

Resolution No. 2007-075

REVISING THE POLICY AND PROCEDURES  
FOR TRAVEL AND EXPENSES REIMBURSEMENT  
FOR ELECTED AND APPOINTED OFFICIALS

WHEREAS, the City Council finds that it is in the best interests of the City that elected and appointed officials remain informed and trained in activities, developments and professional trends affecting the affairs of the City and that attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its citizens; and

WHEREAS, appointed officials include Planning Commission, Parks and Recreation Commission members, and other non-employee members of boards, commissions, and committees; and

WHEREAS, the City of Tracy takes its stewardship over the use of its limited public resources seriously; and

WHEREAS, public resources should only be used when there is a substantial benefit to the City; and

WHEREAS, such benefits include:

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

WHEREAS, a) legislative and other regional, state and federal agency business is frequently conducted over meals; b) 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 c) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and

WHEREAS, this Policy provides guidance to elected and appointed officials on the use and expenditure of City resources, as well as the standards against which those expenditures will be measured; and

WHEREAS, Government Code section 36514.5 allows council members to be reimbursed for actual and necessary expenses incurred in the performance of their official duties; and

WHEREAS, On April 17, 2007, Council revised the policy to include a remedy for non-compliance by Board and Commission members; and

WHEREAS, this Policy satisfies the requirements of Government Code sections 53232.2 and 53233.3.

NOW, THEREFORE, the Tracy City Council does resolve, declare, determine and order as follows:

SECTION 1: Resolution No. 2007-023 is hereby repealed. The Travel and Expenses Reimbursement Policy and Procedures for Elected and Appointed Officials in the City of Tracy, attached hereto as Exhibit "A", is hereby adopted.

SECTION 2: This resolution shall take effect immediately upon adoption.

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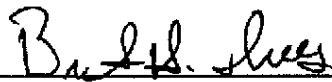
The foregoing Resolution 2007-075 was passed and adopted by the Tracy City Council on the 17th day of April, 2007, by the following vote:

AYES: COUNCIL MEMBERS: SUNDBERG, TOLBERT, TUCKER, IVES

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: ABERCROMBIE

ABSTAIN: COUNCIL MEMBERS: NONE

  
\_\_\_\_\_  
Mayor

ATTEST:

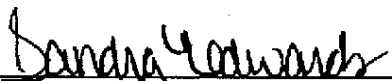
  
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City Clerk

EXHIBIT "A" TO RESOLUTION NO. 2007-075

POLICY FOR REIMBURSEMENT  
FOR TRAVEL AND EXPENSES  
FOR ELECTED AND APPOINTED OFFICIALS

The City Council of the City of Tracy believes that it is important that elected and appointed officials (including Planning Commissioners, Parks and Recreation Commissioners, and other volunteer members of boards, commissions, and committees) remain informed and trained in issues affecting the affairs of the City and that attendance at institutes, hearings, meetings, conferences, or other gatherings is of value to the City and its citizens. The benefits include:

- a. The opportunity to discuss the community's concerns with state and federal officials;
- b. Participation in regional, state and national organizations whose activities affect the City;
- c. Attending educational seminars improve officials' skill and information levels; and
- d. Promoting public service and morale by recognizing such service.

In order to promote these endeavors, to protect public resources and foster public trust in the use of those resources, as well as comply with state law requirements regarding reimbursement of expenses, the City Council hereby sets forth the travel and expense reimbursement policies for the City of Tracy.

All anticipated conferences, conventions and professional meetings shall be budgeted for in the current operating budget. As the trip is being paid for with public funds, it shall be the responsibility of the official undertaking the trip to make every effort to attend the entire conference and/or as many sessions as possible.

All elected officials and appointed officials (including the City Manager and City Attorney) who receive compensation for their service or reimbursement for their expenses shall comply with this Policy. This shall include Planning Commissioners, Parks and Community Services Commissioners, and Cultural Arts Commissioners.

**A. 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 (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Attending City events;
6. Implementing a City-approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member;
7. Meetings such as those listed above for which a meeting stipend is expressly authorized under this Policy, and
8. City council members may be reimbursed for Internet and/or Cable TV expenses related to, and used in connection with, their official duties.

All other expenditures require prior approval by the City Council.

Expenses for international and out-of-state travel, other than the annual "One-Voice" trip to Washington D.C. coordinated through the San Joaquin County Council of Governments, require prior City Council approval.

For the purposes of this Policy, if the City pays directly for the expenses it is not considered a reimbursement (e.g. conference fees).

#### **B. EXPENSES NOT ELIGIBLE FOR REIMBURSEMENT**

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

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses, when accompanying official on agency-related business<sup>1</sup>, 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 cultural events;
5. Alcohol/personal bar expenses;
6. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
7. Personal losses incurred while on City business.
8. Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

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<sup>1</sup> If trip arrangements are made, as a convenience, for spouse or family members, reimbursement to the City for any advanced expenses must be received by the City prior to the trip.

### **C. COMPENSATION FOR ATTENDANCE AT MEETINGS**

Compensation for meeting attendance, for elected and appointed members of city boards and commissions, shall be as follows:

1. City Council members' salaries shall be set and enacted as mandated by the California Government Code.
2. Compensation for meeting attendance for members of the Planning Commission, Parks and Community Services Commission, and the Community Cultural Arts Commission, shall be established by resolution of the City Council.

### **D. TRANSPORTATION**

When attending conferences or meetings that are of such distance that it is more economical to take commercial transportation, if an official proposes to drive his/her car in those cases, commercial air fare will be paid and not automobile mileage. Government and group rates must be used when available.

1. **Airfare.** Airfares that are reasonable and economical shall be eligible for reimbursement.

2. **Automobile.** Automobile mileage is reimbursed at Internal Revenue Service ("IRS") rates in effect at the time of travel. 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.

3. **Car Rental.** Rental rates that are reasonable and economical shall be eligible for reimbursement.

4. **Taxis/Shuttles.** Taxis or shuttles fares may be reimbursed, including a fifteen (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.

### **E. LODGING**

Lodging expenses will be reimbursed, or paid for, when travel on official city business reasonably requires an overnight stay. 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. Travelers must request government rates, when available. If the group rate is not available, reimbursement at the IRS rate in effect at the time of travel shall apply (IRS Publication 463).

### **F. MEALS**

A local expense reimbursement policy identifying a "per diem" of reasonable rates for meals is not adopted. Receipts for expenses for meals shall be required. Actual expenses shall be reimbursed subject to the maximum per diem for the meal as set by the IRS rate in effect at the time of travel. (See Cal. Gov't Code §53232.2(c) and Publication 1542 at [www.irs.gov](http://www.irs.gov) or [www.policyworks.gov/perdiem](http://www.policyworks.gov/perdiem).) The City will not pay for alcohol/personal bar expenses.

## **G. MISCELLANEOUS EXPENSES**

Officials will be reimbursed for actual telephone, fax, and parking expenses incurred on City business. Telephone bills should identify which calls were made on City business.

## **H. CASH ADVANCE POLICY**

From time to time, it may be necessary for an official to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such request for an advance should be submitted to the City Manager ten (10) working days prior to the need for the advance with the following information:

1. The purpose of the expenditure(s);
2. The benefits of such expenditure to the residents of City;
3. The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs, and transportation expenses); and
4. The dates of the expenditure(s).

Any unused advance must be returned to the City within five (5) working days of the official's return, along with an expense report and receipts documenting how the advance was used. In the event the City Manager is uncertain as to whether a request complies with this Policy, such individual must seek resolution from the City Council.

## **I. CREDIT CARD USE POLICY**

City does not issue credit cards to individual office holders but does have an agency credit card for selected City expenses. City office holders may use the city's credit card for such purposes as airline tickets and hotel reservations by following the same procedures for cash advances. Receipts documenting expenses incurred on the City credit card and compliance with this Policy must be submitted within five (5) working days of use. Except as allowed under Section B(3), city credit cards may not be used for personal expenses, even if the official subsequently reimburses the City.

## **J. EXPENSE REPORT CONTENT AND SUBMISSION DEADLINES**

All cash advance expenditures, credit card expenses and expense reimbursement requests must be submitted on an expense report form provided by the city. This form shall include the following advisory:

"All expenses reported on this form must comply with the city's policies relating to expenses and use of public resources. The information submitted on this form is a public record. Penalties for misusing public resources and violating the city's policies include loss of reimbursement privileges, restitution, civil and criminal penalties as well as additional income tax liability."

Expense reports must document that the expense in question met the requirements of this Policy. Officials must submit their expense reports within thirty (30) calendar days of an

expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, 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 the official does not attend the trip and non-refundable expenses have been incurred for registration, lodging and/or travel, the non-attending official shall submit a written explanation of the reasons for non-attendance to the City Manager. The City Manager shall determine if the public funds advanced must be reimbursed to the City. Any decision of the City Manager may be appealed to the City Council.

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

#### **K. REPORTS TO CITY COUNCIL, BOARD OR COMMISSION**

At the next regular City Council (or Board or Commission) meeting, each official shall make a brief report (written or oral) on meetings attended at City expense. If multiple officials attended, a joint report may be made.

#### **L. COMPLIANCE WITH LAWS; VIOLATION**

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 and other applicable laws. 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 elected 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) prosecution for misuse of public resources.

Failure of an appointed Board or Commission member, after forty-five (45) days written notice, to complete the training required by AB1234 and this Policy shall result in the automatic removal of the member from their Board or Commission position.