

**Tahoe City Public Utility District
Policy & Procedure
Resolution 16-02**

**Board of Directors Business Expense, Credit Card,
Vehicle Use & Reimbursement Policy**

The purpose of this policy is to provide procedures for members of the Board of Directors in incurring expenses for the purpose of furthering the interests of the District and for claiming reimbursements for such purposes.

Expenditures for lodging, meals, transportation and other activities should provide for reasonable comfort and convenience. It should be borne in mind, however, that public funds are being spent and that only a reasonable level of expense is warranted. Authorized business expenses shall not include costs associated with a Board members' family. To receive reimbursement for out of pocket expenses, it is suggested that Board Members complete the District's Travel and Expense Reimbursement Request within ten working days from return from travel, and no longer than 30 days from return from travel.

Since circumstances vary considerably in those instances where Directors must incur expenses, care by those incurring expenses and supervision by those approving expense accounts is the most effective method of control over expenditures. When expenses that might be regarded as out of the ordinary are foreseen, instructions or approval should be sought by a majority of the Board or the Finance Committee before incurring the expense.

A majority of the Board may reject or reduce claims for reimbursement resulting in any unauthorized expenses including but not limited to travel, inappropriate selection of class of transportation, lodging or meals. Any disputed, unsubstantiated, incomplete or late expense reports may be submitted to the Finance Committee for consideration of extenuating circumstances. If the Finance Committee determines extenuating circumstances exist, they may approve the claim.

In the event an appeal is submitted by a member of the Finance Committee, the remaining Finance Committee member shall appoint one other Board Member to assist in resolving the appeal.

Definitions:

"Travel" shall mean attendance at meetings, conferences, or other functions on District business at other than the District headquarters or temporary headquarters or, normal meeting places or, in the Directors' residences or places or business.

"Overnight travel" shall mean travel which prevents Directors from spending their usual sleeping hours at their residences.

"Business meal" shall be one in which Directors provide themselves and non-employees meals and beverages (except alcoholic beverages), ordinarily associated with normal eating customs under circumstances which are generally considered to be conducive to furthering the business of the District and where the subject matter of the discussion is of importance to the District.

“Mileage reimbursement” shall mean the sum of business miles driven outside of the District’s service boundaries (commuting expenses between a Board Member’s residence and places of business within the District’s service boundaries are not reimbursable) times the currently approved established Internal Revenue Service standard mileage rate to reflect reimbursement for the use of a personal vehicle. The Internal Revenue Service standard mileage 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.

Any Director who operates his or her personal vehicle in the course of employment shall provide the TCPUD, upon request, with a certificate of insurance reflecting active insurance of at least the minimum required by law for public liability, public damages and medical.

The following types of activities generally constitute authorized expenses:

(1) Communicating with representatives of regional, state and national governments on District positions; (2) Attending educational seminars designed to improve officials’ skills and information levels; (3) Participating in regional, state and national organizations whose activities affect the District’s interests.

Expenses may include miscellaneous expenses not specifically identified above, however, a Board member requesting reimbursement for miscellaneous expenses not specifically identified above shall have the burden of establishing the practical need for incurring the expense in order to conduct official duties.

Travel – Expenses may include District business telephone calls. District business meals, common carrier fares, rental of automobiles, parking fees, and mileage reimbursement for the use of personal automobiles.

Overnight Travel – Expenses may include business telephone calls, including one telephone call per day to Directors’ family, common carrier fares, rental of automobiles, use of personal vehicles, meals and lodging, and other expenses essential to the business of the District and the ordinary personal comfort of the traveler. Expenses incurred by any family members accompanying the Director are not reimbursable.

Car Rental – It may be necessary to rent a car when traveling to conferences and/or training in remote areas. When renting a car, rent the most economical vehicle for the travel required. It must be approved in advance and reimbursement for the rental car will not be issued until AFTER travel occurs. Directors will accept the rental company’s insurance. The use of the rental vehicles should be coordinated among Directors traveling on District business to the same location.

Meals & Incidentals Expense - Meals and Incidental Expense allowances conform to the IRS regular federal per diem rate method. A completed travel form must be submitted in advance of the event to allow processing time. Federal per diem rates are published by the General Services Administration for each locality and are available on the internet at www.gsa.gov. Should a per diem be received for a meal that is ultimately not needed, that amount should be repaid to the District upon return from travel. In order to be eligible for meal reimbursement, the following criteria must be met:

- For Breakfast – the employee must have started traveling prior to 7:00 a.m., or have stayed overnight.
- For Lunch – the employee must have started traveling prior to 11:00 a.m., or have stayed overnight. If the travel ends prior to noon, lunch expenses will not be eligible for reimbursement.
- For Dinner – the employee must have started traveling prior to 5:00 p.m., or be staying overnight. If the travel ends prior to 6:00 p.m., dinner expenses will not be eligible for reimbursement.

Partial meal and incidental expense allowances can be paid for multiple day conferences, seminars, and business that require partial day travel. No meal allowance will be provided if meals are included in the conference or training package.

Use of District credit card for training related meals is discouraged. Should you decide to utilize your credit card, bear in mind that meals charged to credit cards will only be allowed up to the amount of the established Internal Revenue Service rate. Any overages must be repaid to the District upon submittal of reimbursement request. A Director who provides a business meal for a guest or guests must provide on their expense report the guest or guests name or names and the business reason for the expense.

The annual Conflict of Interest process requires that public officials must report any gifts or meals of \$50 or more from a single source in a calendar year. All gifts from a single source are aggregated to determine if the threshold has been met.

Transportation - The type of transportation used shall be based on the lowest cost to the District after all costs are considered as follows: (1) Travel by common carrier bus or train shall not be required; (2) Air travel shall be by coach or economy class.

In some instances, Directors choose to drive their own vehicle to training destinations where air travel/shuttles would have been the most economical alternative. In order to provide Directors a consistent method to determine reimbursement amounts the following procedures will be applied.

(1) Air travel reimbursement amount will be documented by the Director. Documentation for air travel should be provided at least 21 days prior to the date of travel. The most economical flight results for the dates of travel will be reimbursed.

(2) When traveling by plane and ground transportation from an airport to a hotel is necessary, taxis will only be used when a less expensive form of travel (i.e., shuttle service) is not available.

This travel transportation policy is not intended to cause excessive use of personal time to achieve the absolute lowest travel cost. Assistance with travel and training arrangements will be given by District staff upon request.

Any Director who obtains an airline ticket paid by the District for the purpose of combining personal travel with District travel, or for travel with a family member, shall, prior to receipt of such tickets, make payment for the portion of cost attributed to personal travel or to the family member's travel.

Any cost incurred by a guest accompanying a Director must be reimbursed to the District. Off - hours transportation or any other personal expenses associated with the travel are the Director's responsibility and are not reimbursable.

Accommodations - All hotel/motel accommodations will be made in accordance with the District travel policy. No accommodations should exceed the cost of the conference host hotel. If the host hotel is not available efforts to locate a hotel reasonable priced and close to the conference are to be made. The documentation of the hotel accommodations shall accompany District's Travel and Expense Reimbursement Request as appropriate.

Other reasonable expenses deemed in the best interest of the public and approved by the Board President will be reimbursable. Documentation of other reasonable expense shall accompany the District's Travel and Expense Reimbursement Request as appropriate. In the event a request is submitted by the Board President, the Vice -President shall be responsible for authorizing the request.