

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 9/19/05		Item Number: <u>A-2</u>	
AGENDA ITEM: Consideration of Amendments to City Council Policy on Travel, Attendance at Conferences and Special Events or Meetings, and Reimbursement for Expenses.			
Contact Person/Dept.: Nick Kimball, Management Analyst		Phone Number: (310) 253-5682	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List (9/14/05)			
Department Approval: Scott Bixby 9/13/05		CAO Approval: Scott Bixby for Jerry Fulwood 9/13/05	
City Controller Approval: Marlee Chang 9/13/05			
<u>RECOMMENDATION:</u> That the City Council approve the amended City Council Policy Statement Number 4101, entitled "Travel, Attendance at Conferences and Special Events or Meetings, and Reimbursement for Expenses," amend Resolution 95-R005, and adopt Resolution 2005-R____. <u>BACKGROUND/DISCUSSION:</u> On January 23, 1995, City Council approved twenty-seven (27) City Council policies with the passage of Resolution 95-R005. This resolution included the Travel, Attendance at Conferences and Special Events or Meetings, and Reimbursement for Expenses Policy (Travel Policy). Since that time, the Travel Policy has remained unchanged. The current policy (Attachment 1) was adopted to establish authorization criteria and procedures for City Officials and employees that may travel outside the City on official business. This policy governs attendance at conferences, special events and meetings, and payment or reimbursement for authorized expenses incurred. Currently, Department Heads review all employee travel request forms and expenses. Employees are required to obtain the lowest available airfare and lodging rate. Meal allowances are specified for breakfast, lunch, and dinner, which can be quantified separately or as a per diem.			

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The purpose of amending the policy is to increase employee accountability for travel expenses and detail new reimbursement procedures. The proposed policy adds language which identifies and strengthens the procedures to increase accountability and responsibility.

Development of Policy

In developing the proposed amendments, staff reviewed current policies and procedures, evaluated past practices, and contacted other cities to obtain information about similar policies. Phone interviews with Beverly Hills, Santa Monica, and West Hollywood were conducted to compare other municipal policies with Culver City's Travel Policy.

The proposed policy amendments were presented to the Budget Subcommittee on four occasions between June 2004 and August 2005. At these meetings, subcommittee members and a number of Department Heads reviewed the policy and suggested revisions. Staff incorporated the input received from the subcommittee into the proposed policy.

Proposed Policy

The following amendments, suggested by the Budget Subcommittee and staff, have been incorporated into the revised Travel Policy (Attachment 2, Exhibit A):

1. Authorizing Authority

- a. *Current Policy:* The policy defines the term "authorizing authority" and identifies Department Heads as the authorizing authority for departmental employees.
- b. *Proposed Policy:* The City Treasurer is added as the authorizing authority for CAO travel requests. The City Treasurer is also responsible for reviewing reimbursable expenditures by Department Heads to ensure that they are consistent with current City policy.

2. Reimbursement for Authorized Expenses

- a. *Current Policy:* The policy outlines authorized expense categories and, where applicable, sets the rates for reimbursement and guidelines for selecting the appropriate economical travel type.
- b. *Proposed Policy:* Language is added to reconcile alternate reimbursement rates for authorized expenses for Police Department personnel attending Police Officer Standards and Training (POST). POST reimbursement rates are set by the state annually and may be higher or lower than City reimbursement rates. Police personnel will receive the higher of the two rates when attending a POST function.

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3. Transportation (airfare)

- a. *Current Policy:* Employees are required to obtain the lowest available airfare. Employees making travel plans too late to obtain lower advance fares shall pay the difference, unless travel is based on an emergency situation.
- b. *Proposed Policy:* The proposed policy softens the language to read, "Employees should travel in coach class and shall obtain the lowest available fair." If an employees wishes to travel in another class or on an airline that does not represent the lowest available airfare, the employee is responsible for any difference in price.

4. Local Transportation and Parking (car rental)

- a. *Current Policy:* Employees should accept the Collision Damage Waiver (CDW) and Liability Damage Waiver (LDW) insurance offered by the rental car company unless insurance is provided by the credit card used for the rental.
- b. *Proposed Policy:* Since CDW and LDW insurance is not always automatically covered by a City credit card, the proposed policy requires City employees to accept the insurance through the car rental agency.

5. Lodging

- a. *Current Policy:* Employees are expected to make accommodations proximate to a conference or event site and represents the lowest available price.
- b. *Proposed Policy:* Language is added to allow employees to stay in a hotel that does not represent the lowest available price proximate to the conference, but the employee is responsible for paying the difference between the lowest rate and the actual rate paid.

6. Meal and Expense Allowance

- a. *Current Policy:* Sets a maximum daily meal allowance at \$60 while on City business. If meals are provided in registration or lodging costs, employees must deduct \$10 for each breakfast; \$15 for each lunch; and \$25 for each dinner.
- b. *Proposed Policy:* Since the individual meal deductions do not equal the \$60 per Diem, the meal deductions are increased as follows: lunch from \$15 to \$20, and dinner from \$25 to \$30.
- c. *Proposed Policy:* The proposed policy adds language to allow employees increased per Diem rates, with Department Head approval, due to conventions or training located in cities with above average meal costs.

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7. Miscellaneous

- a. *Current Policy:* Purchases made with a Purchase card are reimbursed separately, when the monthly statement arrives; therefore, travel expenses paid with a purchasing card are not itemized on a Statement of Expense form.
- b. *Proposed Policy:* Language is added to require that expenses paid with a Purchase card must be itemized on a completed Statement of Expense form and submitted along with receipts that document the expenses paid. This is to track all travel expenses on one form.
- c. *Proposed Policy:* Language is added to allow internet expenses to be included as an incidental expense.

Additional minor format changes are made to increase the overall clarity and flow of the policy.

Resolution Adoption Procedures

City Council Policy 1001, entitled “Adoption of Council Policy Statements,” allows City Council to adopt policies as a means to establish policies not already covered by ordinances, and to supplement or complement other resolutions or policies already in existence. The policies adopted cannot conflict with any ordinance or resolution of the City and require four affirmative votes of the City Council to become effective. The Council may also direct the creation or modification of a policy.

Resolution 95-R005 can either be rescinded or amended in order to implement the proposed Travel Policy. Rescinding the resolution will cancel all twenty-seven policies included in this resolution. Amending the resolution to update or add a specific policy will complicate records management and tracking of each individual policy.

Procedurally, staff recommends that the Council amend only the Travel Policy that is part of Resolution 95-R005. This presents the best alternative to implement the proposed policy amendments. A separate resolution has been drafted and can be adopted to enact the amendments to the Travel Policy.

FISCAL ANALYSIS:

Proposed amendments to the Travel Policy would implement new individual meal allowances, but remains within the current daily maximum amount (\$60) available to employees. Additionally, an increase in meal per Diems can be granted by Department Heads for travel to high cost cities. There may be minimal cost

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increases as employees make these requests. However, this situation arises very infrequently, minimizing the overall fiscal impact.

Reimbursement for lodging and air travel expenses should not be affected as employees are responsible to pay for increased costs to accommodate their personal preferences.

ATTACHMENTS:

1. Current Council Policy Number 4101, "Travel, Attendance at Conferences, and Special Events or Meetings, and Reimbursement for Expenses"
2. Proposed Resolution Number 2005-R____
Exhibit A: Proposed "Travel, Attendance at Conferences, and Special Events or Meetings, and Reimbursement for Expenses" Policy

MOTION:

That the City Council:

1. Approve the amended City Council Policy Statement Number 4101, entitled "Travel, Attendance at Conferences and Special Events or Meetings, and Reimbursement for Expenses," amend Resolution 95-R005, and adopt Resolution 2005-R ____; and
2. Direct the City Attorney's Office to prepare the policy and authorize the Chief Administrative Officer to distribute the policy following specified procedures in City Council Policy No. 1001 "Adoption of Council Policy Statements."

OR

3. Discuss this item and provide further direction to staff.

(A 4/5ths affirmative vote is needed to adopt the resolution and enact the policy)