



ADMINISTRATIVE DIRECTIVE

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| <p>Title: Travel and Training Issuing Department: Finance Effective Date: July 26, 2021 Approved: Terry Rozema, Town Manager Type of Action: Revision</p> |
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1.0 PURPOSE

The purpose of this directive is to ensure that employee travel is consistent with the business objectives of the Town of Marana. It also ensures fair and equitable treatment of employees by defining procedures for authorized business travel and guidelines for expense reimbursement.

2.0 DEPARTMENTS AFFECTED

All Town of Marana departments and employees, and appointed officials

3.0 REFERENCES

- 3.1 IRS Publication 15, (Circular E), Employer's Tax Guide
- 3.2 IRS Business Mileage Rates
- 3.3 U.S. General Services Administration (GSA), Travel and Relocation Policy
- 3.4 Town of Marana Personnel Policies and Procedures, Policy 6-3: Town-Sponsored and Required Training
- 3.5 Town of Marana Administrative Directive: Business Meal and Food Related Function Expenses

4.0 DEFINITIONS

- 4.1 Business purpose: Activities that contribute to any one of the Town's major objectives and will benefit employees' ability to be more productive. The purpose must be for the public's benefit and related to the department's or Town's business activities.
- 4.2 Commuting expense: An expense for travel between a personal residence and a regular duty post.
- 4.3 Duty post: The place where an employee spends the largest portion of the regular workday or working time.

- 4.4 Employee: Any full- or part-time classified or unclassified Town of Marana employee hired for an indefinite period in a budgeted position.
- 4.5 Incidental expenses: (1) Fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses; and (2) transportation between places of lodging or business and places where meals are taken, if suitable meals cannot be obtained at the lodging.
- 4.6 Lodging: Actual room charges, mandatory service charges and taxes for overnight sleeping facilities. Does not include accommodations on airplanes, trains, buses, or ships, which are included in the cost of transportation.
- 4.7 Long-term travel: travel anticipated to last more than 30 days.
- 4.8 Per diem: The allowance for meals and incidental expenses. The per diem rate is established by the Town Manager as part of the annual budget process. The rate shall not exceed the rates established by the General Services Administration (GSA).
- 4.9 Reporting period: The 10-day period within which a Travel Reconciliation Form must be submitted after the end of a trip.
- 4.10 Residence: The primary residence where the traveler lives, regardless of other legal or mailing addresses.
- 4.11 Transportation expenses: Expenses for means of conveyance or travel from one place to another (e.g., airplane, automobile, taxi, airport shuttle service).
- 4.12 Travel: For purposes of determining travel status, the traveler must be on official town business and must travel away from his or her duty post longer than 12 hours and outside a radius of 50 miles from the traveler's personal residence and duty post. Travel begins when the traveler leaves the personal residence or duty post, whichever occurs last, and ends when the traveler returns to the personal residence or duty post, whichever occurs first. All travel outside of the United States is considered travel for the purposes of this administrative directive.
- 4.13 Traveler: An employee traveling for a Town of Marana business purpose.
- 4.14 Travel expenses: Expenses that are ordinary and necessary to accomplish the official business purpose of a trip, such as registration, transportation, lodging and business expenses directly related to travel.

5.0 POLICIES AND PROCEDURES

5.1 General guidelines.

- 5.1.1 A critical balance between the Town's need for cost effectiveness and the employee's need for quality services and support must be sought when requesting travel. Travel is warranted when personal contact is the most effective method of conducting official Town business or training as determined by the departmental approval authority. To maximize the effectiveness of Town resources allocated to travel activities, employee travel should be via the best cost alternative, consistent with good business practices. Neither luxury, nor sub-standard modes of transportation and accommodations should be used.

- 5.1.2 Departments should send the fewest number of employees required and use cross-training to reduce travel expenses. Additionally, consideration should be made for other alternatives for conducting business, such as conference calls or web conferences.
- 5.1.3 Employee travel, and the expenses associated with it, will be authorized only in circumstances which are clearly consistent with the mission of the Town. It will be the responsibility of each department head and manager to ensure that all employee travel meets this objective and that reimbursement be made only for actual, reasonable business expenses in connection with authorized travel as defined in this directive. In order to maintain control over expenditures, any expense submitted which does not comply with the guidelines of this directive will not be reimbursed, unless accompanied by a written approval from Town management.
- 5.1.4 Travel is conducted and reimbursed according to Town policy regardless of the funding source of the travel expense.
- 5.1.5 In general, air travel will be authorized for out-of-state travel and ground travel will be authorized for in-state travel.
- 5.1.6 When a traveler can reasonably and safely arrive at the destination one hour before the scheduled event begins, he/she should depart on the same day rather than leaving one day earlier. When a traveler can reasonably and safely return home from a trip by 8:00 p.m., an additional night of lodging should be avoided. Exceptions may be approved by the department's approval authority.
- 5.1.7 With the exception of travel outside of the United States, attendance at a conference, meeting, training session or similar event that does not take the traveler away from his or her duty post longer than 12 hours and outside a radius of 50 miles from the traveler's personal residence and duty post is not considered "travel" for purposes of this directive. As such, a Travel Authorization Form and a Travel Reconciliation Form are not required for any expenses. A check request can be utilized for any necessary vendor payments. However, attendance at the conference, meeting, training session, etc., must still be for a business purpose and in compliance with all Town policies regarding the expenditure of Town funds.
- 5.1.8 To be eligible for lodging and per diem/meal expense reimbursement, travel must take the traveler away from his or her duty post longer than 12 hours and outside a radius of 50 miles from the traveler's personal residence and duty post.
 - 5.1.8.1. Notwithstanding section 5.1.8 above, lodging may be allowed in extenuating circumstances where:
 - 5.1.8.1.1 The employee is required to serve in an official capacity at an event which starts significantly before or ends significantly past regular business hours.
 - 5.1.8.1.2 There is adequate budget capacity to support the cost.

5.1.8.1.3 The lodging request is approved by the Town Manager or by Council authorization.

5.2 Travel authorization and approval. All travel must be requested in advance using the official Town Travel Authorization Form (TAF), (Attachment A). In-state travel requires the approval of the employee's immediate supervisor, department head and the Finance Director. Out-of-state travel not specifically budgeted or travel which would cause the department's original, adopted travel budget to be exceeded also requires the approval of the Town Manager in addition to the supervisor, department head and Finance Director.

5.2.1 Notwithstanding section 5.2 above, Town Manager approval is not required for expenditures of the Marana Municipal Court.

5.3 Incurring travel expenses. Subsequent to approval, travel arrangements, including airfare, rental car, lodging and planning of meetings can be coordinated through the appropriate departmental support staff. The Town will use appropriate online travel sites to facilitate the procurement of travel.

5.4 Payment of travel expenses. Travel expenses for authorized travel may be paid by the employee and reimbursed pursuant to the terms of this directive, paid by a Town credit card, paid directly to the vendor with a check request, or the employee may request a travel advance.

5.4.1 Requests for travel advances must be received by Finance at least two weeks prior to date of departure. When advance requests are not received two weeks prior to travel, travelers will be reimbursed upon return and completion of the Travel Reconciliation Form.

5.5 Air travel. Air travel will be via the safest, most direct, and economical means.

5.5.1 Use of "Non-Refundable" fares is recommended, as well as the lowest available coach, economy, or discount. These fares are often considerably less expensive than refundable unrestricted fares. In most cases, if the travel must change or the trip is canceled altogether, the funds can be used as a credit toward future travel, less a service charge imposed by the airline.

5.5.2 Employees may either drive and park their personal vehicle at the airport or take a taxi or shuttle to and from the airport. Regardless of the method chosen, the Town will reimburse the employee for whichever method is less expensive. If the traveler is dropped off or picked up using a personal vehicle, parking and mileage is not reimbursable.

5.5.3 Reasonable fees such as baggage fees, taxes, and other necessary fees will be reimbursed. Discretionary fees such as early boarding passes or optional upgrades will not be reimbursed (see section 5.13 below).

5.5.4 Employees choosing to use personal modes of travel between cities serviced by regularly scheduled airlines will be reimbursed based on least expensive airfare or actual expenses, whichever is less.

5.6 Auto rental. If the employee travels out-of-state via air travel, the employee may be authorized to obtain a rental car. If the employee's lodging is more than five miles from the training/conference site, car rental may be the most cost effective. Otherwise, taxi, airport, or hotel shuttle service may be a more cost effective option. An auto rental must be

used only in reasonable and economical situations. An employee can request either compact or intermediate size cars. Rentals for other types of cars are not permitted except with Town Manager approval.

- 5.6.1 Wherever possible, the employee must refill gasoline prior to returning rental car for drop off.
- 5.6.2 Any personal portion of the cost of a rental car must be subtracted from the total rental bill before requesting reimbursement. The personal portion is calculated by prorating the cost of the rental over the number of days for personal use and number of days for business use.
- 5.6.3 No reimbursement is allowed for vehicle liability insurance, collision damage waiver, or optional upgrades purchased by the traveler. The Town's insurance program includes the same coverage for rental cars as cars owned by the Town. If the employee accepts extra insurance cost for a domestic car rental in order to be covered during the personal portion of the trip, the entire cost of the insurance coverage for the entire rental period will be a personal expense and not reimbursable.
- 5.7 Shuttle/taxi. If the employee travels out-of-state via air travel, then taxi, shuttle, or other means of transportation may be reimbursed if it is the most reasonable and economical means for the traveler.
- 5.8 Ground travel. When travel is required within the state, every effort shall be made to use a Town-provided vehicle. If a Town vehicle is not available, the reimbursement rate will be at the prevailing IRS mileage allowance rate upon submission of the Mileage Reimbursement Log (MRL) (Attachment B). If an employee uses a personal vehicle when a Town vehicle is available, the reimbursement rate will be at the prevailing GSA Privately Owned Vehicle (POV) mileage reimbursement rate.
 - 5.8.1 An employee is only authorized to use his or her personal vehicle if the employee holds both a valid driver's license and a current comprehensive auto insurance policy, including liability. If not, the employee is not authorized to use his or her personal vehicle in travel for the Town.
 - 5.8.2 When multiple employees are required to travel to the same event (e.g., a conference), a reasonable effort should be made to carpool or otherwise consolidate the number of vehicles used in order to conserve gasoline and the associated expenditure.
 - 5.8.3 An employee who receives a monthly stipend for mileage reimbursement shall not be entitled to receive additional mileage reimbursement for travel of one day's duration or less, unless such travel exceeds 25 miles beyond Pima County.
 - 5.8.4 In order to receive reimbursement for mileage and/or parking fees, the employee must complete a Mileage Reimbursement Log (Attachment B) specifying purpose of trip, start and finish odometer reading, reduction of commute miles, point of origin, destination and time of trip. Mileage in excess of commute miles at an amount established by the IRS will be reimbursed for Town business.
 - 5.8.5 The employee assumes the responsibility for all parking and traffic citations or fines.
- 5.9 Lodging. The Town will pay the actual costs of overnight lodging at the government rate (i.e., GSA lodging rate), "conference block" rate, or the most economical rate available. These rates should be requested when making hotel reservations. The employee is

responsible for confirming that the rate being charged is also the rate listed on the travel itinerary. Any discrepancies should be reported immediately and resolved prior to travel.

- 5.9.1 Hotels normally hold a confirmed room, with a confirmation number, without prior financial commitment until approximately 6:00 p.m. on the check-in date (local destination time). In order to hold a confirmed reservation beyond that hour, the hotel will generally require an advance deposit (normally prepayment for one night) or a guarantee by the traveler's credit card. After a deposit is submitted or a guarantee is made, the employee is responsible for notifying the hotel of cancellation. The employee will not be reimbursed for the deposit or guarantee penalty if he/she fails to make a cancellation notification unless there is extreme extenuating circumstances beyond the control of the employee (for example, a canceled flight). Such circumstances must be documented on the Travel Reconciliation Form, with the documented confirmation number.
 - 5.9.2 Some hotels hosting large conferences may require a prepayment irrespective of the guest's arrival time. Such prepayments should generally be charged to the Town. If the prepayment is required in excess of ten days before the conference, the prepayment can be made directly by the Town to the hotel through submission to Accounts Payable on a Check Request form.
 - 5.9.3 Meals and incidentals on lodging receipts must be itemized separately. Discretionary expenses, such as expenses for in-room stocked mini-bar or in-room movies will not be reimbursed (see section 5.13 below).
 - 5.9.4 The Town reimburses employees for the single occupancy cost of a standard room.
 - 5.9.5 When traveling to a conference, it is appropriate to stay at the hotel hosting the conference, assuming that the daily rate is not unreasonably expensive relative to other alternatives.
- 5.10 Meal Reimbursement. The Town will reimburse meals up to the per diem rate.
- 5.10.1 On the days of travel to or from the destination, reimbursements should be adjusted for the employee's departure and return times to exclude any meals not incurred during the time of travel using the schedule below.

| Departure Time | Return Time | Eligible Meal |
|-------------------|------------------|---------------|
| Before 7:00 a.m. | After 10:00 a.m. | Breakfast |
| Before 12:00 p.m. | After 1:00 p.m. | Lunch |
| Before 4:00 p.m. | After 6:00 p.m. | Dinner |

5.10.2 The traveler may receive meal reimbursement by one of the following methods:

- 5.10.2.1. Per Diem. The employee may choose to receive per diem. Receipts are not required if the per diem method of meal reimbursement is chosen. The rate of per diem is determined by the U.S. General Services Administration (GSA) rates for the travel location. Please use the following website to determine the appropriate rate: <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

- 5.10.2.2. Actual Expenses. The employee may choose to be reimbursed for actual expenses up to the per diem rate. Detailed receipts are required when the actual expenses method of meal reimbursement is chosen.
- 5.10.3 If a Town credit card is used for meals, itemized receipts are required and payment is limited to the amount actually spent for a meal, not to exceed the maximum per diem rate. Actual itemized receipts are required for all meal expenses paid for by a Town credit card.
- 5.10.4 The Town's meal and incidental reimbursement will be reduced to account for meals furnished at no cost or nominal cost to the employee. If meals are provided in the cost of a conference or event, including continental breakfasts, those meals shall be deducted from the reimbursement request.
- 5.10.5 Meal tickets or other conference-sponsored meals (banquet, etc.) not included in the conference fee, which exceed the per diem rate, may be paid at the actual cost with department head approval, if accompanied by a receipt or other verification of cost. Costs of such meals should not be extravagant.
- 5.10.6 Travelers with special dietary needs due to a medical condition or other food restriction shall request a reasonable meal accommodation at the conference or event site. Should the conference or event site be unable to make the reasonable meal accommodation, the employee is eligible to receive reimbursement up to the per diem rate.
- 5.11 Reconciliation/reimbursement procedures. Within ten days of returning from travel, the employee must complete a Travel Reconciliation Form and attach the required receipts and documentation. The Travel Reconciliation Form must be certified by the employee and signed by the department head and the Finance department. The following documentation must be included with the Travel Reconciliation Form:
- 5.11.1 A receipt, invoice, or brochure providing the registration amount and information for registration amounts paid.
- 5.11.2 Itemized receipts for lodging expenses.
- 5.11.3 Itemized receipts for airfare.
- 5.11.4 Itemized receipts should be provided for taxi, shuttle, baggage fees, or any other business expense that is authorized in this policy.
- 5.12 Lost receipts. If a lodging or other required receipt is not issued or is lost, a Lost Receipt Affidavit (Attachment D) will be sufficient documentation of the actual cost. The Town expects that a good faith effort will be made by an employee to collect and retain all required receipts. The employee should avoid using a Lost Receipt Affidavit unless absolutely necessary. Receipts are always the preferred form of documentation.
- 5.13 Non-reimbursable expenses. The following expenses are not reimbursable under this directive. This list is not intended to be a complete list of unallowable items; travelers are expected to exercise good judgment:
- 5.13.1 Alcohol
- 5.13.2 Car rental insurance purchased for domestic travel

- 5.13.3 Child care
- 5.13.4 Commuting expenses
- 5.13.5 Corporate card delinquency fees or finance charges
- 5.13.6 Dues in private clubs
- 5.13.7 Early boarding passes or similar for air travel
- 5.13.8 Frequent flier and other similar awards for hotel and car rentals
- 5.13.9 Gym and recreational fees, including massages and saunas
- 5.13.10 In-room movies
- 5.13.11 In-room stocked mini-bar items
- 5.13.12 Insurance costs such as life insurance, flight insurance, personal automobile insurance and baggage insurance
- 5.13.13 Laundry or valet service for travel of fewer than five days
- 5.13.14 Lost baggage
- 5.13.15 Loss or theft of cash advance money, airline tickets, personal funds or property
- 5.13.16 "No-show" charges for hotel and car service, unless extreme extenuating circumstances are documented
- 5.13.17 Optional upgrades (air, hotel, car, etc.)
- 5.13.18 Parking tickets or traffic violations
- 5.13.19 Personal automobile repairs
- 5.13.20 Personal banking fees
- 5.13.21 Personal credit card fees
- 5.13.22 Personal entertainment
- 5.13.23 Personal grooming services, such as barbers, hairdressers and shoe shines
- 5.13.24 Personal telephone charges in excess of reasonable calls home, generally one per day
- 5.13.25 Pet care
- 5.14 One-day travel. In general, trips within Pima County do not qualify for reimbursement for an overnight stay. The Town, following IRS regulations, does not allow travel meal expense without an overnight stay. However, a bona fide business meal may be reimbursed, pursuant to the provisions of the Business Meals and Food-Related Function Expenses Administrative Directive.
- 5.15 Miscellaneous expenses. Certain miscellaneous expenses essential to the purpose of authorized travel may be reimbursed. Miscellaneous expenses include: registration (if not prepaid), costs of presentations, published proceedings, and other actual expenses in connection with professional meetings, conferences and seminars.
- 5.16 Combining town and personal travel. The Town does not pay travel expenses that are not required for official Town business. The focus of the travel should be on the business

training. An employee combining personal travel before or after a conference or business trip is responsible for the total cost of the personal travel. Personal travel expenses will not be reimbursed, nor can it be reflected in any Town business expenses. The Town will reimburse travel expenses at the lowest cost that should have been incurred for the business purpose.

- 5.16.1 Expenses of a spouse, family member, or others accompanying the business traveler are not reimbursable and are not to be charged on the Town credit card.
- 5.17 Indirect routes. If the employee takes an indirect route or interrupts a direct route for other than Town business, reimbursement for air fare will be at either the actual charge or the charge that would have been incurred by traveling the direct route by the most economical means, whichever is less.
- 5.18 Long-term travel. In special situations, the conduct of Town business occasionally requires an employee to remain in travel status for extended periods of time in one location. In these situations, the following guidelines will apply:
 - 5.18.1 For a period of time, not to exceed the first seven days of travel, employees may be reimbursed using the regular lodging and reimbursement rates, while they are arranging for long-term accommodations. Per diem will be provided during this period.
 - 5.18.2 Actual lodging expenses, including all related costs such as rent and utilities, up to the limits contained in the GSA rate tables may be reimbursed.
 - 5.18.3 The employee shall be provided a Town owned cell phone or provided a stipend for telecommunication charges in accordance with the Mobile Communication Equipment Administrative Directive to conduct Town business.
 - 5.18.4 Ground transportation will be reimbursed using the most economical method to be determined prior to departure. Many factors will need to be discussed with the department head to determine if the employee will utilize a Town owned vehicle, rental, or another method of air/ground travel.
 - 5.18.5 Receipts are required for all charges in which reimbursement is requested.
- 5.19 Unauthorized travel expenses. The employee will be required to reimburse the Town for unauthorized travel expenses. The Finance Department will make every effort to establish a repayment schedule that meets the Finance Department's responsibility to recoup public funds in a timely manner and incorporates consideration for the employee's ability to repay. Repayment shall be made by cash or personal check. Should the employee fail to make any required repayments, Finance may deduct the amount of repayment by payroll deduction when all other means have been exhausted.

6.0 RESPONSIBILITIES

6.1 Department head responsibilities.

- 6.1.1 Know the provisions of this directive and inform departmental staff of the Town policy and procedures.
- 6.1.2 Determine if travel is necessary to achieve individual, department and Town goals.
- 6.1.3 Travel approval shall be completed within the departmental budget approved by

Council.

6.1.4 Approve expenses in accordance with this directive.

6.2 Employee responsibilities.

6.2.1 All employees are responsible for understanding and following this directive.

6.2.2 Employees shall be personally financially responsible for unauthorized travel expenses.

6.2.3 Requests must be submitted at least two weeks before the intended departure date.

6.2.4 Travelers should spend Town funds prudently. Business travel expenses will be paid by the Town only if they are reasonable, necessary and in accordance with this directive.

6.2.5 Approval must be granted prior to incurring any costs related to travel.

6.2.6 The employee requesting travel should notify support staff as early as possible of necessary travel arrangements. Travel plans made 7 to 14 days or more in advance of a trip will, in most cases, cost considerably less.

6.2.7 The lowest fare itinerary shall be used that meets the travel demands of the event.

6.2.8 The employee is expected to only incur expenses that are consistent with the business purpose of the trip, and to exercise care in determining appropriate expenditures.

6.2.9 The employee is responsible for submitting the Travel Reconciliation Form and all forms related to his/her travel within ten business days of the conclusion of the travel. The employee may delegate responsibility for preparation of the forms, but will always retain accountability for travel expenses.

6.2.10 Individuals preparing Travel Reconciliation Forms have the responsibility for applying the correct account to each receipt to ensure compliance with Town requirements.

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6.3 Finance Department responsibilities

6.3.1 The Finance Department is responsible for the overall financial management of the Town's budget and may request information required to support the purposes of this directive.

7.0 ATTACHMENTS

7.1 Attachment A - Travel Authorization Form (TAF)

7.2 Attachment B - Mileage Reimbursement Log (MRL)

7.3 Attachment C – Travel Reconciliation Form

7.4 Attachment D – Lost Receipt Affidavit

REVISION HISTORY

| <i>REV</i> | <i>DESCRIPTION OF CHANGE</i> | <i>DATE</i> |
|------------|--|---------------------------------------|
| OR | Original Release – Employees | 7/1/15 |
| REV | Revision | 9/1/15 |
| OR | Original Release – Elected and appointed officials | 10/20/15 (Resolution No. 2015-111) |
| REV | Revision – Employees and elected and appointed officials | 6/19/18 Resolution No. 2018-064) |
| REV | Revision – Employees and removal of elected and appointed officials | 7/1/2021 |
| REV | Revision – Remove requirement for Town Manager to approve out of state travel for employees in their initial evaluation period | 7/26/2021 |

Caution: A copy of this Administrative Directive is an uncontrolled document. It is your responsibility to ensure you are using the current version. The electronic version is the only acceptable and controlled Administrative Directive.