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OFFICE OF THE CITY CLERK  
OAKLAND

2009 OCT 29 PM 7:33

# CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Budget Office  
DATE: November 3, 2009  
RE: **Supplemental Report to a Follow-up Report to an Informational Report on City-Funded Travel Expenditures Incurred During Fiscal Year 2008-2009 and a Revised Travel Policy that Sets Clear Guidelines for City Travel and Requires Accountability from City Officers and Employees**

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## SUMMARY

At the October 27, 2009 Finance and Management Committee meeting, members directed staff to revise the draft travel administrative instruction (AI 120) as follows:

- *From:* "For out-of-state travel, no more than three (3) employees ~~per department~~ Citywide may travel to the same destination for the same purpose, without prior approval by the City Administrator.

This change can be found on page 3 of the draft travel AI 120.

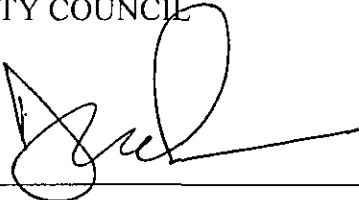
Respectfully submitted,



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**CHERYL L. TAYLOR,**  
Budget Director

APPROVED AND FORWARDED TO THE  
CITY COUNCIL



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Office of the City Administrator

Item: \_\_\_\_\_  
City Council Meeting  
November 3, 2009

# CITY OF OAKLAND



## ADMINISTRATIVE INSTRUCTION

<b>SUBJECT</b>	TRAVEL ON CITY BUSINESS	<b>NUMBER</b>	120
<b>REFERENCE</b>	AI4402; AI4403	<b>EFFECTIVE</b>	September 21, 2009
<b>SUPERSEDE</b>	AI 120 dated July 1, 2005	<b>DRAFT</b>	

### I. PURPOSE

This policy sets forth the guidelines for authorization, reimbursement and reporting of travel on City business by City officers and employees.

### II. POLICY

The City of Oakland has set and requires all officers and employees to follow the following policy guidelines regarding travel:

- Travel on City business must be beneficial to City officers and employees, and the City as a whole.
- Employees must have prior authorization for travel; approvals must be obtained before incurring costs and before commencing travel.
- Due consideration should be given to such factors as suitability, convenience and the nature of the business involved. Travel must be cost-effective. The City encourages travel when necessary to improve employee skills and professional development.
- **Employees should incur only those expenses that a reasonable and prudent person would incur if traveling, as if they were paying for the travel expenses themselves.**
- For sponsored or reimbursable travel, the employee who will travel (“traveler”) must submit proof (e.g. a copy of the grant award, or a sponsor’s check and a cash receipt showing that check has been deposited) that funds have been committed and or received from the sponsoring agency or organization. Whenever practicable, the traveler should request the sponsor agency or organization to pay for all costs of the trip directly. However, in this situation, the traveler is still required to complete the travel authorization and expense voucher forms per established procedure.
- Travel arrangements should be made as far in advance as possible so that only the most economical and practical accommodations available could be secured and employee work schedule could be prioritized.
- City Officers or employees who travel in the performance of their duties and in the service of the City shall be reimbursed promptly for their actual and necessary

expenses for transportation, parking, tolls, and other reasonable incidental costs, and shall be reimbursed within limits established by the Federal/State regulations for lodging, meals, and private auto use.

**III. DEFINITIONS**

<u><b>Term</b></u>	<u><b>Definition</b></u>
City Officer	An Agency Director or Department Head, and the City Administrator.
Employee	Any person employed by the City of Oakland.
City Business	<p>The activities of a City officer or employee must clearly demonstrate that there is a valid City interest to be served or gained through the travel and that there is relevance to City operations and or promotion or development of City programs. These activities include:</p> <ol style="list-style-type: none"> <li>1. Attending conferences, training sessions, educational seminars designed to improve employee skill levels and provide information on subject-matters important to City policy and operations.</li> <li>2. Attending meetings involving activities or decisions important to City interests and consistent with adopted plans, policies, goals or programs.</li> <li>3. Serving on professional organization or governmental committees, board and commissions that directly benefit the City.</li> <li>4. Representing the City in regional, state and national government levels.</li> <li>5. Attending events where the City is a formal sponsor or participant or in the performance of official duties for the City.</li> <li>6. Recognizing volunteer or employee service to the City.</li> </ol>

7. Engaging in other business-related activities with a direct connection to the implementation of City adopted plans, policies, goals or programs.

#### **IV. PROCEDURES AND GUIDELINES**

##### **Guiding Principles:**

All costs incurred related to the travel must be properly documented and reported on the travel expense voucher, irregardless of the method of payment (e.g. City purchasing card, City vendor check, or direct payment from sponsor agency).

Original receipts are required for reimbursement of lodging costs, registration fees, car rentals, airline tickets, public transportation and for all other expenses (note: receipts are not required for charges for which receipts are not customarily issued, such as BART ticket, bus fares, parking meter or tips).

Requests for travel authorization, reimbursement and post-travel reporting shall be processed using forms specified by the Finance and Management Agency, which are attached and available on the City's Intranet. Traveler should clearly disclose, itemize and account for group expenses included in the travel reimbursement form.

For out-of-state travel, no more than three (3) employees Citywide may travel to the same destination for the same purpose, without prior approval by the City Administrator. The City Administrator, at his or her sole discretion, may authorize an exception to requirements set forth in this Travel Policy, based on extenuating circumstances presented by the appropriate Agency Director or Department Head. Any exception granted by the City Administrator is to be applied on a case-by-case basis.

##### **Responsible Party**

Employee (Traveler)

##### **Action**

1. Submits travel request to department head at least two months in advance, or as soon as practicable for approval. Employee must complete a travel authorization form, which includes estimates for air travel, meals, lodging, ground transportation and incidental expenses and a brief explanation of why travel is warranted.

2. At the completion of travel, completes an assessment form on the benefit and value of training classes/seminars attended.

**Note: The assessment forms will be compiled and used by the department head**

**in determining if employees are allowed to travel to attend similar classes in the future.**

3. Completes a travel expense voucher within ten days of return from trip. Provides written justification, prior to reimbursement, when exceeding the estimated travel costs noted on the Travel Authorization Form. Attaches a copy of the Travel Authorization Form to the Travel Expense Voucher and includes a reconciliation of these two forms.

Agency Director/Department  
Head

1. Reviews employee travel requests.

2. Denies or approves travel requests, including a justification in writing of the direct benefit of the travel. Indicates if a replacement/backfill is necessary or if additional costs will be incurred such as acting pay, overtime, etc. while the employee is on travel status. Authorizes up to three consecutive days of travel or conference within the continental United States.

City Administrator

1. Reviews and Approves travel requests by Agency Directors and Department Heads. Authorizes travel over three consecutive days and outside the continental United States.

Travel by members of boards and commissions are subject to this policy, unless a different policy has been set by a separate legislation.

**Travel Expenses for non-City Personnel:**

Travel expenses for non-City personnel are not normally provided for, since only costs incurred by City Officers and employees on City business are reimbursable. However, reimbursement is allowable for City Officers and employees who have incurred expenses for non –City personnel in the following circumstances:

- Travel related to conferences and meetings between City Officers and consultants, experts, and public officials other than officers of the City of Oakland, discussing issues related to City business and policies.
- Must be pre-approved by the City Administrator.

- Lodging expenses for non-City personnel are NOT reimbursable except when special circumstances are noted and approved in advance by the City Administrator's Office. Otherwise, such expenses must be part of a service contract in order to be paid.

**Mode of Transportation:**

Employees are expected to travel by the most efficient, direct and economical mode of transportation.

Common carrier travel must be in "coach" or "economy" class unless otherwise specifically authorized in advance by the City Administrator's Office. Generally, any costs over and above coach or economy class shall be considered personal, non-reimbursable expenses of the traveler.

- Whenever possible, the Oakland Airport is to be used for air travel.

Rental cars may be used as part of a trip using public transportation, if use of a rental car provides the most economical and practical means of travel. The use of a rental car must be noted on the Travel Authorization in advance and authorized by the Agency Director or Department Head. Justification for the use of the rental car must accompany that request. *Employee should rent either an economy or compact car when traveling alone or up to a full size car when traveling in a group.* Use of premium rental car options is prohibited. Traveler must re-fuel rental car if additional charges apply for not refueling prior to returning the car. Rental car costs will not be reimbursed without prior authorization, except in case of an emergency. Exceptions may be granted at the sole discretion of the City Administrator's Office.

- When renting a car, traveler should purchase property and liability insurance coverage options to make sure that the City is fully insured.

Private auto use may be authorized by the Agency Director or Department Head for City business travel within City limits and out of the City limits. However, reimbursement shall not be authorized for commuting to and from employee's residence and the employee's main assigned work site, unless required by an executed Memorandum of Understanding between the City and a representing labor organization, or in the case of one-time special circumstances approved by the City Administrator's Office.

Out-of-city travel by City vehicle or private vehicle may be authorized if the final destination of the trip does not exceed a four-hour driving distance from City offices. Any exception to this policy must receive prior approval from the City Administrator's Office. If air travel would be more economical, but the employee prefers to drive his or her own private vehicle, then reimbursement will be based on the air fare cost.

- Carpooling should be used to the extent possible.

- Employees who receive a monthly automobile allowance and prefer to drive their personal vehicles, even when air travel would be more economical, are not eligible for the reimbursement of transportation when on a travel status.

**Reimbursement Rates:**

Maximum rates for reimbursement may not be exceeded unless due to special circumstances documented by the Agency Director or Department Head and approved by the City Administrator's Office. The amount of any approved reimbursement above the maximum shall be at the sole discretion of the City Administrator's Office.

Original receipts are required for reimbursement of lodging costs, registration fees, car rentals, airline tickets, public transportation (when receipts are normally available) and for all other expenses as required by law. Credit card statements are not acceptable form of receipts.

**Private Auto** – Travel by private auto in the performance of official City business shall be reimbursed at the Federal rate as determined by the Internal Revenue Service (details are available at [www.irs.gov](http://www.irs.gov)).

- Mileage for travel shall be computed from the employee's designated work place. If travel begins from the employee's residence, mileage shall be calculated from the residence or work place, whichever is less. (For example, an employee who lives in Fremont and drives to a meeting in Sacramento, leaving from his or her residence, will be reimbursed for mileage from the City of Oakland and back to the City of Oakland.)
- The mileage reimbursement rate represents full reimbursement for expenses incurred by a City officer or employee (e.g. fuel, normal wear and tear, insurance etc.) for the use of a personal vehicle in the course of service for the City of Oakland.

**Meals** – City shall reimburse meal expenses based on the current published Federal GSA CONUS standard rates at the travel destination, for out-of-city travel (<http://www.gsa.gov>; current rates are available from the Finance & Management Agency). Meal costs exceeding the per diem rates will not be reimbursed even if they are supported by itemized receipts. Meal costs will not be provided for in-city travel or meetings, which do not involve overnight lodging.

For any full day of out-of-city travel, the costs of meals and tips may be reimbursed at the current daily rate without regard to how much is spent on individual meals (i.e. breakfast, lunch, dinner, snacks), and without receipts, subject to the following limitations:

- If an employee is on travel status for less than a full day, costs may be reimbursed for individual meals occurring within the travel time, using the rates shown below.
- Meals that are included in a meeting, conference and/or registration fee will be deducted from the meal rate shown below.

- Breakfasts may be reimbursed only if an employee's travel consists of at least two hours in duration before an employee's regular work hours; dinners may be reimbursed only if travel consists of at least two hours duration after an employee's regular work hours.

**Lodging** – Lodging must be approved by the Agency Director or Department Head in advance of a trip by completing a Travel Authorization form. Supporting information such as announcements, convention programs, training course schedules, etc., which explains the content of the program, meeting dates and costs, must be attached.

- City shall reimburse employee for hotel costs, based on the current published Federal GSA CONUS per diem rate at the travel destination, or for the actual costs incurred, whichever is less. (<http://www.gsa.gov>; current rates are available from the Finance & Management Agency) An itemized hotel bill is required for basis of reimbursement.
- Single rates shall prevail except when the room is occupied by more than one City employee. However, nothing in this policy shall be construed to require employees to share sleeping accommodations while traveling on City business. In all travel, employees are expected to secure overnight accommodations as economically as practical. Generally, any costs over and above economically practical accommodations shall be considered personal non-reimbursable expenses of the traveler.
- Lodging arrangements should be made, whenever practical, at hotels which offer a government discount, or at which the City has established an account, or other means offering discount savings, e.g. Internet (Travelocity.com, etc.). Conference discount rates should be compared and used when savings would result. The employee is responsible for the costs in excess of those rates.

The Agency Director or Department Head may authorize lodging within the City if assigned activities require an employee to spend one or more nights in an area of the City which is distant from his/her place of residence.

**Other Expenses** – all other reasonable and necessary expenses (i.e. parking, shuttle, taxi, etc.) will be reimbursed when a receipt is submitted with the Travel Expense Voucher reimbursement claim. Receipts are required except for those charges where receipts are not customarily issued (examples: BART or bus fares or tips). When specific cost guidelines are not provided by the City, reasonableness of the expense shall be approved by the Agency Director or Department Head before submission for reimbursement, subject to justification. Employees will be reimbursed for only one personal phone call per day for the duration of the trip.



**Non-Allowable and Non-Reimbursable Costs:** The following items will not be reimbursed unless there is an emergency or highly unusual circumstances have occurred. In this case, reimbursements will be made only upon approval by the City Administrator.

Type	Examples
Travel/Transportation	<ul style="list-style-type: none"> <li>• Unjustified car rental and/or upgrade of mode of transportation.</li> <li>• Unjustified employee parking or cab fare to meetings locally.</li> <li>• Parking/moving violation tickets or other penalties for infractions of any law, repair of automobiles and towing charges.</li> <li>• Unjustified cancelled travel tickets and change/cancellation charges.</li> <li>• Loss of ticket refunds due to employee's failure to cancel in a timely manner.</li> </ul>
Lodging	<ul style="list-style-type: none"> <li>• Unjustified upgrade of hotel room.</li> <li>• Payment for accommodation with friends and relatives.</li> <li>• Unjustified lodging during training/meetings within the nine (9) Bay Area counties.</li> <li>• Hotel room movies.</li> <li>• Internet usage, not work-related.</li> <li>• Lodging costs incurred for trip that was cancelled.</li> </ul>
Meals	<ul style="list-style-type: none"> <li>• Unjustified meal expenses in lieu of conference provided meals.</li> <li>• Alcoholic beverages.</li> <li>• Meals in excess of per diem rates.</li> </ul>
Other Expenses	<ul style="list-style-type: none"> <li>• Boarding cost of pets and babysitting of children during business travel.</li> <li>• Damaged or stolen personal or City properties due to employee's negligence.</li> <li>• Excessive personal phone calls from hotels when traveling.</li> <li>• Flowers/greeting cards/gifts.</li> <li>• Personal Laundry/dry clean.</li> <li>• Non-customary tips.</li> <li>• Recreational activities such as golf.</li> </ul>

**Personal expenses** – Personal expenses charged on a City Travel Expense Voucher are non-allowable expenses. The City of Oakland recognizes that during the course of a business trip it is sometimes difficult and/or expensive to separate allowable costs from unallowable costs. For instance, an inadvertent charge for an unallowable expense may appear on a hotel charge slip. In those instances, employees must submit a personal check, made out to the “City of Oakland” for the cost of those items and attach the check to the Travel Expense Voucher reimbursement claim. At no time will an employee of the City of Oakland be allowed to charge personal expenses and/or items to the City. Failure to submit any such payment with the Travel Expense Voucher reimbursement claim will result in those charges being withheld from the employee’s next paycheck.

**Lost Receipts - Receipts are required for reimbursement.** When receipts are lost, a statement from the employee declaring that a good faith effort was made to produce the receipt in accordance with this Administrative Instruction must be submitted. The statement must be signed by the employee and approved by the Agency Director or Department Head. In the event of a lost receipt, reimbursement will be considered only upon receipt of such a statement, after demonstrating that due diligence efforts were made to obtain or produce a copy of receipt.

**Compliance:**

It is the responsibility of the employee to understand and follow all policies and procedures herein in order to receive reimbursement for mileage, travel and expense claims. Any form completed improperly or procedure not followed may result in the return of a reimbursement claim without reimbursement. **Non-compliance and misuse of public funds or falsifying expense reports are violations of the travel policy and may result in loss of travel/reimbursement privileges, a demand for restitution to the City or may lead to disciplinary action, up to and including suspension and termination.** In addition, non-compliance of this policy by department heads may impact their performance appraisals.

Travel that requires City Administrator’s Office approval should be submitted at least 15 days prior to the travel date to allow time for review and approval.

Whenever practicable, employee should use his or her own funds to pay for travel costs, including hotel, airfare, and rental car, then request for reimbursement, per established travel policy, upon return from the trip.

Requests for advance funds for anticipated travel expenses itemized on the Travel Authorization form are obtained by indicating this need on that form prior to processing the request.

- Employees may request advance funds for estimated “out of pocket” expenses up to fifty (50%), but no less than \$50.00. The “out of pocket” expenses may include meals, taxi and public transportation, lodging, parking, and pre-registration costs.
- Employees that have prior outstanding travel expenses and have not submitted the Travel Expense Voucher are not eligible for an Advance Payment and will *not be allowed to travel*.

Cancellation of travel requires that any advanced funds be returned to the Treasury Division within five working days of cancellation. If the advance is not returned within this period, the employee will jeopardize his/her standing to receive advances in the future. If the advanced funds are not returned within fifteen days, notification will be sent to the City Administrator's Office and the amount of the advanced funds will be deducted from the employee's paycheck.

It is the responsibility of the employee to cancel all reservations when travel plans are altered or canceled. Charges or loss of refunds resulting from failure to cancel reservations will not be reimbursed except where cancellation is impossible.

Travel Expense Vouchers are due to the Finance and Management Agency/Accounts Payable Section within ten days after completion of travel.

This policy shall apply to all expenditures in the performance of official City business **except**:

1. Cost of extradition of prisoners by sworn officers which are subject to State regulations.
2. Any travel or related expense incurred which are subject to reimbursement from Federal or State grants when such grant specifically provides for reimbursement under applicable Federal and State regulation and is more restrictive than the City guidelines.
3. Any travel or related expenses for a member of a City Board or Commission, wherein said Board (e.g. Oakland Municipal Employee's Retirement System Board) has its own travel policy, as legally mandated by state or federal law.
4. Any particular travel expense or reimbursement rate for represented City Officers or employees that is specifically addressed in the existing Memorandum of Understanding or arbitration award.

**Required Forms:**

Travel Authorization Form:

Employee must complete and submit this form to the Agency Director/Department Head at least two months prior to the scheduled trip or, as soon as practicable for department approval. If travel is longer than three days and or will be outside the continental United States, this form will be forwarded to the City Administrator for final approval.

Travel Expense Voucher Form:

Employee must submit this form to the Agency Director/Department Head within ten days of completion of travel.

Travel Assessment Form:

Employee must submit this form to the Department Head within ten days of completion of travel.

Please direct any questions regarding this AI to the Accounting Division at (510) 238-7492.

**DRAFT**

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Dan Lindheim  
City Administrator

Attachments:  
Travel Authorization Form  
Travel Expense Voucher Form  
Travel Assessment Form

# DRAFT



## City of Oakland TRAVEL AUTHORIZATION

FOR ACCOUNTING USE ONLY			
Period	Batch #	Type	Item

Travel Auth No: \_\_\_\_\_

1. Employee Name		2. Date		3. Supplier Number	
4. Department		5. Position Title			
6. Travel Destination		7. Number of Work Days		8. Departure Date	9. Return Date

10. Purpose of Travel (Explanation of why travel is warranted)  
\_\_\_\_\_

11. Funding Source <input type="checkbox"/> Budgeted <input type="checkbox"/> Other <input type="checkbox"/> Funds Avail. <input type="checkbox"/> Reimbursable		12. Total Cost Estimate	13. Name of Employee in Charge if Requestor is Dept. Head
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14. Transportation

Use of City vehicle requested:  
Estimated round-trip miles: \_\_\_\_\_

Use of private vehicle requested:       Advance Payment       Reimbursement  
Estimated round-trip miles      Equivalent common carrier rate      \$ \_\_\_\_\_

Agency Director/Dept Head       Approved       Not Approved

Use of rental vehicle requested  
Agency Director/Dept Head       Approved       Not Approved

Upon invoice from travel agent or common carrier, prepare check in amount of \$ \_\_\_\_\_  
Payable to: \_\_\_\_\_      Supplier Number: \_\_\_\_\_

15. Registration/Lodging

Fees for above event \$ \_\_\_\_\_      Lodging: \$ \_\_\_\_\_  
 Fee will be paid by employee for later reimbursement      Hotel: \_\_\_\_\_  
 City will be billed       Use Purchasing Card

Fee to be paid in advance \$ \_\_\_\_\_

Make check payable to \_\_\_\_\_      Make check payable to \_\_\_\_\_  
Mail check to: \_\_\_\_\_      Mail check to: \_\_\_\_\_

16. Meals & Incidentals

Advance per diem requested - provided check to employee in amount of \$ \_\_\_\_\_  
Full per diem rate for \_\_\_\_\_ days @ \$ \_\_\_\_\_      Amount: \$ \_\_\_\_\_

17. Department Head Review

Approved  
Justification for Travel:  
 Training not available locally       Direct benefit to City  
 Replacement/Backfill:       YES       NO  
Estimated Cost (e.g. acting pay, overtime, temporary) \$ \_\_\_\_\_  
 Not Approved  
Signature \_\_\_\_\_      Date \_\_\_\_\_

18. City Administrator Review <input type="checkbox"/> Approved <input type="checkbox"/> Not Approved Signature _____      Date _____					19. City Administrator Remarks				
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Amount	Fund	Organization	Account	Project	Program	Supplier No.			

Submitted by: \_\_\_\_\_      Telephone No: \_\_\_\_\_  
Account Payable \_\_\_\_\_      Date \_\_\_\_\_

# DRAFT



## City of Oakland TRAVEL EXPENSE VOUCHER

FOR ACCOUNTING USE ONLY			
Period	Batch #	Type	Item
TEV Number: _____			

1. Employee Name		2. Position Title		3. Supplier Number	
4. Department		5. Travel Destination		6. No. of Work Days	
7. Funding Source: <input type="checkbox"/> Budgeted <input type="checkbox"/> Funds Available <input type="checkbox"/> Other		8. Departure Date		9. Return Date	
10. Purpose of Travel					
11. If City Vehicle Used: Vehicle Number _____ Model _____ Odometer Reading _____ Start _____ End _____ Miles _____			12. If Private Vehicle Used: License No. _____ Model _____ Vehicle Approved for City Yes <input type="checkbox"/> No <input type="checkbox"/>		

### TRAVEL EXPENSE CLAIM

13. Day of Week/Date										TOTALS
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### TRANSPORTATION EXPENSE

14. Airplane										
15. City Car Expense										
16. Private Car Expense										
17. Local Transportation										
18. Parking										
19. Tolls										

### REGISTRATION

20. Registration										
21. Special Fees										

### Lodging Per Diem

22. Full Per Diem										
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### MEALS & INCIDENTALS

23. Breakfast										
24. Lunch										
25. Dinner										
26. Telephone										
27. Baggage Handling										
28. Tips										
29. Others										
TOTALS										

30. Remarks		31. Total Advances & Prepayments	
		32. Balance Due to (From) Claimant	
34. Claim Approved by Department Head Signature _____ Date _____		33. I certify under penalty of perjury that the above is a true statement of costs incurred by me in official business for the City of Oakland Signature _____ Date _____	

Fund	Organization	Account	Project	Program	Amount

Submitted by \_\_\_\_\_ Date \_\_\_\_\_

Account Payable \_\_\_\_\_ Date \_\_\_\_\_

DRAFT



**TRAVEL ASSESSMENT FORM:**

1. Complete within ten days of return from trip
2. Submit original copy to Department Head
3. Submit a copy with Travel Expense Voucher to Accounts Payable

Name of Employee (Traveler): Agency/Department Position Title: Supervisor's Name:	
Dates of Travel: Travel Destination: Purpose of Travel:	
Training classes attended: 1. 2. 3. 4. 5.	Benefits/skills acquired: 1. 2. 3. 4. 5.
Name of sponsor organization: Are you an individual member of this organization? Is the City a sponsor or participant of this event?	
How would you rate your recent travel? (Use a grading scale of 1-10)	
Would you recommend similar training classes in the future?	
Signature of Employee: Date signed:	
OTHER COMMENTS:	
<i>FMA Form 120A 8/2009</i>	