

REIMBURSEMENT OR APPROVAL OF AUTHORIZED EXPENSES

1.0 Purpose:

- 1.1 To define authorized conditions and limits for which expenses or losses incurred in the performance of City business may be reimbursed and to describe procedural matters concerning travel authorization, documentation and accounting. The City is not responsible for losses due to an employee's own negligence, losses due to normal wear or losses due to theft unless the theft was a result of the City's negligence. Limits within this policy are to be applied to City sponsored events, charges incurred on City issued credit cards as well as any other reimbursable expenses. In the event of conflict between Administrative Directive 1-11 and Credit Card Administrative Directive 3-3, Administrative Directive 3-3 shall prevail.

This policy was drafted using the Illinois Wage Payment and Collection Act, effective January 1, 2019

2.0 Scope:

- 2.1 In order to effectively conduct official business and advance the abilities and professionalism of employees and officers of the City, attendance at certain schools, conferences and meetings is recognized, and the reimbursement of travel expenses for employees is authorized by the City Manager in accordance with the guidelines and procedures outlined herein. Approval of expenses for the City Council is defined under Section 5.1 of this directive. The City's objectives are to allow arrangements that (1) authorize reasonable reimbursement for authorized official business, (2) provide uniform and equitable handling of all expenses, and (3) allow the individual to carry out duties in a manner that is dignified and reflects credit on the City.

3.0 Definitions:

For the purposes of this Directive, the following terms are defined as follows:

"City Officer" means members of the City Council, Boards and Commissions or anyone traveling on behalf of the City.

"Entertainment" includes, but is not limited to, shows, amusements, theaters, circuses, sporting events, or any other place of public or private entertainment or amusement, unless ancillary to the purpose of the program or event.

"Travel" means any expenditure directly incident to official travel by employees and officers of the City involving reimbursement to travelers or direct payment to private agencies providing transportation or related services.

4.0 Policy:

- 4.1 General Guidelines: An employee is expected to show good judgment and proper regard for economy in traveling at City expense. Expense levels established by this directive are guidelines and are not flat allowances or authorizations to spend a given sum if less would be adequate. Requests for reimbursement must be authorized and approved by the department head and further reviewed by the Finance Department. Requested expenses may be revised or eliminated if deemed outside this directive.

- 4.2 Attendance at Conferences or Training Programs: Department heads and staff assistants are encouraged to budget and to attend conferences and training programs. Except under unusual circumstances, no officer or employee will be authorized to attend any conference or training program at City expense unless such expense has been provided for in the annual budget. Final approval for travel and appropriate expenses will be contingent on the current availability of funds.
- 4.3 Traveling with Family: An employee's spouse or other family member may accompany an employee on an official trip, provided that their presence does not detract from the performance of duty; however, no expenses attributable to the spouse or other family member, including a conference registration fee or special events charge, shall be reimbursed by the City. If an employee's spouse or other family member shares lodging, reimbursement shall be limited to the single rate for the lodging occupied.
- 4.4 Reimbursement Procedures:
- a. Incurred travel expenses must be itemized on a travel expense reimbursement form and submitted through invoice entry in the BSA software to be reviewed by Finance within 30 days after returning from the trip.
 - b. Receipts for all expenditures, should be attached thereto. Expenses of \$10 or more must be accompanied by receipts. For expenses under \$10, receipts are preferred but not required unless required by the department.
 - c. Paid detailed bills for lodging and receipts for air fares are required. However, no lodging expense shall be reimbursed for meetings or conferences held within a 50 mile radius of Lake Forest unless specifically authorized by the department head.
 - d. Specifically prohibited are reimbursements for the purchase of personal items or gifts.
 - e. Where supporting documentation is nonexistent, missing or lost, the employee shall submit a signed statement regarding any such receipts. Employees should exhaust all efforts to obtain such documentation.
- 4.5 Allowable Expense: Reasonable expenses incurred during attendance at conferences or training programs shall be reimbursed as authorized in the following classifications:
- 4.5.1 Authorized Modes of Transportation: An employee may request use of the preferred mode of transportation; however, this choice should be guided by the accommodations that are most expedient and advantageous to City operations. Ordinarily, round trip tickets should be purchased, but going by one mode and returning by another is allowed if schedules so dictate or if there is some other advantage to the City.
- a. Air: Allowance for air travel will be authorized for round trip fare on an air coach price basis to the city of destination. All upgrades will be at the expense of the employee. In securing air accommodations, an effort should be made to take advantage of seasonal or "special rate" savings in ticket costs.
 - b. Private Automobile: An amount equivalent to air coach fare may be allowed for use of private cars in long distance travel on City business. Lodging, meals and other expenses en route that would not be paid if public transportation were used are not reimbursable.

- c. City Vehicles: City vehicles shall be used in all practicable cases. All out-of-pocket expenses for operating City vehicles will be allowed, providing receipts are furnished.
- d. Garage and Parking: Reasonable charges at point of destination for parking and storage of private or City vehicles will be allowed. Receipts for such expenses should be furnished.
- e. Taxi, Bus and Commuter Rail Fare: Expenses for local transportation will be allowed for transportation to and from rail or air terminals. The least expensive acceptable mode of travel should be utilized.
- f. Automobile Rental: Automobile rental expenses shall be reimbursable only in exceptional, well-justified circumstances as approved in advance by the department head. Under normal conditions, public transportation or taxi service should be sufficient means of transportation. Maximum allowed reimbursement is for a mid-sized vehicle.

4.5.2 Lodging: Expense reimbursement will be allowed for actual hotel or motel accommodations and shall be limited to the minimum number of nights required to conduct assigned City business. Detailed receipts for lodging must be provided. Maximum allowed reimbursement shall be at the single rate. Personal entertainment will not be reimbursed.

4.5.3 Registration Fees: Registration fees are reimbursable for actual cost of registration. A receipt should be provided with the expense report.

4.5.4 Meals:

- a. Breakfast, lunch and dinner meals purchased during the inclusive dates of the trip will be allowed.
- b. Meals provided/included as part of the conference/meeting will not be reimbursed as part of the per diem, as these are covered in the cost of the conference/meeting.
- c. A summary conference schedule/itinerary must be provided with reimbursement request.
- d. Meals will be reimbursed after the conference on a per diem basis as noted and receipts will not be required unless otherwise directed by the City Manager or department head

Breakfast:	\$12.00
Lunch:	\$18.00
Dinner	<u>\$41.00</u>
Total Per Diem	\$71.00

- e. If actual expenses are required by a department, a detailed receipt is required and will be reimbursed up to the maximum allowable per diem.
- f. Under no circumstances will expenses for alcohol be reimbursed.
- g. Meal reimbursements on date of travel are contingent on conference start and end times and mode of transportation or at department discretion:

If a group of City employees goes out together at a conference or meeting and one of the employees pays on a City credit card, those names and the purpose of the expense must be provided through the credit card receipt payment and they will not be eligible for per diem reimbursement for that meal.

For local meeting meal reimbursements, see section 4.6.

- 4.5.5 Tips and Gratuities: Reasonable amounts for tips will be allowed for meals, not to normally exceed 15% to 20% of the meal cost, should be reported as a part of the meal cost.
- 4.5.6 Miscellaneous Expense: Other items of reasonable expense otherwise unclassified and necessary in the course of conducting City business shall be reimbursed. Specific itemization and receipts, if applicable, for such expenses shall be furnished.
- 4.5.7 Entertainment Expenses: No employee or officer of the City shall be reimbursed for any entertainment expense, unless ancillary to the purpose of the program, event or other official business. Ancillary eligible expenses to be approved by Supervisor and/or Department Head prior to the event. Under no circumstances will expenses for alcohol be reimbursed, with the exception of the Board and Commission recognition dinner, Mayor's Chairman dinner, Elected Official Recognition dinners, Lake Forest Day Mayor's Reception and Employee Recognition Dinner (cash bar).
- 4.6 Local Professional Meetings/Trainings: City officers, staff members and selected employees are encouraged to attend and participate in professional meetings and other meetings relating to City business and operations. These will normally be held within a 50 mile radius of Lake Forest. Reasonable expenses incurred in connection with such meetings are reimbursable, unless provided as part of the meeting/training cost. Meals will be reimbursed up to the maximum per meal as outlined in Section 4.5.4. . For expenses under \$10, receipts are preferred but not required unless required by the department.
- 4.7 Private Automobile Reimbursement: The use of privately owned vehicles for City business may be authorized in those instances where it is determined to be preferable as compared to use of a City vehicle or public transportation, or when no other reasonable alternative is available. Department heads shall strictly review and evaluate the need in all instances calling for use of private vehicles.
 - 4.7.1 When authorized, use of private automobiles shall normally include only use within the City and travel within a 50 mile radius of Lake Forest. When other use is authorized, an amount equivalent to airline coach fare may be authorized for reimbursement. In those instances where airline accommodations are not available, a mileage reimbursement described in Section 4.7.2 shall be authorized.
 - 4.7.2 The occasional use of private vehicles by City employees for City business purposes and for attendance at training sessions, business meetings and professional meetings around Chicago and the collar counties may be authorized by the department head. The costs associated with use of private vehicles for these purposes shall be reimbursed to a maximum of the IRS standard rate. Mileage for travel within the City limits of Lake Forest will not be reimbursed for the Managerial, Administrative and Executive classifications as outlined in the City's official Pay Plan.

- 4.7.3 Individuals using personal cars for City business are responsible for carrying private auto insurance. Should they be involved in an accident while in their private vehicle on bona fide City business, coverage will be through their private insurance. The City's liability carrier provides \$10 million in excess coverage for the employee operating a vehicle on bona fide City business, and this coverage becomes effective after the first \$100,000 has been met by the employee.
- 4.7.4 Use of a private vehicle for City business or professional travel outside of the 50 mile radius of Lake Forest may be authorized by the department head. If approved, the automobile expenses associated with such travel shall be reimbursed in accordance with Sections 4.7.1 and 4.7.2 of this directive.
- 4.7.5 Mileage reports requesting reimbursement shall be certified to correctness by the employee and approved by the department head.
 - a. If an employee travelled by personal vehicle, the mileage allowance is used for reimbursement. This allowance covers all operating costs of the vehicle, including gas.
 - b. Requests should include the locations traveling from and to for mileage calculations.
 - c. Tolls are not considered to be included in the mileage allowance and therefore are reimbursable.
 - d. A copy of the reimbursement form is attached to this directive.

5.0 Approval of Expenses

- 5.1 Travel expenses for members of the City Council: Transportation, meals, and lodging expenses incurred by any member of the City Council must be approved by roll call vote at an open meeting of the City Council. The maximum allowable reimbursement for travel is as outlined in the policy.
- 5.2 Expenses for City Officers or Employees Other than Members of the City Council: Travel, meal, and lodging expenses incurred by any City officer or employee, who is not a member of the City Council, in excess of the maximum allowable reimbursement for travel as outlined in the policy, must be previously approved in an open meeting by a majority roll-call vote of the City Council.
- 5.3 Advanced Expenses: Travel expenses will not be advanced as a per diem.

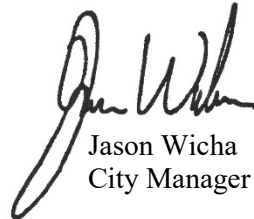
All documents and information submitted in connection with this Policy are public records subject to disclosure under Freedom of Information Act.

6.0 Related Policies

- 6.1 In addition to the Reimbursement or Approval of Authorized Expenses, additional policies to assist with employee expenses can be found:
 - a. Purchasing – Administrative Directive 3-5
 - b. Petty Cash – Administrative Directive 3-5
 - c. Credit Cards – Administrative Directive 3-3
 - d. Snow removal meals – Snow and Ice Control Plan (meals reimbursed up to \$7.00, receipt required for reimbursement)

6.0 Distribution:

- 6.1 Employee Information Site, www.citylf.org, under HR/Administrative Directives/General Policies.



Jason Wicha
City Manager

Revised: 5/96, 5/97, 5/02, 5/07, 5/08,
5/11, 5/12, 5/16, 5/17, 5/18, 5/19, 5/20

The City of Lake Forest Travel Expense Reimbursement Report 2020

PURPOSE/LOCATION: _____

Please label and attach receipts

TIME PERIOD: _____

EMPLOYEE INFORMATION:

Name (PRINT) _____

Department _____

	Date	Date	Date	Date	Date	Date	Date	Total	Description	Account Number
Hotel										
Fuel										
Tolls										
Mileage										
Meals										
Transportation										
Parking										
Conference Registration										
Other								\$ -		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
	Total									

Total Mileage Driven: _____

Personal Car Mileage

Company Car Fuel Cost

Employee Signature: _____

NOTES: _____

APPROVAL Signature: _____

Per Diem: Breakfast \$12.00
 Lunch \$18.00
 Dinner \$41.00

Mileage Rate 57.5 cents per mile effective 1/1/2020 - 12/31/2020
 Detailed Hotel Receipt is required for hotel reimbursement
 Attach brochure or registration for conferences