

San Mateo County Harbor District

Policy	Number: 4.2.4	Date of Approval: 06/21/2006	Adopted By: Resolution No. 25-16
Title: Expense Accounting and Expenditure Reimbursement for Commissioners	Prepared By: G. Lazof	Revised By: Board of Harbor Commissioners September 1, 2010, September 7, 2016	Page: Page 1 of 8
Purpose: To establish policy guidelines on District reimbursement for expenses for Commissioners while on District business.			

1. STATEMENT OF POLICY

The San Mateo County Harbor District (District) is obligated to ensure that expenditures made by the District are solely for public purposes as well as prudent. This policy governs and provides for a process by which a member of the District's Board of Harbor Commissioners (Board) may seek reimbursement for expenses that he or she has incurred in the conduct of District business.

This policy complies with Government Code Section 53232.2, which provides that if a local agency reimburses members of its legislative body for actual and necessary expenses incurred in the performance of official duties, then the agency's governing board must adopt a written policy, in a public meeting, specifying the types of activities that qualify for reimbursement of expenses such as those related to travel, meals and lodging. To the extent practical, Commissioners are encouraged to work with District staff to make travel arrangements paid for in advance directly by the District, not subject to reimbursement under this Policy.

This policy applies to all members of the Board of Harbor Commissioners, and its provisions regarding expense reimbursement are intended to result in no personal gain or loss to a commissioner.

District Commissioners are eligible to receive reimbursements for travel, meals, lodging, and other reasonable and necessary expenses. Commissioners are limited to reimbursement only as authorized in this policy.

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2. AUTHORIZED EXPENSES

A. Expenses

Expenses incurred in connection with the following types of activities generally constitute authorized and reimbursable expenses, and do not need pre-expense approval of the Board, as long as the other requirements of this Policy are met:

- a. Communicating with representatives of regional, state and national governments on Board-adopted policy positions;
- b. Attending conferences or educational seminars designed to improve the skills and knowledge of Commissioners, so long as the skills and knowledge relate to their position with the District; and
- c. Participating in regional, state and national organizations whose activities or agenda directly affects the District's interests.

B. Prior Approvals

Out-of-State travel and expenses require prior approval by the Board of Harbor Commissioners, in writing, which shall verify that budgeted funds are available prior to approving the travel and expenses.

C. Other Expenses

All other expenses must be approved by the Board, in a public meeting, before the expense is incurred.

3. EXPENSES NOT ELIGIBLE FOR REIMBURSEMENT

Expenses that are not eligible for reimbursement include:

- a. The personal portion of any trip;
- b. Political or charitable contributions;

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- c. Family expenses, including a partner's expenses when accompanying a Commissioner on District-related business, as well as child- or pet-related expenses;
- d. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf-related expenses), or other cultural events;
- e. Alcoholic beverages, including personal hotel honor bar expenses;
- f. Tips greater than 20 percent (unless automatically included in the bill);
- g. Regular commuting costs and personal automobile expenses, including for vehicle maintenance and repairs, traffic citations, insurance and gasoline;
- h. Personal losses incurred while on District business;
- i. Laundry, cleaning, or valet service including luggage transportation (except of trips of over one week duration);
- j. Personal telephone calls;
- k. Meals and lodging in lieu of other meals and/or lodging the expense of which is included in the Registration fee;
- l. Fines, forfeitures, traffic citations or other penalties;
- m. Loss or damage to personal property;
- n. Barber, beauty parlor, shoe shine or toiletries;
- o. Personal postage; and
- p. Credit card late fees or interest as a result of untimely submission of expense accounting forms.

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Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority before the expense is incurred.

4. TRANSPORTATION

Commissioners are encouraged to use public transit and carpool to the maximum extent possible when travelling on District business. When transportation is needed for Commissioners to travel for District business other than in District vehicles, costs are eligible for reimbursement as follows:

- a. **Airfare.** Airfares that are reasonable and economical (coach fare) are eligible for reimbursement. Ticket purchases should be made well in advance to take advantage of low fares when possible.
- b. **Automobile.** Personal automobile mileage is reimbursed at Internal Revenue Service (IRS) rates in effect at the time of travel. Tolls are eligible for reimbursement.

Reimbursement for auto mileage will be capped at the cost of corresponding coach airfare for the same trip when it would be less expensive to fly than drive.

- c. **Car Rental.** Rental car costs and fees are authorized for reimbursement only when absolutely necessary and when other transportation is not feasible or car rental is more economical. Cars are to be reserved at a rate that does not exceed the standard-size car rate.
- d. **Parking and Shuttles.** Reasonable parking costs will be reimbursed. Long-term parking or shuttle service to and from the airport may be claimed as a miscellaneous expense for reimbursement.
- e. **Public Transit.** Actual fares for public transit will be reimbursed.

5. LODGING

Lodging costs are only reimbursable when Commissioners travel for authorized purposes.

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Lodging expenses at the single-room rate will be reimbursed or paid for when travel on District business reasonably requires an overnight stay. If such lodging is in connection with a conference, training or other educational activity, lodging expenses must not exceed the group rate published by the conference sponsor or training provider for the event in question.

6. MEALS & INCIDENTAL EXPENSES

Meals and incidental expenses are reimbursable whenever Commissioners travel for authorized purposes, and as otherwise set forth below:

- a. **Business Meetings.** Actual and reasonable costs of business meals and gratuities are allowed when representing the District, regardless of geographic location. These are capped at GSA per diem rates.
- b. **Conference, Seminar or Training.** When Commissioners attend conferences, seminars and trainings for the District, reimbursements will be provided, upon submission of receipts, for the actual cost of meals, capped by the maximum established GSA for all meals, based on the locations of the events.
- c. **Alcohol.** The District will not pay for alcohol or hotel-room personal bar/honor bar expenses.

7. REGISTRATION FEES

Registration fees for conferences or meetings will be reimbursed at actual cost.

8. TELEPHONE/FAX/INTERNET

Commissioners will be reimbursed for actual telephone, fax, or Internet connection expenses incurred for District business.

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9. REPORTS TO THE COMMISSION

When a Commissioner attends a conference, training, seminar or other event for which he or she seeks reimbursement from the District, the Commissioner must submit a brief oral or written report at the next regular Commission meeting. If multiple members attended, a joint report may be made.

10. COMPLIANCE WITH LAWS

Commissioners should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expense reports and accompanying documentation are public records subject to disclosure under the Public Records Act and other applicable laws.

11. VIOLATION OF POLICY

Misuse of public resources or falsifying expense reports in violation of District Policy may result in any or all of the following:

- a. Loss of reimbursement privileges;
- b. Restitution to the District;
- c. The District reporting the expenses as income to State and Federal tax authorities;
- d. Civil Penalties of up to \$1,000 per day and three-times the value of the resources used;
- e. Prosecution for misuse of public resources; and
- f. Censure by the Board or such other measure as may be determined by the Board.

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12. IMPLEMENTING PROCEDURES

The District and its Commissioners must follow the procedures adopted to implement this Policy. These procedures may be revised by the General Manager in compliance with all laws and in furtherance of this Policy.

13. EXPENSE REPORT FORM SUBMISSIONS

- a. All expense reimbursement requests must be submitted on an Expense Report Form approved by the General Manager. Completed Expense Report Forms must document that the expense in question met the requirements of the Policy.
- b. Expense Report Forms must be submitted within thirty (30) calendar days of an expense being incurred, and must include the following attachments:
 1. Original receipts showing the claimed expenses (e.g., restaurant receipts as opposed to credit card receipts or statements);
 2. Name of the Commissioner, as well as a description of the purpose of the meeting;
 3. A copy of the Program or Agenda of the event(s) attended, when relevant;
 4. When original receipts are required under these procedures, but have been lost, a duplicate receipt if available;
 5. If neither an original nor duplicate receipt is available, or if a receipt is not available for a small expenditure (e.g., parking meters), a detailed explanation of the expenditure and explanation of which receipts are not available;
 6. Telephone bills identifying calls made on District business, when relevant; and

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7. Actual Odometer readings or Google (or similar) map displaying mileage by most direct route.
 - c. Expense Report Forms will be reviewed by the Treasurer and will be approved by the Harbor Commission pursuant to the normal process for approving bills and claims.

14. AUDITS OF EXPENSE REPORTS

All evidence of expenses and related documentation are subject to verification that they comply with this Policy.