

AGENDA

**INVESTMENT AND FINANCE COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**

June 16, 2014 – 8:30 a.m.
1960 La Costa Avenue, Carlsbad, CA 92009

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **New Business**
 - A. Review LWD's Integrated Travel Authorization and Expense Reimbursement Policy (Pages 2-8)
5. **Information Items**

None.
6. **Director's Comments**
7. **General Manager's Comments**
8. **Adjournment**

MEMORANDUM

DATE: June 10, 2014
TO: Investment and Finance Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: **Integrated Travel Authorization and Expense Reimbursement Policy**

RECOMMENDATION:

Staff recommends that the Investment and Finance Committee:

1. Discuss and provide direction, as appropriate.

DISCUSSION:

On February 8, 2006, the Board of Directors adopted Resolution No. 2158 establishing an Integrated Travel Authorization and Expense Reimbursement Policy. The policy updated reimbursement guidance as required by AB 1234 and integrated this guidance into a single policy for Directors and staff. On October 11, 2006 and November 14, 2007, the policy was amended to include the requirement for detailed receipts and to add the Special District Institute as an organization for which reimbursement of reasonable expenses were authorized. It was last updated on January 22, 2008 to authorize attendance at Batiquitos Lagoon Foundation (BLF) seminars, meetings, or conferences.

LWD's Integrated Travel Authorization and Expense Reimbursement Policy contains a list of approved organizations and associations for which reimbursement at seminars, meetings or conferences is authorized. The policy requires that other seminars, meetings, or conferences not specifically authorized by the policy must be approved by the Board of Directors prior to attendance for reimbursement of expenses.

At the May 16, 2014 Board of Directors' meeting, the Board requested that staff bring this policy to the Investment and Finance Committee and Board for review to consider if any changes were required.

cal:PJB

Attachment

LEUCADIA WASTEWATER DISTRICT
INTEGRATED TRAVEL AUTHORIZATION AND
EXPENSE REIMBURSEMENT POLICY

Ref: 07-0834

1. Purpose

The purpose of this policy is to establish requirements and implement rules and regulations governing travel authorization and expense reimbursement for LWD Directors and staff.

2. Overview

- a. Directors and employees are encouraged to participate in those outside activities and organizations that in the judgment of the Board of Directors further LWD's interests.
- b. Expenses incurred by Directors and employees in connection with such activities are reimbursable provided that they are permitted by this Policy or otherwise authorized by the Board of Directors or General Manager where appropriate.
- c. All expenses incurred while participating in activities and organizations on LWD's behalf must be moderate, reasonable and necessary. Directors and employees are encouraged to exercise prudence in all expenditures. This policy is intended to result in no personal gain or loss to a Director or employee.
- d. Reimbursement shall be made only for legitimate expenses supported by vendor provided documentation or as may be allowable under applicable Internal Revenue Service (IRS) guidelines.
- e. Legitimate expenses shall include: transportation to and from activity destinations; ground transportation to and from airports, train, bus or trolley stations, activity locations, and lodging; overnight accommodations; meals; car rental, and certain related miscellaneous expenses described in this Policy.
- f. The most economical mode and class of transportation reasonably consistent with scheduling and cargo requirements shall be used.
- g. All reimbursements shall be made pursuant to a signed Travel Expense Report conforming to applicable requirements stated in this Policy.
- h. Reimbursements paid by LWD shall be reported monthly to the LWD Board of Directors. This report shall state the payee, the amount and provide a description of the expense(s).

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3. Authorization

- a. LWD shall pay reimbursement for reasonable expenses incurred for attendance at such meetings, conferences and seminars budgeted by the Board, concerning official district business, from which the District derives a benefit through the attendance of a representative. Reimbursement is authorized for attendance at meetings, conferences, and seminars held by the following organizations or associations:

- California Association of Sanitation Agencies (CASA)
- California Special Districts Association (CSDA)
- California Sanitation Risk Management Authority (CSRMA)
- California Water Environment Association (CWEA)
- California WateReuse Association
- Carlsbad Chamber of Commerce
- Encinitas Chamber of Commerce
- Local Agency Formation Commission (LAFCO)
- Southern California Alliance of Publicly Owned Treatment Works (SCAP)
- Special District Institute
- Batiquitos Lagoon Foundation

Also authorized for reimbursement are expenses associated with attendance at a conference or organized educational activity conducted in compliance with subdivision (c) of Government Code Section 54952.2, including, but not limited to, ethics training required by Government Code Sections 53234-53235.5.

Attendance at other meetings, conferences and seminars not specifically authorized by this Policy must be approved by the Board of Directors prior to attendance for reimbursement of expenses.

- b. The General Manager or his/her designee shall authorize all employee travel prior to departure. LWD shall pay reimbursement for reasonable expenses incurred by the General Manager and/or staff at meetings, conferences and seminars for the following organizations or associations:

- California Association of Sanitation Agencies (CASA)
- California Special Districts Association (CSDA)
- California Sanitation Risk Management Authority (CSRMA)
- California Water environment Association (CWEA)
- Local Agency Formation Commission (LAFCO)
- California WateReuse Association
- Southern California Alliance of Publicly Owned Treatment Works (SCAP)
- Special District Institute
- Batiquitos Lagoon Foundation

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Other meetings, conferences and seminars not specifically authorized by this Policy must be approved by the General Manager prior to attendance for reimbursement of expenses.

- c. No travel shall be authorized unless sufficient appropriated funds are available.

4. Reimbursement of Authorized Transportation Expenses

- a. Attendees traveling by airplane shall fly using the lowest cost mode and class reasonably consistent with scheduling requirements. Attendees shall take the most direct and time-efficient route reasonably available. In the event a more expensive mode or class of air transportation is used, or a less direct route is taken, the reimbursable amount shall be limited to the cost of the lowest cost commercial airfare available via the most direct route.
- b. Attendees driving their personal vehicle to an activity shall be limited to the IRS specified rate in an amount not exceeding the lowest cost airfare plus normal ground transportation costs for the trip taken by personal vehicle. Where an LWD vehicle is used gasoline and other necessary maintenance or repair expenses shall be reimbursable.
- c. Where practical and reasonable, attendees may elect to travel by train via the most economical mode and class reasonably consistent with scheduling requirements and shall be reimbursable at the lesser of: the actual amount paid, the lowest cost airfare plus normal ground transportation costs, or, LWD's costs to reimburse for the use of a personal vehicle.
- d. Only the most economic form of ground transportation reasonably consistent with scheduling requirements shall be reimbursable. Public transportation including buses, light rail, commuter trains and commercial vehicles including shuttles and taxicabs should be used in lieu of car rental.
- e. Rental car expenses for the lowest priced class of vehicle appropriately suited for the use intended and traveling conditions shall be reimbursable where other modes of transportation are not reasonable or practical considering destination and scheduling requirements. Rental cars should, whenever possible, be reserved in advance to ensure the choice of vehicle class most appropriately suited is available. The purchase of rental car insurance above that required by the agency is not reimbursable.
- f. Airport and train station parking shall be reimbursable at long-term rates for travel exceeding twenty-four (24) hours. Destination parking for personal, LWD and rental vehicles shall be reimbursable at self-parking rates where available.
- g. The use of promotional or discounted fares, corporate or government rates and, in the case of multiple attendees, ride and rental car sharing, shall be utilized when available. The cost for tolls, ferries, short-term parking, and other expenses reasonably related to the authorized activity shall be reimbursable.

5. Reimbursement of Authorized Overnight Accommodations

- a. Expenses for overnight accommodations incurred within the LWD Service Area shall not be reimbursable.

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- b. Overnight accommodations for multi-day conferences within a 50-mile radius of the Leucadia Wastewater District may be reimbursable, on a case-by-case basis, considering attendee specific factors, scheduling factors, and other factors reasonably related to the authorized activity that are not within the attendee's control.
- c. LWD shall reimburse for prearranged overnight accommodations at single room rates using discounted conference, government, or corporate rates at locations reasonably proximate to the activity for which the overnight accommodations were authorized. Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director/employee at the time of booking. If the group rate is not available, the Director/employee shall use comparable lodging that is consistent with the activity's government or group rates. Where attendees share a room, reimbursement shall be made at the double occupancy rate.
- d. Overnight accommodations shall be reimbursed when the authorized activity starts too early to permit a reasonable travel itinerary on that day or when the authorized activity concludes too late to permit a reasonable travel itinerary that evening.

6. Reimbursement of Authorized Meals

- a. Expenses for meals, including non-alcoholic beverages and tips ordinarily associated with normal eating customs, shall be reimbursable. The reimbursable amount shall be limited to the typical cost of meals in the region during the course of travel and while attending the authorized activity. The IRS publishes locally calculated meal and incidental expense guidelines that shall provide a basis for analyzing the reasonableness of meal expense reimbursement requests.
- b. The maximum daily amount reimbursable for meals, including beverages and tips, is \$75.00.
- c. Exceptions to these limitations shall be made in situations where participation in the authorized activity makes it necessary to eat at a specific place or to attend special meal functions.
- d. Expenses incurred by paying for another guest's meal shall be reimbursable provided that the guest's presence at the meal is reasonably related to the authorized activity.

7. Reimbursement of Authorized Miscellaneous Expenses

- a. The following miscellaneous items are also reimbursable:
 - telephone calls to conduct LWD business;
 - one telephone call home for each overnight stay on authorized travel;
 - reasonable transportation costs to local restaurants or other destinations related to participation in the authorized activity;
 - customary and usual tips for baggage handling, transportation and other travel, lodging and meals related services; and,

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- other unavoidable, necessary and reasonable expenses related to the authorized travel.
- b. The use of cellular telephones, if available, is encouraged when conducting LWD business or calling home in accordance with Section 7 (a) above.
 - c. LWD shall not pay or reimburse expenses for entertainment, movies, recreational activities, laundry services, parking or traffic violation fines, tours, side trips or any other similar activities.
 - d. All Director expenses that do not fall within this travel reimbursement policy shall be approved by the Board of Directors, in a public meeting before the expense is incurred.
 - e. All employee expenses that do not fall within this travel reimbursement policy shall be approved by the General Manager before the expense is incurred.

8. Travel Advance

- a. A travel advance in a sum equal to the estimated expenditures chargeable to the District for the trip may be made if requested by the Director or employee. The amount of the advance shall be approved by the General Manager.

9. Expense Reimbursement Claim Form

- a. Within twenty-one (21) working days of return, all persons requesting reimbursement for LWD authorized business travel expenses shall fill out and deliver to the General Manager a Travel Expense Report Form (this "Form" is Attachment 1 to this Policy).
- b. All items for which reimbursement is requested must be supported by receipts except for tips and published rates paid to public transportation systems that do not provide receipts or where the receipt document may be used in lieu of cash to acquire other public transportation services. Receipts, provided for reimbursement, shall show an itemized summary of services provided or items purchased.
- c. Transportation expenses shall be supported by documentation provided by the carrier including flight or route numbers, dates and cost.
- d. Lodging expenses shall be supported by detailed documentation provided by the vendor.
- e. Meals expenses shall be supported by documentation provided by the restaurant or activity host, or, a credit card billing stating the date, location and amount of the meal.
- f. Where an attendee pays or shares any expenses of another person (including other LWD Directors and employees) the receipt submitted shall note the name of the individual and his or her public agency or affiliation to the authorized activity.

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- g. In no event shall expenses incurred by a guest be reimbursed by LWD.
- h. Advances, or other credits such as a prepayment by LWD, must be included as a deduction on the Form.
- i. In the event a travel advance exceeds the amount chargeable to the District, the Director or employee shall refund the District the difference between the travel advance and the expenditures chargeable to the District.
- j. Incomplete forms, including forms not supported by documentation as required by this Policy shall be returned to the attendee unprocessed along with written communication specifying the documentation required.

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