Travel Expense Reimbursement Procedure

		Accounting for Expenditures
Effective Date: 01/01/2018	**Last Revision: 10/25/2018**	**Page 1 of 12**

1.0 Purpose

The purpose of this procedure is to provide the appropriate guidelines for county employees when requesting reimbursement for expenses incurred and to provide clarification of reimbursable expenses versus non-reimbursable expenses.

2.0 Authority

Upon adoption of this policy by Commissioners Court, the County Auditor and Office of County Auditor staff shall be responsible for the implementation and interpretation of this procedure, as well as enforcement of the procedure when determining reimbursement of employee expenses.

The County Auditor shall issue, maintain and update any procedure, control and form needed to ensure compliance with this procedure.

County officials, department heads and employees shall follow this procedure when requesting reimbursement of travel expenses.

3.0 Definitions

Business Meal

A meal expense incurred by an employee for the employee and another person. The other person may be an employee or an outside person. The meal has to be incurred in conjunction with a business purpose related to county business. Business meals are **not** considered travel meals.

Travel Meal

A meal expense incurred by an employee for travel purposes. There are two types of travel meals:

- Day Travel Meal – a meal expense for any travel that **does not include** an overnight stay. The cost of day travel meals are paid through payroll and require employment taxes and withholdings to be taken from the reimbursement.
- Overnight Travel Meal – a meal expense for any travel that **does include** an overnight stay. The cost of overnight travel meals are reimbursed by per diem allowances, unless paid for by a county procurement card (P-Card). If a P-Card is used, meal expenses may not exceed the daily per diem rate.

Per Diem Allowance

A fixed daily rate set by the Governmental Services Administration (GSA) paid in lieu of actual expenses for meals.

4.0 Procedure

4.1 Request for Reimbursement

Employees traveling on official county business must complete and submit the Galveston County Expense Report (Form 1.0) or Detail of Mileage Claims Form (Form 3.0) and all required or requested receipts in accordance with the *Accounts Payable Policy.* Expenses paid for by a county procurement card and travel advances must be accounted for and included on the Galveston County Expense Report. All expense reimbursements and support

documentation must be submitted to the Office of County Auditor with a county purchase order number within 30 days of returning from travel.

4.2 Procurement Card Expenditures for Travel Reservations

When using a county procurement card, travel expenses, including conference/training, hotel, flight reservations, etc., charged on the procurement card must be submitted to the Office of County Auditor in accordance with the *Galveston County Purchasing Card (P-Card) Program Policy and Procedures Manual*. The County Auditor shall determine if there are sufficient budgeted funds available; if there is not sufficient funding, the County Auditor will notify the department. The county official or department head may be held liable for any travel without sufficient budgeted funding.

4.3 Transportation Expenses

4.3.1 Air Fare

Air travel is acceptable when 1.) travel by car is longer than three hours or 2.) air travel is cheaper than travel by car.

Flights must be booked, whenever possible, at least one month in advance to take advantage of early booking discounts.

Air travel should be scheduled to allow for the most economical fares; this shall not require an employee to travel after 10:00 PM.

It is acceptable to travel a day early in order to receive a discounted air fare; however, the savings in air fare should exceed any additional hotel, meal and incidental expenses incurred due to early travel.

Employees are required to travel by economy class or coach class, unless there are documented extenuating circumstances. Documentation must be submitted with the Galveston County Expense Report.

The county will pay reasonable fees for luggage or other expenses when traveling by air.

Any compensation received from the airline for moving flights or other flight issues is to be paid to the county.

4.3.2 Auto Rental

Rental vehicles may be an authorized expense if determined by the county official or department head as necessary.

Employees should not purchase or agree to rental car insurance. Galveston County insurance provides vehicle insurance for all employees on travel status; rental car insurance will not be reimbursed and employees will be held responsible for any purchase of rental car insurance.

The employee should minimize the cost of fuel when renting a vehicle, taking into account the rental car company policy.

4.3.3 Use of Personal Vehicle for Travel or Business Purposes

When an employee provides their own transportation, the county will pay the current IRS business mileage rate to calculate the costs of operating a vehicle for business purposes, including travel for business purposes.

Miles claimed must be reasonable in relation to the location visited.

No other automobile expense will be paid for use of a personal vehicle other than the current mileage rate established by the IRS for business mileage and adopted by Commissioners Court.

The County Auditor shall notify Commissioners Court and publish the IRS business mileage rate each year by January 1 on the county website.

Mileage is paid based on IRS rules as detailed in *IRS Publication 463: Travel, Entertainment, Gift and Car Expenses.* Mileage should be calculated on an exact mileage basis or using Google maps. Details are summarized below with definitions of each location.

If the employee is receiving an auto allowance, mileage will only be reimbursed for travel beyond the contiguous counties of Galveston, Brazoria, Harris and Chambers.

If an employee uses a personal vehicle for travel for county business, the rules on the following table apply:

	From Your Home	**From Your Primary Work Location**	**From A Temporary Work Location**
To Your Home		No mileage allowed	Mileage allowed
To Your Primary Work Location	No mileage allowed		Mileage allowed
To A Temporary Work Location	Mileage allowed	Mileage allowed	Mileage allowed to a second temporary location

Home Location: The place where you reside. Transportation expenses between your home and your principal place of work are personal commuting expenses and are not reimbursed.
Primary Work Location: This is your principal place of work.
Temporary Work Location: This is for personal vehicle miles driven going from home or one work location to another in the course of your business day, such as a business meeting or luncheon, training or travel to the airport. Payment for mileage to move between temporary work locations is at the discretion of the county official or department head.

If traveling, incidental miles driven at the destination may be submitted for payment with other travel miles upon return. Incidental miles should be reasonable.

Personal vehicle travel on official county business will be reimbursed at the lower of 1.) the most appropriate airline rate plus the cost of a rental car or 2.) the calculated cost for total business miles driven. Cost analysis is to be performed by the employee and approved by the elected official or department head.

If two or more employees are traveling in the same private vehicle, only one mileage allowance will be paid or reimbursed.

At times, more than one vehicle may be required for traveling for official county business. The reasonableness of additional mileage allowances is to be considered by the elected official/department head for reimbursement.

In addition to mileage reimbursement, the county will reimburse parking and tolls incurred in the course of traveling for official county business with proper support documentation.

If the employee is *only* claiming mileage from use of a personal vehicle, the Detail of Mileage Claims Form shall be completed and submitted with proper support documentation.

If mileage is in occurrence with other expenses, such as air fare, hotel, meals, etc., the Galveston County Expense Report shall be used.

4.3.4 Other Transportation

Taxi, shuttle or other transportation may be an authorized expense when necessary as determined by the county official or department head. Reimbursement of reasonable expenses is allowed with proper support documentation.

4.4 Lodging

The actual cost of lodging, including both state and local hotel taxes, will be paid or reimbursed for a traveling employee on official county business. It is encouraged, when possible, to make hotel reservations using a county procurement card.

Accommodations should be the most reasonable available at the time of the stay. The employee should always seek any discounts available, including requesting government rates.

An employee may stay at the home of a friend or family, but there will be no payment or reimbursement for lodging.

The county will only pay or reimburse the single person cost of the lodging for the employee if there is only one employee staying in the room. If there are two or more employees staying in the room, the cost of the room should be paid by one employee and not allocated. If the expenses need to be allocated, the County Auditor will perform the allocation. If there is a cost for a non-employee lodger staying in the room with an employee, the county will only reimburse or pay the single room rate.

The county will not pay or reimburse the employee for additional lodging not considered a part of the business trip (i.e., personal trip or vacation).

If an employee has an emergency requiring a change in the length of the stay, any additional charges incurred, within reason, are allowable for payment or reimbursement.

4.5 Travel Meals and Incidentals

Travel meals and incidentals will be reimbursed based on a per diem basis for overnight travel, unless paid for by a P-Card not to exceed the per diem daily rate, and an actual basis for day travel. Per diem rates are set annually by the General Services Administration (GSA) and are presented to Commissioners Court for adoption annually.

Travel meals may be paid or reimbursed for each day the employee is on travel status.

Meals will not be paid or reimbursed for travel if the travel meal was purchased within Galveston County.

A travel meal purchased by the employee for friends, family, other employees or county officials will not be paid or reimbursed.

Travel meals provided by a third party will not be paid or reimbursed.

Travel meals at professional meetings billed separately from the registration will be paid or reimbursed.

The county will pay or reimburse travel meals for only the employee with the exception of inmate transport. A meal may be provided to an employee if the inmate requires a meal while being transported, even if the employee is in Galveston County. The employee's meal will not be subject to payroll taxation. Both meals will be paid or reimbursed.

4.5.1 Day Travel Meals

Day travel meals will be reimbursed based on actual expenses, not per diem rates. An itemized receipt must be submitted as support to the Galveston County Expense Report to be reimbursed for day travel meals and incidentals.

Incidentals include tips and should be itemized when submitted. Tips will be paid or reimbursed at a maximum of 20%; tips at fast food establishments are not reimbursed.

Only one employee per receipt can be submitted. The Galveston County Expense Report and itemized meal receipts shall be submitted with the employee's payroll, approved by the county official or department head and County Auditor, to be reimbursed for day travel meals outside of Galveston County.

Per IRS Publication 5137, the cost for meals incurred while attending an event **not requiring an overnight stay** is considered taxable income. Employees will be reimbursed through payroll for the exact cost of their meal in gross pay before payroll taxes and withholdings are deducted.

According to Texas Administrative Code Title 34, Part 1, Chapter 3, Subchapter O – State and Local Sales and Use Taxes, Rule §3.322 Exempt Organizations section (g) Purchases by an exempt organization; refund claims; and credits states "(5) An employee of an exempt organization cannot claim an exemption from tax when the employee purchases taxable items of a personal nature even though the employee receives an allowance or reimbursement from the organization. (6) A person who travels on official business for an exempt organization must pay sales tax on taxable purchases whether reimbursed on a per diem basis or reimbursed for actual expenses incurred."

4.5.2 Overnight Travel Meals

Employee meals will be reimbursed on a per diem basis for meals and incidentals during overnight travel unless meals are paid for by a county procurement card. If so, activity on the P-Card cannot exceed the per diem daily rate. Incidentals include all taxes and tips related to travel. The county per diem rate is $45 per day ($10 – breakfast, $13 – lunch, $22 – dinner). If approved by the County Auditor, the rate set by the GSA may be applied instead of the county's set rate.

The per diem meal allowance for the specified meal provided will not be paid or reimbursed to employees when meals are provided by a third party or conference, unless there is a medical reason for not accepting the provided meal.

The per diem meal allowance for the first and last day of travel will be prorated according to time of travel. For example, if travel starts after 10:00 AM, $10 for breakfast shall be deducted from the $45 per diem rate. Meals will not be paid for the first day of a trip when an employee departs after 7:00 PM.

The County Auditor shall notify Commissioners Court of the GSA per diem allowable rate each year by January 1 and publish the county adopted per diem rate on the county website.

Receipts are not required for per diem meals and incidentals unless expenditure is under a grant project. Grant travel expenditures require submission of actual receipts.

Room service charged to the hotel room is not allowed and will not be reimbursed.

4.6 Business Meals

Business meals are not considered travel meals and will be reimbursed for actual meal costs; not on a per diem basis. Any employee found to be submitting duplicate requests for reimbursement for business meals via per diem and actual meal costs is subject to disciplinary action, up to and including termination and possible prosecution.

Business meals may take place locally or while traveling on official county business. Business meals where official county business is conducted will be reimbursed upon presentation of the following required documentation:

- Galveston County Expense Report
- An itemized/detailed receipt
- Legible documentation identifying the persons attending with their associated title or affiliation and an explanation of the county business conducted. Lack of a clear business purpose will result in the request being returned and/or denied.

Alcoholic beverages including related tax and tip will **not** be reimbursed. Reasonable tips not exceeding 20% on business meals will be reimbursed.

4.7 Miscellaneous Expenses

4.7.1 Reimbursable Miscellaneous Expenses

Miscellaneous expenses while traveling that will be paid or reimbursed include:

- Internet connectivity charges for county-provided equipment.
- Charges for business-related telephone calls. This does not include charges for use of a personal cell phone, even if the call is for business.
- Excess baggage charges will be paid or reimbursed only when transporting county materials.
- Reasonable laundry service charges necessary due to travel exceeding one week.
- Tolls and parking fees.
- Valet parking, if this is the only or cheapest parking option offered by the hotel or conference, support documentation of parking rates must be provided.

Parking expense is permitted and reimbursable with proper documentation. If the toll/parking cost is $6.00 or less for the entire trip, no receipt is required. If more than $6.00, a receipt will be required for reimbursement; however, if a receipt is not given, such as a parking meter, a written explanation as to such must be provided.

4.7.2 Non-Reimbursable Miscellaneous Expenses

Miscellaneous expenses while traveling that will not be paid or reimbursed include:

- Alcoholic beverages including related tax and tip
- Pet care expenses
- Personal travel insurance
- Early Bird Check In flight fees
- Insurance coverage for privately owned vehicles
- Expenses for the repairs of privately owned vehicles
- Interest charges levied on overdue invoices or credit card statements
- Personal expenses, such as barbers, hairdressers, toiletry items, health club fees, prescriptions and non-prescription medications
- Hotel pay-per-view video and mini-bar expenses
- Expenses related to lost or stolen items
- ATM fees
- Entertainment expenses, even if offered by the conference for an extra fee
- Snacks, gum, candy bars, etc.
- Use of a personal cell phone to make calls
- In general, personal expenses are not reimbursable and are assumed to include any expenses which are not a necessary consequence of travel on behalf of the county.

4.8 Death or Injury While Traveling

If an employee dies due to illness or injury not induced by personal misconduct during official travel, the county will pay all transportation expenses to return the employee. The employee's next of kin may travel at county expense to make necessary arrangements. Expenses will be reimbursed according to the *Galveston County Travel Policy* and this county procedure. If injured while traveling, the injury must be reported to the department head and County Legal Department. If death, serious injury or grave illness occurs in an employee's immediate family, the employee is authorized to immediately return at county expense.

Travel Expense Reimbursement Procedure: Forms

		Accounting for Expenditures
Effective Date: 01/01/2018	**Last Revision: 10/25/2018**	**Page 8 of 12**

1.0 Galveston County Expense Report and Instructions
2.0 Galveston County Expense Report Example
3.0 Detail of Mileage Claims Form

Galveston County Expense Report

Payee Name _____ Department _____ PO# _____

PEID # _____ Selected Address Code _____ PR # _____

Purpose _____ Destination _____ Travel Dates: From _____

To _____

Date	Object Code	Description	Hotel	Mileage	Fuel	Meals	Phone	Conference	Misc.	Total
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
			$ -	$ -	$ -	$ -	$ -	$ -	$ -	
									Subtotal	$ -
									Paid By County	
									Advances	
									Total	$ -

Employee Signature: _____ **Date:** _____ **NOTES:** _____

Department Head Signature: _____ **Date:** _____

Instructions for Galveston County Expense Report

Header section:

1. Enter Payee Name, PEID #, Department, Selected Address Code, PO# and PR#.
2. Enter the purpose, destination and travel dates of the trip.

Table:

3. Enter ALL expenses that were incurred on the trip. If an expense will not be reimbursed to the employee because it was paid by the county before the trip, the total amount will go in the *Paid By County* cell.
4. Include a *Date* for each day of the trip. If multiple expenses are incurred in one day, they should each be on a separate line. For example, meals and hotel for one day will be on two separate lines with the same date.
5. Enter the *Object Code* where the individual expense is to be charged.
6. Enter a *Description* of the expense to help identify the reason for the travel expense.
7. If a *Hotel* charge was made on an overnight travel, include the total cost of the hotel including all taxes and occupancy fees.
8. When claiming *Mileage* use one line for the entire mileage of the trip. Calculate the total mileage to be claimed by multiplying the total miles driven times the current IRS mileage rate. In the Notes section at the bottom of the form, show the mileage x IRS rate per mile. Example: 123 x .54 = $66.42
9. Show any *Fuel* costs for which you have attached receipts.
10. For *Meals* report $45 per diem for each day. If any meals were provided by the conference, deduct the appropriate meal per diem amount ($10 - breakfast, $13 - lunch, $22 -dinner). Based on the time of travel, per diem will also be reduced accordingly. Include the conference agenda, that includes the meals provided, with the support documentation.
11. In the *Phone* column, enter the amount for a purchased phone card. Include the receipt and phone card used on the trip. If there are any unused minutes on the card, they will be utilized by future travelers.
12. Enter in the total cost of the *Conference.* Include the conference registration form with the support documentation.
13. In the *Miscellaneous* column, include all expenses not reportable in the other columns. Include receipts for all payments.
14. The *Total* column is calculated with formulas.
15. In the *Paid By County* cell, enter any expenses that were previously paid by the county on a P-Card or Purchase Order (i.e. conference registrations, hotels, etc.). These amounts should be noted in the description field as (pd. by cnty). This amount will be deducted out of the Subtotal (total cost of the trip) to give the Total amount to be reimbursed. All receipts/support documents that were paid for by the county should be noted "paid by county."
16. In the *Advances* cell, enter the amount of travel advances paid to you by the county. This amount will be deducted out of the subtotal to give the total reimbursable amount.

Signatures:

17. After printing the form, both the employee requesting reimbursement and the department head must sign before submission.

Galveston County Expense Report Example

Payee Name John Doe
PEID # 1234

Department Auditor's Office
Selected Address Code

PO#
PR #

Purpose TACA On the Road Area Training

Destination Bastrop, TX

Travel Dates: From 1/15/2016
To 1/17/2016

Date	Object Code	Description	Hotel	Mileage	Fuel	Meals	Phone	Conference	Misc.	Total
1/16 to 1/17		Conference Registration (pd. by cnty)						$ 200.00		$ 200.00
1/15 to 1/17		Holiday Inn Express (pd. by cnty)	$ 175.32							$ 175.32
1/15/2016		Per diem meals				$ 22.00				$ 22.00
1/15 to 1/17		Miles driven		$ 197.64						$ 197.64
1/16/2016		Parking							$ 20.00	$ 20.00
1/16/2016		Per diem meals				$ 35.00				$ 35.00
1/17/2016		Per diem meals				$ 23.00				$ 23.00
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
			$ 175.32	$ 197.64	$ -	$ 80.00	$ -	$ 200.00	$ 20.00	
									Subtotal	$ 672.96
									Paid By County	$ 375.32
									Advances	$ 150.00
									Total	$ 147.64

Employee Signature: **Date:**

Department Head Signature: **Date:**

NOTES: 366 miles x .54 = $197.64 (roundtrip)

THE COUNTY OF GALVESTON

DETAIL OF MILEAGE CLAIMS

DATE: _____ **NAME:** _____ **PO #** _____

PEID: _____ **PR #** _____

DATE USED	DEPARTURE POINT	DESTINATION	PURPOSE OF TRIP	TOTAL MILES

Total Mileage This Page..... 0.00

0.0 Miles x $0.545 Mileage Due = $.00

I, the undersigned, do solemnly swear that my personal automobile was used for the above trip(s) in pursuit of my assigned duties, and that said mileage has not heretofore been paid.

Print Name

Employee Signature

Account Number

Department Head Signature