

PROCEDURE MANUAL TO APM NO. 1-5

PROCEDURE MANUAL REGARDING TRAVEL AT CITY EXPENSE

CONTENTS

Introduction.....	1	Meals.....	7
Policy	2	Meal Claims	
Approval		Maximum Meal Amounts	
Travel vs. Training			
Non-Employee Travel		Miscellaneous Expenses	7
Travel Pay		Spouses/Guests	
		Tips	
Transportation.....	3	Internet	
Travel by Air		Registration Fees	7
Travel by Train/Bus			
Taxis and Airline Shuttles		Advances.....	7
Rental Cars			
Travel by Automobile		Refunds	8
Miscellaneous Costs			
		Procedures	8
Lodging.....	6		
Rates			
Check-out Times/Extended Stays			
Non-Licensed Facilities			
Lodging Receipt Requirement			

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 Finance Department 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, sustainability, and energy conservation in mind and employees are strongly encouraged to make maximum use of telephone, teleconference or other electronic media and communication options as a way to minimize the need to travel.

Every department has a Purchasing Card (P-Card) and it should be used for as many travel expenses as possible.

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 Finance Department at 266-4522. 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. Travel for training purposes will be handled through the Human Resources Department. 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. The traveler should provide original receipts 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 time away from the home community for business purposes that occurs for the benefit of the employer is considered hours worked.

Example (1): An employee is 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 4 hours of pay for the travel time. Flight time plus two hours is considered work time. Commute time to and from the airport is considered a normal home to work commute time and is not work time.

Example (2): An employee and a co-worker(s) drive to Chicago for a training session. All employees in the vehicle should be paid as though performing work. Employees are only entitled to the standard direct travel time as calculated by legitimate navigation software.

- 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 Finance Department 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 included in the expense claim submitted through Employee Self Service.

Note: Air travel creates a significant carbon footprint. Agencies are encouraged to review carbon offset options that are consistent with fiscal responsibility and austerity goals.

Airfare should include 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 expense claim submitted through Employee Self Service. 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. Documentation of the cost savings to the City must be included in the expense claim submitted through Employee Self Service.

Taxis and Airline Shuttles: Employees are urged to use mass transit where practical to transfer from airport to final destination. 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 20 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 \$25.

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.

You may book a rental car through the State Contract as this contract price includes the additional insurance coverage. Use VendorNet for the most up to date contract information.

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. Fleet Services CARS reservation system is now available online (for day trips) at: <http://employeeenet/cars.html> or, for overnight trips, by calling Fleet Services at 608/246-4540 to check vehicle availability prior to your travel. If a vehicle is not available, verification in the form of a CARS Non- Availability Slip or an e-mail or fax from Fleet Services confirming non-availability should be attached to the expense claim in Employee Self Service. 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 Fleet Services. If a car is not available, the employee will be reimbursed 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 as calculated by the shortest/quickest verifiable route using legitimate navigation software.

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 attached to the expense claim in Employee Self Service. 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 cab fare 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 licensed lodging establishment, employees shall use their business address and identification and ask for the government discounts/rate. In addition, upon request, the City Finance Department 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 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. While employees are encouraged to travel and lodge in a manner that minimizes City expense, the City recognizes the privacy of each employee, even if they are of the same gender. As such, lodging accommodations should only be shared in situations in which both employees agree. 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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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 expense claim in Employee Self Service. 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 expense claim in Employee Self Service.

Meals:

Meal Claims: Per IRS guidelines, meal reimbursements are taxable to the employee without an overnight stay or an extended period. Per IRS guidelines meal reimbursements on the first and last day of travel are reimbursed at 75% of the daily per diem rate. Extended period travel is considered more than 12 hours (example: 6 a.m. – 7 p.m.) and will be reimbursed at 75% the daily per diem rate.

Maximum Meal Amounts: The standard daily per diem rate is set by the IRS and will be updated periodically in conjunction with guidelines issued by the IRS. See Appendix to APM 1-5 for current rates.

No reimbursement will be made for the cost of alcoholic beverages.

Meals may not be paid using the City Procurement card. An expense claim should be submitted in Employee Self Service to receive reimbursement for meals.

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. 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.

Internet: Reasonable charges for Internet access for business use are acceptable.

Registration Fees: A City procurement card should be used to pay the registration costs when the conference accepts credit cards. If a credit card is not accepted, submit an A/P Invoice in Munis with all registration information and a W-9 for the vendor so that a check can be issued.

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 expense claim in Employee Self Service.

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 expense claim in

Employee Self Service.

City will 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 Finance Department should be notified of any cancellations of pending trips.

Procedures:

- File an Estimated Travel In-State or Travel Out-of-State expense claim prior to trip departure.

An expense claim 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 expense claim workflow will be sent to the Mayor for approval. Whenever several employees are traveling together, each employee must enter an expense claim.

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. See Mayor's APM 2-10 www.cityofmadison.com/mayor/apm/2-10.pdf for specifics relative to training. Meal, lodging and other allowances will remain the same as outlined in this policy.

- Complete an expense claim in Employee Self Service.

There will be no reimbursement on expense claims submitted more than sixty (60) days from incurrence.

Receipts for air travel, hotel expenses, and gasoline purchases are required. Documentation is not required for miscellaneous cash expenses for which receipts are not usually given, such as tolls, parking meters, etc. All expense claims are subject to review and audit by the Finance Department.



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Mayor

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