

POLICY/ADMINISTRATIVE PROCEDURE/ADMINISTRATIVE DIRECTIVE

SECTION: ACCOUNTING	REFERENCE NUMBER: 408.01
SUBJECT: REIMBURSEMENT OF EMPLOYEE EXPENSES	INITIAL EFFECTIVE DATE: 7/25/84
TITLE: TRAVEL EXPENSES	LAST REVISION DATE: 03/14/22

ADMINISTRATIVE DIRECTIVE:

The City of Denton will pay reasonable expenses which are incurred during authorized City travel. The City has two objectives when paying travel-related expenses. 1) To provide employees sufficient funds to execute business on behalf of the City and 2) to safeguard City funds by paying only reasonable and necessary expenses. This administrative directive outlines what constitutes a reasonable and necessary expense.

Directors are ultimately responsible for ensuring that travel expenditures comply with this administrative directive and for the thorough review and approval of all documents necessary for the travel transaction. Directors have the discretion to implement more restrictive procedures and/or guidelines for their individual departments. The purpose of the required documentation is to provide sufficient evidence to anyone, who reviews the travel transaction, that public funds were expended in compliance with this administrative directive.

Employees traveling on behalf of the City of Denton are expected to utilize services and accommodations appropriate for the business to be conducted. Employees are expected to travel and conduct business in reasonable comfort and exercise good judgment in distinguishing between comfort and extravagance.

For purposes of this administrative directive, the term “Director” refers to the Department Head or their designee.

- I. Approval Required for Travel on City Business. The City will pay travel and registration fee expenses required for City business or to enhance the knowledge of the individual for the benefit of the City.
 - A. Travel Authorization Form: Employees must obtain prior approval for travel from their Director by completing an electronic Travel Authorization Form, which is found on the City’s intranet. During an extended absence, the Director must notify Accounts Payable and appoint a temporary designee for travel authorization. In the event travel is conducted without prior approval, the employee will be held responsible for all expenses incurred.

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- B. **Travel Advance Request Form:** An advance for estimated travel expenses may be requested. The Travel Advance Request Form must be signed by both the requesting employee and the Director. The form must include the purpose of the trip, the destination (city and state), and the departure/return dates and times. Travel Advance Request Forms should not be submitted sooner than two to three weeks prior to the trip. Following a trip, employees must account for their travel advance by completing and submitting an Employee Expense Report to Accounts Payable within twenty (20) working days of their return date. Failure to comply with this administrative directive will result in: (1) disciplinary action for the first offense; and (2) disciplinary action and denial of future travel advances for a second offense. Unused travel advance money must be reimbursed to the City and supporting documentation (receipt) attached to the Employee's Expense Report. Travel out of the country will be allowed a reasonable extension to allow for the correct exchange rate calculation on credit card purchases.
- C. **Employee Expense Report Form:** An Employee Expense Report must be completed for all travel, even when a procurement card is used to pay for expenses. The form must include the purpose of the trip, the destination (city and state), and the departure/return dates and times. All receipts and supporting documents must be attached to the Employee Expense Report. Receipts should be affixed in date order to an 8 ½ x 11 sheet of paper and attached to the Employee Expense Report, and then forwarded to Accounts Payable after being reviewed and signed by the Director. When a City of Denton procurement card is used, a copy of the Employee Expense Report must be attached to the copy of the procurement card transaction log retained by the employee for his/her file. The employee must maintain this for audit purposes. Each employee traveling will be responsible for submitting his/her own receipts and Employee Expense Report. All Employee Expense Reports must be submitted within the timeframe as referenced in Section IB.
- D. **Procurement Card for Travel Expenses:** Some employees may be issued City procurement cards with travel privileges. These cards can be used for travel and other expenses that are typically paid by the City, except travel related meals. Personal expenses are not to be placed on a City procurement card. Misuse of the City's procurement card or violation of this administrative directive may result in card privileges being revoked or other disciplinary action being taken, as deemed appropriate.
- E. The City Manager or their delegate may make changes to this administrative directive at their sole discretion.

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II. Reimbursable Expenses. The City will pay an employee's actual expenses as authorized within this administrative directive, except for meals and incidental expenses (M & IE). Meals and incidental expenses will only be paid on a per diem basis and based on rates established by the U.S. General Services Administration for the current fiscal year (www.gsa.gov). If neither the city nor county is listed, the rate for meals and incidental expenses will be the standard CONUS destination rate. **Itemized receipts must be provided for all expenses, except meals and incidental expenses. Receipts must be an itemized copy from the vendor and not just the credit card slip/balance due.** Failure to submit itemized receipts will render those expenses non-reimbursable. Employees should use the most economical means available when using City funds.

A. Meals:

1. The City will pay for the cost of meals for overnight travel on a per diem basis only. The City's per diem rate will be based on the current fiscal year rate as established by the U.S. General Services Administration (reference Section II for URL Address to GSA per diem rates). The per diem shall be adjusted for partial travel days.

For City related travel that does not include an overnight stay and does not exceed 10 hours (e.g., conference/business meeting in Dallas), meal expenses shall be reimbursed based on GSA partial travel day per diem. For travel without an overnight stay that exceeds 10 hours (e.g., conference/business meeting in Austin) from leaving to returning (home or office) a full day meal per-diem will be reimbursed upon approval of the Director of Finance or designee.

2. The City will not pay for meals for individuals who are not employed by the City of Denton except with the written approval of the Director stating the business purpose of the meal. If an exception is granted, an itemized meal receipt with attendee names must be attached to the Employee Expense Report.
3. The City will pay for meals at scheduled seminars, training sessions, and other meetings, but will not reimburse for meals elsewhere if the meal cost was included in the conference fee. If meals are included in the conference fee, the per diem rate will be prorated based on GSA per diem guidelines. A conference itinerary/schedule must be included as supporting documentation. The City will not pay for social or recreational conference functions that are separate ticketed events not included in the base conference registration fee without prior approval of the Director (to be noted on request for travel process).
4. Meal related tips are included in the per diem rate total.
5. With prior written approval from the City Manager, an increase to the per diem rate may be granted on a case-by-case basis. In accordance with IRS regulations, any amount in excess

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of the maximum federal per diem rate for the travel destination will be reported on the employee's W-2 Form and subject to employment taxes.

- B. Entertainment: The City of Denton will not reimburse employees for entertainment unless it is necessary for the trip. Written approval from the Director stating the business purpose must be attached to the Employee Expense Report.
- C. Alcoholic Beverages: Under no circumstances will the cost of alcoholic beverages be reimbursed nor should they be charged on a City issued procurement card. Employees are expected to pay for any alcoholic beverages separate from any eligible meal.
- D. Transportation:
1. Commercial Airlines: The City of Denton will pay for coach or tourist class roundtrip fully refundable airfare. The City will not pay for travel class upgrades (e.g., business or first class) nor will the City pay for upgraded seat selections (e.g., economy plus, early bird fees, etc.). Employees are expected to take advantage of discounts whenever possible including seeking travel on airlines that don't charge extra fees for refundable tickets. However, employees are not required to fly at unusual times just to qualify for discounts. Employees may retain frequent flyer miles and similar travel awards; however, they shall not pay a higher price for the fare to obtain frequent flyer miles.
 - A. Should airfare be refunded as a travel credit directly to the employee, the employee will be required to complete the Travel Credit Reimbursement Agreement attached as Appendix D. The employee will have the option to purchase the credit for personal use or retain the credit for use with future business travel. If the credit expires before the employee next travels by air on business travel, no further action will be required on the part of the employee.
 2. Private Air Carriers and Charters: Employees shall not use private airplanes or charters without approval of the City Manager. Cost savings or emergency schedule requirements must be shown and included with the City Manager's written approval.
 3. Vehicle Rental: The City will not reimburse for rental vehicles without the prior written approval of the employee's Director or designee. The reimbursement includes all applicable taxes, mandatory charges, damage waiver, and supplemental liability insurance. Employees are encouraged to select applicable insurance coverage, including the damage waiver and supplemental liability coverage to minimize the risk to both the City and the employee. Appendix A is provided to help calculate the least expensive travel method, demonstrated need for the vehicle and justification why other transportation options were not utilized. The appropriate size of the rental vehicle should depend on such factors as the number of passengers, and the amount of luggage and/or equipment being carried.

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4. Taxi: The City will reimburse employees' taxi fares for required transportation. When possible, a receipt must be attached to the Employee Expense Report.

5. Personal Vehicles: With the approval of the Director, employees may use their personal vehicle for out-of-town travel. A mileage log or other supporting documentation must be attached to the Employee Expense Report. The City of Denton will pay the Internal Revenue Service mileage reimbursement rate in effect at the time of travel. When an employee has approval to use his or her personal car on a trip and the destination is more than 300 miles from the point of departure (one-way), the City will not reimburse the employee for expenses, such as lodging, meals and incidentals, while in transit, which exceed the cost of a 21-day advance fully refundable round-trip coach airfare. Any travel time that is greater than the time required to travel by scheduled airlines will be considered vacation time. Normal travel time will not exceed one day.
 - a. Those employees receiving a car allowance will not be paid mileage reimbursement for travel, which is within 50 miles (one way) of their office.
 - b. Personal car travel reimbursement is limited to the lesser of either the cost of making the trip by 21-day advance fully refundable coach airfare or mileage reimbursement. Appendix B is provided to help calculate the least expensive travel method, which is the amount that will be reimbursed.
 - c. The City will pay for any additional work-related mileage at the destination. A mileage log or other supporting documentation must be attached to the Employee Expense Report.
 - d. The City will pay for parking expenses, including airport parking. Airport parking will be reimbursed at the remote or express (covered or uncovered) parking rate for DFW Airport and at the long-term parking rate (garage B) at Dallas Love Field. For airport parking, supporting documentation must be attached to the Employee Expense Report and can be obtained from the airport's website. Mileage reimbursement to the airport, will be calculated from the employee's office (workday destination) or from the employee's home to the airport, whichever is less. Appendix C is provided to help calculate the least expensive travel method.
 - e. If an employee is driving a personal vehicle outside of the City and has car failure, the City will pay the expense of towing the vehicle to the nearest garage, over and above the employee's personal towing insurance coverage. The employee must pay for all repairs. The towing invoice and insurance documentation, reflecting amount covered, must be attached to the Employee Expense Report.

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6. City Vehicles: City vehicles should be used when available or at the discretion of the Director. Direct expenses associated with the use of a city vehicle, which are incurred by the employee, such as gasoline and oil, will be reimbursed.
- E. Accommodations: The City will pay actual expenses for hotels, motels, or other lodging. Preference should be given to accommodations that don't charge cancellation fees. Employees must request the reduced government rate or conference rate when making reservations. Most hotels will not accept claims to a government rate after check-in. City employees are not exempt from hotel taxes and will be reimbursed for such taxes.
- The City will pay no more than the cost of a single occupancy room. If an employee shares a room with someone who is not an employee of the City or who is not traveling on City business, and the room cost is higher than the single room rate, the bill must be adjusted for the difference in cost.
- Meals ordered through room service or consumed in the hotel restaurant will be covered through the per diem rate and the bill must be adjusted for the difference in cost.
- F. Telephone: The City realizes that while out-of-town on City business there are personal matters that must be attended; therefore, the City will pay the cost of one personal phone call each day (not to exceed 10 minutes). The City will reimburse employees for all business calls. All phone calls must be documented as to whether personal or business in nature. It is recommended that departments purchase prepaid calling cards, which are less expensive than hotel long distance rates. Internet connection fees incurred for business purposes will be reimbursed, if approved by the Director.
- G. Incidental Expenses: The City of Denton will not pay for dry cleaning, shoe shining, haircuts, magazines and books, tickets to the theater, sports events, or other such incidental expenses. Incidental expenses covered as part of the per diem rate for meals and incidental expenses include: fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships, hotel servants in foreign countries, and transportation between places of lodgings or business and places where meals are taken.
- H. Travel on Behalf of Other Agencies: With the approval of the department Director, employees may be granted travel time on behalf of other organizations. In unusual circumstances, the City Manager or Assistant City Managers are authorized to approve an advance of City funds for travel expenses incurred on such trips. The same guidelines outlined in this administrative directive must be followed.
- I. Travel Outside Normal Workday: Compensation, for travel required outside an employee's normal working hours (i.e. Saturday, Sunday, evening), will be calculated according to the

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department requirements and consistent with the Fair Labor Standards Act and accompanying regulations.

VI. Other Authorizations/Approvals. Authorization for Travel and Expense Report approval for Directors and Assistant City Managers will be the next level of supervision as appropriate.

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APPENDIX A

RENTAL VEHICLE

Vehicle* _____

Fuel _____

Destination Parking _____

Other: _____

Total Cost _____

OTHER MODES OF TRANSPORTATION

Mode of Transportation _____

Cost of Transportation _____

Other: _____

Other: _____

Total Cost _____

Lesser of above columns is the maximum reimbursement when choosing to rent a vehicle versus other modes of transportation.

* The appropriate size of the rental vehicle should depend on such factors as the number of passengers, and the amount of luggage and/or equipment being carried. A brief explanation of these circumstances must be provided below.

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APPENDIX B

AIRLINES

Airfare* _____

Airport Parking _____

Transportation
To/From Airport _____

Other _____

Total Cost _____

PERSONAL VEHICLE

_____ miles @ _____ cents = _____

Destination Parking _____

Additional Lodging _____

Additional Meals _____

Total Cost _____

Lesser of above columns is the maximum reimbursement when choosing to drive to a destination versus flying.

*A 21-day advance shall be used for airfare cost unless there are extenuating circumstances. A brief explanation of these circumstances must be provided below. A price quote must be attached to this form in order to obtain reimbursement. This quote may be obtained via the Internet web page of the appropriate major airline.

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APPENDIX C

WORKDAY DESTINATION

EMPLOYEE'S HOME

_____miles @ _____cents = _____

_____miles @ _____cents = _____

Other: _____

Other: _____

Total Cost _____

Total Cost _____

Lesser of above columns is the maximum reimbursement when drive to the airport from the employee's workday destination versus employee's home.

*A brief explanation of extenuating circumstances must be provided below. A mileage log and/or map quest print out(s) must be attached to this form in order to obtain reimbursement.

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Appendix D
Travel Credit Reimbursement Agreement

Employee Name Credit Issued To: _____

Department/Division: _____

Employee ID: _____

Canceled Conference/Course (Name, Location, Dates): _____

Type of Credit and amount

 Airline: _____
 Hotel: _____
 Conference: _____
 Other: _____

Credit Expiration Date: _____

Terms and Conditions of the Credit: _____

Provide proof of purchase documentation including booking confirmation, receipt, certify expense report that includes where the expense was recorded etc.

Provide any documents related to the credit.

By signing below, I agree to adhere to the expectations set forth. I understand that non-compliance with any part of the agreement will result in 100% repayment by the employee.

I would like to purchase the applicable credit(s) for personal use. Payment should be made at the City's Customer Service Office via credit card, check, or cash.

I would like to use the credit if the conference or course is rescheduled within the credit period. If not, I will provide proof from the airline/hotel/conference entity the credit has expired unused.

Should my employment with the City of Denton end voluntarily or involuntarily, prior to the expiration date of the travel credit, I agree to repay the City an amount equal to the outstanding credit.

Repayment will be deducted from my remaining paychecks from the City (in accordance with state and/or federal law). In the event the amount owed is more than my remaining paychecks, I agree to repay the balance in accordance with the repayment schedule established by the City, within 30 days of separation, in the form of a cashier's check or money order.

Employee Signature_____
Date_____
Division/Department Head Signature (Approval)_____
Date_____
Compliance Signature (Approval)_____
Date

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Finance Signature (Approval)

Date

Legal Signature (Approval)

Date

Human Resources Signature (Approval)

Date