

**ACCOUNTING AND FINANCE
POLICIES AND PROCEDURES MANUAL**

**90455
Travel Expenses – Elected Officials**

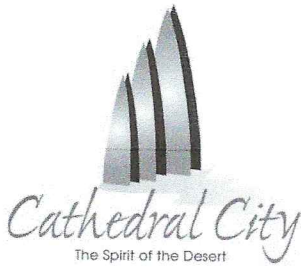
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1.0 Purpose

To establish official rules, regulations and procedures pertaining to the advance payment and/or reimbursement of travel and business expenses incurred by the Mayor, City Council, City Clerk, and City Treasurer during the course of their respective participation in or attendance at an official City related function.

2.0 Policy

- (a) All City Officials, should, to the extent practicable and feasible, make all travel and lodging arrangements pertaining to official City related functions in a manner that results in the least cost to the City.
- (b) All City Officials are encouraged to make reservations for City related travel in sufficient time to take advantage of reduced advance airfare and/or reservation rates.
- (c) All City Officials should, to the extent practicable and feasible, travel by the means most economical to the City. In selecting a particular method of transportation, consideration should be given to the total cost to the City, including overtime, lost work and actual transportation costs.
- (d) All City Officials are encouraged to take advantage of available travel and lodging discounts, such as governmental rates, and special fares when such discounts and special fares present significant savings to the City.
- (e) All City Officials shall, to the extent practicable and feasible, make travel and lodging arrangements that are competitively priced and present significant savings to the City.
- (f) All City Officials are encouraged to car pool and/or travel together, if feasible or practicable, if such travel arrangements present significant savings to the City.
- (g) For those instances where the City Official has combined travel on official City related business with personal business, only that mileage which directly relates to travel to an official City related function will be reimbursed.
- (h) All City Officials should, to the extent practicable and feasible, attend all official City related functions if they received advanced payment or expect reimbursement for any travel and business expenses pursuant to the policies, rules, regulations and procedures set forth herein.
- (i) Any expense for which a City Official requests reimbursement should directly and clearly relate to an official City related function, and in the event of an audit subsequent to reimbursement, should leave no question that such expenditure in fact did relate and was necessary to the City Official's participation in or attendance at an official City related function.
- (j) In the event the City Official mixes an official City related function with a personal vacation, personal business or other personal occasion, the City shall reimburse the respective City Official for only that portion of the incurred expenses directly related to the City Official's participation in or attendance at the official City related function.



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- (k) All City Officials are encouraged to seek the advice of the City Attorney's Office prior to accepting any gift or travel or lodging on behalf of the City Official in his or her individual or official capacity or on behalf of the City.
- (l) The City shall only pay for those approved expenses for which budget provisions have been made, or for which special provisions have been made by the City Council during the budget year.
- (m) The City shall only pay for those travel and business expenses which are actual and can be clearly documented.

3.0 Application.

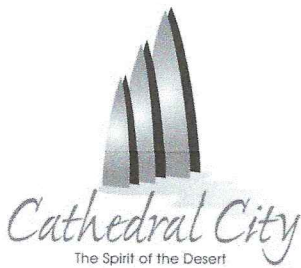
The rules, regulations and procedures set forth herein shall apply only to the Mayor, City Council, City Clerk, and City Treasurer.

4.0 Definitions.

- (a) "Associated agencies" shall mean the Redevelopment Agency of the City of Cathedral City, the Cathedral City Public Finance Authority, the Cathedral City Community Services District and any other entity the City Council may designate as such from time to time.
- (b) "City" shall mean the City of Cathedral City.
- (c) "City Official" shall mean the Mayor, a City Council Member, City Clerk, or City Treasurer.
- (d) "Local travel" shall mean travel to an official City related function that is within the Coachella Valley.
- (e) "Non-local travel" shall mean travel to a City related function outside the Coachella Valley.
- (f) "Official City related function" shall mean any event, ceremony, meeting, conference, convention, workshop, class, course or similar activity which the Mayor has deemed attendance by a City Official(s) will be in the best interest of the City or its associated agencies.

5.0 Implementation Responsibility.

- (a) The implementation of the policies, rules, regulations and procedures contained herein shall be the responsibility of the Mayor.
- (b) The Mayor Pro Tem shall sign the expense report for the Mayor.



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6.0 Travel Authorization.

- (a) Travel to and/or participation in and/or attendance at an official City-related function by a City Official shall be approved by the Mayor prior to such travel or attendance in order for such expenses to be reimbursable.
- (b) Travel by City Officials shall be announced in advanced in a City Council Agenda. If such travel cannot be announced in advanced due to timing, the announcement shall be made in the next City Council Agenda immediately following the completion of the travel.
- (c) Travel expenses for the City Clerk and City Treasurer shall be reviewed and approved by the Administrative Services Director.

7.0 Budget

- (a) Each City Official shall not incur travel and/or business expenses in an amount that exceeds any applicable City Council approved itemized budget limits for each individual City Official's budget account.
- (b) Whenever an individual City Official is appointed by the City Council or elected to officially represent the City in local, regional, state or national organizations, travel and/or business expenses related thereto and which are consistent with the procedures and policies stated herein, will not be charged to the individual City Official's City budget account but rather will be paid from a general training and conference account in the general government portion of the City budget. Examples of such organizations include, but are not limited to: CVAG, SCAG, RCTC, and the League of California Cities wherein the City Official is the official delegate representing the City.

8.0 Reimbursable Expenses

- (a) Transportation Costs. The following transportation costs are reimbursable.
 - (1) *Use of City Owned Vehicles is the Preferred Mode of Travel for Local and Non-local Travel.* In January 2008, City Council approved a mandate that at all possible times city vehicles are used in lieu of personal vehicles. If for some reason a city vehicle is not available, then supporting documentation showing that a city vehicle was not available must be submitted for reimbursement. If a city vehicle is not used and mileage reimbursement is requested, department head approval is required
 - (2) *Personal Automobile Mileage for Non-local Travel.* Reimbursement shall be at the established Internal Revenue Service reimbursement mileage rate for the applicable tax year provided that the total reimbursement amount does not exceed the sum of the round-trip cost of coach air travel between a local airport and the destination of the official City related function and the cost of transportation to and from the respective airports.

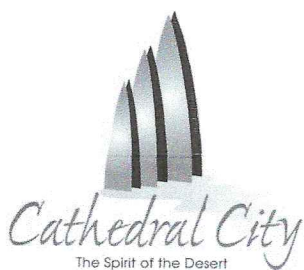


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- (3) *Coach Class Air Travel.* Reimbursement shall be made for coach air travel provided that the cost of such air travel is competitive with other passenger airlines' coach air fares.
 - (4) *Rail Travel.* Reimbursement shall be made for coach rail travel provided that the cost of such rail travel is competitive with other coach rail travel fares.
 - (5) *Taxi Service.* Charges for taxi service are reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (6) *Shuttle Service.* Charges for shuttle service are reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (7) *Bus Fare.* Charges for bus service are reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (8) *Vehicle Rental.* Charges for vehicle rental are reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (9) *Limousine and Other Luxury Transportation Services.* Charges for limousine and other luxury transportation services are reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (10) *Out of Pocket Expenses Related to Use of City Owned Vehicles.* Reimbursement for fuel and other out-of-pocket expenses incurred as a result of the use of a City owned vehicle is permissible provided that use of the City owned vehicle is the most economical, practicable and efficient mode of transportation available under the circumstances.
 - (11) *Chartered Travel.* Use of chartered travel shall be reimbursable provided that such transportation is the most economical, practicable and efficient mode of transportation available under the circumstances.
- (b) Vehicle Parking and/or Vehicle Storage Expenses. Reasonable charges for parking and/or storing vehicles shall be reimbursable if parked or stored in connection with the City Official's participation in and/or attendance at an official City related function.
- (c) Lodging Costs. Lodging shall be obtained at the most economical rate available for safe, clean, and convenient accommodations. Cost for lodging shall be reimbursable provided that such lodging is within the general area of the site of the official City related function and such costs do not exceed any available governmental rates at the same facility or 15% of the cost of other comparable available lodging within the general area of the site of the official City related function.



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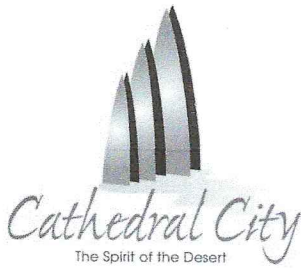
- (d) Mobile Communication Devices (Cell Phones, Handheld Internet Devices, etc.). City Officials shall be entitled to reimbursement for mobile communication devices such as cell phones and handheld internet devices in an amount not exceeding one hundred fifty dollars (\$150.00) per month for all such devices they utilize in their official capacities. Further, the phone number(s) of cell phone(s) used by City Officials shall be printed on the City Official's City business card if the City Official is receiving any reimbursement for the use of the subject cell phone(s) pursuant to this section.
- (e) Reimbursed Third Party Expenses. City Officials shall be reimbursed for third party expenses when such expenses are directly related to official City related functions and proper receipts are submitted.
- (f) There shall be no reimbursement for any alcohol-related expenses.

9.0 Non-Reimbursable Expenses.

- (a) Spouse or Guest Travel and/or Attendance. Expenses incurred by a spouse, domestic partner or guest of a City Official when attending official City related functions shall not be reimbursed.
- (b) Non-Official City Related Functions. Expenses incurred in connection with travel to and from and/or participation in and/or attendance at a function that does not qualify as an "official City related function" as described herein shall not be reimbursable, including, but not limited to, functions wherein the primary purpose is to support, advance, or encourage a political party, political cause, or to promote in any way a candidate for political office, or any function wherein the primary purpose or content is religion-based. City Council delegates who travel out of the Coachella Valley as a CVAG representative shall not be reimbursed for expenses.
- (c) Unreasonable Lodging Costs. That portion of expenses for lodging at a motel, hotel, bed and breakfast or other such type of establishment that exceed the governmental rate available at the same establishment or 15% of the average costs of comparable available lodging within the general area of the site of the official City related function shall not be reimbursable.
- (d) Traffic Violations and Parking Tickets. The City shall not pay for any traffic violation fines of parking ticket fines.

10.0 Advanced Funds.

- (a) All City Officials may submit a request for "advanced funds" in an amount not to exceed fifty dollars (\$50.00) per day of an official city related function to cover the costs described herein in connection with the City Official's anticipated participation in and/or attendance at an official City related function.
- (b) Whenever feasible, all City Officials shall use a City credit card in accordance with Section 12 of this Policy rather than the "advanced funds" provided by this Section.



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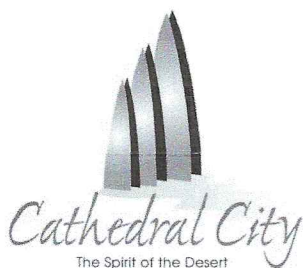
- (c) All requests for advance payments must be submitted at least five days prior to the intended date of departure.
- (d) Advance payments do not constitute approval to spend the entire amount advanced.
- (e) An expense report must be submitted to reconcile advances after any travel is completed.

11.0 Reimbursement and Payment Procedures

- (a) Within ten business days commencing with the first full business day the City Official returns home from the respective official City related function, he or she must reconcile all amounts advanced pursuant to Section 10 on the forms provided by Accounting Services.
- (b) If the actual costs and expenses incurred by the City Official exceed the amount advanced pursuant to Section 10, the City Official must submit a reimbursement request on the form provided by Accounting Services in order to receive reimbursement for the difference.
- (c) If the actual costs and expenses incurred by the City Official are less than the amount advanced pursuant to Section 10, the City Official must render payment to Accounting Services by check, money order or cashiers check payable to the City of Cathedral City.
- (d) No City Official shall be entitled to any interest on any outstanding amount which the City may owe to such City Official if the City Official fails to submit a reimbursement request within the requisite time period set forth herein.
- (e) All expense reports and reimbursement requests must be accompanied by receipts or other such documentation explaining the absence of such.

12.0 Credit Card Expenditures.

- (a) Use of personal credit card or cash advance by City Officials is preferable for ordinary travel expenses. A City credit card may be issued for use by City Officials for non-local travel for official City-related functions. In all cases, receipts are required for reimbursement or for verification of the expenses submitted.
- (b) City Officials shall not use the City's credit card for any non-City related purposes.
- (c) City Officials shall reconcile all City credit card accounts that they have charged expenditures against, within ten days after receipt of Billing Statement by City Official.
- (d) Copies of all credit card invoices shall be published in the City Council Regular Meeting Agendas with the Demand Register.



13.0 Cancellation.

Cancellations of advance reservations that result in the expenditure of City funds will be reviewed on a case-by-case basis to determine whether the City Official will be held responsible for reimbursement of that cost to the City.

14.0 Gifts.

- (a) All gifts of travel, lodging or other services described herein shall be reported to the City office that maintains the records of the City's statements of economic interests.
- (b) All "free" travel (i.e., "bonus miles", "frequent flyer miles", "friends fly free", other promotional items, etc.), lodging (i.e., "free weekend pass", "next night free", other promotional items, etc.) and/or other services received as additional consideration for payment of such travel, lodging or other services at their normal prices shall be the property of the City.

15.0 Exemptions.

- (a) The Mayor is authorized to exempt, by ratification after the expense is incurred or prior to the expense being incurred, any City Official from the official rules, regulations and procedures set forth herein under extenuating circumstances.
- (b) The Mayor may, at his or her discretion, approve or disapprove any of the types of travel and/or business expenses outlined above, or any other expense not listed, as he or she deems appropriate under the specific circumstances.
- (c) The Mayor shall decide all questions of interpretation of the policies, rules, regulations and procedures set forth herein.

16.0 Disputes.

Disputed expenditures may be brought to the City Council for resolution.

17.0 Reports.

- (a) Pursuant to Government Code §53232.3(d), City Council Members shall provide brief reports on meetings attended at the expense of the City at the next regular City Council meeting. Pursuant to Government Code §53232, "meetings" as used in this section has the same meaning as "meeting" under the Brown Act.
- (b) The report may be made orally or in writing.
- (c) If multiple City Council Members attended the same event, a joint report may be made.



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