

CITY OF SEASIDE
Expense and Use of Public Resources
Policy Statement

I. Findings

Whereas, the City of Seaside takes its stewardship over the use of its limited public resources seriously.

Whereas, public resources should only be used when there is a substantial benefit to the City.

Whereas, such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the City;
3. Attending educational seminars designed to improve officials' skill and information levels; and,
4. Promoting public service and morale by recognizing such service.

Whereas, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the City's policy concerns; and 3) daily meal expenditures must comply with the limits and reporting requirements of local, state and federal law.

Whereas, this policy provides guidance to elected and appointed officials that are members of the various legislative bodies of the City on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured.

Whereas, this policy satisfies the requirements of Government Code Sections 53232.2 and 53232.3.

Whereas, this policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.

Whereas, this policy also applies to any charges made to a City of Seaside purchasing card, cash advances or other line of credit.

Whereas, this policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

II. Authorized Expenses

City funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized City 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:

1. Communicating with representatives of regional, state and national government on City-adopted policy positions;
2. Attending educational seminars designed to improve officials' skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the City's interests;
4. Recognizing service to the City, e.g. a gift or celebration of a nominal value;
5. Attending City events;
6. City-related charitable events of a nominal value;
7. Implementing a City-approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member.
8. Meals for persons with whom the official is conducting City-related business, not to exceed the daily maximum as set forth in §III (G) per person, and not including expenses for alcohol.

All other expenditures, including international and out-of-state travel and expenses in excess of the annual limits established for each office holder, require prior approval by the City Council at a public meeting.

Examples of personal expenses that the City will not reimburse include, but are not limited to:

1. The personal portion of any trip (including personal clothing);
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on agency-related business, as well as children or pet-related expenses;
4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other non-city related cultural events;

5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline, car washes; and
6. Personal losses incurred while on City business.

Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

III. Cost Control

To conserve City resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the City will be limited to the costs that fall within the guidelines, unless prior approval from the City Council is obtained at a public meeting.

A. Transportation. The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Government and group rates must be used when available.

B. Airfare. Airfares that are equal or less than those available through the Enhanced Local Government Airfare Program offered through the League of California Cities (www.cacities.org/travel), the California State Association of Counties (<http://www.csac.counties.org/default.asp?id=635>) and the State of California are presumed to be the most economical and reasonable for purposes of reimbursement under this policy.

C. Automobile. To ensure the most economical mode of transportation is used, a City vehicle should be used when available. If it is not feasible to use a City vehicle, automobile mileage is reimbursed at Internal Revenue Service rates presently in effect (*see* www.irs.gov). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. The Internal Revenue Service rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed.

D. Car Rental. Rental rates that are equal or less than those available through the State of California's website (<http://www.catravelmart.com/default.htm>) shall be considered the most economical and reasonable for purposes of reimbursement under this policy.

E. Taxis/Shuttles. Taxis or shuttles fares may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time-efficiency.

F. Lodging.

Lodging expenses at the single room rate will be reimbursed or paid for when travel on official City business reasonably requires an overnight stay.

1) **Conferences/Meetings.** If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.

2) **Other Lodging.**

Travelers must request government rates, when available. A listing of hotels offering government rates in different areas is available at <http://www.catravelsmart.com/lodguideframes.htm>. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.

In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the Internal Revenue Service per diem rates for a given area are presumed reasonable and hence reimbursable. If lodging rates exceed the IRS per diem rates, prior approval of the City Manager must be obtained.

G. Meals/Incidentals

Meal expenses and associated gratuities (up to 15%) will be reimbursed at actual cost, not to exceed (amounts listed include gratuity)

Breakfast	\$12.00
Lunch	\$18.00
Dinner	\$36.00

The City will not pay for alcohol/personal bar expenses.

Meals and incidental expenses on travel days will be reimbursed according to the following:

- Breakfast if leave worksite/home before 6AM
- Lunch if leave worksite/home before 10 AM (day of departure) or return to worksite/home after 2 PM (day of return)
- Dinner if return to worksite/arrive home after 8 PM

Incidental expenses include fees and tips given to porters, baggage carriers, bellhops, hotel maids and stewards.

In accordance with the IRS, the City reimbursement policy is an accountable plan – reimbursements are not taxable. However, reimbursements of meals when travel does not have an overnight stay are deemed non-accountable and are subject to Federal and Medicare tax. The amount of non-accountable reimbursements will be recorded through payroll on a quarterly basis.

H. Telephone/Fax/Cellular/Internet

Officials will be reimbursed for actual telephone and fax expenses incurred on City business. Telephone bills should identify which calls were made on City business. For cellular calls when the official has a particular number of minutes included in the official's plan, the official can identify the percentage of calls made on public business.

Officials will be reimbursed for Internet access connection and/or usage fees away from home, not to exceed \$15.00 per day, if Internet access is necessary for City related business.

I. Airport Parking

Long-term parking must be used for travel exceeding 24 hours.

J. Other

Baggage handling fees of up to \$1 per bag and gratuities of up to 15 percent will be reimbursed. Expenses for which City officials receive reimbursement from another agency are not reimbursable by the City of Seaside.

IV. Procedure for Authorization

To obtain approval for attending meetings, conferences or other events involving overnight accommodations, the following procedures must be followed:

1. Official must complete a "Travel Request Report and Payment Authorization Form" five (5) business days in advance. This request must be forwarded to the City Manager.
2. The City Manager will review all travel requests. An approved travel request will be forwarded to the Finance Department. Unapproved requests will be returned to the official.
3. The Finance Department will verify that funds are available and that the official has no outstanding Travel Expense Reports due from prior travel. If funds are not available or there are outstanding Travel Expense Reports, the request will be returned to the City Manager detailing the reason the request is being returned. If funds are available, the request will be processed.
4. After travel has been authorized, the hotel and training expenditures can be paid via check or Calcard. Meals and incidentals paid by traveler will be reimbursed upon return from travel.

5. Within ten (10) business days after returning from travel, the official must complete the Travel Expense Report in accordance with §VI below. The Travel Expense Report shall be submitted to the Department Head for review and approval of reimbursement. The Travel Expense Report shall be audited by the Finance Department for accuracy and proper receipts. The official shall be contacted to resolve any discrepancies.
6. Any meal expenditures that were paid by Calcard and exceed individual meal amounts must be returned to the City treasury within ten (10) business days of the official's return, along with an expense report and receipts documenting each meal in compliance with this expense policy.

V. Expense Report Content And Submission Deadline

All expense reimbursement requests must be submitted on an expense report form provided by the City.

Expense reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the local agency official should explain whose meals were purchased, what issues were discussed and how those relate to the City's adopted legislative positions and priorities.

Officials must submit their expense reports within 10 business days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts detailed with actual items purchased, in addition to any credit card receipts, are also part of the necessary documentation. Inability to provide such documentation in a timely fashion may result in the expense being borne by the official.

In the event City Manager is uncertain as to whether a request complies with this policy, such individual must seek resolution from the City Council.

VI. Audits Of Expense Reports

All expenses are subject to verification that they comply with this policy.

VII. Reports To The Legislative Body

At the following City legislative body meeting, each official shall briefly report on meetings attended at City expense. If multiple officials attended, a joint report may be made.

VIII. Compliance With Laws

City officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act.

IX. Violation Of This Policy

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 the City, 3) the agency's reporting the expenses as income to the 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) criminal prosecution for misuse of public resources.

City of Seaside-Travel Reconciliation-CalCard Used

Name:	
Department:	

Dates	From:	To:

Meeting/Travel Event & Loc	COST ALLOWED	Actual Amount Sun	Actual Amount Mon	Actual Amount Tues	Actual Amount Wed	Actual Amount Thur	Actual Amount Fri	Actual Amount Sat	Total Actual Paid	SUN	MON	TUE	WED	THUR	FRI	SAT	Allowed Cost	Due from Employee
Registration	N/A	-																
Air-Fare	N/A																	
Mileage	\$0.560	-																
Rental-Car	N/A	-																
Lodging-Rate	102.00																	
Lodging-Tax																		
Roundtrip Trans	N/A																	
Breakfast	10.00																	
Lunch	15.00																	
Dinner	31.00																	
Incidentals	5.00																	
Others Unallowed	0																	
Total to be Reimbursed To Traveler																		

Traveler:		Authorized:	
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City of Seaside-Travel Reimbursement

Name: _____
 Department: _____

Dates: From: _____ To: _____

Meeting/Travel Event & Loc		COST ALLOWED	Actual Amount Sun	Actual Amount Mon	Actual Amount Tues	Actual Amount Wed	Actual Amount Thur	Actual Amount Fri	Actual Amount Sat	SUN	MON	TUE	WED	THUR	FRI	SAT	Allowed Cost	Due to Employee
Registration		N/A	-															
Air-Fare		N/A																
Mileage		\$0.560																
Rental-Car		N/A																
Lodging-Rate		102.00																
Lodging-Tax																		
Roundtrip Trans		N/A																
Breakfast		10.00																
Lunch		15.00																
Dinner		31.00																
Incidentals		5.00																
Others Unallowed		0																
Total to be Reimbursed To Traveler																		

Traveler: _____ Authorized: _____