

SUBJECT: POLICY REGARDING TRAVEL AT CITY EXPENSE

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Introduction: It is the policy of the City of Madison that employees may travel at City expense when such travel is beneficial to the City.

The procedures contained in this APM are intended to provide information and guidance to employees regarding travel reimbursement. These procedures are not expected to cover every possible situation. It will be the responsibility of the City Comptroller’s Office to interpret and apply this policy.

Employees in travel status are expected to exercise good judgment when incurring travel costs and shall be reimbursed for reasonable and necessary costs incurred. Travel should be planned with the principles of fiscal austerity and energy conservation in mind and employees are encouraged to make maximum use of telephone, facsimile machines, computers, Internet services or other electronic media and the postal service as a way to minimize the need to travel.

Reimbursement rates will be updated periodically as appropriate. In all cases, total trip costs should be managed in a manner most advantageous to the City. See Appendix for prescribed rates.

The department/division head or designee must approve travel claims of all employees. Noncompliance or abuse of travel policy may result in disciplinary action, up to and including termination of employment.

NOTE: The guidelines and restrictions contained herein pertain to travel by all City employees, regardless of whether the travel funds used are provided by the City or by grants or any other funding source. Employees with questions concerning travel policies, expense documentation or reimbursement procedures may contact the Comptroller's Office at 266-4671. It is the responsibility of the department/division head to ensure that all employees are aware of and abide by the provisions contained in this travel policy.

Policy: Each agency will budget and account for general travel expenses for official City business.

Approval: Employee attendance at meetings, conferences and conventions must be approved by the department head in accordance with the policies set forth in this document and the budgetary limitations established by the Common Council. The Mayor (or his/her designee) must approve travel for department heads.

Personnel of the Police and Fire Departments are authorized to travel as required by warrants and court orders and in the conduct of investigations in accordance with directions of appropriate officials of the department. In all cases, City employees shall adhere to the reimbursement guidelines and allowances as set forth in this Administrative Procedure Memorandum.

“Travel” vs. “Training”: For the purposes of reimbursement, the City does not distinguish between general travel and travel for training purposes and the “Absence from the City” form may be used for both. See Mayor's APM #2-10 www.cityofmadison.com/mayor/apm/2-10.pdf for specifics relative to training.

Non-Employee Travel: Non-employees invited to travel for the City may request reimbursement for travel expenses. The department responsible for reimbursing the expenses must approve non-employee travel and fill out an Absence from the City form. The traveler should provide original receipts and a Trip Settlement Worksheet for all expenses incurred as well as follow the guidelines and restrictions set forth in this policy. The same reimbursement limits apply to reimbursement for non-City employees.

Travel Pay: *(Note: Employees who are subject to the provisions of the Fair Labor Standards Act (FLSA) may be eligible for pay while in travel status. For a determination of whether an employee is eligible for such travel pay, please contact the Human Resources Department directly.)*

- Travel Within Dane County

Travel time to the primary work location or to an alternate local training/work site is not paid time. This is personal commute time. Paid time begins at the established start time/location for that day.

- Travel Out of Dane County (Single Day)*

Travel outside of the area during the course of a single day is paid as work time. For example: Employees driving to Milwaukee for a daylong training event are paid for both the time at the event and the time in transit from their primary work location or their home, whichever is closest.

- Travel Out of Dane County (With an Overnight Stay)*

Travel outside of the area (with an overnight stay) during the employee's normally scheduled work hours should be paid as work time. This includes travel on non-scheduled workdays (i.e. weekends). Conversely, travel time outside of normal scheduled hours is not paid unless the employee is "working". When traveling on a commercial carrier, it is generally assumed that the employee is not working. Example (1): An employee normally works from 8:00 a.m. to 4:30 p.m., Monday through Friday. They are asked to fly to Washington on Sunday afternoon and leave at 2:00 p.m. and arrive at 6:00 p.m. in anticipation of a Monday morning meeting. They would be eligible for 2.5 hours of pay for the travel time. Example (2): An employee and a co-worker drive to Chicago for a training session requiring an overnight stay. Since "driving" is considered to be work, the driver should be paid as though performing work. Furthermore, even the passenger is considered to be "working" if they are assisting in reading maps and/or navigating.

- Most Expeditious Means of Travel

Although employees may request that they be allowed to deviate from the most efficient means/route of travel to their destination (for personal reasons), the City will only pay for the travel time allotted to the most efficient means of travel. For example: If an employee chooses to drive fourteen hours to Atlanta, Georgia to attend training rather than take a three hour flight, the City will only pay the employee for the hours associated with the flight, not the actual hours spent driving to the event.

*NOTE: Professional, Executive, and Administrative employees who have been determined to be exempt from the provisions of the Fair Labor Standards Act are not eligible for travel pay outside of normally scheduled days/hours. However, these employees shall not have their pay reduced in connection with approved travel.

Transportation: Travel should be by the most expedient and economical means. All qualified expenses will be reimbursed based upon actual and reasonable costs.

Whenever two or more employees are traveling to the same general destination, they will coordinate and consolidate their travel and lodging in such a way as to minimize expense to the City.

Travel By Air: Reimbursement for commercial air travel shall be limited to the lowest appropriate airfare (Lowest appropriate airfare -- usually coach -- is defined as the least costly fare in that it prohibits preference for any airline, type of aircraft and connecting airports). Reimbursement for a rate other than the lowest appropriate airfare will be approved by the Comptroller's Office only when the traveler provides an explanation of the reasonableness of the expense. Employees should also

take advantage of promotions given by airlines, if such promotions would result in an overall cost savings to the City or, may consider departures from alternative airports (e.g. Milwaukee or Rockford) if it would prove to be more cost effective. For example, an additional overnight stay, or flying on certain days, may result in a substantial reduction of the airline ticket price. Reasonable expenses for lodging and meals for the minimum necessary additional day(s) may be claimed if the total cost of the reduced fare plus the additional day(s)' expenses are less than the lowest available airfare would have been without the additional days of travel. Documentation of the cost savings to the City must be provided with the Trip Settlement Worksheet.

Whether airfare is billed directly to the City by a travel agency or the employee pays and then requests reimbursement for airfare, there should be sufficient documentation of the departure and return dates, itinerary, nature of official business and, in the case of reimbursement requests, receipt for payment attached to the Absence from the City form. Credit card charge copies alone are not acceptable as documentation.

NOTE: When purchasing airline tickets through the Internet, be aware of the rules of purchase. Some companies do not allow you to cancel airline tickets if you need to reschedule your flight itinerary. However, in some cases, penalty fares are often significantly cheaper. In those instances, their purchase is encouraged because most trips are not cancelled or changed, particularly those involving conferences. The City may pay penalties or additional costs assessed for cancellations or changes when a reasonable explanation for the change is documented in the payment voucher. In the event a trip is cancelled, employees are responsible for canceling their unused tickets.

Flight insurance coverage for employees is not a reimbursable expense.

Travel By Train/Bus: If an employee travels by bus or train to a destination accessible by air, the reimbursement will be based upon the lower of the actual bus or train expenses and the coach airfare equivalent.

Taxis and Airline Shuttles: Cab fare at the destination is allowable only in connection with the business of the trip. Reasonable charges for taxis and airport limousines, including taxi tips at a maximum rate of 15 percent of the charge are reimbursable when other modes of travel are not available or practical. However, to avoid unnecessary taxi expenses, employees should utilize regularly scheduled airport bus or limousine service (usually less expensive or free) between terminal facilities and hotels. Unless properly justified, claims for taxi or limo service should be limited to the rate for the regularly scheduled airport or limousine shuttle service. Employees are required to obtain receipts for one-way fares exceeding \$15.

Cab fare for entertainment purposes (such as travel to attend a movie or to go out to dinner) is not reimbursable.

Rental Cars: It is permissible for several employees on the same trip to rent a car for the purpose of cost savings. If the car is for personal use, the City will pay the equivalent of the transportation from the airport to the hotel and back to the airport. The difference is a personal expense.

Car rental companies will often try to sell you insurance. **If the rental is for business purposes, this coverage should be declined, as it will not be reimbursed if submitted.** In the event of an accident, if the car was being used for business purposes, contact the Risk Management Office at 608/266-5965 immediately.

Travel By Automobile: When traveling by automobile, the City requires the use of City-owned vehicles unless an exception is specifically approved as part of the travel authorization. Motor Equipment's CARS reservation system is now available online (for day trips) at: <http://employee.net/cars.html> or, for overnight trips, by calling Motor Equipment at 608/246-4540 to check vehicle availability. If a vehicle is not available, verification in the form of a CARS Non-Availability Slip or an e-mail or fax from Motor Equipment confirming non-availability should be attached to the Absence/Training Request form. This verification should include the date of the request, as well as the dates for which a pool car is requested and must be from a representative of Motor Equipment. If a car is not available, the employee will be reimbursed at the rate set forth in their union contract or, for non-represented employees, at the IRS rate. If a City car is available but an employee chooses to drive their personal vehicle, the employee will be reimbursed at a rate of \$0.20 per mile less than the current IRS rate.

Actual mileage will be reimbursed. However, the mileage reimbursement cannot exceed the mileage from the place of employment to the destination.

When several people are attending the same event, it is the responsibility of the department/division head to coordinate the transportation to limit the City's cost. For complete information on the use of City vehicles, see: www.cityofmadison.com/mayor/apm/2-13.pdf.

If an employee elects to use a personal automobile to travel to a place readily accessible by air, the City will pay mileage and other expenses incurred up to the equivalent of coach airfare. In some cases, the expenses will exceed the airfare. Employees should print a copy of the on-line fare confirmation showing how much the airfare would have been. This should be submitted along with the Absence from the City request. The employee may then claim the amount of airfare in lieu of listing the expenses. **In addition, the difference in travel time between air and automobile must be charged to vacation or comp. time.**

Note: When an employee is traveling for business using a City vehicle, the City's insurance is primary. However, when an employee is traveling in a personal vehicle, the employee's insurance will be primary, consistent with industry practice.

- Miscellaneous Costs:

Toll Charges - Will be paid in full.

Airport Parking - When traveling to the Dane County Regional Airport, the City encourages employees to utilize transportation provided by family, friends or Madison Metro Transit. Receipts are required for cabfare or if airport parking is utilized.

Other Parking - Parking charges may be paid in full. Receipts should be submitted whenever possible.

Other Charges - Traffic citations, parking tickets, locksmith calls for retrieving keys, etc. are the responsibility of the employee and are not reimbursable.

Lodging:

Rates: When registering in a lodging establishment, employees shall use their business address and identification and ask for the government discounts/rate. In addition, upon request, the City Comptroller's Office will provide the employee with a card citing the statutes that exempt the City from Wisconsin sales and room taxes. This card is only to be used for official City business.

The current maximum per diem reimbursement for hotel accommodations is tied to the guidelines issued by the State of Wisconsin for its employees and will be updated periodically. (See Appendix to this APM for current rates.) The employee is urged to stay at less expensive hotels, but care should be taken to ensure that lodging savings will not be offset by cab fare.

The reimbursement to the employee (or the amount paid directly by the agency to the hotel for the lodging) is limited to the single rate for a standard room. If employees share a room, the reimbursement for the actual room cost may be divided equally, but not in excess of the maximum amount permitted for each employee had each stayed in a single room.

NOTE: A single rate is defined as the cost of one basic single room. Optional rooms at added cost, e.g. larger rooms, suites, or rooms with a view, are a personal expense. Likewise, if a spouse or other family member accompanies an employee, only the single rate will be reimbursed.

Lodging for overnight stays is not reimbursable if timely same day travel is economically available. For example, a one-day meeting in Milwaukee would not require an overnight stay.

Checkout Times and Extended Stays: Employees shall observe posted hotel checkout hours in order to avoid a charge for the day of departure. An employee who is required to remain in one location for an extended period of time is expected to find lodging at reasonable weekly and/or monthly rates.

Employees will be held personally responsible for unnecessary room costs, which result from their failure to notify the hotel/motel of a cancellation unless reasonable justification is provided for failing to notify the hotel/motel. Additional costs incurred due to unforeseen circumstances such as inclement weather, flight cancellations, etc. must be submitted to the department/division head for approval, along with written documentation as to the reason for the expenditures.
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Non-Licensed Facilities: Expenses for lodging at facilities that are not licensed as a hotel, motel, campground, or tourist rooming house, such as private residences, as well as host/parting gifts are not reimbursable. Exceptions to this policy should be approved in advance by the department/division head.

Lodging Receipt Requirement: Lodging should be paid using a City procurement or personal credit card. The itemized hotel invoice should be included with the credit card settlement and with the trip

settlement. Lodging paid with the City procurement card should be noted as a cash advance on the Trip Settlement Worksheet. All lodging expenses must be supported by the original itemized receipt furnished by the lodging establishment. A photocopy of the receipt, the hotel or motel statement or credit card receipt is not considered an acceptable substitute unless exceptional circumstances can be documented and a written explanation is attached to the Trip Settlement Form.

Meals:

Meal Claims: Meals and tips (up to 15%) will be reimbursed at the lesser of actual cost or maximum meal allowance. Per IRS guidelines, meal reimbursements are taxable to the employee without an overnight stay or an extended period. An extended period would be an employee leaving home before 6:00 a.m. and returning home after 7:00 p.m. There will be no meal allowance unless an overnight stay is required.

Maximum Meal Amounts: The appendix to this APM lists the current maximum per diem reimbursement for meals with receipt, without receipt, and out of state. No reimbursement will be made for the cost of alcoholic beverages.

Employees will not receive additional reimbursement for meals which are already provided as part of the employee's travel (meals served on airlines), meals included as part of a conference registration fee, or for charges for substitution of provided meals.

Meals may not be paid using the City Procurement card. A Trip Settlement Worksheet should be completed to receive reimbursement for meals.

Timeframes for Meal Reimbursement: Timeframes for meal reimbursement (with an overnight stay) shall normally be based on the type of meal appropriate to the time of day and on the following basis:

- Breakfast - provided the employee must leave home before 6:00 a.m.
- Lunch - provided the employee must leave the City before 10:30 a.m. and returns after 2:30 p.m.
- Dinner - provided the employee has a daylong meeting and returns home after 7:00 p.m.

In order to qualify for the maximum reimbursement amounts, original itemized receipts must be submitted to the Comptroller's Office along with the Trip Settlement Worksheet.

Miscellaneous Expenses:

Spouses/Guests: If an employee is accompanied by a spouse or other guest, the City will reimburse only that portion of the expense, which would have been incurred if the employee had traveled alone.

Tips: Meal tips are to be included in the allowance for meals discussed in the "Meals" section. Meal tips will be reimbursable only to a maximum of 15% of food and beverage costs. The City will reimburse up to \$3.00 of tips per departure for portage if the City employee is traveling with an unusually large amount of City equipment or in the case of other unusual circumstances. There will be no reimbursement for maid tips or for valet parking tips.

Telephone Calls: The City will reimburse for business calls only. There will be no reimbursement for personal phone calls. Reasonable charges for Internet access for business use are acceptable.

NOTE: Agencies with frequent travelers should consider purchasing pre-paid calling cards for checkout by employees to use for business purposes.

Registration Fees: Copies of all conference registration forms and other pertinent materials must be submitted to the Comptroller's Office along with the original Absence from the City form. A City procurement card should be used to pay the registration costs when the conference accepts credit cards. A copy of the registration and Absence from the City form should be included in the credit card reconciliation. If a credit card is not accepted, then attach a completed Limited Purchase Order LPO to the Absence from the City form.

As stated in the "Meals" section, no additional reimbursement will be made for any meals included in registration fees for conferences, conventions, etc. (even if the employee later chooses not to partake of the prepaid meal).

Claims for reimbursement of registration fees must be supported by an original paid receipt, a copy of the check, copy of the credit card statement, or the traveler's customer copy of the credit card receipt. A copy of the registration form or brochure indicating the amount of the fee and what it includes should also be attached to the travel voucher.

Advances: In a case where registration, airfare, or lodging cost cannot be paid by credit card, the City will issue a check to cover these expenses; however, every attempt must be made to pay for these costs using a credit card. The employee will be responsible for obtaining appropriate receipts for registration, airfare and lodging, which must be submitted with their Trip Settlement.

Limited Purchase Orders (LPO's) for advances must be attached to the "Absence From The City" form discussed in the "Procedures" section of this APM.

The City will advance and pay only the single room rate of a hotel.

No cash advances will be issued.

Refunds: Any charges incurred because of cancellations that are not directly required by the City are the responsibility of the employee. If, for emergency reasons, the employee requests a cancellation, the request for reimbursement must be documented as to the circumstance that generated the charge. The employee is responsible to call and make the necessary refund arrangements for hotels, registration, airfare, etc. The Comptroller's Office should be notified of any cancellations of pending trips.

Procedures:

- File an approved Absence from the City Form prior to trip departure.

An Absence from the City form must be prepared and approved by the department/division head whenever an employee travels outside of Dane County. In the case of travel for a department

head, the Absence from the City form should be submitted to the Mayor for approval. Forms are available on the City's EmployeeNet at: www.cityofmadison.com/employeenet/forms.htm. Whenever several employees are traveling together, they may use one consolidated Absence from the City form. However, each employee who claims reimbursement for meals or other travel expenditures must file a separate Trip Settlement worksheet

There shall be no reimbursement for expenses incurred in attending a convention, conference, meeting, institute, seminar or training session if prior authorization was not obtained in accordance with the procedures established in this policy.

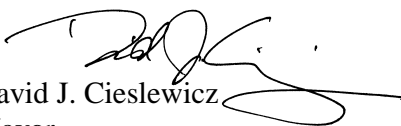
Travel for training purposes will be handled through the Human Resources Department as outlined in the "Travel" vs. "Training" section of this APM. Meal, lodging and other allowances will remain the same as outlined in this policy.

- File a Trip Settlement Worksheet

Within thirty days of the return from the trip, the employee must file a Trip Settlement Worksheet with the Comptroller's Office. Forms are available on the City's EmployeeNet at: www.cityofmadison.com/employeenet/forms.htm. Make sure **all** advances are included on the Trip Settlement Worksheet.

If the Trip Settlement Worksheet is not filed within thirty (30) days, no future disbursements for pending travel, including advance registration for conferences, will be made until all previous trips are settled.

Receipts for meals (except as noted above), gasoline purchases, air travel and hotel expenses are required. Documentation is not required for miscellaneous cash expenses for which receipts are not usually given, such as tolls, parking meters, etc. All settlement work sheets are subject to review and audit by the Comptroller's Office.


David J. Cieslewicz
Mayor

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