

	CITY OF PALM DESERT ADMINISTRATIVE PROCEDURES	
	<i>Subject</i>	Expense Reimbursement Policy for Local Meeting and Event Attendance by Elected/Appointed Officials and City Employees
	<i>Policy No.</i>	CMGR-001
	<i>Date</i>	Issued: May 12, 2022
	<i>Approved by</i>	Resolution No. 2022-
	<i>Authored by</i>	City Manager's Office

I. PURPOSE

- A. It is the policy of the City of Palm Desert that Officials and Employees are expected to exercise good judgment and show proper regard for economy when incurring expenses in connection with attending Local Meetings and Events on official City business. The principle of "reasonable and necessary" should be used when deciding to expend taxpayer money. The City complies with AB 1234, California Government Code Section 53232 (which applies to elected and appointed officials) and all other laws and regulations when authorizing and reimbursing the expenses of Elected and Appointed Officials and City Employees. The purpose of this policy is to:
1. Comply with AB 1234 and interpret the State law for the City of Palm Desert;
 2. Define and clarify authorized reimbursable expenses in accordance with Section 53232 et seq. for attendance by Officials and Employees at Local Meetings and Local Events. It includes, but is not limited to, business meals, employee functions, and other related expenditures incurred while conducting City business;
 3. To establish procedures and protocols for Officials and Employees attendance at Local Meetings and Local Events as representatives of the City of Palm Desert;
 4. To establish and set parameters on the use of an Individual Council Member Budgetary Allocation to be used for Council Members discretionary purchase of tickets for Local Events;
 5. To establish procedures for authorization and reimbursement of above expenses.

II. SCOPE

- A. This policy is applicable to Local Meetings and Local Events expenses incurred by the City Council, all Commissions, Committees, Boards and Agencies, (hereafter "Agencies") of the City that are subject to the Brown Act and City Employees. Local

Meetings and Local Events are those that require travel within a 75 mile radius of City Hall and do not require an overnight stay. Meetings and Events that exceed this radius or require an overnight stay are covered in the City's Travel and Expense Policy for Elected/Appointed Officials and Employees adopted by Resolution No. 2013-58, or current version.

- B. In accordance with Government Code Section 53232.2(f), all Local Meeting and Local Event expenses that do not fall within this adopted policy must be approved by the City Council in a public meeting, and for Employees, by the City Manager or his/her designee, before the expense is incurred.
- C. This Policy is limited to those Local Meetings and Local Events attended by the Elected and Appointed Officials and City Employees in their capacities as representatives on behalf of the City. Nothing herein is intended to limit or govern personal attendance at events as an individual not on behalf of the City.
- D. Tickets and tables provided to the City gratuitously by an outside source or acquired as part of a sponsorship agreement or contract shall be addressed separately in the City of Palm Desert Distribution Policy of Tickets and/or Passes as approved by Resolution 2019-70, or the most current version.

III. DEFINITIONS

- A. "Agency" means the City Council, and all Palm Desert Commissions, Boards and Agencies.
- B. "Appointed Officials" means members of all Palm Desert Commissions, Boards and Agencies appointed and subject to the Brown Act and City Manager, Assistant City Managers and Department Heads designated by the City Council to represent the City.
- C. "Employee" means an individual employed directly and solely by the City, excluding independent contractors, subcontractors, and other persons performing work on behalf of the City but self-employed or employed by other persons, corporations or entities.
- D. "Individual Council Member Budgetary Allocation" means the amount budgeted for a Council Member to use for the discretionary purchase of tickets to Local Events.
- E. "Elected Official" means those individuals elected to the City Council.
- F. "Local Events" means events (i.e. fundraisers and award ceremonies) within a 75 mile radius of the City of Palm Desert City Hall.

- G. "Local Meetings" means meetings within a 75 mile radius of the City of Palm Desert City Hall, with government and business leaders and meetings associated with professional organizations, excluding Local Events by these groups.
- H. "Official" means Elected or Appointed Official.
- I. "Reimbursable Expense" means City business expenses incurred and paid for by Officials and Employees.
- J. "Table Sponsorship" means the purchase of a table at a Local Event, excluding the individual purchase of tickets at the same table.

IV. PRE-PAYMENT BY CITY

Whenever possible, Officials and Employees should arrange for the City to be directly billed or prepay for expenses incurred for official City business associated with Local Meetings or Local Events. Expenses paid directly by the City are not "reimbursable expenses" within the meaning of this Policy.

V. SPECIFIC OCCURRENCES QUALIFYING FOR REIMBURSEMENT OF EXPENSES INCURRED IN OFFICIAL CITY BUSINESS AT LOCAL MEETINGS AND LOCAL EVENTS

- A. Government Code Section 53232.2(b) requires the City specify the types of occurrences that qualify an Official or Employee to receive reimbursement of expenses relating to travel, meals, and other actual and necessary expenses. Accordingly, the following non-exclusive list contains expense classifications for guidance in determining expenses authorized to be expended for official City business at Local Meetings or Local Events:
 - 1. **Local Meetings include attendance at meetings with government and business leaders** (e.g. Coachella Valley Association of Governments, the Palm Desert Chamber of Commerce, and the Desert Valley Builders Association); **and attendance at meetings/conferences/seminars associated with professional organizations** (e.g. International City/County Management Association, California Society of Municipal Finance Officers, and the City Clerk's Association of California).
 - 2. **Local Events** include attendance at Local Events hosted by non-profit 501(c)(3) organizations (e.g. Boys and Girls Club of the Coachella Valley, Palm Desert Sister Cities Foundation, and the United Way of the Desert)
- B. Examples of expenses that the City shall not reimburse include, but are not limited to:
 - 1. The personal portion of any local travel;

2. Family expenses, (e.g. children or pet-related expenses);
3. Political or religious contributions;
4. Non-mileage personal automobile expenses including repairs, insurance, and traffic citations;
5. Personal losses incurred while on City business;
6. Meals purchased by Officials or employees when, at the same time, a breakfast, lunch, or dinner is provided as part of the meeting or event participation cost.

I. CITY PAYMENT FOR EXPENSES- COMPANIONS

The City will not provide any reimbursements for any companion accompanying an Official or Employee to a Local Meeting or Local Event, unless it is hosted by the City or otherwise authorized by the City of Palm Desert Distribution Policy of Tickets and/or Passes adopted by resolution 2019-70, or current version. Any other related expenses for companions shall be paid by the Official or Employee.

II. ATTENDANCE POLICY

- A. If an Official who had previously provided an affirmative RSVP to an event and later cannot attend the event, the Official must notify both the Mayor and City Manager in writing as soon as is reasonably practical. At the discretion of the City Manager or Mayor, an appropriate Official or Employee replacement may be designated to attend the event in place of the Official on a case-by-case basis.
- B. If an Employee who had previously provided an affirmative RSVP to an event and later cannot attend the event, the Employee must notify the City Manager or his/her designee in writing as soon as reasonably practical. At the discretion of the City Manager or his/her designee, an appropriate Employee replacement may be designated to attend the event in place of the City Employee on a case-by-case basis.
- C. In situations where the Official or Employee is unable to attend a Local Meeting or Local Event, after incurring expenses for that function, it is the Official or the Employee's responsibility to ensure that any unused prepaid fees are refunded to the City. For any fees not fully refunded, the Official or Employee shall attach a written explanation to the Expense Report form addressing the reason(s) the Official or Employee was unable to attend.

III. TABLE SPONSORSHIPS

- A. Tickets available from the purchase of a City Table Sponsorship will be distributed in accordance with the City of Palm Desert's Distribution Policy of Tickets and/or Passes adopted by Resolutions 2019-70, or most recent version.
- B. On an annual basis, the City Council will approve a budget for the purchase of Table Sponsorships for Local Events. The budget will include a listing of the Table Sponsorships to be approved for the fiscal year, and an amount for miscellaneous Table Sponsorships to be used for new sponsorship requests that occur during that year.
- C. If a Council Member would like to request approval of a Table Sponsorship outside of the budget approval process, the request should be sent to the City Manager, or his/her designee. The request will be reviewed by the Mayor and Mayo Pro Tem and approved by the City Manager.
- D. When the City Manager or his/her designee receives an invitation to a Local Event that has an approved Table Sponsorship in the adopted budget, the information will be distributed to all Council Members, with instructions on how to RSVP.
- E. When the City Manager or his/her designee receives an invitation to a Local Event that does not have an approved Table Sponsorship in the adopted budget, the information will be distributed to all Council Members, with instructions on how to request the purchase of ticket using the Individual Council Member Budgetary Allocation, or how to request a Table Sponsorship.
- F. Attendance by City Officials at Table Sponsored Local Events shall be documented by City staff designated by the City Manager and regularly reported to the City Council.

IV. INDIVIDUAL COUNCIL MEMBER BUDGETARY ALLOCATION

- A. On an annual basis, each individual member of City Council shall be allocated an Individual Council Member Budgetary Allocation to be exclusively used at a Council Member's discretion for attendance at Local Events that meet the requirements of this policy.
- B. The amount of the Individual Budgetary Allocation shall be approved by the City Council each year during the budget approval process. Additional funds may be allocated by the City Council on a case-by-case basis.
- C. Unused Individual Council Member Budgetary Allocation at the end of each calendar year will return to the General Fund.

- D. The City Manager or his/her designee may determine to purchase a table at an Event instead of individual seats when four (4) or more Council Members have confirmed their attendance at the Event and/or it is more financially prudent to purchase a City table in lieu of individual seats.
- E. If a Council Member does not want an Event to come out of his or her Individual Council Member Budgetary Allocation, a request must either be made to the City Council, or the Council member may request a Table Sponsorship of the Local Event per the Section above.
- F. A Council Member may not use his or her Individual Council Member Budgetary Allocation to pay for a spouse or guest to attend an Event with the Council Member.
- G. Use of the Individual Council Member Budgetary Allocation to purchase a Local Event ticket shall be coordinated in advance with City Staff as designated by the City Manager.
- H. Individual Council Member Budgetary Allocations may only be expended on the purchase of Local Event tickets and may not be utilized for other purposes or other event-related expenses, such as travel, lodging and meals not included with an event ticket.
- I. No Council Member may transfer funds within his or her Individual Council Member Budgetary Allocation to another Council Member.
- J. Events attended and balances of the Individual Council Member Budgetary Allocations shall be documented by City Staff as designated by the City Manager and reported to the City Council.

V. TRANSPORTATION, MEALS AND OTHER REIMBURSEMENT

- A. **Private Automobile** - Officials and Employees will be reimbursed for actual mileage for the use of their private cars in travel to and from Local Meetings or Local Events. The reimbursement rate will be at the current Internal Revenue Service rate. Officials and Employees who do not receive a monthly auto allowance shall be reimbursed for total round-trip miles. The number of miles used for reimbursement calculations will be either from the Official's or Employee's home or from City Hall, whichever is the least number of miles. Officials and Employees are required to verify mileage claimed via www.maps.google.com or www.mapquest.com and submit printed mileage verification to the Expense Report. Officials and Employees shall also review the City of Palm Desert's Fleet Policy for any further requirements, as related to this section.
- B. **Use of City-Owned Vehicle** - There shall be no allowance or reimbursement for transportation when a City-owned vehicle is used. However, any out-of-pocket expenses, including gas or maintenance costs incurred in operation the vehicle

during City business shall be reimbursed based upon presentation of receipts. Officials and Employees shall review the City of Palm Desert's Fleet Policy for any further requirements, as related to this section.

- C. **Garage and Parking Expenses** - Expenses for necessary parking and storage of private or City vehicles may be authorized. Receipts should be provided to obtain reimbursement.
- D. **Taxi and Transit Fare** - Local expenses for such transportation may be authorized where reasonable and necessary to conduct City business. Receipts must be provided to obtain reimbursement. Any reimbursement provided for taxi or other transit service is limited to \$50.00 per day.
- E. **General Business Meals** - Officials and Employees who, during the normal course of performing their duties, must provide meals for representatives of other governmental agencies or other persons doing business with the City, in order to most effectively execute their responsibilities, must use prudent judgment and are subject to challenge for excessive amounts. In such cases, the meal must be documented with a description of the purpose of the meal(s), including an explanation of its necessity to the City; and a list of all persons, including other Officials and Employees who were in attendance, specifying their organization and/or title. Expenses for persons not related to the conduct of City business shall be deducted from the Expense Report form.
- F. **Tips and Gratuities** - Reasonable expenses for tips are allowable for general business meals and transportation purposes (i.e. taxi), with a receipt, not to exceed 20% of the allowable charge.
- G. **Registration Fees** - Local Meeting or Local Event registration fees qualify for reimbursement. The City will pre-pay registrations prior to the date of the event. In cases where early registration is not possible, a receipt or registration form documenting the fee must be provided with the reimbursement request. In all cases, a brochure or registration document must accompany the payment voucher or petty cash voucher.

VI. PROCEDURES FOR REIMBURSEMENT OF EXPENSES

- A. Officials and Employees shall submit Expense Reports or forms designated by the Finance Department within 30 days after incurring the expense, and the reports shall be accompanied by the itemized receipts documenting each expense. Receipts are required for all expenses paid.
- B. Documentation is required to substantiate attendance and mileage. All required receipts and documentation must be submitted with the final Expense Report. Any expense not substantiated by the required receipts and documentation will not be reimbursed and will be considered a personal expense. Required documentation

to be submitted with Expense Reports or forms designated by the Finance Department may include, but is not limited to:

1. Credit card slip and/or cash payment receipt;
2. Transportation and other receipt;
3. Mileage Verification;
4. Meeting/event brochure or agenda;
5. Statement of trip or meeting purpose;
6. Other attendees at a meal or meeting;
7. Documentation of prior authorization as necessary.

- C. The reason for the expenses should be clearly documented on the Expense Report or in the attached documents, if not otherwise obvious.

VII. PUBLIC TRIP MEETING REPORT

In accordance with Government Code Section 53232.3(d), an Elected Official requesting reimbursement shall provide a brief report on any local meeting or event attended at the expense of the local Agency at the next regular meeting of the Agency. Routine business meetings may be reported in writing on the consent calendar of the agenda. The report may be made orally or in writing.

VIII. DISTRIBUTION OF MULTIPLE TICKETS/PASSES FOR EVENTS

The City of Palm Desert may receive multiple tickets/passes to attend a local event. In such occurrences, the City Manager may elect to distribute the tickets/passes to Officials or Employees, pursuant to the requirements as of the City's Distribution Policy of Tickets and/or Passes established in City Resolution 2019-70, or most recent version.

IX. MISCELLANEOUS

It is the policy of the City that no Official or Employee shall sustain personal monetary loss as a result of duties performed in the service of the City. However, all expenditures and requests for reimbursement shall logically relate to the conduct of City business and shall be "necessary" to accomplish the purposes of such business and shall be "reasonable" in amount.

X. ADVANCES

Requests for advances should be submitted on the Request for Payment-Travel or Cash Advance form. The Finance Department requires ten (10) business days to process

these requests PRIOR to the date it is needed. Advance requests must be approved by the department head or his/her authorized representative.

XI. COMPLIANCE WITH LAWS

- A. Each Official shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. The form of such training shall meet the requirements of California Government Code Section 53234 et seq.
- B. Elected/Appointed Officials and City Employees should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All documents related to reimbursable agency expenditures, including, but not limited to, expense reports, receipts, and written evidence of direct City advances or payment for expenses, are public records and subject to disclosure under the Public Records Act.

XII. VIOLATION OF THIS POLICY

- A. Pursuant to California Government Code Section 53532.4 misuse of a public resources or falsifying expense reports in violation of this policy, may result in any or all of the following:
 - 1. Loss of reimbursement privileges;
 - 2. A demand for restitution to the City;
 - 3. The City reporting the expenses as income, paid to the Official or Employee, to state and federal tax authorities;
 - 4. Civil penalties of up to \$1,000.00 per day and three times the value of the resources used; and
 - 5. Prosecution for misuse of public resources, pursuant to Section 424 of the California Penal Code.