

CHAPTER 1 – INTRODUCTION

A. Introduction/Statement of Policy

The purpose of this Travel Policy and Procedures Manual is to provide the Village of Mount Prospect officials and staff with guidelines and directions for obtaining approval and reimbursement for travel costs incurred during the course of normal village business.

The Village of Mount Prospect utilizes a decentralized purchasing process. Initiating Village business-related travel activities (obtaining air fare quotes, hotel quotes, etc.) is the responsibility of the each individual department and must be conducted within policies and procedures contained within this Travel Policies and Procedures Manual.

Employees are expected to read and understand the travel policies and procedures manual. This manual is designed to be a fluid document and will be modified from time to time to conform to changes in legislation, usual and customary travel expense charges and best management practices. Although it may not answer every question related to travel practices, it does provide general guidelines for travel activities. Employees who need help dealing with specific situations not covered by the manual should contact their department head.

The Village Manager, or his/her designee, shall be the final authority with regards to enforcement of any of the provisions of this manual. Failure to follow the procedures outlined in this manual may lead to disciplinary action in accordance with the provisions of the Village of Mount Prospect Employee Personnel Manual.

CHAPTER 2- TRAVEL POLICY

A. General Travel Policy

The purpose of the Village of Mount Prospect's Travel Policy is to set forth the regulations governing travel arrangements and reimbursement for travel expenses. This document explains the travel policies and procedures a traveler on official Village business is expected to follow.

The regulations contained within this document are applicable for all travel expenses incurred on behalf of the Village by employees and Village officials. For definition purposes, the President, Board of Trustees and all Commission Members are considered officials. Employees, by definition, include all full-time and part-time paid personnel.

The Village of Mount Prospect, so as to advance the training and professionalism of its officials and employees, authorizes travel to certain seminars, conferences and conventions. Officials and employees also travel, on occasion, during the normal course of business or to promote the Village of Mount Prospect. It is not the intention of the Village to expect an individual conducting official Village business to incur personal out-of-pocket expenses without compensation or reimbursement.

Control of travel authorization and adherence to approved travel budgets are the responsibilities of department heads. Travel authorization is a two-part process including: 1) approval of the travel request in advance; and 2) approval of the travel expense report following the completion of the travel. Approval of the travel expense report indicates that expenses submitted have been reviewed and have been found to comply with Village regulations regarding travel and authorized business expenses.

All Village personnel traveling or incurring business expenses on behalf of the Village, and those responsible for the approval of these expenses, are expected to use these measures to assist in maintaining control over travel expenses. The policies detailed here apply to all funds under Village control and are superseded only in those instances where funding agencies apply specific and more restrictive rules and rates.

B. Travel Authorization

Authorized trips are determined through the budget formulation process. Exceptions to this rule include unscheduled travel required in the line of duty or travel due to special circumstances, which require Village Manager approval.

In general, no more than one national and one state conference may be authorized for any department head in any fiscal year and must be approved in advance. Attendance at other meetings outside the State of Illinois may be authorized when the department head or appropriate staff is an active participant in the national and/or state organization. Local professional and technical conferences/meetings are authorized as funding and duty conditions permit.

B. Travel Authorization (cont.)

It is Village policy that all Village-related travel must be approved in advance. Department heads can authorize travel and training where the total cost for the travel or training is expected to be less than \$1,000. In cases where the total costs for the travel and training is expected to be more than \$1,000 approval in advance is required from both the department head and the Village Manager. The Village Manager may authorize exceptions when these regulations do not cover the situation. All employees attending conferences and seminars shall obtain approval in advance by submitting a completed Conference/Seminar Attendance Request form (Exhibit 1) no later than twenty-one (21) days prior to the conference or training event. A descriptive brochure or announcement describing the seminar or training session should accompany the attendance request form.

C. Travel Advance

Normal practice will be for the Village to directly pay vendors for as many travel expenses as possible, including seminar and conference registration fees. Travel advances to cover travel costs expected to be paid by the employee will be permitted through completion of the Conference/Seminar Attendance Request form and completion of a check request form.

Conference/Seminar Attendance Request forms and travel advance check requests should be submitted far enough in advance to avoid having to issue manual checks, typically three weeks. Travel advance check requests, however, should not be submitted more than one month prior to the dates of travel.

D. Travel Expense Report

The Village of Mount Prospect Employee Expense Report (Exhibit 2) is to be completed and submitted within five business days after returning from the business trip. The form should be submitted to the department head, and once reviewed and approved, forwarded to the Finance Department. Original receipts, if applicable, for all expenditures are to be attached to the Employee Expense Report. If total eligible out-of-pocket expenses paid by the employee exceed any travel advance received, a check request should be completed and submitted to reimburse the employee for the difference. The check request form will be processed as part of the routine accounts payable process. Special checks will be authorized by the Director of Finance only when extraordinary circumstances make it necessary to deviate from the normal reimbursement policy. If total eligible out-of-pocket expenses paid by the employee is less than the travel advance received, the employee is to return the excess funds along with the completed Employee Expense Report within five business days after returning from the business trip.

CHAPTER 3- TRAVEL RULES AND REGULATIONS

E. Per Diem Allowance

For travel requiring overnight lodging, the Village provides a per diem allowance to cover meals and other incidental travel expenses incurred in a day. Employees and Village officials will not be reimbursed for any expenses which exceed the per diem allowance. The per diem allowance is appropriate for education and conference type travel. Receipts are not required for expenses covered by the per diem. The types of costs covered by the per diem allowance includes 3 meals and incidentals (personal phone calls, baggage charges, newspapers, tips, etc).

The currently approved per diem amounts can be found in Exhibit 3 of this Travel Policies and Procedures Manual.

Where conference registration fees include one or more daily meals, the per diem allowance will be reduced by the appropriate meal allowances as provided for above.

The per diem allowance for the days of departure and return will be reduced by the appropriate meal allowance(s) not required for that day. Breakfast allowances will only be given when the employee or official was forced to obtain overnight accommodations the night before. Lunch allowances will be provided only when the employee or official has left the Village boundaries for the training session before 10:00 a.m. and is not expected to return until after 2:30 p.m. Dinner allowances will be given only if the employee or official will not be returning home prior to 8:00 p.m. or if the employee will be staying overnight on Village business.

F. Chicago Metropolitan Area Meeting Expenses and Other Business Related Travel

Lodging

Lodging expenses for employees, relating to travel within the Chicago Metropolitan Area, will only be approved in the most unusual circumstances and must be authorized in advance by the Village Manager.

Transportation

Private vehicles may be used for travel on Village business when authorized by the department head. If training is scheduled for the start of the workday, reimbursement is based upon the shortest distance to the training site from the closer of either the employee's residence or place of employment. If a private vehicle is used, mileage reimbursement will be paid at the current reimbursement rate allowed by the Internal Revenue Service. The mileage reimbursement rate is intended to cover the following expenses: gasoline, normal wear and tear on the vehicle, insurance, and any vehicle damage. In the case of vehicle accidents, the employee's insurance policy will be considered to be the primary insurance coverage.

If public transportation is used, a receipt must be provided to obtain reimbursement.

F. Chicago Metropolitan Area Meeting Expenses and Other Business Related Travel (cont.)

Parking and Tolls

Parking lot receipts and toll receipts are required for reimbursement.

Meal Expenses

Total meal expenses, including tips, are generally not to exceed the per diem amounts set forth in Exhibit 3. However, under special circumstances, the Village Manager may approve reimbursements of a higher amount provided that the expenditure is reasonable and justifiable.

Except for meals, receipts to document the above local travel expenses are required for reimbursement. Professional luncheon meetings will be reimbursed at actual cost if one price is charged to all participants.

Use of Petty Cash

When travel allowances or reimbursements amount to less than \$50.00, petty cash may be used. A petty cash slip must be completed and approved by the department head prior to receiving cash. Following the conference, receipts must be presented and if money is due the employee or official, the petty cash representative will calculate amount due and will reimburse the employee or official. If money is due the Village, it must be submitted at the time receipts are presented, which may be no later than five business days following the conference. Receipts will not be required for professional luncheons in which one price is charged all participants. However, the name of the association and description of the meeting must appear on the petty cash slip. Receipts will be required for transportation, parking and tolls in these cases; mileage should be recorded if a private vehicle was utilized.

G. Transportation

1. Air Travel

Air travel reimbursement is limited to “coach” or “economy” fares. Travel to and from airports may be by bus, limousine, taxi, or private vehicle (for which mileage will be paid), whichever mode of transportation is less costly. Receipts for such transportation costs, including airport or station parking, must be obtained and submitted after returning from the trip. In order to secure reduced rate tickets, air travel arrangements should be made as far in advance as possible. The Conference/Seminar Attendance Request form must be approved before airfare will be booked. Reduced rate tickets are often non-refundable and only exchangeable by paying a penalty fee. Therefore, travelers must be careful to specify the dates and times correctly before tickets are purchased. In case of emergency, the Village will bear the cost of the refunding or exchanging of tickets, but approval must be obtained from the Director of Finance. The cost savings obtained by using non-refundable tickets are great enough to warrant the occasional extra charge for an emergency or otherwise unforeseen event.

2. Village Vehicles

Village of Mount Prospect vehicles are to be used to travel when available. Since the inventory of “pool cars” for use by employees and public officials is limited, it will not always be possible for a Village vehicle to be obtained. If a vehicle is unavailable, the employee should notify the department head. A private vehicle may be used in these cases. In addition, employees may use a private vehicle to attend meetings when leaving directly from their home if traveling from home is more practical.

Village vehicles may be used to travel to destinations within 300 miles from Mount Prospect on official Village business. Special approval must be obtained for longer trips from the department head and the Director of Finance.

If expenses are incurred which relate to the use of a Village vehicle, receipts are required in order to receive reimbursement. Gasoline, tolls, repairs and other expenses attributable to the Village vehicle are reimbursable.

3. Private Vehicles

Private vehicles may be used for travel on Village business when a Village vehicle is not available or when traveling greater than 300 miles from Mount Prospect. In either instance, the department head must grant approval. Reimbursement shall be limited to the lower of:

- The amount due based upon the current mileage rate approved by the Internal Revenue Service plus tolls, parking, and garage charges (receipts required) or
- The cost of air travel.

The mileage reimbursement rate, as determined by the Internal Revenue Service, is intended to cover the following expenses: gasoline, normal wear and tear on the vehicle, insurance, and any vehicle damage. In the case of vehicle accidents, the employee's insurance policy will be considered to be the primary insurance coverage.

4. Taxi and Airport Transportation

It is expected that employees will use the most effective ground transportation available, considering cost, time, availability and scheduling. In travel between the employee's residence and the airport, the Village will reimburse the employee based on actual expenses incurred not to exceed the local transportation stipend provided for in Exhibit 3. Receipts must be submitted for reimbursement.

An additional on-site transportation stipend will be available for other expenses related to transport between the airport and the conference/seminar hotel. The Village will reimburse the employee for actual expenses incurred not to exceed the on-site

transportation stipend provided for in Exhibit 3. Receipts must be submitted for reimbursement.

5. Rental Vehicles

The Village does not provide direct reimbursement for any car rental expenses. Should an employee choose to rent a vehicle at his or her own expense at the location of a conference or seminar, eliminating the need to take a taxi or bus between the airport and conference hotel, the Village will reimburse the employee up to an amount not to exceed the on-site transportation stipend provided for in Exhibit 3. Car rental receipts must be submitted before reimbursement is made. An employee may combine the local and on-site stipends for use either locally or at the conference/seminar location to allow flexibility in transportation options.

H. Lodging

1. Hotel Reservations: General Information

Reimbursement for lodging will be limited to the minimum number of nights required to conduct the assigned Village business including adequate travel time to and from the conference or business location. For example, if a conference opens on Monday morning at 8:00 a.m. in Springfield and closes on Thursday noon, reimbursement would be paid for Sunday through Wednesday night (assuming travel on Sunday with return on Thursday). Receipts for lodging are required.

Additional nights lodging will be reimbursed if discount airfares are available and can be used by the employee so that the total cost of the discounted airfare and the additional lodging and other travel expenses produce a net savings for the Village. If an employee or official chooses to arrive earlier or stay later at his/her own discretion, the additional lodging and other expense incurred from the individual's decision will be considered personal expenses and will not be reimbursed.

Various hotels/motels offer special discounts to government employees. The employee or official should check on such discounts when the reservation is placed. If a conference registration form indicates discounted lodging rates for conference attendees, the employee or official should obtain a room at the hotel/motel suggested given the rate is moderate. If the suggested hotel/motel is different from the conference site, and the conference does not provide transportation (such as a shuttle) between the sites, reasonable travel fees will be reimbursed with proper receipts. A copy of the registration form with the lodging rates should accompany the expense report.

2. Hotel Deposits

The employee or official should pay hotel or motel deposits required to reserve accommodations unless this causes undue financial hardship. In most cases, the traveler

can use a personal credit card to pay such a deposit. If the traveler wishes the Village to cover the deposit due to undue financial hardship, approval must be sought from the Department head and the Director of Finance.

3. Traveling With Spouse and/or Other Family Members

If a spouse and/or other family members travel on an official trip, reimbursement will be limited to the single rate for the room occupied.

4. Miscellaneous Hotel Charges

The Village will not reimburse employees for any hotel charges deemed to be personal. These include parking fees, in-room movies, health club charges, etc. The Village will reimburse for hotel parking charges if the use of a Village vehicle or rental car has been preauthorized. Any meals charged to the room are to be considered personal expenses in that the employee will be receiving a per diem for daily meals.

I. TAKE-HOME VEHICLES

Only those employees receiving authorization from the Village Manager may take Village-owned vehicles home. These employees are to use Village-owned vehicles for business purposes, commuting to and from work, and for occasional, incidental travel of short distance (such as stopping at a store on the way home).

The Village will consider the personal use of Village-owned vehicles, including travel to and from home, a taxable fringe benefit as provided for in the Internal Revenue Code.

CHAPTER 3- TRAVEL RULES AND REGULATIONS

- A. Exhibit 1 – Conference/Seminar Attendance Request Form
- B. Exhibit 2 – Employee Expense Report Form
- C. Exhibit 3 – Current Per Diem Amounts and Transportation Stipends