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CITY OF OAKLAND
CITY COUNCIL

LEGISLATIVE ANALYST MEMORANDUM

To: Finance & Management Committee
From: Sabrina Landreth, Legislative Analyst
Date: October 28, 2008
Re: Follow-up Information on Proposed City-Funded Travel Policies

At the September 23, 2008 Finance & Management Committee, the Committee requested clarification on two of the items listed in Councilmember Quan's proposed motion for discussion. Additional description of these two items, specifically #5 and #8, is included below.

September 23, 2008 Proposed Motion from CM Quan:

1. Require travelers to provide written justification when exceeding the estimated travel costs noted on the Travel Authorization Form.
2. Add language to the Travel Authorization Form that requests signatories to verify that all expenses will be incurred for the purpose of City business.
3. Provide information to employees on the consequences for violating the travel policy.
4. Add policy on premium rental car options and fuel service fees.
5. Provide limits on itemized meal reimbursement amounts. City to reimburse actual costs for meals when supported by itemized receipts up to 150% of the per diem rate for meals.
6. Require travelers to clearly disclose, itemize, and account for group expenses.
7. For out-of-state travel, no more than (X) employees per department may travel to the same destination for the same purpose without prior approval by the City Administrator.
8. Staff to return to Committee with more information on the pros/cons of using the federal CONUS maximum per diem rates.

5. Limits on itemized meal reimbursement amounts.

Under existing City policy (AI 120), the costs of meals and tips may be reimbursed at the current per diem rate without regard to how much is spent on individual meals, and without receipts. The current per diem meal rates are \$11.00 for breakfast, \$16.00 for lunch, and \$29.00 for dinner. There is no explicit limit for reimbursement with itemized receipts. Item #5 above would set the maximum reimbursement for actual costs for meals when supported by itemized receipts at up to 150% of the per diem rate for meals. The maximum amounts would be \$16.50 for breakfast, \$24 for lunch, and \$43.50 for dinner. The City of San Jose uses this same maximum rate.

8. CONUS (Continental United States) per diem rates.

The federal GSA (General Services Administration) establishes the CONUS (Continental United States) maximum per diem rates for hotels, meals, and incidentals for federal employees. These rates are reviewed annually and differ depending on location and season. For example, this year the maximum New York City hotel rate is \$360/night from September 1 - December 31, \$285/night from January 1 - June 30, \$259/night from July 1 - August 31. In addition to federal agencies, some states, counties, cities, and universities also use the CONUS rates for their own employees' maximum per diem travel reimbursement.