

APPENDIX F

Travel Policy

Effective May 1, 2014

Introduction

The Borough's specific rules for travel authorization and reimbursement of travel expenses are described in more detail in this Appendix.

Employees will be reimbursed for all reasonable and necessary expenses they incur while traveling on Petersburg Borough business. Use your discretion, but try to keep costs low.

The purpose of the Borough's travel policy is to provide employees with adequate transportation, lodging, meals, and other services that are a necessary part of doing business. Such provisions for business travel are made through a travel advance, employee reimbursement or, in certain instances, direct payment of expenses.

Each member of management is jointly responsible with the Human Resources and Finance Department for administration of and compliance with this policy. All travel expenses are to be uniformly and properly accounted for and authorized.

All persons traveling on Borough business will adhere to the same travel policies as described including, but not limited to, Borough Assembly members, advisory board members, staff and employees. The purpose of the Borough's travel policy is to provide employees with adequate transportation, lodging, meals, and other services that are a necessary part of doing business. Such provisions for business travel are made through a travel advance, employee reimbursement or, in certain instances, direct payment of expenses.

Responsibility

A Travel Authorization Form obtained from the Finance Department must be submitted in advance by the appropriate administrative officer for prior approval by the Borough Manager.

Every person traveling on Borough business is responsible for making an adequate accounting of all travel-related expenses, including lodging, transportation, etc.; on a Travel Expense Report. Original receipts must accompany all claims for reimbursement. Flexibility will be provided when accounting for expenses such as the use of local transportation or parking fees, where obtaining a receipt is impossible. Travelers are required to submit an expense report for reimbursement of all authorized expenses to the Accounts Payable Clerk, within five days following return from pre-authorized travel.

Questions concerning business-related expenses should be raised prior to a monetary commitment or an expense report being filed. All expenses must be properly approved. Undocumented travel expenses are neither reimbursable nor eligible for payment from advance travel funds. In the event that advance travel funds have been expended for undocumented expenses, the traveler shall make repayment to the Borough within one week following his or her return.

Receipts

All expenses requested on the pre-travel authorization form must have an original receipt supporting the request for the reimbursement. Full reimbursement for reasonable transportation and lodging expenses will be paid upon presentation of original receipts with a full explanation of charges.

If requested on the pre-travel authorization form, transportation and lodging arrangements may be made by credit card and paid in advance by the Borough.

Cash Advances

If requested on the pre-travel authorization form, a travel advance may be issued, for up to 100% of the expenses, to include both lodging and meals for each overnight stay. The travel advance for meals shall not exceed the maximum per

diem allowance of \$60 per day times the number of travel days; for days in transit, the meal allowance will be prorated for the destination.

Meals

The Borough will reimburse the cost of meals and refreshments during overnight stays at a flat rate of \$60 per day (including tax and gratuity).

For days in transit, the meal allowance will be prorated based on time away from Petersburg.

- Breakfast: \$14.00
- Lunch: \$16.00
- Dinner: \$30.00

Funds spent toward lobbying activities should be noted separately on the Travel Expense Report. If this activity includes a meal, the traveler's meal will count toward their daily meal allowance.

Lodging

It is the policy of the Borough to use good commercial-grade hotel facilities that are comfortable and appropriate for conducting business. Suites and concierge-level rooms are not acceptable. All persons traveling on Borough business should request government rates where available. When conferences, seminars or workshops are held at a hotel, it is recommended to stay at the event site rather than at a less expensive hotel elsewhere when taxi fares and/or car rental rates are taken into consideration.

For your safety and security always investigate security measures for your hotel room (e.g., door locks, fire exits, and alarm systems).

The Borough will not reimburse or pay for "no show" charges. The employee will only be reimbursed in cases where he or she was unable to keep the reservation because of an emergency.

Any expenses related to spouses or companions are not reimbursable.

Hotel Expense Reporting

Hotel charges should be separated on the expense report form into the appropriate types of expense categories (e.g., room, business meals, etc.). These charges as well as other expenses (such as taxi or bus transportation) should be reported for *each day so that the daily expenses of the trip are indicated on the authorization form.*

Hotel charges may be paid by Borough credit card, cash advance, or directly by the employee. The paid hotel receipt must be attached to the expense report for reimbursement.

Air Travel

Advance Planning

Travel plans are to be made at least two weeks in advance whenever possible. Penalty or nonrefundable fares provide substantial savings but need to be assessed carefully to determine the risk of change or cancellation. Always check with your supervisor prior to booking a penalty fare.

Travelers are required to accept the lowest fare of any airline available that is within two hours of (prior to or after) the desired flight time. Employees choosing an airline for its amenities or frequent flyer programs will be responsible for the difference in cost.

All travelers will fly coach. First class travel is prohibited. Any additional expense for upgrade of air travel class will be the responsibility of the employee and is not reimbursable by the Borough.

Billing procedures

It is recommended that all air fare be purchased over the Internet using Alaska Airlines EasyBiz and a Borough credit card.

When a group is traveling or a person is changing airlines, Viking Travel, (907) 772-3818, is the Borough approved travel agency. Viking Travel will bill the

Borough directly for airfares.

Frequent flyer programs

Travel plans should not be coordinated on the basis of an employee's frequent flyer program. Although at the present time the Borough awards the benefits of frequent flyer clubs, car rental programs, and hotel programs to its employees, it reserves the right to change its policy. Any resulting taxation will be the personal responsibility of the employee. Use of the frequent flyer program for personal gain will result in all such charges being paid for by the employee.

Ground Transportation

Hotel Shuttle Service

Shuttle service is encouraged for travel to and from airports.

Taxi

Employees working beyond 8:00 p.m. may use taxi service instead of mass transportation. Also, travelers who do not have access to a personal automobile for required travel between offices during the workday may use a taxi service. All costs must be accounted for on the expense report. Original receipts must be attached.

Bus

Employees will be reimbursed for bus transportation incurred for business purposes. Original bus fare receipts must be attached and submitted on the expense report.

Charges for tolls and reasonable parking fees (including at airports) incurred while the traveler is on Borough business are reimbursable. Original receipts must be attached to the expense report.

Automobile Rental

Automobile rental is allowed only when other transportation (buses, taxis, etc.) is not available or when the cost of other transportation exceeds car rental expenses.

Rental will be limited to mid-size cars. Travelers are encouraged to take the most cost-effective, reliable car available. Contracts for car rentals will be made only in the traveler's name and only the traveler who signs the rental agreement will drive the vehicle. All invoices and contracts should be reviewed in detail prior to signing. Attach the original car rental agreement as well as the payment receipt to the expense report.

Travelers are required to refill the gas tank before returning the vehicle to the original rental location. The Borough will not pay for nor reimburse the employee for "drop-off" charges.

Ferry

Stateroom rates will be in lieu of a hotel charge.

Emergencies

If there is an unforeseen change in your travel plans requiring additional funds contact your Department Head or the Finance Department, at the earliest time you become aware of the need. They will be responsible for seeing appropriate payment arrangements will be made.

Other Reimbursable Expenses

Telephone business calls made by travelers outside of the Borough facilities are reimbursable. The original phone bill or other original receipt (e.g., hotel bill) must be submitted with the expense report.

Business-related costs while traveling of such items as faxes, e-mails, postage and overnight delivery services will be reimbursed by the Borough. Receipts for all expenses must be attached to the expense report.

Non-Reimbursable Expenses

Personal expenses of a nature that would be incurred by a traveler regardless of his or her Borough-related responsibilities are not reimbursable.

Amounts incurred for reimbursable items in excess of amounts considered reasonable are not reimbursable.

When a business trip is extended for personal reasons, the cost of the personal portion of the trip is not reimbursable.

Expenditures prohibited by law or not deductible to the Borough in arriving at taxable income are not reimbursable.

The following specific expenditures are not reimbursable:

- Political or charitable contributions
- Dues and membership fees for any social clubs
- Alcohol
- Lost tickets
- Travel insurance
- In-room movies at hotels
- Cost of joining an airline club lounge
- Cost incurred for traffic violations

Approval of Expense Report

All expense reports must be approved by a supervisor with signing authority. Even though individual travelers may have signing authority, their personal expense reimbursements must be submitted to their supervisor for approval.

By signing the expense report, the approver is also attesting to the propriety of the charges, the reasonableness of the amount, and that all supporting documentation is attached to the report. Expense audit and compliance with Borough policy is the joint responsibility of the approver, Human Resources Department, and Finance Department.

Preparation & Submission of Expense Report

The expense report should be completely and legibly filled out and signed by the traveler. It is the responsibility of the employee's supervisor to expedite the approval process so that a reasonable reimbursement time frame may be met. Properly documented and approved expense reports will be reimbursed through accounts payable during the next scheduled check run after receiving the completed report.

Corrections & Changes

A correction and/or change to the expense report as a result of an Accounts Payable audit of the report will be documented with a correction notice. For errors in arithmetic, the original copy of the correction notice denoting errors will be sent to the traveler along with the reimbursement check. Accounts Payable will retain a file copy.

For disallowed items, the original copy of the correction notice will be sent to the approving supervisor along with the original expense report. The supervisor will comment on the disallowed items and then return the expense report to Accounts Payable. The supervisor will notify the traveler of any disallowed items. Accounts Payable will retain a file copy of the correction notice.