

## **POLICY ON TRAVEL ALLOWANCE**

The purpose of this policy is to establish guidelines for the reimbursement of town business related out-of-town travel expenses by officers and employees. There is no reimbursement for out-of-town travel expenses that are not Town business related. Since all travel expenses allowed are paid for by public funds, employees and officers should exercise due care while incurring such expenses. For all travel, except for mandatory training, on Town business there should be prior approval by the Town Supervisor or Town Board. Travel for mandatory training shall be scheduled by the department head and remain within budgetary limits. Any other travel previously approved by the Town Board shall be scheduled by the department head or Town Supervisor.

The Town of Big Flats is a tax-exempt organization and, as such, an officer or staff person should whenever possible bring along a sales-tax exempt certificate for car rental, lodging and making any purchases in New York State. The Town Clerk shall maintain and make available to officers and staff a copy of such tax-exempt certificate.

### **1. Approvals**

All out-of-town travel plans require prior approval by the Town Supervisor, or by the Town Board.

### **2. Transportation**

Air Transportation: All business air travel must be in economy class unless travel is international and flight time is ten hours or more in duration. In those cases, business class may be permitted if approved before incurring the expense. When making an airline reservation, employees are to request flights in accordance with required departure/arrival times that utilize the lowest fare prices and most direct routes for the traveler's flight itinerary. The last page of an original airline ticket, called the "passenger receipt", is required for reimbursement, or in the case of E-tickets, the receipt provided or the ticket itinerary from the travel agent.

When planning your airline itinerary, consider the following cost saving strategies:

Stay over one Saturday night. Many discounted airfares require staying over a Saturday night.

Compare the cost of hotel and meal expenses of staying Saturday night to the savings in airfare.

Make reservations in advance, most discounted fares are available when purchased several days prior to departure.

Be flexible in selection of airlines and flight time.

Taxi and other Local Transportation: The cost of taxis or carfare to and from places of business, hotels, airports or railroad stations in connection with out-of-town business travel is reimbursable. Receipts must be secured in order to be reimbursed.

The use of a personal automobile is discouraged, except for regional travel. Personal vehicle travel shall be reimbursed at a stated IRS rate in effect at the time of travel. IRS mileage reimbursement rate is .56 cents per mile as of January 1, 2014. Normally, the Town adopts the IRS standard reimbursement rate for personal auto use, for fuel, insurance, depreciation, and any other costs of usage. This is modified annually and can be found at [www.irs.gov](http://www.irs.gov) and a search for "mileage rates." This mileage rate shall be used as the basis for reimbursement by the Town and the Town shall not reimburse for the purchase of gasoline and/or oil. Employees and officers shall, at the commencement of and the ending of, any travel with a personal auto note in writing the odometer reading of the auto used. Parking and tolls should be itemized separately and receipts should be included. Reimbursement should not exceed the cost of commercial transportation, where such is available. For two or more persons traveling together in the same vehicle, only one person will be reimbursed for mileage.

Note: An employee involved in an auto accident while on Town business and driving his/her own car is covered by his/her own automobile policy for damage to the vehicle and property and must also notify the Town Clerk within 24 hours of an accident, in addition to notifying his or her insurance company.

Car Rental: All rentals should be midsize cars or smaller, unless there is a specific reason otherwise. Automobile rentals should be limited to situations where other means of transportation are not practical, economical or available. All liability and physical damage insurance coverage should be declined when renting a car in the name of the Town. The Town maintains comprehensive, collision and liability insurance on all vehicles rented or leased for official business and rental agencies generally charge an exorbitant fee for such coverage. It is mandatory to enter the Town of Big Flats as well as the individual's signature on the rental forms. If a rented vehicle is involved in an accident, the employee must notify the Town Clerk within 24 hours, in addition to notifying the car rental agency. Reimbursable costs include the daily rental fee, gasoline charges, parking and tolls. Note: Travelers should refill gas tanks before returning the vehicles. Rental companies often levy a charge for refueling, which is often more than the price of gas alone. Avoid "drop charges" by returning the vehicle to the renting location

Parking, etc.: Airport parking of personal automobiles, tolls, and mileage incurred when on Town business will be reimbursed. Gas is not reimbursable, you get a claim for mileage on own vehicle

### **3. Meals**

The Town Board will reimburse for out-of-town business meal expenses (except the purchase of alcoholic beverages), provided such expenses are reasonable and appropriate and legitimate receipts are submitted and do not exceed maximum rates set forth below.

#### **4. Personal Items**

The cost of personal, non-business related items (such as magazines and pharmaceuticals) are not reimbursable even if incurred while on business travel.

#### **5. Lodging**

The Town Board will reimburse for lodging away from home that is required for business reasons. Requests for overnight lodging should, when possible, receive prior approval. When traveling, employees are expected to use reasonably priced hotels or motels, whenever possible. Travelers are strongly encouraged to use standard accommodations at reasonably priced mid-market hotels or motels. Requests should be made for business traveler's or government rates or any other discounts. Original itemized hotel receipts are required for reimbursement. The Town does not approve accommodations at "up market" or luxury hotels (Ritz, Four Seasons, etc.) However, an exception for such may be made when a conference, workshop, or other college business is scheduled at a luxury or up-scale hotel where a discount is offered to individuals participating in such activities.

#### **6. Gratuities**

The Town Board will reimburse for reasonable and customary gratuities. Where gratuities are not shown on a receipt, they should be noted by the employee on a receipt for associated services (e.g. hotel bill). These are **NOT** subject to the maximum rates set by the GSA as forth below and designated as IE expenses (incidental expenses).

#### **EXPENSE SUPPORT**

Vouchers for reimbursement must be submitted to the Town Clerk's Office with proof of payment, an explanation of the nature of the trip and the approval of the Town Supervisor or a Town Board Resolution approving the trip. If it is not possible to submit a receipt, a written explanation **may** be acceptable, subject to the approval of the Town Supervisor.

#### **EXPENSE REIMBURSEMENT LIMITS**

Maximum reimbursement travel expense limits for lodging, meals and "incidental expense allowance" are set by the Town to be as set forth by the United States General Services Administration. These rates are periodically modified and also vary from region to region. They can be found at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem). There is also a mobile application where they can be accessed and that app can be located at the web site referred to in the preceding sentence. The maximum allowance set by the Town Board is not allowed to exceed the standard meal allowance for business travel prescribed for federal income tax purposes and that is set by the

GSA on the web site referred to above. An employee or officer should produce receipts for expenditures and if they indicate totals below the maximum allowance the employee or officer shall be reimbursed by the lower amount.

Any expenditures above the maximum rates should be approved by the Town Supervisor or Board before they are incurred. A higher rate might be acceptable if the hotel hosting a conference charges a higher than maximum rate and paying the higher rate may make more sense than having to reimburse for travel costs back and forth to a hotel charging the maximum or less rate. Also it might be acceptable if lodging is not available at the maximum rate and lodging at the maximum rate cannot be found reasonably close to the destination of the trip. Another example is if meals are included as part of the hotel/conference fee and the employee or officer cannot separate the food cost from the hotel/conference rate. And as another example justifying the allowance of a higher rate, is when an employee or officer might have special needs that necessitate increased expenses such as dietary restrictions, health concerns or handicapped access. Other exceptions may be approved in limited circumstances.

If Town issued credit cards are used for travel, the above maximum rates still apply and any charges over those rates must be reimbursed to the Town by the employee or officer and the employee or officer is required to attach original charge receipts to their request for reimbursement.

#### **HEARING ON DENIALS**

If any reimbursement requests are denied, the employee or officer shall have the right to ask for a hearing before the Town Board.

#### **TRAVEL REIMBURSEMENT FORMS MAY BE OBTAINED FROM THE TOWN CLERK**