees for the actual cost of parking at Council offices when Council-related business requires them to ~~use~~ pay to park a vehicle which is additional to their normal commuting practice. Actual parking expenses are those expenditures paid on and for the date of travel. A receipt is required where issued.

Local Business Meals

Refer to the *Food and Refreshment Procedure*. Expenses for alcoholic beverages are not reimbursed under any circumstances.

Use of Council Vehicles

- The use of Council vehicles for personal use is prohibited.
- Employees using a Council vehicle for business reasons are required to have a valid driver's license.
- Use of a Council vehicle for commuting will only be allowed in specific situations and must be approved prior to use by the General Manager.
- Use of a Council vehicle for commuting must be reported to the Payroll Manager. If a Council vehicle is used for commuting a value of \$3.00 per day will be reported to the IRS as a taxable fringe benefit to the employee and will be reported on the employee's W-2, in accordance with the IRS' *Commuting Valuation Rule*. The specific situations in which the use of a Council vehicle for commuting is not prohibited by law are:
 - 1) In connection with work-related activities during hours when the employee is working outside of normal working hours.
 - 2) If the employee has been assigned the use of a vehicle for authorized business on an extended basis, and the employee's primary place of work is not the work station to which the employee is permanently assigned.
 - 3) If the employee has been assigned a vehicle for business away from the work station to which the employee is permanently assigned, and the number of miles traveled or the time needed to conduct the business will be minimized if the employee uses a Council vehicle to travel to the employee's residence before or after traveling to the place of business.

Expenses will be reimbursed for **Out-of Area Travel**, defined as ~~travel outside the seven-county metropolitan area.~~ any Council-related travel outside the seven-county metropolitan area that requires an overnight stay.

Authorization for Out-of-Area Travel:

All out-of-area travel must be approved prior to the actual travel date. The Council Chair authorizes out-of-area travel by Council members; the Regional Administrator approves out-of-area travel by all other employees and may further delegate the authority. All prior authorization for out-of-area travel must be documented on the *Out-of-Area Travel Expense Form* with supporting documentation, including cost information and schedules. Attach a photocopy of the conference, seminar, or other brochures as appropriate.

Use of Private Vehicle:

- **Vehicle insurance requirements** are identical to those required under Local Travel.

- **Mileage reimbursement:** Employees electing to use a private vehicle for out-of-area travel will be reimbursed for actual miles traveled at the standard mileage rate as determined by the IRS *or* the amount of the least expensive airfare available for the same destination, *whichever is less*. The least expensive airfare must be determined using documented weekend rates over a Saturday night with 14-day advance notice.

Subsistence Allowance

- Employees will be reimbursed on a per-diem basis for meals and incidental expenses in an amount not to exceed the federal per diem rates per individual city, including foreign cities, as listed in the current federal guidelines. The split for breakfast, lunch and dinner will be 22%, 28%, and 50%, respectively, of the total daily per diem.
- For determining reimbursement for partial days, the day will be divided into three eight-hour periods, the first commencing at 12:01 A.M. The allowance will be paid as indicated, with the first period earning the “breakfast” reimbursement, the second “lunch,” and the third “dinner.”
- The above per diem allowances include reimbursement for incidental expenses, including laundry and dry cleaning, and fees and tips for services (i.e., baggage handling expenses).
- Meals for which the Council pays directly, such as meals included in a conference registration fee or as part of airfare, will not be further reimbursed.
- When authorized out-of-area travel is made by private vehicle in lieu of air travel, the subsistence allowance shall be paid only for the period required if the trip had been made by air.
- Expenses for alcoholic beverages are not reimbursed under any circumstances.

Lodging Expenses

The Council will reimburse actual lodging expenses for authorized out-of-area travel, at single rates comparable to other facilities in the area. Government rates should be requested wherever available.

Common Carrier Expenses

- Air travel is the preferred means for most out-of-area travel. Travel by rail may be in first class and include lower berth or roomette.
- Travel must be booked at the most cost-effective rate available, e.g., coach class, ‘Super Saver,’ etc.
- Maximum reimbursement shall be for the lesser of the actual cost of the mode of transportation chosen *or* the least expensive airfare available.
- Airline travel credits or benefits from travel paid for by the Council are the property of the Council, and employees must remit transferable benefits or credits to the Council upon receipt. Examples of these benefits include: cash payments, discount coupons and free tickets to passengers on commercial air carriers who have been delayed or are rewarded for frequent trips with specific airlines. Airline travel benefit information is to be reported on the approved form.

Vehicle Rental Expenses

- All vehicle rentals require prior approval. Vehicles rented should be the least expensive available allowing for the number of people using the vehicle. Authorized travelers will be reimbursed for the actual cost of the approved vehicle rental, including daily rates, mileage and gasoline charges, where the vehicle rental is more economical and efficient than public transportation or a taxi.
- When renting a vehicle, the collision damage insurance should be waived.

Telephone Calls

Employees will be reimbursed for the actual cost of all documented business calls, including local calls to change travel plans or accommodations. Employees will also be reimbursed for the actual cost of documented personal calls, up to a maximum of \$2.00 per night away from home.

Registration Fees

The Council will pay registration fees for attendance by an employee at a *pre-approved* function, such as a conference, seminar or workshop.

Other Expenses - Reimbursed:

The Council will reimburse the actual cost for the following expenses paid while on authorized travel:

- Toll charges
- Bus fares
- Taxi/limousine fares (including tips)
- Parking

Other Expenses - Not Reimbursed

The following expenses will *NOT* be reimbursed:

- Spouse's/companion's expenses
- Flight insurance
- Entertainment
- Traffic violations
- Dependent care for employees' dependents
- Alcohol

II. Purpose of sub-policy:

This policy sets the guidelines for reimbursable expenses as they pertain to travel for official Metropolitan Council business.

III. Background and reasons for sub-policy:

In the course of performing Council work, employees are from time to time required to travel to locations other than Council offices incur costs related to carrying out their job duties. It is the Council's policy to reimburse such expenses according to the guidelines set forth above.

IV. Implementation/Accountability:

Employees are responsible for understanding and complying with this policy. For the purposes of this policy, an “employee” includes the Council Chair, Council members, Council employees, interns, temporary employees, members of affiliated bodies, and other officially authorized individuals.

Managers are responsible for understanding and complying with this policy and for applying it consistently throughout their jurisdictions. Managers are further accountable for reviewing all reimbursement requests to ensure they comply with this policy.

The Finance Office is responsible for reviewing all travel and meeting reimbursement requests and for promptly processing all such requests that comply with this policy.

Internal Audit is responsible for periodic audit of travel and meeting reimbursement records, including supporting documentation.