

Public Agency Risk Sharing Authority of California  
PARSAC

## Travel and Expense Policy

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Section: 100 – Board of Directors/Executive Committee; Travel  
Effective Date: December 1, 2016

### PURPOSE

To establish uniform guidelines for the reimbursement of actual and reasonable travel expenses incurred by any individual conducting Authority business, including participating in conferences and workshops.

### GENERAL POLICY

It is the organizational goal of PARSAC is for all members, no matter how remotely located in California, to have an opportunity to participate in the meetings of PARSAC. Due to the statewide nature of the Authority, it is necessary for its members and staff to travel in order to conduct business on behalf of the Authority. The Bylaws allow for reimbursement of expenses related to conducting business on behalf of PARSAC.

In addition, there is a direct benefit to PARSAC from members attending conferences and training, providing risk management techniques, policies, networking for problem solving, and the awareness of possible risks that could affect the members or PARSAC.

Government Code Section 36514.5 authorizes reimbursement for actual and necessary expenses incurred in the performance of official duties. The Board of Directors sets forth the following guidelines for travel and reimbursement of expenses related to travel. Each Committee, Board and staff member will be provided with a copy of this Travel and Expense Reimbursement Policy.

### I. GENERAL TRAVEL GUIDELINES

#### A. Authorized Travelers

The following individuals may apply for travel expense reimbursement:

- Members of the Board of Directors, or the Alternate in the absence of the Director.
- Members of the Executive Committee.
- Members of Ad Hoc Committees.
- PARSAC Staff Members.
- Other individuals as may be designated or approved by the Executive Committee and/or Board of Directors.

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### **B. Types of Reimbursable Travel**

- Regular and Special Meetings of the Board of Directors, Executive and Ad Hoc Committees
- Authorized conferences, seminars and workshops
- Travel to conduct Authority business with members
- Out-of-State Travel as approved by the President or Board of Directors
- Other PARSAC Board-approved events.

### **C. Responsibility**

Authorized individuals traveling on official business for the Authority are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. The traveler should obtain appropriate receipts for all applicable charges and keep a personal record of all miscellaneous expenditures chargeable to the Authority.

The General Manager shall administer the expenditure of travel funds in accordance with the adopted Annual Budget and established travel policies.

### **D. Expense Reimbursement Forms**

Expense reimbursement requests are the responsibility of the traveler and should be submitted using the approved form (sample attached) upon return from the travel or meeting within 30 days, but no later than the end of the current fiscal year. The appropriate documentation must accompany the expense reimbursement form as outlined below (Paragraph F). Allowable expenses are reimbursed based on the guidelines set forth in this Policy.

### **E. Cash Advances**

A cash advance for transportation, lodging, meals, registration, etc. may be requested by an employee of the authority; however, must be approved by the General Manager. At the conclusion of the trip, all expenses must be itemized on the expense reimbursement request form with the cash advance shown as an offset to the total expense and turned into the Accountant with any remaining cash and receipts.

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### F. Documentation

The following specific documentation must accompany the expense reimbursement request:

- Original receipts (no copies) must be attached to support all expenditures as indicated on the form.
- Itemized paid hotel receipt provided upon checkout.
- Airline ticket copies (or itinerary for “ticket-less” travel)
- Receipt and sales form for car rental

For receipts that contain charges for non-reimbursable items, the item to be reimbursed must be clearly identified (highlight, circle, check mark, etc.) on the receipt.

For reimbursable items that require a receipt, reimbursement of that expense will not occur if the receipt does not accompany the expense reimbursement form.

## II. ALLOWABLE EXPENSES

### A. Accommodations

The Authority will rely on its Travelers to select the most reasonably priced lodging accommodations when traveling on official business out of town. No maximum rate has been established as the Authority recognizes that reasonable lodging rates will vary based upon the availability, area and location of the meeting, conference or workshop.

For meetings, reservations and payment will be made by the Authority; however, it is the Traveler’s responsibility to notify the Authority timely of changes and cancellations. The following applies to reimbursement for accommodations while traveling on Authority business:

- The traveler is responsible for changing or canceling any lodging reservations in a timely manner to avoid charges by the hotel. The traveler is responsible for charges made to the Authority for late or lack of cancellation.
- Reimbursable expenses for accommodations include room, sales tax, and standard gratuity where applicable.
- Lodging shall be limited to the minimum number of nights required to conduct Authority business.

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- Reimbursement for shared lodging (two or more travelers on Authority business). Each traveler should claim and be reimbursed for the traveler's share of the lodging. If one of the travelers pays for the entire cost, then that traveler shall be reimbursed for the accommodation, but should cross-reference the other traveler's name on the expense reimbursement form.
- The Traveler is solely responsible for personal incidentals such as personal telephone calls, laundry, movies, etc.

### **B. Meal Reimbursement**

The Authority relies on the traveler to exercise prudence in restaurant, menu, and beverage selections. Meals that are reasonable and customary are reimbursed the actual cost including tip, up to the following maximum amounts: Breakfast \$12.00; Lunch \$15.00; and Dinner \$30.00. Alternatively, Officers or staff traveling frequently on Authority business may be compensated at the appropriate IRS rate on a per diem basis.

The following applies to reimbursement for food while traveling on Authority business:

- Meals that are necessary for the period traveled are reimbursed.
- Gratuity for meals will be reimbursed.
- Room service charges are to be included as part of the standard meal allowance.
- Family member(s) may accompany an employee or Board/Committee members in travel. However, meals or additional charges specifically related to their travel is the responsibility of the traveler and cannot be claimed for reimbursement.
- Meals included in airfare, or as part of training/conference fees, meetings, or skipped by the traveler, cannot be claimed for reimbursement.

### **C. Business Meals**

Occasionally it is necessary to host a meal to conduct business discussions at a location away from the office. Such business meals should not be extravagant, but reasonable considering the location in which it is held. The per diem allowance does not apply to group dinners for PARSAC Board members, or when staff is hosting prospective members, or meeting with business contacts and may include limited alcoholic beverages.

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When submitting business meals for reimbursement, the expense reimbursement form must indicate the business matter(s) discussed, the traveler(s) present and be approved by the Authority's General Manager, or the Board President or Vice-President.

### D. Transportation

The Authority relies on its travelers to arrange for transportation as economically as feasible. Such reimbursable transportation includes, but is not limited to mileage, car rentals, fuel, shuttles, parking, taxis, and air fares. **Reimbursement will be based on the most economical means of transportation considering timing, cost, and availability.**

If an Authority meeting is cancelled due to extraordinary circumstances and non-reimbursable travel arrangements have been made or the Traveler is not able to cancel in a timely manner, then the Authority will refund the Traveler for the expenses incurred. However, this will not apply to airline tickets that may be used for future air travel. Conversely, if the Traveler makes arrangements to attend a meeting or conference and decides not to attend but does not cancel the arrangements timely, the Authority will not be responsible for the costs incurred.

#### 1. Ground Transportation.

- a. For each PARSAC meeting, the Authority reserves and pays for shuttle transportation to and from the airport for the convenience of its members.
- b. Taxi/Shuttle. Travelers are encouraged to utilize a hotel's complimentary shuttle, when available, or the most economical method of travel; reasonable costs for such services are reimbursable.
- c. Leased or Rental Cars. Commercial auto rental will be allowed if alternative personal or public transportation is unavailable or unreasonable.
- d. Personal Vehicles. Mileage for use of a personal vehicle on PARSAC business will be reimbursed at the current internal Revenue Service (IRS) mileage reimbursement rate.

#### 2. Commercial Air Travel.

- a. Reimbursement will be at the lowest reasonable cost of coach class travel.
- b. If business and personal travel are combined, the traveler is to reimburse the Authority for the personal portion of the trip.
- c. If Authority business causes a scheduled flight to be changed, then the difference in air fare is reimbursable.
- d. "Early check-in" charges are reimbursable. Business Select or other upgrade service is not reimbursable.

*(Replaced by Section III below)*

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### **E. Other Allowable Expenses**

1. Parking fees and toll charges. If available, receipts must be attached to the expense reimbursement form.
2. Telephone, Internet, or facsimile charges related to Authority business.
3. Tips should be reasonable, based upon the service provided.
4. Other Expenses. Reimbursement is provided for other necessary Authority-related expenses not covered in this Policy but must be properly explained and supported by documentation. Such expenses might include, but are not limited to, transporting, and the set-up of a display booth, registration fees at a conference, AV equipment at a meeting, etc.

### **F. Non-Allowable Expenses**

Personal expenses not reimbursable include, but are not limited to, the following:

1. Personal Services such as hair cuts, shoe shines, etc.
2. Gas, oil and repairs to privately-owned vehicles. This is covered within the IRS rated mileage reimbursement provided for driving to and from the event.
3. Laundry/dry cleaning, purchase of personal sundry items.
4. Consumption of items in the in-room snack bar/container.
5. Fitness/health facilities (unless billed as a mandatory service fee by the hotel).
6. Personal entertainment expenses: magazines, newspapers, movies, in-room movies, theatre, etc.
7. Expenses incurred by other individuals accompanying the Traveler.
8. Personal telephone calls.
9. Golf, tennis, racquetball, etc.
10. Alcoholic Beverages.
11. Housekeeping Personnel, unless justified by extenuating circumstances or if the hotel stay exceeds three days.

### **G. Settlement of Travel Expenses**

Travelers on Authority business are responsible for the accurate preparation of travel expense requests. These travel expenditures must be within budgetary constraints and reimbursements shall be approved by the Authority's General Manager. Should a conflict exist on a reimbursement, a final decision will be rendered by the General Manager for staff members and the Board President for Executive Committee and Board Members.

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### **III. CONFERENCES AND TRAINING**

The Member's Safety & Loss Control Grant may be used to reimburse allowable expenses outlined in this policy for risk management conferences or training, if available. Reimbursement for conference-related expenses is limited to \$1,500 per fiscal year; there is no limit for training reimbursement (refer to Policy 801.006) as long as funds remain available.

In addition, Members who volunteer on a PARSAC subcommittee may earn an additional training stipend based on hours served (refer to Resolution 2009-04.1), which may be used to reimburse allowable expenses related to any type of training or conference without limit.

### **IV. REIMBURSEMENT FOR TRAVEL EXPENSES**

It is the Traveler's responsibility to request reimbursement for traveling on Authority business.

1. Individuals incurring expenses for reimbursement shall submit their request for reimbursement on the approved Expense Reimbursement Form (available online under the Member Log In). The form must be signed by the Traveler to certify its correctness and forwarded to the Authority's office.
2. All reimbursement requests shall be completed in accordance with the documentation requirements outlined in Section I, Paragraph F above.
3. The submittal will be audited and processed by the Authority's accountant for payment.
4. The General Manager will review and approve payment; except that expenses submitted by the General Manager will be reviewed and approved by the appropriate Executive Officer.
5. Checks will be mailed to the address indicated on the reimbursement form.
6. Processed expense reimbursement forms will be maintained in the respective Member's Entity's file for audit purposes.

### **V. REVISIONS OF PROVISIONS IN TRAVEL POLICY**

This Policy shall be revised as deemed by the Authority's Board of Directors and the Executive Committee. Provisions shall be applicable at the time the revised Policy is adopted.