

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Revised Business Expense Policy  
**DEPARTMENT:** Finance  
**PRESENTED BY:** Debbie Tarry, Finance Director

**PROBLEM/ISSUE STATEMENT:**

In October 1996 the City adopted Financial Policies via resolution No. 111 that included policies related to the reimbursement of business and travel expenses. Since that time the following administrative actions have been accomplished by Council to revise the initial policies:

- 10/26/1998, Clerk's Receiving No. 853 – Revision to per diem and table service policy definition
- 05/08/2000, Ordinance 236 – Close the advance travel fund
- 04/12/2004, Resolution 213 – Revision to Sister City Relationship Policy

Resolution No. 228 is attached and will consolidate these changes with the adoption of a comprehensive policy for allowed business expenses. This action is proposed in order to aggregate and clarify the above revisions into one comprehensive document that will alleviate confusion and facilitate effective communication and future policy enactment. The policy does not make changes to existing policies and practices, but combines them into a single location. Our Business Expense Policy is consistent with guidelines as presented by the Washington State Auditors Office "Budgeting Accounting and Reporting System" manual, Volume 1, Part 3, Chapter 3. Additionally our Business Expense Policy is in conformance with Chapter 42.24 RCW (Revised Code of Washington), "Payment of Claims for Expenses, Material, Purchases – Advancements."

**FINANCIAL IMPACT:**

This action has no monetary financial and/or budgetary implications.

**RECOMMENDATION**

Staff recommends that Council adopt Resolution No. 228, which repeals Resolution No. 111, adopted in October 1996, and provides for control and accountability of the City's Business and Travel Expense system.

Approved By: City Manager  City Attorney 

Attachment A: Resolution No. 228 & Business Expense Policy

Attachment B: Resolution No. 111,

Attachment C: Revision to Per Diem, Clerk's Receiving No. 853

Attachment D: Resolution No. 213, Sister City Expenditures

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**ATTACHMENT A**

**RESOLUTION NO. 228**

**A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, REPEALING RESOLUTION NO. 111 AND CONSOLIDATING VARIOUS BUSINESS EXPENSE POLICIES WITH REGARD TO REIMBURSEMENT OF BUSINESS EXPENSES, PAYMENT OF SEMINAR OR CONFERENCE REGISTRATION FEES, PURCHASE OF FOOD AND BEVERAGES AT CITY SPONSORED MEETINGS AND EVENTS, AND ALLOWABLE SISTER CITY EXPENDITURES.**

WHEREAS, the City Council wishes to repeal Resolution 111; and

WHEREAS, the City Council wishes to consolidate various financial policies to govern the expenditure of City funds for business and travel related expenses; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON AS FOLLOWS:**

Section 1. Resolution Number 111 and Statement of Policy for the Reimbursement of Business Expenses (Clerk's Receiving No. 853) are repealed in their entirety.

Section 2. Authorization. The City Council hereby adopts the Business Expense Policy as attached to this resolution with regard to reimbursement of business expenses, payment of seminar or conference registration fees, purchase of food and beverages at City sponsored meetings and events, and allowable Sister City expenditures, which policies have been filed with the City Clerk and given Clerk's Receiving Number 3260.

**ADOPTED BY THE CITY COUNCIL ON JANUARY 24, 2005.**

\_\_\_\_\_  
Mayor Ronald B. Hansen

**ATTEST:**

\_\_\_\_\_  
Sharon Mattioli, City Clerk

# **STATEMENT OF POLICY OF ALLOWABLE BUSINESS EXPENSES**

## **SECTION 1: GENERAL PURPOSE**

This document is the policy of the City of Shoreline, Washington for the reimbursement of business expenses by the City including travel, subsistence and related expenses, and certain non-travel related expenses incurred by authorized persons while conducting City business or providing a service for the City. To qualify for reimbursement, expenses must be reasonable and prudent under the circumstances and directly related to the conduct of business or service for the City. Reimbursement will be made subject to the rules contained in this policy and with Chapter 42.24 RCW.

It shall be the responsibility of the Finance Department to ensure that these policies are adhered to and to provide the forms and instructions necessary for their implementation. Exceptions to the rules set forth herein may be made only for unusual or extenuating circumstances when such expenses reasonably relate to a benefit or service received by the City and compliance was not feasible. Policy exceptions may be authorized in writing by the City Manager or his/her designee.

## **SECTION 2: CITY EMPLOYEES AND CITY OFFICIALS**

### **2.1 DOCUMENTATION**

No claim for reimbursement shall be paid unless it is accompanied by a bona fide vendor's receipt, except for per diem claims. Such receipts should detail the following information, when applicable: date, description of purchase, vendor identification, amount paid, name of individual incurring expense, official title or capacity, nature of topic discussed, and how the expense relates to city business. Meal ticket stubs are generally not considered adequate documentation for reimbursement.

Specific rules for the approval of a reimbursement claim are included in Section 5.

### **2.2 REIMBURSABLE MEAL COSTS**

Payment for table service at a restaurant, commonly referred to as a tip, not to exceed 20% of the restaurant prices of the meal, is reimbursable as a reasonable and necessary cost for such service and as a reasonable and necessary part of the cost of the meal. Such tips may be added to the restaurant prices of business meals for reimbursement.

All City employees and officials claiming reimbursement for meals consumed while on City business shall be entitled to per diem reimbursement based on the following schedule:

1/18/2005

## City of Shoreline Policy - Reimbursement of Business Expenses

### Per Diem Meal Allowance Schedule Including Tip and Tax

Breakfast	\$ 8.40
Lunch	\$12.00
Dinner	<u>\$24.00</u>
Total	\$44.40

In lieu of utilizing the per-diem rate table above, meal reimbursement may be claimed at actual meal costs up to 150% of the per diem rates, where adequately documented. Adequate documentation is an itemized restaurant receipt. Meal ticket stubs are generally not considered adequate documentation for reimbursement. In no event shall any single meal be reimbursed in excess of 150% of the per diem rate for that meal, unless approved in writing by the City Manager.

Any planned meals, the cost of which is included in a City-paid registration fee, whether or not the employee or official actually partakes of the meal, will not be reimbursable or eligible for per diem. (Planned meals include continental breakfast, box lunches and banquets. Receptions at which hors d'oeuvres are served are not considered meals.)

When a meal is included in a meeting and the costs cannot be segregated, the actual cost of the event is reimbursable. A vendor receipt or copy of the meeting agenda is required as documentation.

### **2.3 FOOD AND BEVERAGES AT CITY MEETINGS, EVENTS, AND EMERGENCIES**

#### **A. City Council Meetings**

- Prior to regular evening meetings, dinners may be provided for Councilmembers, the City Manager, other staff, and invited guests directly involved in the business discussed at the evening meeting.
- It has become a Shoreline tradition to provide beverages and candy at Council meetings.

#### **B. City Sponsored Public Meetings**

- The City may expend reasonable funds for food and beverages at City sponsored public meetings to encourage attendance and interaction.

**C. Ceremonies/Celebratory Events**

- Food and beverages may be served at recognition ceremonies for employees and volunteers.
- Food and beverages may be served at celebratory/recognition dinners for sister city delegates and employees to facilitate meetings between delegates, officials, and staff since the sister city relationship provides a public benefit. (Refer to Section 6, Sister City Program)

**D. Training Sessions and Staff Meetings**

- Food and beverages may be provided at staff meetings and training sessions of four hours or more.
- Beverages may be provided at citywide staff meetings.
- Food and beverages of minimal value may be provided to volunteers during staff supervised work or training sessions.

**E. Council and Staff Retreats**

- Food and beverages may be provided at both Council and staff retreats and should be budgeted for and provided as part of the retreat process.

**F. Workplace**

- Beverage of minimal value may be provided to City employees at the work site during business hours.

**G. Emergencies**

Emergency situations are events where it is determined that City assets or infrastructure and/or the public for which it protects is at risk. In these cases City staff may be required to remain on-site outside of their normal work shift.

- Food and beverages may be provided when an emergency situation is expected to span over a regular meal period and employees are required to remain on-site or available to respond to an emergency.
- Reimbursement or direct City purchases may be made for food and beverage expenses incurred within an employee's official capacity to continue the operations of the City's programs or services that are necessary for the life, health or safety of Shoreline's citizens.

- The cost for City provided meals should generally be in line with allowable costs under the City's business expense policy.

## **2.4 EXPENDITURES NOT ALLOWED AS ACTUAL MEAL COSTS**

Unauthorized expenditures include, but are not limited to:

- Liquor (including beer and wine)
- Expenses of a spouse or other persons not authorized to receive reimbursement under this policy.

## **2.5 TRANSPORTATION AND RELATED TRAVEL EXPENSES**

### **A. CITY VEHICLE**

Costs of transportation and vehicle operation are acceptable, such as gas, oil, tires, tolls, ferry charges, parking and necessary repairs.

### **B. PERSONAL VEHICLE**

Expenses shall be reimbursed for travel within a 300 mile radius of the City at such rate per mile as shall be established from time to time by the Finance Department, but not to exceed the then current maximum rate allowed by the United States Internal Revenue Service for reimbursement of such expenses for purposes of business travel expense deductions. Trips beyond this limit will be reimbursed in an amount equal to the lowest appropriate round trip air fare to the destination offered by a regularly scheduled commercial air carrier, plus an allowance for ground transportation based on the circumstances.

The minimum portal to portal round trip mileage will be reimbursed. Trips are measured from a departure work site or home if the destination is the first work site if this mileage is less than departure from the employee's usual starting work site.

When travel is scheduled by public conveyance (bus, train, air, etc) outside a 300-mile radius, surface transportation to and from the conveyance depot/airport is appropriate.

Employees should exercise appropriate judgment and discretion in selecting a parking site when it is required to park a car while using other modes of transportation such as a plane. Often it is more cost effective to use parking services other than those provided directly within airports.

City employees and City officials who receive an automobile allowance in lieu of City provided transportation shall not be entitled to further reimbursement for surface

transportation costs within a 300 mile radius of the City. Travel outside of a 300-mile radius will be calculated as described above, except that no mileage reimbursement for surface transportation shall be allowed for travel to and from any Seattle area airport.

**C. RENTAL VEHICLE**

The cost of vehicle rental is considered an exception to this policy and must be approved by the appropriate supervisor. A copy of the written approval must be attached to the Employee Expense Reconciliation Form or to any City credit card acquisition.

**D. AIR TRAVEL**

Arrangements for air travel on City related business may be managed by the Purchasing Division or individuals may make their own air travel arrangements. The following policies are applied to the acquisition of air travel.

- The Purchasing Division will purchase the lowest available fare for the nearest regularly scheduled flight at the time of travel requested, and the destination as specified by the requisitioning department.
- When personal travel is combined with business related travel, the traveling employee shall be responsible for paying the increase in airfare necessary to accommodate the personal part of the flight. The City shall pay for the lowest reasonable and available airfare for the round trip between a Seattle area airport and the business-related destination. The employee's payment for personal travel shall accompany the City's payment to the vendor for the tickets.
- When changes in travel plans occur that are the result of City business requirements, (i.e. delays in departure, cancellations, extended stays, or revised itinerary) any associated costs shall be paid by the City. However, all increases in cost of travel due to changes for personal convenience will be borne by the employee.
- Failure to notify the Purchasing Division in advance of the departure date may result in higher fares. If this occurs, any increase in cost due to lack of sufficient notice, shall be passed on to the traveling employee. If the lack of advance notice was beyond the control of the traveling employee, the City will pay the higher cost, however, the reimbursement claim must include the written certification of the department director stating the reason for the short notice travel plans and why it was beyond the control of the employee.
- Alternatively, employees may make their own air travel arrangements. They may use their own funds and submit a request for reimbursement or they may use a City credit card that has been designated for travel purposes. If they have been given authorization to use their P-card for travel expenses, they may also use that method.



The employee is only eligible to receive a reimbursement for self-arranged tickets up to the lowest cost that the City could have obtained directly.

**E. OTHER TRAVEL EXPENSES**

Miscellaneous travel costs such as bus, taxi, bridge or other tolls, parking, ferry, porter, bellhop and the like (not including any maid service) are authorized by a listing of same as provided by the reimbursement form. Payment of a reasonable amount for porter service, bellhop service and the like is considered to be a necessary payment for such service and, therefore, reimbursable.

A vendor's receipt will be required only when the single item cost of this type of expense exceeds \$10.

**F. ACCOMMODATIONS**

Reasonable hotel/motel accommodations for employees and officials are acceptable and will be reimbursed or paid at a maximum of the single room rate of the specific hotel or motel. A vendor's receipt for this category is required for all claims. Direct billing of Hotel/Motel charges is only allowed when a purchase order is issued by the Purchasing division.

**G. INCIDENTAL EXPENSES**

This category includes all reasonable and necessary incidental expenses and includes, but is not limited to, the following:

**1. ALLOWABLE INCIDENTAL EXPENSES**

- Laundry expenses if away from home three (3) or more working days.
- Baggage checking.
- Business telephone and postage expenses.
- One telephone call home per day if away from home for more than 24 hour duration is considered a business telephone expense. Phone calls home should not exceed 15 minutes per day.

**2. NON-ALLOWABLE INCIDENTAL EXPENSES**

- Personal entertainment.
- Theft, loss or damage to personal property.

## City of Shoreline Policy - Reimbursement of Business Expenses

- Expenses of a spouse, family or other persons not authorized to receive reimbursement under this policy.
- Barber or beauty parlor.
- Airline and other trip insurance.
- Personal postage, reading material .
- Personal toiletry articles.

### **2.6 MOVING EXPENSES**

The reasonable moving expenses of new employees in certain management and “hard-to-fill” professional trade positions are reimbursable at the discretion of the City Manager. Moving expenses shall mean the costs of moving household goods, furniture, clothing and other personal effects of the new employee.

## **SECTION 3: NON-CITY EMPLOYEES AND NON-CITY OFFICIALS**

### **3.1 RECRUITING COSTS**

The reasonable expenses of candidates for certain management and “hard-to-fill” professional trade positions are reimbursable when such candidates are invited to visit Shoreline for a personal interview. City Manager approval is required for all expenses to be reimbursed before invitations are issued to candidates.

The invitation shall specify the current per day meal allowance and the requirement that other expenses be documented and turned over to the recruiting official who will prepare the reimbursement claim. Unless otherwise directed by the City Manager, the written invitation for interview and arrangements for transportation and lodging will be made by the Human Resources Department or designee.

A copy of the interview invitation with supporting documents will be used as the customary vendor’s statement.

The expense guidelines contained in Section 2 of this policy will be applied to recruiting claims. Other incidental expenses are limited to transportation to and from the Sea-Tac Airport and necessary telephone calls to City staff.

### **3.2 BUSINESS EXPENSE REIMBURSEMENT FOR NON-CITY EMPLOYEES AND NON-CITY OFFICIALS**

## City of Shoreline Policy - Reimbursement of Business Expenses

Claims for reimbursement of City related business expenses for non-city employees and non-city officials will be allowed only under the following conditions:

- Authorization by the City Manager, or his/her designee is included with the reimbursement request, identifying the following:
- The name(s) of the individual(s) incurring the expense;
- Their official title or capacity as it relates to City business;
- The nature of the topic or topics discussed; and
- Why the business expense was appropriate.

### **SECTION 4: SEMINAR OR CONFERENCE REGISTRATION FEES**

Payment of seminar or conference registration fees may be processed by the Finance Department by initiating a Purchase Requisition or a Check Request. Fees may also be paid by P-card or by following the appropriate reimbursement policy. Details of the conference/seminar should be included in the body of the requisition or Check Request. Items such as dates, location, sponsoring organization, and registration deadline are useful information to assure prompt payment of the registration fee. If the conference or seminar is out of town and will result in overnight accommodations and/or travel expense, the traveling employee is responsible for obtaining the appropriate travel authorization through his/her department which adheres to this business expense policy. Travel arrangements, i.e. airline passage or automobile travel, is subject to the applicable sections of this policy.

When cancellation of a seminar or conference results in a penalty, then the amount of the penalty will be deducted from the refunded registration fee, and the requesting department will be charged for the penalty.

### **SECTION 5: EMPLOYEE DUES AND MEMBERSHIPS**

It is the policy of the City of Shoreline to pay for the annual dues and memberships for employees in professional organizations which directly relate to their specific job classification and directly benefit the City and the employee by providing staff with the network and information to further develop themselves in their professional capacity.

### **SECTION 6: CLAIMS AND APPROVAL PROCEDURE**

An approved Business and Travel Reconciliation Form must be submitted to the Finance Department within fifteen (15) days after completion of each business trip, regardless of the

## City of Shoreline Policy - Reimbursement of Business Expenses

method of payment of the travel expenses. Travel and subsistence expenses will not be paid from any Petty Cash Fund except as allowed by Petty Cash procedures.

Receipts must be attached to the reconciliation form for all expenses incurred, with the exception of per diem calculations for meals and miscellaneous travel costs less than \$10. If the travel was related to a meeting, conference or seminar, attach a copy of the itinerary or similar document detailing dates, times and meals provided as a part of the registration cost. If documentation is not available, attach a brief memo with that information.

The reconciliation form should detail expenditures individually applicable to the use of a City P-Card, City MasterCard, and/or cash expended out of pocket.

Any special approvals required by this policy shall be obtained by employees prior to applicable travel and shall accompany the reconciliation form when submitted to the Finance Department. Such approvals shall be by separate memo, which identifies the policy exception being authorized and explains the reasons therefor.

All non-Council reimbursement claims must be authorized by the claimant's supervisor, department director, City Manager, or a management employee authorized to act on their behalf.

Claims may include the reimbursable cost of other City officials or employees who would be entitled in their own right to claim business expenses.

Claims that are rejected may be referred for review and disposition to the City Manager or his/her designee.

### **SECTION 7: SISTER CITY PROGRAM**

The City of Shoreline has established a Sister City Program to seek an enhanced understanding of international culture, heritage and problem solving. The program was originally enacted via Resolution No. 194 on October 14, 2002 and subsequently revised via Resolution No. 213 dated April 12, 2004. Sister City relationships provide mutual benefit by creating opportunities to participate in social, cultural, educational, governmental, environmental and economic exchanges as well as promoting tourism and trade.

Sister City relationships often result in visits of City staff and officials to the Sister City as well as visits to Shoreline by dignitaries and officials of the Sister City. Typical activities when visiting with a Sister City (either at home or abroad) include meals, business meetings, receptions, official gift exchanges and other informational exchanges. Expenses associated with such activities are considered an appropriate public expense. Direct payment of and/or reimbursement of such expenses must comply with the following guidelines and internal controls as adopted by the city's business expense policy:

## **7.1 TRANSPORTATION**

- The city may pay for airfare and transportation costs for Sister City delegates and staff.
- The city may pay for airfare and transportation costs for City staff and City officials traveling to Sister City locations. (State law authorizes cities to pay for travel expenses of its officers and employees while on city business, including transportation, lodging and meals.)
- Airfare and transportation costs for non-staff, including spouses and children, should be avoided. The cost is only allowable if the individual is directly involved in relations between the Sister City and Shoreline.

## **7.2 ACCOMMODATION**

- The city may pay reasonable costs for accommodation of Sister City delegates and staff, and for our city staff visiting our Sister City location.

### **7.3.1 MEALS**

- Meals may be provided to Sister City delegates and staff members when provided as part of meetings with city officials and staff. The costs of all meals provided to the delegates and staff must be reasonable since it is difficult to justify excessive meal costs as a valid public purpose.
- When Shoreline employees travel to our Sister City location, city staff can be reimbursed for the reasonable cost of their meals. The reasonableness of this expense is outlined in section 2 of this policy.
- Pursuant to Section 2 of this policy, public funds cannot be used to purchase alcoholic beverages.

## **7.4 ENTERTAINMENT**

- Entertainment cannot be paid for out of public funds. Entertainment is not considered a public purpose since its main purpose is for the private enjoyment of delegates or staff members.

## **7.5 CEREMONIES**

- The city may expend reasonable funds to sponsor and promote ceremonies and receptions so long as the goal of the public event is to inform citizens of the Sister City relationship and provides a chance for citizens to share ideas and knowledge of

the Sister City relationship. The city may provide modest refreshments to encourage attendance and interaction between Shoreline citizens and Sister City delegates and staff.

## **7.6 GIFTS AND ADVERTISING**

- Gifts intended to celebrate the Sister City relationship may be given to the Sister City as a governmental body in an amount commensurate to foster goodwill.
- The city may give away minor promotional items to delegates, staff and the public, such as t-shirts, key chains, mugs, and pens, which advertise the Sister City relationship.
- The city may expend public funds to advertise the Sister City relationship, such as through postings and fliers.
- Official gifts received from our sister city are property of the City of Shoreline, not private individuals. The gifts will be publicly displayed, if possible, and the City will keep an inventory of gifts received.

**RESOLUTION NO. 111**

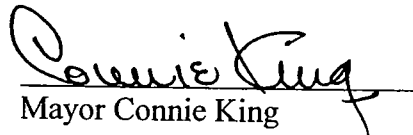
**A RESOLUTION OF THE CITY OF SHORELINE,  
WASHINGTON, ADOPTING POLICIES WITH REGARD TO  
REIMBURSEMENT OF BUSINESS EXPENSES, PAYMENT OF  
EMPLOYEE DUES AND MEMBERSHIPS, AND PURCHASE OF  
FOOD AND BEVERAGES AT CITY OF SHORELINE MEETINGS**

WHEREAS, the City Council wishes to adopt various financial policies to govern the expenditure of City funds; NOW, THEREFORE,

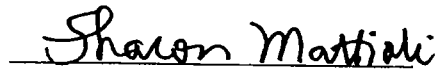
**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
SHORELINE, WASHINGTON AS FOLLOWS:**

Section 1. Authorization. The City Council hereby adopts financial policies with regard to reimbursement of business expenses, payment of employee dues and memberships, and purchase of food and beverages at City of Shoreline meetings, which policies have been filed with the City Clerk and given Clerk's Receiving Number 235 ..

**ADOPTED BY THE CITY COUNCIL ON OCTOBER 14, 1996.**

  
Mayor Connie King

**ATTEST:**

  
Sharon Mattioli, CMC  
City Clerk

**STATEMENT OF POLICY FOR THE  
REIMBURSEMENT OF BUSINESS EXPENSES** R.A. Rose

Res. 111

**SECTION 1: GENERAL PURPOSE**

This document is the policy of the City of Shoreline, Washington for the reimbursement by the City of travel, subsistence and related expenses incurred by authorized persons while conducting City business or providing a service to the City. Section 2 relates to expenses incurred by City employees and City officials. Section 3 relates to expenses incurred by persons who are not City employees or City officials. To qualify for reimbursement, expenses must be reasonable and prudent under the circumstances and directly related to the conduct of business or service for the City. Care must be taken to avoid unnecessary or excessively costly expenditures.

It shall be the responsibility of the Finance department to ensure that these policies are adhered to and to provide the forms and instructions necessary for their implementation. Exceptions to the rules set forth herein may be made only for unusual or extenuating circumstances upon the written directive of the City Manager or in the case of City Council members, the Administration, Budget and Finance Committee, if such expenses reasonably relate to a benefit or service received by the City and that compliance with these rules was not feasible.

**SECTION 2: CITY EMPLOYEES AND CITY OFFICIALS****2.1 - DOCUMENTATION**

No claim for reimbursement shall be paid unless it is accompanied by a bona fide vendor's receipt, except for per diem claims. Such receipts should show the date, a description of the purchase, vendor identification and amount paid.

Credit card receipts are required where possible; **meal ticket stubs are generally not considered adequate documentation for reimbursement.**

Specific rules for the approval of a reimbursement claim are included in Section 4.

**2.2 - MEALS**

Meal costs must be incurred directly by the claimant; direct billing to the City by a restaurant is prohibited, except as authorized per Section 4.

Payment for table service at a restaurant, commonly referred to as a tip, not to exceed 15% of the restaurant prices of the meal, is reimbursable as a reasonable and necessary cost for such service and as a reasonable and necessary part of the cost of the meal. Such tips may be added to the restaurant prices of business meals for reimbursement.

10/15/96



### 2.3 - REIMBURSABLE MEAL COSTS

The reasonable cost of necessary meals while conducting City business is authorized for reimbursement.

All City employees and officials claiming reimbursement for meals consumed while on City business within the States of Washington, Oregon and Idaho shall be entitled to reimbursement not to exceed the following schedule.

Meal Allowance Schedule  
Excluding Tip and Tax

Breakfast	\$ 7.00
Lunch	\$10.00
Dinner	<u>\$20.00</u>
Total	\$37.00

Schedule is to exclude tax and tip to which we can administratively add same.

It is the policy of the City of Shoreline to pay for meals outside a 50 mile radius of the City by per diem. Meals that are inside the 50 miles radius of the City, and less than the limits established herein, only the actual cost shall be paid by the City and receipts must be submitted.

The Finance Department is authorized to periodically update the actual meal allowance amounts (rounded to the nearest \$.25) by adding to the above-noted Meal Allowance Schedule, amounts representing the current rate of sales tax within the City of Shoreline applicable to restaurant meals and the current acceptable tipping amount.

Where meals are included in a seminar or meeting with a set price menu sponsored by an organization in which the City has membership or attendance is in a business capacity, then the meal is not limited to the maximum when approved by the City Manager or their designee.

If the costs of meals for persons other than the claimant are included, those persons must be entitled to meal reimbursement in their own right and they shall be listed by name and title in claim documentation. (See Section 3.2 for information on claims that include expenses for non-City employees and non-City officials.) Identification of elected or appointed officials by group, such as Civil Service Commission shall be sufficient.

10/15/96

## **2.4 - OUT OF TOWN SUBSISTENCE**

(Excluding meals taken in the states of Washington, Oregon and Idaho.)

Meals reimbursed under this category may be claimed at the current per diem meal allowance rates, or at the option of the claimant, actual meal costs when adequately documented, up to 150% of the per diem rates meaning up to \$55.50.

When the actual cost of a meal is claimed, the meal allowance available for use during the remainder of that day shall be determined by deducting the appropriate scheduled meal allowance from the current daily per diem rate as determined by the Finance Department. For example, you have a total of \$37.00 available for meals each day. If you spend \$12.00 on breakfast (allowance is \$7.00), you then have only \$25.00 available to spend on lunch and dinner.

Any planned meals, the cost of which is included in a City paid registration fee, will be used to compute the remaining daily per diem allowance, whether or not the employee or official actually partakes of the meal. For example, if a seminar or conference or air travel includes lunch, the lunch allowance \$10.00 is subtracted from the normal daily total of \$37.00.

## **2.5 - EXPENDITURES NOT ALLOWED AS ACTUAL MEAL COSTS**

Unauthorized expenditures include, but are not limited to:

- Liquor
- Expenses of a spouse or other persons not authorized to receive reimbursement under this policy.

## **2.6 - TRAVEL**

Reimbursement for reasonable costs of business travel is acceptable. General guidelines are as follows.

## **2.7 - CITY VEHICLE**

Out of area costs of vehicle operation are acceptable, such as gas, oil, tires, tolls, ferry charges, parking and necessary repairs.

10/15/96

## **2.8 - PERSONAL VEHICLE**

Expenses shall be reimbursed for travel within a 300 mile radius of the City at such rate per mile as shall be established from time to time by the Finance Department, but not to exceed the then current maximum rate allowed by the United States Internal Revenue Service for reimbursement of such expenses for purposes of business travel expense deductions. Trips beyond this limit will be reimbursed in an amount equal to the lowest appropriate round trip air fare to the destination offered by a regularly scheduled commercial air carrier, plus an allowance for ground transportation based on the circumstances.

For the purpose of determining the travel allowance in lieu of mileage outside a 300 mile radius, surface transportation to and from the airport, if required, will be calculated at an estimated distance, not to exceed 25 miles for each surface trip, times the then current mileage rate.

City employees and City officials who receive an automobile allowance in lieu of City provided transportation shall not be entitled to further reimbursement for surface transportation costs within a 300 mile radius of the City. Incidental travel costs such as parking, ferry or bridge tolls are reimbursable as they would be if a City vehicle was provided.

Travel outside of a 300 mile radius will be calculated as described above, except that no mileage reimbursement for surface transportation shall be allowed for travel to and from any Seattle area airport.

## **2.9 - RENTAL VEHICLE**

The cost of vehicle rental is considered an exception to this policy and must be approved in writing per Section 4. Vehicle rental requests must be separately set out in any request for approval of such expenses. Approval of vehicle rental as an item on travel advance request will not be considered sufficient authorization without a separate statement of the nature of the request and the reason such an expenditure is required.

## **2.10 - AIR TRAVEL**

All arrangements for air travel on City related business shall be managed by the Purchasing division of the Finance Department as outlined later in this handbook (see section 9, page 10).

Employees who purchase airline tickets directly must bear the cost of any difference between what was paid for the tickets and the lowest available fare at that time, unless an exception is granted in writing by the City Manager. In this case, the employee must pay the cost of the travel and seek reimbursement along with all other travel expenses. Direct billing of air fare is allowed only if ordered by the Purchasing staff.

10/15/96

## **2.11 - OTHER TRAVEL EXPENSES**

Miscellaneous travel costs such as bus, taxi, bridge or other tolls, parking, ferry, porter, bellhop and the like (not including any maid service) are authorized by a listing of same as provided by the reimbursement form. Payment of a reasonable amount for porter service, bellhop service and the like is considered to be a necessary payment for such service and, therefore, reimbursable.

A vendor's receipt will be required only when the single item cost of this type of expense exceeds \$7.00.

Parking and Ferry tolls may be reimbursed through the Petty Cash system. Contact Purchasing for assistance.

## **2.12 - ACCOMMODATIONS**

Reasonable hotel/motel accommodations for employees and officials are acceptable and will be reimbursed or paid at a maximum of the single room rate of the specific hotel or motel. A vendor's receipt for this category is required for all claims. Direct billing of Hotel/Motel charges is only allowed when a purchase order is issued by Purchasing.

## **2.13 - INCIDENTAL EXPENSES**

This category includes all reasonable and necessary incidental expenses and includes, but is not limited to, the following:

### **2.14 - ALLOWABLE INCIDENTAL EXPENSES**

Laundry expenses if away from home three (3) or more working days.

Baggage checking.

Business telephone and postage expenses. One telephone call home per trip if away from home for more than 24 hour duration is considered a business telephone expense.

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## **2.15 - NON-ALLOWABLE INCIDENTAL EXPENSES**

Personal entertainment.

Theft, loss or damage to personal property.

Expenses of a spouse, family or other persons not authorized to receive reimbursement under this policy.

Barber or beauty parlor.

Airline and other trip insurance.

Personal postage, reading material, telephone calls.

Personal toiletry articles.

## **2.16 - MOVING EXPENSES**

The reasonable moving expenses of new employees in certain management and "hard-to-fill" professional trade positions are reimbursable at the discretion of the City Manager. Moving expenses shall mean the costs of moving household goods, furniture, clothing and other personal effects of the new employee. Approval of the Administration, Budget and Finance Committee or its equivalent or successor is required for claims in excess of \$3,000.00.

Claims will be submitted on regular reimbursement forms.

## **SECTION 3: NON-CITY EMPLOYEES AND NON-CITY OFFICIALS**

### **3.1 - RECRUITING COSTS**

The reasonable expenses of candidates for certain management and "hard-to-fill" professional trade positions are reimbursable when such candidates are invited, in writing, to visit Shoreline for a personal interview. City Manager approval is required for all expenses to be reimbursed before invitations are issued to candidates.

The invitation shall specify the current per day meal allowance and the requirement that other expenses be documented and turned over to the recruiting official who will prepare the reimbursement claim. Unless otherwise directed by the City Manager, the written invitation for interview and arrangements for transportation and lodging will be made by the Human Resources Department or designee.

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Claims will be submitted on reimbursement requisition forms. A copy of the interview invitation with supporting documents will be used as the customary vendor's statement.

The expense guidelines contained in Section 2 will be applied to recruiting claims. Other incidental expenses are limited to transportation by limousine to and from Sea Tac Airport and necessary telephone calls to City Staff.

### **3.2 - MEAL REIMBURSEMENT FOR NON-CITY EMPLOYEES AND NON-CITY OFFICIALS**

Employee claims for reimbursement of meal costs for non-city employees and non-city officials will be allowed only under the following conditions:

A memo authorized by the City Manager, or their designee is included with the reimbursement request. The memo must identify:

The name(s) of the individual or individuals being hosted;

Their official title or capacity as it relates to City business;

The nature of the topic or topics discussed; and

If possible, some comment about why the meal setting was appropriate.

Councilmember claims for the reimbursement of meal costs for non-city employees and non-city officials will be allowed only under the following conditions:

Councilmember claims will be honored, subject only to those limitations as may be imposed from time to time by the Administration, Budget and Finance Committee.

### **SECTION 4: CLAIMS AND APPROVAL PROCEDURE**

All claims shall be submitted for reimbursement using the reimbursement requisition process. Travel and subsistence expenses will not be paid for from any Petty Cash Fund except as allowed by Petty Cash procedures.

Special approvals required by this policy shall be obtained by employees, from the City Manager, or his/her designee. Such approvals shall be by separate memo which identifies the policy exception being authorized and explains the reasons therefor.

All non-Council reimbursement claims must be authorized by the claimant's supervisor, department head or the City Manager, or a management employee authorized to act on their behalf.

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Claims may include the reimbursable cost of other City officials or employees who would be entitled in their own right to claim business expenses.

Claims of Councilmembers must be approved by the Administration, Budget and Finance Committee.

Claims that are rejected shall be referred for review and disposition by the Administration, Budget and Finance Committee.

### **SECTION 5: PAYMENT OF SEMINAR OR CONFERENCE REGISTRATION FEES**

The payment of all seminar or conference registration fees will be processed by the Purchasing division by initiating a purchase requisition. Details of the conference/seminar should be included in the body of the requisition. Items such as: dates, location, sponsoring organization, and registration deadline are useful information to assure prompt payment of the registration fee. If the conference or seminar is out of town and will result in overnight accommodations or air travel, then a properly authorized travel form must accompany the requisition for the registration fee.

If a cancellation results in a penalty, then the amount of the penalty will be deducted from the refunded registration fee, and the requesting department will be charged for the penalty.

For answers to specific questions pertaining to this policy, contact Purchasing.

### **SECTION 6 -TRAVEL ADVANCE PROCEDURES**

In order to make it less of a financial burden upon the employees to travel on City business, a special fund has been set up as authorized by RCW 42.24.120 (City Ordinance 98) for the sole purpose of making advances for travel expenses to City Officials and Employees. If the employee can accomplish the travel without financial hardship, as is generally the case on short trips where expenses can be charged and reimbursement obtained before payment is due, there is often no need to use a travel advance.

After the identifying information and estimate of expenses have been entered, the employee must sign, and must obtain his/her Department head's approving signature as well as that of the City Manager.

The properly completed form should be submitted to Accounting at least a week before the check is desired.

The Accounting department will notify you when the check is ready to be picked up. This should be done in person so you can sign for the check when received.

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### **SECTION 7 - TO REPAY AN ADVANCE**

When the advance exceeds the amount actually expended on the trip:

1. Prepare a reimbursement requisition payable to the Advance Travel Expense Account. The itemization and documentation required are the same as those required for direct employee business expenses reimbursements.
2. Present the signed requisition and a personal check or cash for the difference, to Accounting.
3. When the actual reimbursable travel expenses exceed the amount of the Advance:
4. Prepare a requisition in the exact amount of the trip expense as described above.
5. Submit completed and signed requisition to Accounting and a second check will be issued to settle the claim.

### **SECTION 8 - PENALTY FOR LATE REPAYMENT**

Both the Legislature and State Auditor are sensitive to the potential for abuse of Travel Advances by public employees. This concern is reflected in the statute authorizing Travel Advances and the Auditor's administrative regulations which require that settlement of any Travel Advance be completed on or before the 10th day following the end of the travel period.

If reimbursement is not made within 10 days after return, the advance will be deducted from the employee's paycheck.

Employees will be charged interest at an annual rate of 10% on delinquent Travel Advances.

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## **SECTION 9 - AIR TRAVEL POLICY**

Arrangements for air travel on City related business shall be managed by the Purchasing division of the Finance Department as outlined below:

- At least 5 weeks in advance of the departure date, the Purchasing division shall be notified of the need for air travel arrangements by way of the normal requisition process.
- The Purchasing Division, or designee, will contact a local travel agent and arrange for air travel, the cost of which shall be the lowest available fare for the nearest regularly scheduled flight at the time of travel requested, and the destination as specified by the requisitioning department.
- The Purchasing Division, or designee, will purchase the tickets at the time the rate is quoted and the employee will be advised of the arrangements for acquiring the tickets.
- If personal travel is combined with business related travel, the traveling employee shall be responsible for paying the increase in air fare necessary to accommodate the personal part of the flight. The City shall only pay for the lowest available airfare for the round trip between Seattle area airport and the business related destination. Such payment for personal travel shall accompany the City's payment to the vendor for the tickets.
- If changes in travel plans occur that are the result of City business requirements, (i.e. delays in departure, cancellations, extended stays, or revised itinerary) any associated costs shall be paid by the City. However, all increases in cost of travel due to changes for personal convenience will be borne by the employee.
- Failure to notify the Purchasing Division 5 weeks in advance of the departure date may result in higher fares. If so, any increase in cost due to lack of sufficient notice, shall be passed on to the traveling employee. If the lack of advance notice was beyond the control of the traveling employee, the City will pay the higher cost, however, the reimbursement claim must include the written certification of the department head stating the reason for the short notice travel plans and why it was beyond the control of the employee.
- If the method of travel is by personal conveyance (including automobile, airplane, boat, etc.) and the destination is greater than a 300 mile radius from Shoreline, reimbursement shall be in accordance with the policy on reimbursable business expense. (See section 2.8 on page 4)
- Employees who purchase airline tickets directly must bear the cost of any difference between what was paid for the tickets and the lowest available fare at that time, unless an exception is granted in writing by the City Manager. In this case, the employee must pay the cost of the travel and seek reimbursement along with all other travel expenses. Direct billing of air fare is allowed only if ordered by the Purchasing division.

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*Policies and Procedures*  
*City of Shoreline*

**Payment of Employee Dues and Memberships**

**Purpose:**

To establish policies and procedures related to the payment of employee dues and memberships in professional organizations.

**Intent:**

It is the intent of the City of Shoreline that employees continue to develop themselves professionally within the scope of their responsibilities and job classification. The City understands the value of professional organizations in providing employees with the network and information sources to continue to improve their ability to add value in the workplace. The City understands the benefits to the City of having employees who are well trained and knowledgeable of the latest developments and techniques in their profession. Therefore, it is the intent of the City that the City should provide reasonable financial assistance to employees to allow them to participate in job related professional organizations through the payment of certain dues and memberships.

**Policy:**

It is the policy of the City of Shoreline to pay for the annual dues and memberships for employees in professional organizations which directly relate to their specific job classification and directly benefit the City and the employee by providing staff with the network and information to further develop themselves in their professional capacity.

**Procedures:**

1. Request for the payment of annual dues and memberships to professional organizations shall be made through the annual budget process of the City.
2. Requests made for payment of dues and memberships outside of the annual budget process shall be made to the Finance Department with final approval by the City Manager.
3. All requests for the payment of dues and memberships shall be accompanied by the following information from the requesting employee:
  - Brief explanation of the professional organization, its purpose, offerings, and any other relevant information about the organization;
  - Brief explanation of how the organization will benefit the employee in their professional development; and a
  - Brief explanation of how the employees involvement in the organization will benefit the City either directly or indirectly.
4. Approval of requests for the payment of dues and memberships outside of the approved budget shall be made by the City Manager on a case by case basis.



## Policies on Purchase of Food and Beverages at City of Shoreline Meetings

The Shoreline City Council adopts the following policies governing the provision of food and beverages at City functions\*:

### City Council Meetings

- ◆ Given that Councilmembers often come directly from work to City Council meetings and do not have time to go home and eat dinner prior to lengthy Monday night meetings, dinners may be provided for Councilmembers and the City Manager at the discretion of the Council.
- ◆ It has become a Shoreline tradition to provide candy at Council meetings.

### Council Committee Meetings

- ◆ Beverages may be provided at Council committee meetings and other evening meetings.

### Other City Meetings

- ◆ Food and beverages may be provided at the discretion of staff at meetings in which citizen input is critical to accomplishment of the purpose of the meeting, such as the current CPAC meetings.
- ◆ Food and beverages may be provided at City meetings which are expected to be longer than four hours in duration or span a normal meal time.

### Training sessions and Staff Meetings

- ◆ Food and beverages may be provided at staff training sessions of four hours or more.
- ◆ Beverages may be provided at citywide staff meetings.

### Council and Staff Retreats

- ◆ The Council recognizes that meals and snacks may be provided at both Council and staff retreats and should be budgeted for and provided as part of the retreat process.
- \* City funds will not be used for the purchase of alcohol.

**STATEMENT OF POLICY FOR THE REIMBURSEMENT  
OF BUSINESS EXPENSES  
Highlights**

**2.2 - MEALS**

Payment for table service at a restaurant, commonly referred to as a tip, not to exceed 20% of the restaurant prices of the meal, is reimbursable as a reasonable and necessary cost for such service and as a reasonable and necessary part of the cost of the meal. Such tips may be added to the restaurant prices of business meals for reimbursement.

**2.3 - REIMBURSABLE MEAL COSTS**

All City employees and officials claiming reimbursement for meals consumed while on City business within the states of Washington, Oregon and Idaho shall be entitled to up to 150% of the per diem reimbursement based on the following schedule.

**Meal Allowance Schedule Excluding Tip and Tax**

Breakfast	\$ 7.00
Lunch	\$10.00
Dinner	<u>\$20.00</u>
Total	\$37.00

Meal reimbursement claimed at actual meal costs, are permitted at up to 150% of the per diem rates where adequately documented.

**2.4 - OUT OF TOWN SUBSISTENCE**

(Excluding meals taken in the states of Washington, Oregon and Idaho)

Meal allowance reimbursement for out of town travel may be claimed at the current per diem meal allowance rates, or at the option of the claimant, actual meal costs when adequately documented, up to 150% of the per diem rates.

When the actual cost of a meal is claimed, the meal allowance available for use during the remainder of that day shall be determined by deducting the appropriate scheduled meal allowance from the current daily per diem rate as determined by the Finance Department. For example, you have a total \$37.00 available for meals each day. If you spend \$12.00 on breakfast (allowance is \$7.00), you then have only \$25.00 to spend on lunch and dinner. Any planned meals, the cost of which is included in a City paid registration fee, will be used to compute the remaining daily per diem allowance as described in the preceding sentence, whether or not the employee or official actually partakes of the meal. For example, if a seminar or conference you are attending includes lunch, the lunch allowance \$10.00 is subtracted from the daily total of \$37.00, and your balance you have to spend on breakfast and dinner is \$27.00

## 2.5 - EXPENDITURES NOT ALLOWED AS ACTUAL MEAL COSTS

Unauthorized expenditures include, but are not limited to:

- Liquor
- Expenses of a spouse or other persons not authorized to receive reimbursement under this policy.

**RESOLUTION NO. 213**

**A RESOLUTION OF THE CITY OF SHORELINE,  
WASHINGTON, AMENDING RESOLUTION NO. 194, SISTER  
CITY RELATIONSHIP POLICY TO CLARIFY EXPENDITURE  
OF CITY FUNDS AND SISTER CITIES ASSOCIATION  
INVOLVEMENT**

**WHEREAS**, the City Council adopted Resolution No. 53 encouraging the creation of a Sister Cities Association; and

**WHEREAS**, the City Council adopted Resolution No. 194 establishing a Sister City Relationship Policy; and

**WHEREAS**, the City Council wishes to amend this policy to provide clarity and direction to staff regarding the appropriate expenditure of City funds on sister city activities;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON AS FOLLOWS:**

**Section 1. Amendment.** Section D. of "Shoreline's Sister City Relationship Policy," adopted on October 14, 2002 by Resolution No. 194-Exhibit A, is hereby amended as follows:

**D. City Involvement**

1. The City supports the Shoreline Sister Cities Association through largely indirect means, ~~and does not intend to provide on-going funding for operations.~~ In general, the City will support the Association's efforts through combined promotion and publicity efforts, assisting with scheduling Council and Staff attendance at local exchanges, visits by delegations and providing meeting room space for Association business. The City may also work with the Association to provide opportunities for exchanges with recreational programming and special events as resources allow. The City of Shoreline may involve private citizens and organizations in the implementation of this policy, at the discretion of the City Manager.

2. Through its sister cities program, the City of Shoreline carries out a fundamental government purpose of providing social, cultural and educational services. The City will, therefore, expend such funds as it may deem necessary and appropriate to ensure the proper functioning of the sister cities program. To assure that the Shoreline Sister Cities Program is conducted in a manner consistent with public interest and in accordance with the laws of the State of

Washington and the City of Shoreline Code of Ethics, the following guidelines are hereby established:

a. The City of Shoreline shall provide such staff support as is necessary to establish and maintain communication with the Shoreline Sister Cities Association and with its sister cities.

b. The City may support the Shoreline Sister Cities Association as a dues paying member.

c. City funded delegate exchange activities may include:

- Travel for City staff, when travel is necessary to establish or maintain an official sister city affiliation. Travel for elected officials at City expense is subject to prior City Council approval and staff travel will be approved by the City Manager;
- Appropriate activities to receive public officials, or their delegates, when visiting Shoreline on official sister city business;
- The exchange of information and material which support the objective of providing social, cultural and educational services, or economic benefit to the public; and
- The exchange of technical resources and staff, when such an exchange serves the objectives outlined in this policy and is necessary to establish or maintain the sister city affiliation.

d. Any funding for private purposes is prohibited.

e. Donation of city assets, when that donation clearly serves a public purpose as outlined in this policy, may be authorized by the City Manager provided the recipient is a public entity. Promotional items of de minimus value may be distributed to individuals.

f. Official gifts received in the course of sister city activities will be the sole property of the City of Shoreline. The City will maintain an inventory of such gifts and will attempt to display them in an appropriate public setting.

g. Hosting, including travel, accommodation, entertainment and meals, received by City delegates while visiting the sister city must be in amounts commensurate with the business purpose of the trip.

h. City funds may be spent to advertise the sister city relationship or exchange events.

i. City expenditures for sister city activities shall not exceed the amount appropriated in the annual budget.

**E. Sister Cities Association Involvement**

The City of Shoreline recognizes that an active Sister Cities Association is essential to the vitality and success of the Sister Cities Program. The City expects the Shoreline Sister Cities Association to support friendship and sister city relationships by:

- Assisting the City in learning about potential relationship cities, and making recommendations to the City Manager on how to proceed.
- Developing the resources needed to support the plans of action for each relationship. Linking organizations, people and institutions in Shoreline with counterparts in relationship cities.
- Conducting fund-raising and providing in-kind support
- Planning, organizing, and implementing exchanges and formal visits
- Communicating with the City organization about opportunities for involvement

City funding of sister city activities will be contingent upon the strong financial involvement of the Shoreline Sister Cities Association. The City will, therefore, expend such funds as is necessary provided that the Shoreline Sister Cities Association substantially endeavors to promote fundraising efforts and in-kind contributions to support sister city activities. The City expects the Shoreline Sister Cities Association to fund significant delegation exchange activities when necessary to establish or maintain a sister city relationship. Such activities may include accommodations, entertainment, and Council travel.

**F.E. Annual Review of Sister City Relationship**

Following the establishment of a formal Sister City relationship, the City Manager, with the assistance of the Shoreline Sister Cities Association's leadership, will present an annual report to the City Council at a regularly scheduled workshop meeting. This report should outline the current plan of action, the accomplishments of this plan, and recommendations for updating the plan with new goals for the following calendar year. The City Council may provide input on additional plans/activities for the coming year.

**G.F. Termination**

The City Council can terminate a sister city relationship for the following reasons:

- Upon recommendation from Sister Cities Association due to lack of participation, resources or interest on behalf of either City or related supporting groups.
- Lack of progress on accomplishing the goals and activities planned for the previous year.



- Behavior on the part of the Shoreline Sister Cities Association, its volunteers, or paid staff that violates federal, state or local laws.

**ADOPTED BY THE CITY COUNCIL ON APRIL 26, 2004.**

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Mayor Ronald B. Hansen

**ATTEST:**

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Sharon Mattioli, City Clerk

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