

## TRAVEL REIMBURSEMENT

### PURPOSE

To establish rules governing reimbursement to town officials and employees for necessary travel expenses incurred in performing official duties. It also provides employees with guidelines for determining reasonable travel-related expenses and details the procedures, forms and documentation necessary to receive reimbursement. This policy is intended to help mitigate opportunities for fraud, waste, and abuse, and ensure that the Town properly monitors and controls travel costs.

### APPLICABILITY

This policy applies to all elected and appointed officials and employees authorized to travel for work purposes.

### POLICY

The Town will reimburse employees and officials (all referred to here as “employees”) for reasonable expenses incurred for travel on the Town’s behalf as authorized by their Department Heads, the Board of Selectmen, or the Town Manager. Travel shall be restricted to necessary activities that provide a public benefit, such as training, professional conferences, and other municipal-related activities. Travel expenses incurred by employees working for multiple government entities shall be required to share applicable expenses with the respective entity.

All travel on Town business shall be planned for using the most economical mode and class of transportation reasonably available and the most direct and time-efficient route. Officials and employees will travel using government and group rates when available. The Town will not reimburse or pay sales tax but will, however, pay meals and room excise taxes.

When this travel policy is not followed, there is no guarantee that all expenditures will be reimbursed. Employees should determine estimates for their travel costs, discuss any extraordinary travel circumstances and expenses with their Department Heads, and obtain their authorizations in advance of travel.

#### A. Travel Forms

All travel expenditures are to be documented using the Travel Expense Reimbursement Sheet signed by the traveler and the authorizing department head. Separate sheets must be completed for each traveler, and the sheets must be retained by the department until the travel is finalized unless advance payments are required.

#### B. Unauthorized Expenses

The following expenditures will not be reimbursed:

- Sales tax
- Alcoholic beverages and tobacco
- Costs associated with any political or charitable event
- Expenses incurred by or on behalf of any person who is not a Town employee who accompanies the employee on official business

- Expenses incurred for the sole benefit of the traveler, such as valet service, entertainment, laundry services, etc.
- Personal loss, theft or damage to personal property while on Town business

The Finance Director may refuse to approve for payment any claim deemed to be fraudulent, unlawful, or excessive. In that instance, the Finance Director will file a written statement of the reason for refusal with the Treasurer/Collector and forward copies to the Town Manager and the originating department head. Resolution of all disputes shall reside with the Town Manager.

### C. Travel Expense Categories

#### **Overnight Travel (meals, tips and incidental expenses)**

- Per Diem rates are applicable to overnight travel away from home and are established through Federal guidelines. The per diem rate is intended to cover meals, tips, and incidental expenses for a 24-hour period.
- Current per diem rates can be found on the GSA website and provides a complete listing of domestic per diem rates. After selecting the state to which you are traveling, please use the “M&IE Rate” (meals and incidental expenses) shown for the city/country of your travel for use as the per diem rate for travel reimbursement.
- When an overnight trip extends into a partial day, employees should refer to the rates shown under “First & Last Day of Travel (3)” on the GSA website when submitting for reimbursement.
- The per diem rate is allowed only when the traveler is away from home overnight on business. The per diem method may not be used if the travel did not require an overnight stay. Per diems are limited to the number of nights away on Town business.
- When meals are provided by others or in conjunction with a conference, the per diem rate shall be adjusted based on the meals provided.
- A printout of the per diem rate from the GSA website must accompany all reimbursement requests.

#### **Transportation**

- Employees authorized to travel using their personal vehicle will be reimbursed at the mileage reimbursement rate established yearly by the Internal Revenue Service (IRS) or, for union employees, the rate established in their particular contractual agreement.
- Mileage will be calculated starting from the employee’s office location, regardless of departure point (i.e. office or place of residence).
- Employees must complete a Reimbursement Form and submit it along with appropriate supporting documentation in a timely manner. Appropriate supporting documentation includes, but is not limited to: a mileage report from a mapping website.
- Employees must present receipts to be reimbursed for parking, tolls, airfares, taxi fares, and, when using a Town-owned vehicle, fuel charges.
- Employees are expected to secure the lowest available fares for airplane, train, or other vehicle transportation. Airplane travel must be at economy, coach, or other lower travel rates. Airport parking and/or shuttle fees are reimbursable as long as receipts are submitted.

- When a rental vehicle is needed during travel out-of-state, the most reasonable transportation should be sought and should be limited to mid-class or smaller vehicles unless the number of town officials attending requires a larger vehicle.

### **Lodging**

- If travel requires an employee to be away from home for more than 24 hours, he or she will be reimbursed for reasonable charges for lodging expenses.
- Lodging expenses must not exceed the group rate published by the conference or activity sponsor. If the sponsor's group rate is not available when booking, the Town will reimburse for lodging costs comparable in location and quality and reserved at the lodging's government or group rate, whenever that is available.
- The Town will reimburse for only one night preceding any conference.

### **Meals**

- Meal costs, including tips (must not exceed 20% of the cost of meals, any amount over the 20% will not be reimbursed) and meal taxes, incurred during the course of approved travel will be reimbursed only upon presentation of itemized receipts. If the receipt is for multiple employees, they should be listed on the back of the receipt.
- Meals included in registration costs cannot be claimed for reimbursement or advance.
- Under no circumstance will the total meals reimbursement exceed the Town's per diem rate of \$54.00 (Breakfast - \$13, Lunch - \$15 and Dinner - \$26).

### **Registrations**

- Whenever possible, registration fees for any conference or workshop should be paid in advance through the Town's accounts payable warrant process. To pay advance registrations timely, the registration bill must be received in the Finance Director no later than two full weeks prior to the registration deadline.
- If registration is not paid in advance, the employee must pay out-of-pocket and then submit for reimbursement.
- Documentation of conference details (i.e. agendas) must also accompany reimbursement requests.

### **D. Reimbursement Submission**

Employees should submit for travel reimbursement as soon as travel concludes, but at maximum, no later than 30 days after the expenses being incurred. If an employee does not submit the Travel Expense Reimbursement Sheet, accompanying receipts, and other documentation within that time, he or she may be personally responsible for the expenses. If the employee wishes to appeal, such appeal must be submitted in writing to the Town Manager.

### **E. Violations**

Employees who violate this policy will be held directly responsible for their actions. Consequences may include revocation of travel privileges, reparatory payments, suspension, or termination. Improper documentation of otherwise valid travel expenditures creates the appearance of fraud, waste, or abuse and may result in similar consequences. Moreover, misrepresenting expenses and intentionally submitting false claims are fraudulent and could result in criminal penalties.

**F. Audit**

All expenses are subject to verification that they comply with this policy and to audit by Hamilton's independent auditor.

**REFERENCES**

[M.G.L. c. 41, §52](#)

[M.G.L. c. 44, §58](#)

[M.G.L. c. 268A, § 3](#)

**EFFECTIVE DATE**

This policy was adopted by the Board of Selectmen on August 6, 2018.