

Executive Order Number 63 (Revised)

Effective Date: September 9, 2002

Subject: Travel Expenditures

This Executive Order defines the procedures for requesting authorization and reimbursement for travel expenditures. The procedures outlined apply to all departments requesting travel authorization, expenditures and reimbursement for employees. This Order supersedes all previously issued Orders on this subject.

I. TRAVEL EXPENSES - GENERAL

Each Department Director is charged with the responsibility of determining the reasonableness of, necessity for, and method of, travel for their department's employees, provided that funds are available within the appropriate budget. Once such necessity has been determined, disbursement of funds for travel expenses shall be governed by these rules.

Employees shall exercise good judgment in carrying out activities related to travel on Metro business, and shall strive to limit travel costs by such measures as carpooling, staying at lower cost hotels, and sharing accommodations when applicable and appropriate. Any individual traveling for the benefit of Metro has the responsibility to keep accurate and complete cost documentation and to submit requests for prepayment and reimbursement in accordance with this Executive Order. It is not permissible for one employee to receive funds for an advance or reimbursement of expenses incurred or to be incurred by another Metro employee.

The Executive Order on travel has been developed with the Internal Revenue Service Regulations as its primary framework. The travel payment methodology used in this policy is defined as an Accountable Plan (IRS publication 535). If travel related expenses are reimbursed under a Nonaccountable plan, the reimbursements would be reported by Metro on the employee's IRS Form W-2, Wages and Tax Statement. By definition, an Accountable Plan assumes the following IRS criteria have been met:

- All expenses were incurred while on official Metro business
- The expenses were adequately accounted for within a reasonable amount of time
- Any excess reimbursements or advances were returned within a reasonable period of time

No expenditure of Metro funds will be allowed for transportation costs that are solely vacation related, nor shall expenditure of Metro funds be allowed for lodging, per diem, or other expenses for any additional travel time charged to vacation. There will also be no reimbursement to employees for commuting costs.

A. Local Travel

Local travel is defined as travel within a fifty-five (55) mile radius of Metro Regional Center. Under these guidelines, travel to Salem from Portland is considered local travel. Local travel will use the same accounting guidelines as established for out-of-town travel except that meals, per diem and lodging costs are not paid, unless included in the cost of conference (seminar) registration.

B. Out-of -Town Travel

Out-of-town travel is defined as any trip with a destination outside of a fifty-five (55) mile radius of Metro Regional Center. Employees who are authorized to take out-of-town travel are allowed per diem and lodging expense reimbursement as described in Section III.

II. APPROVAL AUTHORITY

An employee must receive authorization to incur travel-related expenditures, from the authority as outlined below, in advance of travel arrangements being made. This authorization will be evidenced, in writing, by the appropriate approval signature(s) appearing on travel expenditure or employee reimbursement requests submitted to the Accounting Division. The appropriate approval signatures are as follows:

- A. Department Director (or designee) approval shall be required for each employee travel expenditure or expenditure reimbursement request.
- B. Executive Officer approval shall be required for each Department Director travel expenditure or expenditure reimbursement request.

Significant changes in originally approved travel plans or costs require approval by the appropriate authority as outlined above.

Failure to comply with any of these provisions may result in Metro not paying for the travel expenditures incurred.

III. ADVANCE PAYMENT REQUEST PROCEDURES

Advance payment for travel expenses is normally to be limited to estimated costs for Per Diem and miscellaneous expenses. Transportation by common carrier is to be arranged through Metro's designated travel agent, as described in Section IV. Lodging arrangements may be made by Metro's designated travel agent. To pay for lodging expenses, travelers are encouraged to use either their Metro purchasing card or the departmental travel coordinator's purchasing card. Otherwise, Metro may pay for the costs directly through the issuance of a check in the amount of the quoted cost payable to the lodging establishment or employees may pay for lodging costs themselves and request reimbursement.

A. Procedure

If an employee requests a travel expense advance, the "Travel Authorization and Payment" form is to be completed, including all applicable approvals, and submitted to the Accounting Division. In order for the employee to be paid within the normal cash disbursement processing cycle, the form should be submitted to the Accounting Division in a timely manner.

Accounting will process the form and return a check to the traveler in the amount of the advance. The amount so drawn will be considered a debt owed to Metro by the payee from the date the check is made available to the employee.

To minimize processing costs, if the amount of expected travel expenses does not exceed \$50, the traveler is requested to pay the expenses and, upon return, request reimbursement.

B. Accounting for Advance Payments

To comply with IRS regulations, employees shall submit to the Accounting Division appropriate documentation for travel expense advances no later than sixty (60) days after the date of the advance. This requires that all expense documentation be attached to a copy of the originally completed and signed "Travel Authorization and Payment" form kept by the employee at the time of the advance.

"All expense documentation" is defined as all receipts for which expenses are being claimed and a written and legible summary that totals the receipts by expenditure category shown on the "Travel Authorization and Payment" form.

C. Sixty Day Limit

If no documentation for travel advances has been received by the Accounting Division within sixty (60) days after the date of the advance, the employee will be notified in writing of his or her delinquency. The

Accounting Division must receive complete documentation from the employee within five (5) working days of the date of the notice of delinquency.

Should the employee fail to provide the necessary documentation to the Accounting Division by the date specified on the notice of delinquency, the amount of the undocumented advance will be treated as taxable wages and subject to federal withholding taxes.

D. Actual Expenses Over/Under Estimate

If actual documented travel expenses are less than the amount of the advance; the employee shall owe Metro the difference and shall make payment to Metro when submitting the travel expense documentation to the Accounting Division. The payment to Metro must be received within thirty (30) days of the submittal of the travel expenses.

If actual documented travel expenses exceed the amount of the advance, reimbursement will be made to the employee within fourteen (14) days of the employee's submittal of all expense documentation (as defined above).

If reimbursement is requested for local travel (as defined in Part I) a "Payment Authorization" form shall be submitted attaching all necessary expenditure documentation.

If there are significant changes in the original travel cost estimates (i.e., increases in the number of days to be reimbursed for lodging or per diem), the changes must be approved in accordance with the "Approval Authority" procedures outlined in Section II above.

IV. USE OF DESIGNATED TRAVEL AGENT

- A. A travel agent shall be designated by the Executive Officer following a competitive selection process. The name of Metro's designated travel agent, and all other pertinent information regarding such agent shall be distributed in writing to all departments upon appointment of such agent. Further information is available from the Administrative Services Department.
- B. Because of contractual and payment arrangements, airline reservations must be made through Metro's designated travel agent unless a waiver is obtained from the designated travel agent before the travel is arranged. A separate waiver is required for each traveler for each event. If travel is booked without using the designated travel agent, and a waiver is not obtained, the travel may not be reimbursable.

- C. Special discounted airfare or hotel rates negotiated by a conference or professional association may be available. Metro's travel agent must be contacted to compare special airfare rates to other discounted airfare rates meeting the traveler's needs. If the travel is not arranged through the designated travel agent, a waiver must be obtained from the designated travel agent before the travel is booked.

V. TRAVEL EXPENSE ALLOWANCES

Reasonable travel expenses are generally allowable if they have been budgeted and are considered necessary to carry out the lawful business of Metro. Commercial transportation shall not be paid for with advance money. The travel agency or transportation company shall bill Metro directly. Specific travel allowances are provided below.

A. Transportation

Transportation may be authorized as follows:

1. Public Carrier or Metro Vehicle. Use of a public carrier or Metro vehicle is encouraged for local travel. Receipts will be required for all reimbursements (except in cases where receipts are not commonly provided, such as bus fare).

Use of a Metro vehicle for travel outside the State of Oregon or within Clark County, Washington is not allowed without the prior approval of the Department Director (or designee) .

2. Private Car. For local travel, use of public carrier or Metro car is encouraged, but reimbursement for use of a private vehicle may be allowed if authorized by the employee's Department Director (or designee). Mileage reimbursements will be based on travel to and from Metro, not to the employee's home.

If it is practical for the employee to use a public carrier or Metro vehicle for local travel, but the employee chooses to use a private vehicle, Metro shall not reimburse for use of the private car. The employee should be able to provide proof that a Metro car was not available before requesting reimbursement for a private car, unless they work at sites where there are no Metro cars or have a need to carry special gear or tools as part of their job duties.

For approved out-of-town travel, the Department Director (or designee) may authorize the use of the employee's private car. The following items will be considered when allowing

an employee to use a private vehicle for out of town travel; the cost of coach airfare, the cost of the mileage reimbursement, the cost of lodging and meals for car-travel days, the cost of normal wages and benefits for car travel days (unless accumulated leave is used), and other specific costs directly related to travel by automobile.

Reimbursement for use of a private car will be made at the rate published by the IRS. Employees are responsible for providing their own personal auto insurance coverage.

If Metro travel is combined with a vacation trip and a private vehicle is used for transportation, reimbursement will be at the lower rate of commercial (common carrier) transportation or mileage. For airfare, the lower of the following two items will apply: the coach rate with a fourteen (14) day advance payment and Saturday layover or the lowest government airfare rate available through the designated travel agent. In making this determination, the airfare must be based on the travel that would have taken place solely for the business portion of the trip, generally a return trip from Portland directly to the business destination. The employee is responsible for adequately documenting the quoted airline rate.

3. Ride Sharing. In a situation where several employees are to attend the same function and the transportation is to be by automobile, the ride shall be shared if practical. If use of a private car is authorized, mileage reimbursement shall be requested for only one vehicle. If mileage reimbursement is requested for more than one vehicle, the requests must be approved separately by the Department Director (or designee) or Executive Officer.
4. Rail. Metro will approve rail accommodations for out-of-town travel based upon Amtrak's coach fare rate and minimum distance requirement. Rail fare shall be ordered and paid for directly by Metro.

The following items should be considered when allowing an employee to use rail travel; the cost of coach airfare, the cost of rail travel, the cost of lodging and meals during the train travel, and the cost of normal wages and benefits for rail travel days. The cost of the rail fare and lodging on the train should not exceed the cost of the lowest airfare (given the guidelines stated below) plus the hotel Per Diem amount. If the costs of the rail fare and the lodging on the train exceed this amount, the traveler will be responsible for the difference.

5. Air. To take advantage of significant savings in airfare, Metro employees will be expected to arrange their travel itinerary to take advantage of the lowest available fare that corresponds to the departure times and direct routing which are required to conduct Metro business. This may involve a Saturday night layover if the total cost to Metro, including per diem and hotel accommodations, is less than cost of the ticket without the layover. Exceptions to this requirement must be approved by the Department Director (or designee) or Executive Officer, as appropriate.

Reasonable judgement should be used by the traveler and the administrative staff in determining whether the additional cost associated with a nonstop flight (or another flight that would result in a significant savings of travel time) is acceptable. The Department Director (or designee) will determine any questions relating to the reasonableness of the airfare and the time saving.

The use of Metro's designated travel agent is required to arrange airline travel due to contractual and payment arrangements. Please refer to Section IV regarding the use of Metro's designated travel agent for specifics.

Employees including additional destination(s) in their travel for non-Metro business shall pay for the difference between the travel that would have been taken for the business portion of the trip, given the guidelines stated above, and the cost of the airfare containing their personal travel portion. Employees must use their own personal charge card for the non-Metro-business portion of the travel expense, not a Metro purchasing card.

Employees combining business and personal travel should be cautioned that substituting non-refundable airline tickets for fully refundable airline tickets might result in a liability to the employee should the reason for the business travel be cancelled. Employees leaving on vacation prior to the business event will become responsible for all costs should the business event be cancelled at a point that all reservations could have been cancelled resulting in little or no cost to Metro.

6. Ground Transportation at Destination. Receipts must be submitted for reimbursement for taxi fares, rental cars and other costs of transportation to and from terminals and necessary to conduct the matters relating to approved out-of-town travel. Rental car expenses will be allowed only if

specifically authorized by the Department Director or Executive Officer, as appropriate. Reimbursement will be made on actual cost only, as supported by receipts.

7. Local Ground Travel. Airport parking and transportation between the traveler's office and Portland International Airport will be reimbursed only for reasonable charges.

B. Per Diem

When an employee is required to travel outside the Metro area to conduct official Metro business (including attendance at conferences and seminars), the employee is entitled to a meal Per Diem. The amount of Per Diem requested shall be indicated on the "Travel Authorization and Payment" form and approved per procedures outlined in Section II above.

The Per Diem allowance is made for the purpose of reimbursement for meals. No accounting or receipts are required for this portion of the reimbursement. If meal costs exceed the established per diem, full reimbursement will be provided on submittal of meal receipts for the entire trip. Travelers may chose to receive either per diem or reimbursement for each trip. No meal of a lavish or extravagant nature will be reimbursed. The purchase of alcoholic beverages with Metro funds is prohibited.

The daily Per Diem allowance shall be the allowance, by city, as published by the IRS. The most current Per Diem amounts can be obtained on the Internet at www.policyworks.gov/perdiem. When obtaining the Per Diem amounts from the Internet, it is required that documentation of the rate be attached to the Travel Authorization. Copies of the IRS Per Diem allowances are also available from the Accounting Division.

For the purpose of calculating the meal Per Diem rate, the following percentages will be used:

Breakfast	25% of the meal Per Diem
Lunch	25% of the meal Per Diem
Dinner	50% of the meal Per Diem

For overnight travel, on the initial day of travel, if the employee finds it necessary to leave:

<u>At or Before:</u>	<u>Per Diem Allowance Would Include:</u>
7:00 a.m.	Breakfast
12:00 noon	Lunch
6:00 p.m.	Dinner

On date of return, if the employee has:

<u>Returned At or After:</u>	<u>Per Diem Allowance Would Include:</u>
8:00 a.m.	Breakfast
1:00 p.m.	Lunch
7:00 p.m.	Dinner

For non-overnight travel, the employee is entitled to the following meal Per Diem:

Breakfast: The employee must be on travel status for two hours or more before the beginning of their regularly scheduled work shift to receive a breakfast allowance.

Lunch: No allowance is provided for lunch except in certain situations which may include an official business meeting where the meal is an agenda item and part of the meeting.

Dinner: The employee must be on travel status for two hours or more beyond the end of their regularly scheduled work shift to receive a dinner allowance.

Under no condition shall an employee be entitled to a meal Per Diem allowance if such meal is provided as a cost of meeting or conference (registration), air fare or other travel expense. If such meals are provided, a corresponding reduction in the Per Diem allowance shall be made. The primary responsibility for adjustments of this nature rests with the employee and shall be approved by the Department Director (or designee), however, the Accounting Division will review the documentation and adjust these items if determined to be appropriate.

C. Lodging

When out-of-town travel requires absence overnight, reimbursement will be made for the actual cost of reasonably priced lodging not to exceed the single occupancy rate established by the hotel (unless employees share accommodations). Receipts are required for reimbursement. No payment will be made for lodging in a private residence.

When requesting advance payment for hotel or motel, the amount requested must be the rate quoted when the reservation is made. Only this rate plus any local tax will be allowed on the final accounting, unless good cause is shown why the rate was exceeded.

Employees shall submit an occupancy tax exemption certificate when checking into the hotel for potential tax exemption. Copies of the exemption form may be obtained from the Accounting Division.

D. Telephone Expenses

A limited number of personal telephone calls during travel on Metro business are allowed. Employees shall be reimbursed for one (1) phone call home on the first day of travel as well as a personal call on every second day thereafter while on Metro business. Metro will reimburse the employee up to ten (10) minutes per call, or to a maximum of \$10.00 per call. Documentation must be provided to show the number of minutes per call or the dollar amount of the call. When authorized by Metro, employees will be provided with a Metro phone card. Employees are encouraged minimize phone expenses by using phone cards rather than dialing directly from their hotel room, which can be much more expensive. When Metro phone cards are not available, the employee shall provide receipts to be reimbursed for allowable phone calls.

E. No Personal Benefit from Metro-paid Travel

If a spouse/dependent accompanies a Metro employee on official travel, reimbursements for lodging shall not exceed that of the single occupancy government rate. Sufficient documentation will be provided to indicate the difference between the single and multiple occupancy rates. The employee will be personally responsible for any additional lodging costs.

VI. EXCEPTIONS

The Executive Officer may grant exceptions to the travel expenditure procedures included in this Executive Order. Any such exceptions must be requested in writing, and demonstrate good cause and exceptional circumstances.

VII. INTERPRETATIONS

Instances may arise from time to time which require an interpretation of this Executive Order. Such interpretations are incorporated into this Executive Order by reference, provided they are in writing, dated, and signed by the Executive Officer; they will be kept on file with this Executive Order in the files maintained in the Office of General Counsel and the Office of the Executive.

ORDERED this 9th day of September, 2002.



Mike Burton, Executive Officer

**METRO**

DATE: July 1, 1996
TO: Department Directors
FROM: Mike Burton, Executive Officer
RE: Executive Order #63 - Travel Expenditures

Attached you will find a copy of Executive Order #63, which revises policies related to Metro travel procedures. This Executive Order rescinds Executive Order #31, effective July 1, 1996.

Executive Order #63 makes minor changes to existing travel policy. The most significant change is removal of the provision for Executive Officer approval of all out-of-town travel requests. I will still be the approval authority for department director travel, but all other out-of-town travel will now be up to the department director to approve (subject to budgeted funds).

Other changes to the policy include:

- Addition of a statement that employees are to use good judgment in their travel activities, and are encouraged to save money by choosing lower-cost hotels, sharing rooms when appropriate, etc.
- Addition of a statement that advance payments are to be limited to per diem and miscellaneous expenses, not for transportation and generally not for lodging. This is a clarification of existing policy, not a change.
- Reimbursement for personal phone calls is increased from \$5.00 to \$7.50 per call. On an extended trip, Metro will pay for a personal phone call of up to \$7.50 every other day, up from a maximum of two reimbursed calls home.
- Addition of a statement that a listing of IRS-authorized per diem amounts by city is available from Accounting.
- The Risk Manager no longer needs to approve use of a Metro car for out-of-state travel (beyond Clark County); department director approval is still required.
- Clarification that the department director may authorize use of a conference's travel agent instead of Metro's travel agent, if significant savings can be realized.

Please ensure that your employees are made aware of the provisions of this Executive Order. Thank you.

EXECUTIVE ORDER NO. 63

EFFECTIVE DATE: JULY 5, 1996

SUBJECT: TRAVEL EXPENDITURES

This Executive Order defines the procedures for requesting authorization and reimbursement for travel expenditures. The procedures outlined apply to all departments requesting travel authorization, expenditures and reimbursement for employees. This Order supersedes all previously issued Orders on this subject.

I. TRAVEL EXPENSES - GENERAL

Each department head is charged with the responsibility of determining the reasonableness of, necessity for, and method of, travel for her/his employees, provided that funds are available within the appropriate budget. Once such necessity has been determined, disbursement of funds for travel expenses shall be governed by these rules.

Employees shall exercise good judgment in carrying out activities related to travel on Metro business, and shall strive to limit travel costs by such measures as carpooling, staying at lower cost hotels, and sharing accommodations when applicable and appropriate. Any individual traveling for the benefit of Metro has the responsibility to keep accurate and complete cost documentation and to submit requests for prepayment and reimbursement in accordance with this Executive Order. It is not permissible for one employee to receive funds for an advance or reimbursement of expenses incurred or to be incurred by another Metro employee.

No expenditure of Metro funds will be allowed for transportation costs which are solely vacation related, nor shall expenditure of Metro funds be allowed for lodging, per diem, or other expenses for any additional travel time charged to vacation.

A. Local Travel

Local travel is defined as travel within a fifty-five (55) mile radius of Metro Regional Center. Local travel will use the same accounting guidelines as established for out-of-town travel except that meals, per diem and lodging costs are not paid, unless included in the cost of conference (seminar) registration. Authorization from the appropriate department head (or his/her designee) is required for reimbursement of expenses.

B. Out-of -Town Travel

Out-of-town travel is defined as any trip with a destination outside of a fifty-five (55) mile radius of Metro Regional Center. Employees who are

authorized to take out-of-town travel are allowed per diem and lodging expense reimbursement as described in Section III. Any employee who pays his/her own expenses may be reimbursed upon completion of the travel by submitting a completed "Travel Authorization and Payment" form with proper supporting expense documentation (as defined below) and approval signatures.

II. APPROVAL AUTHORITY

An employee must receive authorization to incur travel-related expenditures, from the authority as outlined below, in advance of travel arrangements being made. This authorization will be evidenced, in writing, by the appropriate approval signature(s) appearing on travel expenditure or employee reimbursement requests submitted to the Accounting Division. The appropriate approval signatures are as follows:

- A. Department head approval shall be required for each employee travel expenditure or expenditure reimbursement request.
- B. Executive Officer approval shall be required for each department head travel expenditure or expenditure reimbursement request.

Failure to comply with these provisions shall result in Metro not paying for the travel expenditures incurred.

III. ADVANCE PAYMENT REQUEST PROCEDURES

Advance payment for travel expenses is normally to be limited to estimated costs for per diem and miscellaneous expenses. Transportation by common carrier is to be arranged through Metro's designated travel agent, as described in Section IV. Lodging arrangements are normally to be made by Metro's designated travel agent, and costs paid by the employee and reimbursed by Metro. If requested, Metro may pay lodging costs directly through issuance of a check in the amount of the quoted cost payable to the lodging establishment.

A. Procedure

If an employee requests a travel expense advance, the "Travel Authorization and Payment" form is to be submitted to the Accounting Division after all applicable approvals are obtained. The employee is responsible for completing the form in a timely manner to ensure that the form, with all applicable approvals, is submitted to the Accounting Division in order to have the payment processed within the normal cash disbursement processing cycle.

Accounting will process the form and return a check to the traveler in the amount of the advance. The amount so drawn will be considered an

indebtedness owed to Metro by the payee from the date the check is made available to the employee.

If the amount of expected travel expenses does not exceed \$25, the traveler is requested to meet the expenses and, upon return, request reimbursement.

B. Accounting for Advance Payments

To comply with IRS regulations, employees shall submit to the Accounting Division appropriate documentation for travel expense advances no later than sixty (60) days after the date of the advance. This requires that all expense documentation be attached to a copy of the originally completed and signed "Travel Authorization and Payment" form kept by the employee at the time of the advance.

"All expense documentation" is defined as all receipts for which expenses are being claimed and a written and legible summary that totals the receipts by expenditure category shown on the "Travel Authorization and Payment" form.

C. Sixty Day Limit

If no documentation for travel advances has been received by the Accounting Division within sixty days after the date of the advance, the employee will be notified in writing of his or her delinquency. Such notice of delinquency shall inform the employee that complete documentation must be received by the Accounting Division within five working days of the date of the notice of delinquency.

Should the employee fail to provide the necessary documentation to the Accounting Division by the date specified on the notice of delinquency, the amount of the undocumented advance will be treated as taxable wages and subject to federal withholding taxes.

D. Actual Expenses Over/Under Estimate

If actual documented travel expenses are less than the amount of the advance, the employee shall owe Metro the difference and shall make payment within thirty days of the advance.

If actual documented travel expenses exceed the amount of the advance, reimbursement will be made to the employee within 14 days of the employee's submittal of all expense documentation (as defined above).

If reimbursement is requested for local travel (as defined in Part I) a "Payment Authorization" form shall be submitted attaching all necessary expenditure documentation.

If there are significant changes in the original travel cost estimates (i.e., increases in the number of days to be reimbursed for lodging or per diem), the changes must be approved in accordance with the "Approval Authority" procedures outlined in Section II above.

IV. USE OF DESIGNATED TRAVEL AGENT

- A. A travel agent shall be designated by the Executive Officer following a competitive selection process. The name of Metro's designated travel agent, and all other pertinent information regarding such agent shall be distributed in writing to all departments upon appointment of such agent. Further information is available from the Department of Administrative Services.
- B. Because of contractual and payment arrangements, reservations not made through Metro's designated travel agent may not be reimbursable.
- C. Special discounted air fare or hotel rates negotiated by a conference or professional association may be available. Metro's travel agent should be contacted to compare this special rate to other discounted rates meeting the traveler's needs. The appropriate approval authority may grant permission to use a conference's or professional association's designated travel agent should substantial savings be available.

V. TRAVEL EXPENSE ALLOWANCES

Reasonable travel expenses are generally allowable if they have been budgeted and are considered necessary to carry out the lawful business of Metro. Commercial transportation shall not be paid for with advance money. The travel agency or transportation company shall bill Metro directly. Specific travel allowances are provided below.

A. Transportation

Transportation may be authorized as follows:

1. Public Carrier or Metro Vehicle. Use of a public carrier or Metro vehicle is encouraged for local travel. Receipts will be required for all reimbursements (except in cases where receipts are not commonly provided, such as bus fare).

Use of a Metro vehicle for travel outside the State of Oregon or Clark County, Washington is not allowed without the prior approval of the department head.

2. Private Car. For local travel, use of public carrier or Metro car is encouraged, but reimbursement for use of a private vehicle may be allowed if authorized by the employee's department head (or designee). If it is practical for the employee to use a public carrier or Metro vehicle, but the employee chooses to use a private vehicle, Metro shall not reimburse for use of the private car.

For approved out-of-town travel, the use of the employee's private car may be authorized by the department head or designee.

Reimbursement for use of a private car will be made at the rate published by the IRS; this rate is presumed to include all operating costs, including insurance. Employees are responsible for providing their own personal auto insurance coverage.

If Metro travel is combined with a vacation trip and private vehicle is used for transportation, reimbursement will be at the lower rate of commercial (common carrier) transportation or mileage. Airline rates used for comparison will be the coach rate with 14 day advance payment and Saturday layover. The employee is responsible for adequately documenting the quoted airline rate.

3. Ride Sharing. In a situation where several employees are to attend the same function and the transportation is to be by automobile, the ride shall be shared if practical. If use of a private car is authorized, mileage reimbursement shall be requested for only one vehicle. If mileage reimbursement is requested for more than one vehicle, the requests must be approved separately by the department head or Executive Officer, as applicable.
4. Rail. Metro will approve rail accommodations for out-of-town travel based upon Amtrak's coach fare rate and minimum distance requirement. Rail fare shall be ordered and paid for directly by Metro.
5. Air. To take advantage of significant savings in airfare, Metro employees will be expected to arrange their travel itinerary to take advantage of the lowest available fare. This

generally involves a Saturday layover. Exceptions to this requirement must be approved by the department head or Executive Officer, as appropriate.

Employees including additional destination(s) in their travel purchase order for non-Metro business shall reimburse Metro for the difference between the direct lowest available fare and the airfare containing their personal travel portion.

6. Ground Transportation at Destination. Receipts must be submitted for reimbursement for taxi fares, rental cars and other costs of transportation to and from terminals and necessary to conduct the matters relating to approved out-of-town travel. Rental car expenses will be allowed only if specifically authorized by the department head or Executive Officer, as appropriate. Reimbursement will be made on actual cost only, as supported by receipts.
7. Local Ground Travel. Airport parking and transportation between traveler's office and Portland International Airport will be reimbursed only for reasonable charges and if authorized by the appropriate authority.

B. Per Diem

When an employee is required to travel outside the Metro area to conduct official Metro business (including attendance at conferences and seminars), the employee is entitled to a meal per diem. The amount of per diem requested shall be indicated on the "Travel Authorization and Payment" form and approved per procedures outlined in Section II above. The per diem allowance is made for the purpose of reimbursement for meals. No accounting or receipts are required for this portion of the reimbursement. If meal costs exceed the established per diem allowance, the employee will be required to submit all meal receipts. Approval shall be required as outlined in Section II. No meal of a lavish or extravagant nature will be reimbursed. The purchase of alcoholic beverages with Metro funds is prohibited.

The daily per diem allowance shall be the allowance as published by the IRS. Copies of the latest IRS per diem allowances are available from the Accounting Division.

On the initial day of travel, if the employee finds it necessary to leave:

<u>At or Before:</u>	<u>Per Diem Allowance Is:</u>		
7:00 a.m.	Breakfast	at	1/4 daily amount
12:00 noon	Lunch	at	1/4 daily amount
6:00 p.m.	Dinner	at	1/2 daily amount

On date of return, if the employee has:

<u>Returned At or After:</u>	<u>Per Diem Allowance Is:</u>		
8:00 a.m.	Breakfast	at	1/4 daily amount
1:00 p.m.	Lunch	at	1/4 daily amount
7:00 p.m.	Dinner	at	1/2 daily amount

Under no condition shall an employee be entitled to a meal per diem allowance if such meal is provided as a cost of meeting or conference (registration), air fare or other travel expense. If such meals are provided, a corresponding reduction in the per diem allowance shall be made. The primary responsibility for adjustments of this nature rests with the employee and shall be approved by the department head, however, the Accounting Division will review the documentation and adjust these items if determined to be appropriate.

C. Lodging

When out-of-town travel requires absence overnight, reimbursement will be made for the actual cost of reasonably priced lodging not to exceed the single occupancy rate established by the hotel (unless employees share accommodations). Receipts are required for reimbursement.

When requesting advance payment for hotel or motel, the amount requested must be the rate quoted when the reservation is made. Only this rate plus any local tax will be allowed on the final accounting, unless good cause is shown why the rate was exceeded.

Employees shall submit an occupancy tax exemption certificate when checking into the hotel for potential tax exemption. Copies of the exemption form may be obtained from the Accounting Division.

D. Telephone Expenses

Business-related long distance and local phone calls made at the destination are a reimbursable expense only if cost documentation is provided (e.g., included on hotel receipt or itemized on employee's personal long distance bill). Two personal calls per trip may be

reimbursed, up to \$7.50 per call; on an extended trip of five days or longer, an additional personal call every other day may be reimbursed up to the \$7.50 limit per call.

E. No Personal Benefit from Metro-paid Travel

If a spouse/dependent accompanies a Metro employee on official travel, reimbursements for lodging shall not exceed that of the single occupancy government rate. Sufficient documentation will be provided to indicate the difference between the single and multiple occupancy rate. The employee will be personally responsible for any additional lodging costs.

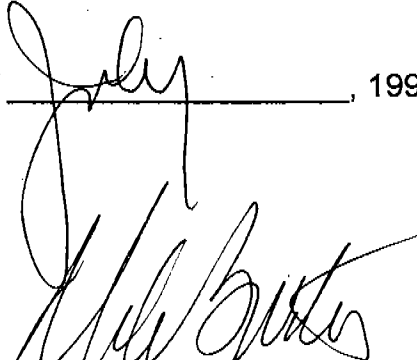
V. EXCEPTIONS

The Executive Officer may grant exceptions to the travel expenditure procedures included in this Executive Order. Any such exceptions must be requested in writing, and demonstrate good cause and exceptional circumstances.

VI. INTERPRETATIONS

Instances may arise from time to time which require an interpretation of this Executive Order. Such interpretations are incorporated into this Executive Order by reference, provided they are in writing, dated, and signed by the Executive Officer; they will be kept on file with this Executive Order in the files maintained in the Office of General Counsel and the Office of the Executive.

ORDERED this 2d day of July, 1996.



Mike Burton, Executive Officer



METRO

DATE: July 1, 1996
TO: Executive Officer Mike Burton
FROM: Casey Short *CS*
RE: Travel Expenditures Executive Order

Attached is the final version of the Executive Order on travel expenditures. There are a few changes from the version you signed earlier, which are the result of issues raised by the Transportation Planning Department. The changes are outlined below:

- Effective Date: Changed to July 5 (from July 1), to accommodate later release of the Order.
- Time Allowed for Submitting Expense Documentation: Restored to the current practice of 60 days (up from 30 days in previous draft).
- Time Allowed for Accounting to Issue Reimbursement Check: Added a 14-day deadline for Accounting to issue expense reimbursement checks.
- Per Diem: There is apparently some confusion about per diem rates. We have now distributed copies of the IRS-allowed per diem rates for all major American cities, and added a note in the Order that copies of the IRS rates are available from Accounting.
- Telephone Reimbursement: Increased the amount allowed for reimbursement of a personal phone call from \$5.00 to \$7.50. This is in response to the point raised that hotels charge a substantial fee for long-distance access and that they tend to charge at the high end of the long-distance rate scale.

If these changes are all right with you, please sign the original Order and transmittal memo (attached), and return to Cathy Kirchner for distribution. Thank you.