

## CITY OF DOTHAN, ALABAMA

### STANDARD OPERATING GUIDELINE - NO. 2

#### OPERATING GUIDELINE FOR REIMBURSEMENT OF TRAVEL AND MEAL EXPENSES AND ALLOWANCE OF CREDIT CARDS

##### I. PURPOSE

- A. To establish an operating guideline to reimburse employees for certain expenses incurred while traveling on authorized, official City Business utilizing cash or City of Dothan Business Credit Cards.
- B. To establish an operating guideline or procedure for the issuance/official use of City of Dothan Business Credit Cards.
- C. Travel expenses shall be limited to those expenses incurred in accordance with the law of the State of Alabama and the City of Dothan.

##### II. REFERENCES

The Code of Alabama Section 36-7-3 states that no sum shall be advanced from the treasury from any municipality or county in this state for the purpose of defraying the expenses of any officer or employee of such municipality ... unless the same shall first be allowed by a resolution; adopted by the governing body of such municipality or county, which said resolution shall state the purpose and object of such proposed visit.

##### III. PROCEDURE

###### A. Request for Travel

1. All requests for out of town travel, exceeding one night stay, must be previously approved, in the form of a Resolution by the City of Dothan Commission and be submitted on a Travel Request Form prior to the travel being made.
2. The Travel Request Form must be submitted to the City Manager in sufficient time to obtain proper approval for the travel funds to be placed on the next Commission meeting agenda.
3. The City Manager may approve travel not to exceed one overnight stay.
4. All advance checks for travel funds, registration fees, etc. will be issued in accordance with the City's check issuance guidelines. **Advance travel checks will only be issued after resolution approval by the City of Dothan Commission.**

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### B. Request for Credit Card

1. All requests for credit cards shall be submitted to the City Manager. The City Manager must send a written request to the Banking Institution authorizing the issuance of said card, specifying credit limit of each card. Copies of said request are to be provided to the Finance Director for accountability.
2. A listing of all credit cards should be maintained by the Finance Director containing:
  - a. Authorized Holder's Name and Department
  - b. Credit Card Account Number
  - c. Credit Limit
3. A signed copy of this agreement will be submitted to the Finance Director prior to the issuance of a business credit card.

### C. Credit Card Use

1. Credit Cards are ONLY utilized for City of Dothan travel or official City of Dothan functions. The travel expenditures must be limited to those expenditures incurred in travel and while conducting official City business.
2. Any other use of the City of Dothan Business Credit Cards must be approved by the City Manager and forwarded to the Finance Department.

### D. Transportation

1. Travel must be performed over the most direct route using the most efficient and economical means consistent with requirements. If the traveler travels by an indirect route, or by a less economical means, then, the traveler shall be responsible for any extra cost, subject to the approval of the respective Department Head.
2. When a City of Dothan vehicle is utilized in travel and gasoline is purchased for the vehicle, the City shop is to be provided the vehicle number, gallons purchased and mileage incurred.
3. If an appropriate City of Dothan vehicle is not available the Department Head may approve the rental of a vehicle from the rental agency that had obtained the bid for such business travel purpose.

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4. The use of private vehicles may be authorized by the respective Department Head if an appropriate City vehicle is not available and the employee shows proof of liability insurance in an amount not less than the City's tort limits.
5. In the event the Department Head authorizes the use of a private vehicle and proof of liability insurance has been submitted to the Accounting Division of the Finance Department, the employee shall be reimbursed at the current IRS rate per mile. If two or more employees travel in the same vehicle, only the vehicle owner (City of Dothan Employee) may receive reimbursement.
6. Advance common carrier tickets (air, bus, etc.) are authorized for travel which is impractical by automobile. These tickets shall be obtained through the most economical mode available and shall be coach accommodations.

### E. Hotels

1. Hotel reservations will be made for single rooms unless otherwise approved. Accommodations utilized shall be standard and reasonable.

### F. Meals

1. Prior to travel and upon Commission approval in the form of a resolution, a meal allowance will be remitted to the traveler based on the specified/allotted amount of the respective Department Head. Dollar amount is subject to be set by the respective Department Head on a Department by Department basis. Per Diem is not allowed.
2. Normal meal expenses incurred during travel are authorized. No payment for alcoholic beverages will be allowed by classified employees.
3. Individual cases not defined above will be as approved by the City Manager.

### G. Reporting Procedures

1. All travel expenses must be filed on an Expense Report and turned in to the Accounting Division of the Finance Department within seven (7) working days after completion of travel. The Expense Report must be approved by the respective Department Head or City Manager and distribution should be made to the Accounting Division as follows:
  - a. Original – For cash advance.
  - b. Copy – For reimbursement to traveler.
  - c. Copy – For credit card charges to be attached to the credit card statement.

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2. All Expense Reports shall be certified by the Employee and Department Head. The burden of proof and justification for expense reimbursement is on the traveler/employee.
3. Receipts for related expenditures (meals, gas, etc.) for travel that does not require more than one overnight stay must be remitted to the Finance Department with the credit card statement to be reconciled to the credit card statement when received and does not require a Travel Expense Report.
4. Instances may occur which do not grant sufficient time to adopt a resolution. In the event of an emergency where the employee must travel outside the municipality without the City Commission authorizing prepayment of certain travel expenses, bank credit cards may be used to charge travel expenditures incurred only after approval of said emergency by the City Manager. A copy of such instance must be provided to the Finance Director. Upon the approval of the Department Head, out of pocket expenditures will be reimbursed for such emergency expenditures and no cash advances will be issued.
5. All departments must complete a field purchase order or purchase order for amounts owed to the traveler and for credit card amounts to be paid by the City of Dothan.

### H. Required Receipts

1. The following receipts shall be required and attached to the expense report:
  - a. All hotel charges.
  - b. All common carriers and gasoline charges. Receipts for taxi and limousine expenses will be obtained if available.
  - c. All credit card charges.
  - d. Meal receipts for all meals including tips. Meal receipts must be labeled as breakfast, lunch and dinner regardless of the dollar amount.
  - e. All local business meals must have a general description or content of business discussion supplied with the receipt.
  - f. Any entertainment expenses shall be reported on the Travel Expense Report and approved by the Department Head and the City Manager.
2. A written statement approved by the respective Department Head is required for all misplaced receipts.

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3. If a traveler has disputed credit card charges, the traveler is responsible for notifying the credit card issuer promptly in writing of the disputed charge and furnish the Finance Department with copy of said charge in question.

IV. FRAUDULENT CLAIM

- A. All expense reports shall be certified by the employee and review for approval by the Department Head. The burden of proof and justification for expense reimbursement is upon the employee.
- B. Any employee who willfully claims fraudulent travel expenses shall be subject to legal prosecution and termination.

V. MISUSE OF TRAVEL RELATED EXPENDITURES

- A. The Finance Director is directed to report all suspicious expenditures charged to the City Manager.
- B. The City Manager is to give the Mayor copies of any findings and site all actions/discipline taken.
- C. Disciplinary procedures **Specific to Credit Card Misuse** will be as follows:
  1. First occurrence - Counseling
  2. Second occurrence - Loss of Card

VI. RESERVATION OF AUTHORITY

The City Manager reserves the right to change, amend or modify this operating guideline.

VII. APPROVAL AND EFFECTIVE DATE

This operating guideline is adopted and approved by the City Manager on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

ATTEST BY:

APPROVED:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
CITY MANAGER