

Prepared by: Staff	EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) TRAVEL AND EXPENSE REIMBURSEMENT POLICY	Page 1 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Revision: 13

TABLE OF CONTENTS	
<u>Section</u>	<u>Page #</u>
I. <u>Employees:</u>	
i. Purpose.....	2
ii. Authorization for Travel.....	2
iii. Travel Arrangements	3
iv. Policy.....	3-8
II. <u>Directors:</u>	
i. Purpose.....	9
ii. Governance	9
iii. Authorized Events	10
iv. Authorized Expenses	10-12
v. Reimbursement.....	12
vi. Travel Arrangements	13
vii. General Provisions.....	13-14
Superseded by Resolution: 94-05-2	Date: 05/19/94
Superseded by Resolution: 95-11-2	Date: 11/16/95
Superseded by Resolution: 96-09-2	Date: 09/19/96
Superseded by Resolution: 97-07-2	Date: 07/31/97
Superseded by Resolution: 99-07-1	Date: 07/15/99
Superseded by Resolution: 03-04-2	Date: 04/24/03
Superseded by Resolution: 06-02-1	Date: 02/23/06
Superseded by Resolution: 11-3-1	Date: 3/24/11
Superseded by Resolution: 15-4-2	Date: 4/23/15
Superseded by Resolution: 16-3-1	Date: 3/24/16
Superseded by Resolution: 17-3-1	Date: 3/28/17

Prepared by: Board	EL TORO WATER DISTRICT	Page 2 of 14
	POLICY STATEMENT	Item 4
Approved by: Board of Directors	1985-5 (IV)	Date: 3/28/17
		Revision: 13

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES

I. PURPOSE

To advance training and professionalism, the El Toro Water District (District) encourages and authorizes attendance at various schools, seminars and conferences by its employees. Employees may also be required to travel both in and outside the state to conduct official District business. The purpose of this travel and expense policy is to furnish rules, guidelines, and procedures for governing reimbursement for travel expenses, and to establish certain procedures concerning travel authorization, documentation, and accounting. The District's objectives are to allow travel arrangements, and activities for its employees that conserve District funds and that have a significant and meaningful link to the purposes, policies, and interests of the District.

"Travel" shall mean attendance at meetings, conferences, or other functions on District business at other than the employee's headquarters. Employees shall not be in travel status to the extent that they travel to perform job assignments related to District facilities within designated service or maintenance areas unless it is overnight.

II. AUTHORIZATION FOR TRAVEL

Employees, if authorized by their supervisors, may travel anywhere within Orange County to carry out their assignments.

Other travel on District business by employees shall be undertaken only with the prior approval of the General Manager, or the Assistant General Manager.

Prepared by: Board	EL TORO WATER DISTRICT	Page 3 of 14 Item 4 Section IV
Approved by: Board of Directors	POLICY STATEMENT 1985-5 (IV)	Date: 3/28/17 Revision: 13

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

III TRAVEL ARRANGEMENTS

To ensure the accuracy of travel arrangements and compliance with District policy, all employees will be required to complete all the appropriate travel forms. The forms will then be submitted to the Board Secretary or designee for processing.

Employees traveling on District business may make all travel arrangements and registrations through the Board Secretary or designee. All such payment and registration requests must be submitted in a timely manner to allow sufficient time for normal processing.

IV. POLICY

1. Employees are expected to exercise good judgment and a proper regard for economy in incurring expenses.
2. When required, the District will prepay airfares, lodging costs and conference registration fees. All such payment requests must allow sufficient time for normal processing and approval prior to payment.
3. When traveling on official District business, employees are encouraged to utilize their personal credit cards and/or cash for all expenses, and then to request reimbursement for such expense. However, in circumstances where the use of such credit cards and/or cash is deemed impractical, and where the total expense is expected to exceed fifty (\$50.00), the District may provide an advance of funds. Such advance shall not exceed one hundred percent (100%) for the total estimated expense.
4. Within ten (10) working days after completion of a trip, a travel expense report should be submitted to the Board Secretary or designee.

Prepared by: Board	EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV)	Page 4 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Revision: 13
<p style="text-align: center;">TRAVEL AND EXPENSE REIMBURSEMENT POLICY FOR EMPLOYEES (Continued)</p> <p>5. Paid receipts for lodging, rail or airfares and conference registration fees are required if such expenses have been incurred. All other receipts received in the normal course of business shall also be attached.</p> <p>6. There is no objection to an employee's spouse and/or other family member accompanying them on an official trip, provided that their presence does not detract from the employee's performance of duty. However, the District will not reimburse any expenses attributable to any companion.</p> <p>7. In any situation where extraordinary travel expenses are expected to be incurred, or where this Policy does not adequately cover the situation or would result in an undue hardship, exceptions may be made with prior approval.</p> <p>8. An employee may use any mode of transportation, designated or approved, including airline, railroad, bus or automobile. Reimbursement will be based on the following paragraphs.</p> <p style="padding-left: 40px;">A. Travel shall be by the most direct route. If an indirect route is used, the additional costs shall be at the employee's personal expense. Whenever air travel is used, an advance travel request shall be submitted to the Board Secretary or designee in order to obtain the lowest possible fare.</p> <p style="padding-left: 40px;">B. Air travel reimbursement shall be limited to economy fares including all applicable fee charges and taxes where such service is available. Travel to and from airports shall be by the most cost effective method.</p>		

Prepared by: Board	EL TORO WATER DISTRICT	Page 5 of 14 Item 4 Section IV
Approved by: Board of Directors	POLICY STATEMENT 1985-5 (IV)	Date: 3/28/17 Revision: 13
<p style="text-align: center;">TRAVEL AND EXPENSE REIMBURSEMENT POLICY FOR EMPLOYEES</p> <p>C. Reimbursement for the use of private cars, except those receiving a car allowance, shall be at the rate as established by the Internal Revenue Services (IRS). Mileage reimbursement shall be limited to the economy fare for air travel. Parking charges at the destination will be reimbursed in accordance with the provisions of this policy.</p> <p>D. Reimbursement for the use of rental cars will be allowed only when such use has been approved in advance. Maximum reimbursement for car rental will be for a full-size car.</p> <p>E. Travel in District vehicles may be approved when circumstances warrant it. When traveling in a District vehicle, receipts shall be secured for the purchase of gas, oil, and other supplies necessary en-route. These amounts shall be shown on the expense report with a notation that a District vehicle was used, indicating the District unit number, the license plate number and make of the vehicle. The amount of the charge shall be typed opposite the transportation category.</p> <p style="padding-left: 40px;">If emergency repairs are necessary, they shall be paid for by the person to whom the car is assigned. All receipts for such payments must be furnished in order to obtain reimbursement.</p> <p>F. It is expected that hotel and motel reservations will be made in advance whenever possible, and that lodging will be secured at rates considered reasonable for the particular destination. "Government rates" or "commercial rates" shall be requested at hotels and motels offering these discounts.</p>		

Prepared by: Board	EL TORO WATER DISTRICT	Page 6 of 14 Item 4 Section IV
Approved by: Board	POLICY STATEMENT 1985-5 (IV)	Date: 3/28/17 Revision: 13

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

- G. Reimbursement for lodging shall be limited to the minimum number of nights required to conduct the assigned District business. If an employee chooses to arrive earlier or stay later, the additional lodging and other expenses related to this decision will be the employee's personal expense.
- H. Generally, an employee shall not use lodging unless the destination is a 75-mile or more drive from the District's Administration Office or unless there is a very early or late official meeting that could justify the employee staying overnight at the destination.
- I. Any room service charges appearing on the hotel bill shall be deducted from the bill and reimbursed in accordance with the provisions of this policy.
- J. Local and long distance telephone and computer access charges will be reimbursed when such charges are incurred in conducting official District business or making essential personal calls such as a "safe arrival call." Charges will be shown on a separate line of the travel expense report and shall, therefore, be deducted from the hotel bill.
- K. When meals are associated with employee travel the following policies and procedures will apply:
 - i. Maximum allowance to cover meals, including meal tips, will be provided as follows:

Breakfast	\$15.00
Lunch	\$20.00
Dinner	\$30.00

Prepared by: Board	EL TORO WATER DISTRICT	Page 7 of 14 Item 4 Section IV
Approved by: Board of Directors	POLICY STATEMENT 1985-5 (IV)	Date: 3/28/17 Revision: 13

**TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)**

Under certain meeting or conference circumstances the maximum meal allowance may not be sufficient. In such cases, the General Manager has the authority to review and, if deemed appropriate, may approve the expenditure. Under similar instances involving the General Manager, the President of the Board of Directors shall review and, if deemed appropriate, may approve the expenditure.

- ii. No reimbursement shall be made for meals, other than during travel, without prior approval.
- iii. No reimbursement shall be made for alcohol at any time.
- iv. For travel that requires less than a full day, and for the day of departure and day of return on longer trips, the above amounts will be allowed for the meals actually required. All meal allowances shall be entered on the appropriate lines of the Travel Expense Report, with receipt(s) attached.
- v. When conference, seminar or school registration fees include one or more meals, or where individual meals are otherwise provided, no amount shall be entered for this meal on the travel expense form.
- L. At times when other expenses associated with travel are required, employees will be reimbursed for all business expenses necessary to conduct the assigned District business. Examples include, but are not limited to the following:
 - i. Airport parking charges when air travel is used.
 - ii. Parking charges at the destination hotel or garage when transportation is by private or rental car.

Prepared by: Board	EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV)	Page 8 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Revision: 13
<p style="text-align: center;">TRAVEL AND EXPENSE REIMBURSEMENT POLICY FOR EMPLOYEES (Continued)</p> <p>iii. Airport bus/shuttle, or taxi fares where free airport bus/shuttle service is not available.</p> <p>iv. Conference, seminar or school registration fees.</p> <p>v. Local transportation (only as required for official District business).</p> <p>vi. A reasonable amount will be allowed for baggage handling, laundry and dry cleaning for employees attending a conference or school of more than one week in length. All receipts for such expense must be submitted with the travel expense report.</p> <p>vii. No reimbursement will be made for personal expenses such as newspapers, magazines, haircuts, shoeshines, excessive personal telephone calls, taxi fares to and from restaurants, and other personal expenses.</p>		

Prepared by: Staff/General Counsel	EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV)	Page 9 of 14 Item 4 Section IV
Approved by: Board		Date: 3/28/17 Rev. 13

I. PURPOSE

To advance training and professionalism, El Toro Water District (District) encourages and, with prior approval by the Board, authorizes attendance at conferences (i.e. ACWA, CSDA, WaterReuse, CASA) by its Board members (Directors). Directors may be required to travel both in and outside the state to conduct official District business. This policy is to furnish guidelines for reimbursement for travel expenses and to establish certain procedures concerning travel authorization and documentation.

Members of the Board of Directors are encouraged to attend, with prior approval by the Board President, educational conferences and professional meetings when the purposes of such activities are to benefit the El Toro Water District. In addition, subject to prior approval of the Board President, the District encourages Directors development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses and participation with professional organizations, associated with the interests of the District.

This Policy will be reviewed annually by the entire Board of Directors at a regular monthly meeting of the Board.

II. GOVERNANCE

The District shall adhere to Government Code Sections 53232 through 53232.4 when dealing with issues of Director remuneration and reimbursement.

Prepared by: Staff/General Counsel	EL TORO WATER DISTRICT	Page 10 of 14 Item 4 Section IV
Approved by: Board of Directors	POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV)	Date: 3/28/17 Rev. 13

III. **AUTHORIZED EVENTS**

Subject to the District's enabling statutes, attendance at the following qualifies a Director to be eligible to receive compensation.

- A. A conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234.
- B. Official business representing the District.

IV **AUTHORIZED EXPENSES**

- A. Reimbursement rates shall coincide with rates set by Internal Revenue Service Publication 463 or its successor publication(s).
- B. If lodging is in connection with the above or other prior approved event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. If the published group rate is unavailable, Directors shall be reimbursed for comparable lodging at government or IRS rates.
- C. Reimbursement for lodging shall be limited to the minimum number of nights required for the Director's attendance at the event. Charges for local and long distance telephone calls and computer access will be reimbursed when such calls are made in conducting official District business or essential personal calls such as a "safe arrival call". There will be no reimbursement for personal telephone calls or other hotel charges not related to District business needs.
- D. A Director's spouse or other family member(s) may accompany the Director on trips authorized under this policy provided that their presence does not detract from the Director's performance of duty. However, no expenses attributable to any companion will be reimbursed by the District.

Prepared by: Staff/General Counsel	EL TORO WATER DISTRICT	Page 11 of 14 Item 4 Section IV
Approved by: Board of Directors	POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV)	Date: 3/28/17 Rev. 13
<p>E. If travel and lodging is in connection with the above or other prior approved event, Directors shall use government or group rates offered by the provider of transportation when available.</p> <p>F. If transportation is by commercial airline, reimbursement shall generally not exceed the standard round-trip airline economy airfare in effect at the time.</p> <p>G. Travel shall be by the most direct route. If an indirect route is used, the additional costs shall be at the Director's personal expense. Whenever air travel is used, an advance travel request shall be submitted to the Board Recording Secretary in order to obtain the lowest possible fare.</p> <p>H. If the use of the Director's personal automobile is required, the owner will be compensated for the mileage driven at the rate established by the Internal Revenue Service (IRS). Parking charges at the destination will be reimbursed with a receipt.</p> <p>I. Maximum reimbursement for car rental will be for a full-size car.</p> <p>J. Reimbursement for meals (including tips) during travel to, from and during the event, not included in the registration fee shall be limited to the minimum number of days required for attending the event.</p> <p>K. Any and all expenses that do not fall within the adopted travel reimbursement policy or the IRS reimbursable rates are required to be approved by the District's Board of Directors in a public meeting prior to the expenses being incurred.</p> <p>L. Expenses that do not adhere to the adopted travel reimbursement policy or the IRS reimbursable rates, and that do not receive prior approval from the District's Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.</p>		

Prepared by: Staff/General Counsel	<p style="text-align: center;">EL TORO WATER DISTRICT</p> <p style="text-align: center;">POLICY STATEMENT</p> <p style="text-align: center;">DIRECTOR TRAVEL AND EXPENSE</p> <p style="text-align: center;">REIMBURSEMENT</p> <p style="text-align: center;">1985-5 (IV)</p>	Page 12 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Rev. 13

AUTHORIZED EXPENSES (Continued)

- M. *Expenses in General and Registration* - Authorized expenses may include registration, lodging, communication (telephone, computers, fax), business meals, common carrier fares, automobile rentals, parking fees, and use of personal automobiles at the standard mileage rate permitted at the time by the Internal Revenue Service.

V. REIMBURSEMENT

- A. The District shall provide expense reimbursement report forms to Directors who attend the above functions on behalf of the District, which shall document that expenses adhere to this policy.
- B. Except when customarily no receipts are provided or available (i.e. baggage handling), receipts are required to be submitted in conjunction with the expense report form. Failure to submit necessary receipts will result in denial of the reimbursement claim.
- C. Directors attending functions consistent with the above or other prior approved events shall submit written or oral reports to the District on the meeting(s) that were attended.
- D. It is against the law to falsify expense reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to, the following:
- (A) The loss of reimbursement privileges;
 - (B) Restitution to the District;
 - (C) Civil penalties for misuse of public resources pursuant to Government Code Section 8314; and
 - (D) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code, penalties for which include 2, 3 or 4 years in prison.

Prepared by: Staff/General Counsel	<p style="text-align: center;">EL TORO WATER DISTRICT</p> <p style="text-align: center;">POLICY STATEMENT</p> <p style="text-align: center;">DIRECTOR TRAVEL AND EXPENSE</p> <p style="text-align: center;">REIMBURSEMENT</p> <p style="text-align: center;">1985-5 (IV)</p>	Page 13 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Rev. 13

VI. TRAVEL ARRANGEMENTS

- A. To ensure the accuracy of travel arrangements, Directors are to complete and sign the appropriate travel forms and submit them to the Board Recording Secretary or designee for processing per attachment ("A").
- B. Travel arrangements and registrations are to be made through the Board Recording Secretary. All payment and registration requests must be submitted in a timely manner to allow sufficient time for normal processing.
- C. Once the appropriate travel requests have been submitted and processed, a Travel Order (Attachment "B") authorizing the travel and attendance will be sent to the Director.

VII. GENERAL PROVISIONS

- A. All costs, including those pre-paid by the District prior to the Director's attendance at an approved meeting, will be listed on the Director's expense report at the end of the month in which the expenses were incurred, and wherever possible, must be substantiated with a receipt attached to the expense report.
- B. Travel related expenses for each Director are limited to \$5,000 per fiscal year. Unused portions of the Director's annual budget for this purpose cannot be carried over to a subsequent budget period.
- C. In any situation where extraordinary travel expenses is expected to be incurred, or where this Policy does not adequately cover the situation, or would work an undue hardship, exceptions may be made with prior approval of the Board President and General Manager.

Prepared by: Staff/General Counsel	<p style="text-align: center;">EL TORO WATER DISTRICT</p> <p style="text-align: center;">POLICY STATEMENT</p> <p style="text-align: center;">DIRECTOR TRAVEL AND EXPENSE</p> <p style="text-align: center;">REIMBURSEMENT</p> <p style="text-align: center;">1985-5 (IV)</p>	Page 14 of 14 Item 4 Section IV
Approved by: Board of Directors		Date: 3/28/17 Rev. 13

GENERAL PROVISIONS (Continued)

- D. Directors will submit their Travel Expense Claim Form for reimbursement to the District office within the first week, if possible of each month for the prior month's expenses. The Board President or designated representative will approve and sign the Claim Form before request for payment can be processed. The Board Presidents Claim Form shall be approved by the General Manager or Assistant General Manager.

- E. When a Director is obtaining authorization for travel and is aware that the circumstances are such that the charges should not be made against their annual budget, they may request authorization from the Board of Directors or President of the Board that the charges for this activity not be charged against their annual budget.

*** Method of Payment**
A. Personal Credit Card
B. District Credit Card
C. Cash
D. Prepaid by ETWD

Admin. (Department)	(Director or Employee)	Expenditures covered from
------------------------	------------------------	---------------------------

I hereby certify that the above is correct reporting of expenses and, where stated paid be me in the service of the El Toro Water District, for the period shown, and are necessary and reasonably in connection with the performance of authorized duties, and that all receipts for said travel are attached to this report.

For accounting purposes only:	
Account No.	Amount

(Signed)	(Date)	(Director or Employee)
(Approved)	(Date)	(President or Gen. Mgr.)