SDCTA Recommendations on Travel and Business Expense Reimbursement

Board Approved May 14, 2010

SDCTA has made several recommendations for travel and business expense reimbursement policies to ensure that each public agency is using taxpayer dollars in the most efficient and cost-effective manner. These recommendations include composition of the policy, process and regulation of expense and reimbursements, and budget and policy transparency.

Composition of the Policy
1. All policies should have detailed purposes and/or objectives that outline the intent of the policy at-hand.
2. There should be clear definitions of various terms mentioned throughout the policy, e.g. out-of-town travel, reimbursable expenses, etc.
3. Finally, there should be policies that cover both in-town and out-of-town travel, even if they are separate.

Process and Regulation of Expense and Reimbursement
1. Those with the authority to approve requests should be provided with sufficient training to do so, e.g. a thorough explanation of the policy and what is allowed vs. not allowed, the procedure involved, and the consequences that may be associated with approving/disapproving some expenses.
2. All policies should contain a list of the types of reimbursable expenses as well as a list of specific non-reimbursable expenses, such as alcohol or recreation.
3. Expenses should be based on the least total cost, including travel time.
4. All associated costs should be outlined in an itemized summary submitted with each travel and business expense request.
5. There should be a requirement of original, itemized receipts for all items, even if they are under a certain amount. Special circumstances should be provided for, e.g. metered parking and lost receipts.
6. Domestic lodging, miscellaneous and incidental expenses should be reimbursed on the U.S. General Services Administration guidelines for per diem rates.
7. If cash advances are offered, there should be a requirement and a deadline to return unused monies.
8. Expense reports should be required with appropriate deadlines set to ensure compliance with the Internal Revenue Service (IRS).
9. There should be a mechanism in place to avoid all apparent and perceived conflicts of interest, such as ensuring that no one approves their own expenses.

Budget and Policy Transparency

1. All policies should be posted on the website of the respective public agency.
2. Existing, itemized budgets should be available on the website of the public agencies as well. These itemized budgets should include a section that separates travel and business expenses by at least the following: travel, transportation/mileage, conferences/seminars, meals, and individual membership dues.