COUNTY AGENDA REQUEST

Department:	Finance	Presenter(s):	Mary S. Holland
Meeting Date:	Thursday, July 14, 2011	Type of Request:	Consent

Wording for the Agenda:

Approval of staff's recommendation to increase the county's mileage reimbursement rate from 41.82 cents per mile to 45.51 cents per mile for use of a privately owned vehicle when traveling on official county business.

Background/History/Details:

The county uses standard IRS reimbursement rates for mileage when county officials or employees travel on official county business. The policy (Section 9.a.c.v.) provides for a mileage reimbursement based on 82% of the IRS's standard mileage rate, when a privately owned vehicle is used for official county business in lieu of using a county owned vehicle.

Typically, IRS announces its mileage reimbursement rates in January each year and the county subsequently adopts the rates as its own. However, on June 23, 2011, the IRS announced (Announcement 2011-40) an increase in their standard mileage rate to 55.5 cents per mile effective July 1, 2011. The previous IRS rate was 51 cents which provided for a reimbursement of 45.51 cents per mile. Applying 82% to the new rate of 55.5 cents equates to 45.51 cents per mile.

This amount may change again in January, 2012.

What action are you seeking from the Board of Commissioners?

Approval of staff's recommendation to increase the county's mileage reimbursement rate from 41.82 cents per mile to 45.51 cents per mile for use of a privately owned vehicle for travel on official county business, effective July 1.

If this item requires funding, please describe:

This increase represents approximately $225 in additional annual cost to the county's annual budget.

Has this request been considered within the past two years?	Yes	If so, when?	Thursday, January 27, 2011
Do you need audio-visual for the presentation?	No	Backup Provided with Request?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	County Clerk's Approval	Yes
Administrator's Approval	Yes		

Staff Notes:

Part IV - Items of General Interest

Optional Standard Mileage Rates

Announcement 2011-40

This announcement informs taxpayers that the Internal Revenue Service is modifying Notice 2010-88, 2010-51 I.R.B. 882, by revising the optional standard mileage rates for computing the deductible costs of operating an automobile for business, medical, or moving expense purposes and for determining the reimbursed amount of these expenses that is deemed substantiated. This modification results from recent increases in the price of fuel.

The revised standard mileage rates are:

(1) Business	55.5 cents per mile
(2) Medical and moving	23.5 cents per mile

The mileage rate that applies to the deduction for charitable contributions is fixed under § 170(i) of the Internal Revenue Code at 14 cents per mile.

The revised standard mileage rates set forth in this announcement apply to deductible transportation expenses paid or incurred for business, medical, or moving expense purposes on or after July 1, 2011, and to mileage allowances that are paid both (1) to an employee on or after July 1, 2011, and (2) for transportation expenses paid or incurred by the employee on or after July 1, 2011.

The standard mileage rates set forth in Notice 2010-88 continue to apply to deductible transportation expenses paid or incurred for business, medical, or moving expense purposes before July 1, 2011, and to mileage allowances paid (1) to an employee before July 1, 2011, or

(2) with respect to transportation expenses paid or incurred by the employee before July 1, 2011. All other provisions of Notice 2010-88 remain in effect.

EFFECT ON OTHER DOCUMENTS

Notice 2010-88 is modified.

DRAFTING INFORMATION

The principal author of this announcement is Bernard P. Harvey of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this announcement contact Mr. Harvey at (202) 622-4930 (not a toll-free call).

FISCAL POLICIES
Travel
300.09

PURPOSE

The purpose of this policy is to provide guidelines for travel expenses of county employees, non-county employees, elected officials and Boards performing governmental functions for Fayette County

POLICY

There shall be a consistent, equitable and uniform process for the reimbursement of travel expenses by Fayette County.

PROCEDURE

All travel is contingent upon the availability of funds in the proper budget line item and approvals by the appropriate officials. All employees, non-county employees, elected officials and Boards performing governmental functions for Fayette County are subject to the provisions of this policy and the rates as set forth herein. Travel expenses shall be reimbursed from County funds for amounts not exceeding the rates established by the Board of Commissioners. Under no circumstances shall a qualified traveler receive duplicate reimbursement for travel, transportation and expense allowances.

1. For purposes of these regulations, the following definitions apply:

    a. Boards: Organized bodies appointed to perform specific functions of government in Fayette County.

    b. Common Carrier: Commercial scheduled airplane, train, or bus.

    c. Conference: A formal gathering for the purpose of conducting business and exchanging information.

    d. County Administrator: Executive staff position reporting directly to the County Board of Commissioners. This position is responsible for the day-to-day operations of the County Government.

    e. County Employee: Individuals other than elected officials who work for Fayette County in exchange for compensation.

    f. County Funds: Any funds deposited with the County Finance Department whether derived from appropriations or County receipts.

    g. Designee: An employee who has been selected to perform a duty or purpose.

h. Division Director: Senior staff position reporting directly to County Administrator or Elected Official.

i. Duty Station: While employed by the County, it is the headquarters or job location assigned by the County at which the County employee spends the majority of his/her working hours.

j. Elected Official: Individual holding a public office by vote of the Fayette County electorate.

k. In-State: Within the borders of Georgia.

l. Institute: A formal gathering for the purpose of training and instruction. Tuition fees may be paid for instructional costs incurred in such meetings.

m. Non-County Employee*: A consultant whose compensation will be paid from a non-payroll expense line item.* An employee of another governmental jurisdiction, local or federal, in whose travel the County may have a business interest.* Volunteer - An individual who performs helpful work without pay.

n. Out-of-Country: Anywhere not included in the In-State and Out-of-State of this subsection.

o. Out-of-State: All of the continental United States except Georgia.

p. Qualified Traveler: Any individual authorized to travel for a bona-fide business purpose of Fayette County government.

q. Registration: The act of registering for a conference, workshop, or professional development course. Registration fees may be paid for the actual amount expended for such meetings as shown by a valid receipt or invoice.

r. Subsistence: Lodging, meals, phone calls, and all other items allowed under these regulations, which are not defined above as transportation.

s. Tip: Payment of money given in exchange for specific services.

t. Transportation: The means of moving from one physical location to another. The cost of transportation includes: reimbursement paid for the use of private motor vehicles, the fare paid on public conveyances, tolls, gas for County vehicles, and parking fees.

u. Travel: All activities involving expenses for transportation, subsistence, and registration, which are authorized to be paid from County funds or which involve vehicles for transportation.

v. Valid Receipts: Written documentation containing the printed name of the commercial establishment, amount tendered, description of items/services purchased, and transaction date.

2. For transportation by privately owned automobiles, the reimbursement rate shall not exceed the maximum rate established by the Internal Revenue Service (IRS) as the business standard mileage rate. An alternate reimbursement rate not to exceed 82% of the, then established standard business mileage rate will be used instead of the business standard mileage rate when an employee chooses to use his/her privately owned vehicle in lieu of a County owned vehicle. The Board of Commissioners may establish a rate lower than the maximum as a result of limited budget availability for travel.

NOTE: The County Finance Department will review the IRS business standard mileage rate annually and obtain Board of Commissioners' approval prior to changing the reimbursement mileage rates to the prevailing rates or any amount less than the prevailing rates.

3. For transportation by airline, bus, train or other conveyance, actual economy class fare.

4. For subsistence, One Hundred Fifty Dollars ($150.00) for a 24-hour period when traveling in-state or a total of Two Hundred Eight Dollars ($208.00) for a 24-hour period when traveling out-of-state. Valid receipts will be required.

5. For registration fees, the actual amount expended for a conference, workshop, or professional development course as shown by a valid receipt or invoice.

6. Authorization Procedure

a. In-State Travel: All in-state travel by qualified travelers on County business must be approved in advance and in writing by the Division Director, County Administrator or Elected Official. In addition, written authorization must be secured in advance from the Division Director, County Administrator, or Elected Official for the following:

i. Excess lodging
ii. Registration fees

b. Out-of-State Travel: All travel out-of-state but within the continental United States (specifically excluding Alaska and Hawaii) by qualified travelers on County business must be approved in advance and in writing by the Division Director, County Administrator or Elected Official. (See Attachment 1A: Pre-Authorization for Travel and Advance Request.) Out-of-State travel status begins the day the employee leaves the State of Georgia and remains in effect through the day the employee returns to Georgia. However, in-State allowances and reimbursement rates apply when employees and other qualified official travelers use hotel and meal facilities located in Georgia immediately prior to and returning from out-of-State travel during the same period.

c. Out-of-Country Travel: All travel out-of-country (including Alaska and Hawaii) by qualified travelers on County business must be approved in advance and in writing by the Division Director, County Administrator or Elected Official. (See Attachment 1A: Pre-Authorization for Travel and Advance Request.)

d. Blanket Authorization: Blanket authorization for travel by individuals who must frequently travel in-state or out-of-state in the course of carrying out their official duties requires the approval of the Division Director, County Administrator, or Elected Official. The authorization form, (Pre-Authorization for Travel and Advance Request

Attachment1A), should specify the name(s) of the traveler(s), the purpose for which the travel will be made, the modes of travel, and the geographical areas to be visited.

e. Advance: At the discretion of the Division Director, County Administrator or Elected Official, an advance of funds which does not exceed the estimated travel expense may be issued to a qualified traveler. Travel advances must be requested at least 3 weeks prior to departure date. Travel advances must be accounted for on a timely basis as outlined in this policy at Section VIII (Timely Filing). Failure to account for a travel advance within the time prescribed will result in an automatic payroll deduction of an amount equal to the advance amount on the recipient's next payroll check.

Exception: No P-card holder will receive a travel advance.

The County Finance Department must maintain a log of all travel advances and post issuance and repayments, for purpose of control.

NOTE: PENALTIES AND CHARGES RESULTING FROM CANCELLATIONS:

Penalties and charges resulting from the cancellation of travel reservations (including airline, hotel reservations and/or conference registration) shall be the County's obligation if the qualified traveler's travel has been approved in advance and the cancellation or change is made at the direction of and for the convenience of the County. If the cancellation or change is made for the personal benefit of the qualified traveler, it shall be the qualified traveler's obligation to pay the penalties and charges. However, in the event of accidents, serious illness, or death within the qualified traveler's immediate family or other critical circumstances beyond the control of the qualified traveler, the County will pay the penalties and charges.

7. SUBSISTENCE:

a. 24-Hour Period, Lodging and Meal Allowance

i. Lodging: Reimbursement of actual costs of overnight lodging whether in-state or out-of-state, must be documented by a receipt of actual lodging expenses from a commercial establishment. Lodging cost shall not exceed $105.00 per night in-state or $150.00 per night out-of-state unless excess subsistence for lodging is approved by the Division Director, County Administrator or Elected Official prior to departure. This documentation shall be attached to the reimbursement request.

When traveling within the borders of Georgia, the Certificate of Exemption of Local Hotel/Motel Excise Tax (Attachment No. 2) should be presented at the point of check-in.

Daily hotel allowances are to be reported as incurred on the date on which the night's lodging begins.

ii. Meals: Reimbursement for actual cost of meals shall not exceed $45.00 per day for three meals when traveling in-state and shall not exceed $58.00 per day for three meals when traveling out-of-state. All meals must be documented by a receipt of actual meal expenses from a commercial establishment.

Reimbursement for meals is not allowed when traveler is provided meals as part of any scheduled conference or activity.

Supervisory individuals certifying the reimbursement requests as necessary and proper must require from the traveler a receipt of actual lodging and meal expenses from a commercial establishment. This documentation shall be attached to the reimbursement request.

	IN-STATE	OUT-OF-STATE
Breakfast	$10.00	$13.00
Lunch	13.00	17.00
Dinner	22.00	28.00
Total	$45.00	$58.00

b. Daily travel (Overnight): Qualified travelers may receive allowance for meals for partial days of travel when the partial day is the day of departure or the day of return. The travel must involve a travel destination located at least 35 miles from the qualified traveler's regularly assigned duty station (vicinity) or home, whichever is less.

To be eligible, the traveler must:

• Breakfast: depart duty station prior to 6:30 a.m.
• Lunch: depart duty station prior to Noon (day of departure) or return to duty station after 2:00 p.m. (day of return).
• Dinner: depart duty station prior to 5:00 p.m. (day of departure) or return to duty station after 8:00 p.m. (day of return)

The time of departure and/or arrival must be stated on the travel reimbursement request.

c. Excess: No excess will be allowed in advance for meals unless such costs are included in registration fees and/or there are predetermined charges or the meals were for out-of- country travel. The Division Director, County Administrator or Elected Official may grant excess subsistence for meals while traveling out-of-country.

d. Registration fees: All registration fees must be approved in advance by the Division Director, County Administrator or Elected Official. Registration fees may be paid by the County or the qualified traveler. Qualified travelers may not claim reimbursement for meals included in registration fees. Such workshop must involve the active participation of persons other than the qualified travelers of Fayette County, or agency thereof and must be necessary for conducting official County business. When a registration fee includes the cost of one or more meals, it is the responsibility of the Division Director, County Administrator or Elected Official to ensure that reimbursements for such meals are not made to the qualified traveler.

e. Tips: Tips for handling baggage at common carrier terminals and/or when arriving at or departing from the place of lodging are allowed and must be itemized under "other expenses". Reasonable tips for transporting, i.e. taxi, limousine, etc. are authorized. Tips are not counted toward the authorized subsistence maximums. Tips for

room service, valet (including valet parking), and other hotel services are not reimbursable. The costs of laundry, entertainment, alcoholic beverages, "set-up", between-meal snacks or refreshments, and other personal expenses are not reimbursable.

Telephone Calls.

- Reimbursement: (Voice Transmission) Official County business (excluding personal) calls may be reimbursed from County funds up to five dollars ($5.00) without the point of origin and destination being identified. Calls over five dollars ($5.00) must be identified as to point of origin and destination.

- Allowable Personal Calls: (Voice Transmission) A qualified traveler who is in travel status for two or more consecutive days in a week is allowed one personal long distance telephone call for each day for which reimbursement to the qualified traveler may not exceed three dollars ($3.00) for each in-state call or five dollars ($5.00) for each out-of-state call.

- Employee Emergency Calls: (Voice Transmission) travelers may be reimbursed for a personal long distance call(s) if such call(s) is/are of an emergency nature as determined by the County. Appropriate documentation and justification must be filed with the reimbursement request. An example is a call made when a qualified traveler calls home to inform someone that the travel period has been extended beyond original plans due to unforeseen reasons.

- Use of Telephone with Computer Hook-ups: (Data Transmission) Qualified travelers on official County business needing to transmit data via their computer, should use the most efficient manner available. Prior to reimbursement, the traveler's supervisor must approve documentation and justification must be attached to the request for reimbursement. Reimbursement may be made from County funds for data transmissions.

g. Excess Subsistence Authorization: Lodging - When the cost of subsistence exceeds the rates set forth in this policy, a request for the excess amount may be requested. To qualify, the request must be submitted and approved prior to commencing travel. The authorization form should be submitted to the Division Director, County Administrator, or Elected Official to obtain approval. Reimbursement to qualified travelers sharing a room with members of his or her family will be limited to single occupancy rate.

8. Registration Fees.

Registration fees may be paid by the County, or the qualified traveler. To reimburse a qualified traveler for a paid registration fee, the qualified traveler must provide documentation of the expense by a receipt. If the registration fee is paid directly by the County, a receipt must be obtained and filed with the travel expense report.

Requests for convention or conference registration fees must be approved by the Division Director, County Administrator or Elected Official prior to the convention or conference dates. Prior to approval of registration fees, the Division Director, County Administrator or Elected Official must reduce the cost by unrelated items that are not a direct part of the official

convention or conference, such as tours, or social activities. It is the responsibility of the Division Director, County Administrator, or Elected Official to ensure that any meals included in the registration fee are not claimed in the daily meal allowances. Approval will not be authorized unless full justification is given on the travel authorization form. Travel authorization requests should be accompanied by a copy of brochures, fee schedules, or other material listing the specific costs included in the registration fee.

9. Transportation.

a. General Policy - Authorization of the mode of travel will be by the most economical means. In order to determine the most economical means, the following cost alternatives shall be considered: train fare, airfare, mileage, subsistence including lodging, meals, incidental expenses, and salary costs.

b. County Vehicle Use - Use of County vehicle for business purposes and to attend workshops is encouraged. A spouse or dependent of an employee will not be permitted to be a passenger in a County owned vehicle unless the individual is also an employee of the County or such passenger is pre-approved by the Division Director, County Administrator or Elected Official.

c. Private Cars -

i. Use of Private Car for Convenience of the County: A qualified traveler may use his/her private vehicle at a reimbursement rate approved and adopted by the Board of Commissioners not to exceed the maximum rate established by the IRS as the business standard mileage rate under the following circumstances:

ii. When the qualified traveler has a physical handicap which requires specialized equipment or operation of a motor vehicle that is not available on County owned vehicles; or

iii. When such use is to the County's advantage, due to particular requirements of the qualified traveler's duties, reimbursement is limited to direct mileage between stops on the qualified traveler's itinerary; or

iv. A County owned vehicle is not available.

v. Use of Private Cars for Convenience of the Employee: An employee who chooses to use his/her private vehicle in lieu of a County owned vehicle for County business shall use a reimbursement rate approved and adopted by the Board of Commissioners not to exceed 82% of the maximum rate established by the IRS as the business standard mileage rate. The maximum reimbursement for use of private cars under this section is the lowest cost roundtrip airfare obtainable in advance of travel plus anticipated tolls and rental car fees.

vi. Reimbursement of costs incurred through use of a private car should be for direct mileage between points on the qualified traveler's itinerary. Mileage should be from the qualified traveler's assigned duty station or home, whichever is less. Map Quest will be utilized to determine allowable mileage between destination points on the qualified traveler's itinerary. Excess mileage will not be reimbursed unless proper justification accompanies the travel expense report. Tolls and parking are

reimbursable to qualified travelers when using personal vehicles. Receipts must be provided when costs of tolls and parking exceeds four dollars ($4.00) per day. Subsistence expense is reimbursable only for the period required for airplane travel.

vii. Reimbursement may not be made for:

(1) Commuting between an employee's home and his/her permanent duty station.
(2) Commuting between an employee's home and a temporarily assigned duty station.
(3) Travel between an employee's duty station and a temporarily assigned duty station or another county work site.
(4) Travel from home or a duty station to pick up a motor pool vehicle or other county transportation.

viii. Reimbursement for travel between the qualified traveler's duty station and the nearest airline terminal and for appropriate parking may be made under the following circumstances. For travel by:

(1) Taxi: Actual cost when supported by a receipt.

(2) Private Car: Mileage reimbursement will be paid at a rate not to exceed the rate established and adopted by the Board of Commissioners, which cannot exceed 82 % of the IRS business standard mileage rate. A maximum of two round trips with no parking charge may be reimbursed or one round trip with parking may be reimbursed. Receipts are required for all parking claims greater than four dollars ($4.00) per day.

(3) Reimbursement for travel to and from the airline terminal at the qualified traveler's destination may be made under the following circumstances:

- Airport Shuttle Service - one round trip fare.
- Bus - one round trip bus fare.
- Taxi, when shuttle service is available - one round trip shuttle fare.
- Taxi, when shuttle service is not available - one actual fare to and from the airline terminal.
- In situations where round trip costs, other than limousine, exceed twenty dollars ($20.00), complete justification and a receipt must be presented with the traveler's expense account.

d. Commercial Airlines: Tickets for commercial air travel may be purchased by the County or by the traveler and claimed on his/her expense account. Travel by "air coach" must be utilized. A receipt is required for reimbursement. Flight insurance is not reimbursable.

e. Non-commercial Air Travel: Request for all travel as passengers on non-commercial (charter flights) aircraft are made and approved in the same manner as transportation by other means.

f. Scheduled Bus and Train Service: The actual cost of coach fare for rail and bus service on County business is reimbursable, as is the actual cost of Pullman fare when overnight trips are required.

g. Taxis and Limousines: The actual cost of taxi and limousine fares is reimbursable when required for travel on County business. Taxi fares are not reimbursable for inter-city transportation except in emergencies when no less expensive mode of transportation is available within a reasonable period.

g. Rental Cars: Rental car charges at the least expensive available rate are reimbursable when required for inter-city travel when no alternate mode of transportation is practical. No reimbursement may be made for use of a rental car when a County or private car is available. The qualified traveler must present identification and request the government discount rate. If the request for a discount is not approved, the qualified traveler should attempt to find another agency which will provide a discount. Deductible insurance beyond that provided by the rental agency should be declined as the County will accept liability for deductible coverage beyond this amount. The traveler must also present a valid driver's license at the time the car is rented. In order to receive reimbursement, the qualified traveler must submit a receipt for these expenses with the travel expense report.

10. WORKSHOPS

a. Authorization for Holding Formal Workshops

Whenever feasible, workshops should be held in facilities owned by the County. When necessary, other facilities may be rented and the costs charged to participants as part of a registration fee. For subsistence allowance purposes, the 35 mile limitation with regard to traveler's duty station as set forth previously does not apply for travelers attending formal meetings.

Workshops sponsored by the County are considered formal when they meet the following limitations:

- There are five or more participants.
- The workshop is planned in detail in advance, with a formal agenda or curriculum.
- There is a written invitation to participants setting forth the calendar of events and the detailed schedule of costs.

When a registration fee is not charged, the County may provide refreshments for "coffee breaks" provided there are five (5) or more participants and costs do not exceed five dollars ($5.00) per participant per day, per workshop. For coffee breaks to be paid by the County, the following shall be secured: (1) An itemized receipt or invoice; (2) A list of participants by name; and (3) Purpose and duration of workshop or a formal agenda.

When workshops are to be held under the sponsorship of the County in which the funding for all participants is budgeted, lump-sum payments to a conference center or a service organization may be made upon written authorization from the Division Director, County Administrator or Elected Official. The authorization must provide

i. the purpose and duration of the workshop;

ii. the number of persons expected to attend;

iii. the specific meals to be served at the workshop;

iv. the approximate daily subsistence cost per person;

v. the name of the conference center, hotel, caterer, or other organization providing the service.

Payments will be made only when the following items are attached to the travel expense report: An itemized invoice, approved by the Division Director, County Administrator or Elected Official, with a list of names, addresses, and affiliations of those attending.

b. Expense Reimbursement and Payment for Participants at Formal Workshops

Reimbursement for expenses of qualified travelers or payment expenses incurred on behalf of qualified travelers participating in any formal conferences, convention, school, workshop, institute, seminar, or other organized gathering sponsored by the County shall be in accordance with all provisions of these travel regulations and shall be based on in-state rates.

The County will pay registration fees for qualified travelers when attending meetings. If any portion of the registration fee is to be used to defray meal costs, it is the responsibility of the County Administrator, Division Director and Elected Official to ensure that qualified travelers are not reimbursed for the same meals charged in the registration fees.

c. Informal Meetings:

i. Guests of Fayette County: The County Administrator, Division Directors, and Elected Officials may be reimbursed from County funds for the entire cost of business meals for all participants while conducting official County business. Such meals are not subject to the daily maximum limitations on amounts contained in these regulations; (the limitations pertaining to minimum distance from duty station does not apply.) To be eligible for reimbursement, all such meals must be approved by the Division Director, County Administrator or Elected Official. All such business meals must include all valid receipts or invoices as well as the business purpose of the meal and the names of all individuals attending the meal. Cost of meals and other expenses for family members of County employees, the County Administrator, Division Directors, and Elected Officials are not reimbursable from County funds. A report of business meal expenditures shall be made to the Board of Commissioners on a quarterly basis.

ii. Each qualified traveler is responsible for his/her own request for reimbursement. All reimbursement requests shall be filed for approval and payment within thirty (30) days after the last day of travel or the reimbursement amount will be forfeited. Specific dates of travel and lodging must be listed on the reimbursement request. Lodging and meals reimbursement shall be substantiated by a receipt from a commercial lodging establishment. For reimbursement to be made, the following shall be included separately on each request: destination (include time of departure and arrival on the reimbursement request); mileage; mode of transportation; luggage handling; parking; registration fee; airport shuttle service fee; etc.