

**ORDINANCE NO. 216-5**

**AN ORDINANCE OF THE CITY OF BANEERRY, TENNESSEE  
TO ESTABLISH TRAVEL REIMBURSEMENT REGULATIONS FOR CITY OFFICIALS  
AND CITY EMPLOYEES CONDUCTING OFFICIAL BUSINESS**

**WHEREAS**, Public Acts 1993, chapter 433 requires Tennessee municipalities to adopt travel and expense regulations; and

**WHEREAS**, the City of Baneberry issued City Ordinance 93-5 to be in compliance with Tennessee State law; and

**WHEREAS**, the City of Baneberry desires to update City Ordinance 93-5;

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF BANEERRY, THAT:**

**Section 1. Purpose.**

- A. The purpose of this ordinance and referenced regulations is to bring the City into compliance with Tennessee Code Annotated § 6-54-901–907. This law requires Tennessee municipalities to adopt travel and expense regulations covering expenses incurred by *"any mayor and any member of the local governing body and any board or committee member elected or appointed by the mayor or local governing body, and any official or employee of the municipality whose salary is set by charter or general law"*.
- B. To provide consistent travel regulations and reimbursement, this ordinance is expanded to cover regular City employees. It is the intent of this policy to assure fair and equitable treatment to all individuals traveling on City business at City expense.

**Section 2. Enforcement.**

The City Manager or his or her designee shall be responsible for the enforcement of these travel regulations.

**Section 3. Travel Policy.**

- A. In the interpretation and application of this ordinance, the term *"traveler"* or *"authorized traveler"* means any elected or appointed municipal officer or employee, including members of municipal boards and committees appointed by the mayor or the municipal governing body, and the employees of such boards and committees who are traveling on official municipal business and whose travel was authorized in accordance with this ordinance.

"Authorized traveler" shall NOT include the spouse, children, other relatives, friends, or companions accompanying the *authorized traveler* on City business, unless the person(s) otherwise qualifies as an *authorized traveler* under this ordinance.

- B. Authorized travelers are entitled to reimbursement of certain expenditures incurred while traveling on official business for the City. Reimbursable expenses shall include expenses for transportation; lodging; meals; registration fees for conferences, conventions and seminars; and other actual and necessary expenses related to official business as determined by the City Manager. Under certain conditions, entertainment expenses may be eligible for reimbursement.
- C. Authorized travelers can request either a travel advance for the projected cost of authorized travel, or advance billing directly to the City for registration fees, air fares, meals, lodging, conferences and similar expenses.
- D. Travel advance requests are NOT considered documentation of travel expenses. If travel advances exceed documented expenses, the traveler must immediately reimburse the City. It will be the responsibility of the City Manager to initiate action to recover any undocumented travel advances.
- E. Travel advances are available only for special travel and only after completion and approval of the travel authorization form. (Appendix B.)
- F. To qualify for reimbursement, travel expenses must be:
  - Directly related to the conduct of the City business for which travel was authorized, and
  - Actual, reasonable and necessary under the circumstances.

The City Manager may make exceptions for unusual circumstances. **Expenses considered excessive will not be allowed.**

- G. Claims of five dollars (\$5) or more for travel expense reimbursement must be supported by **dated, original itemized receipts, AND proof of payment** for lodging, vehicle rental, phone calls, public carrier travel, conference or similar fees, and other reimbursable costs. Credit card payment forms or statements alone are not considered itemized receipts for transportation tickets, lodging or car rental.
- H. Any person attempting to defraud the City or misuse City travel funds is subject to legal action for recovery of fraudulent travel claims and/or advances.
- I. Mileage and motel expenses for training, conferences, workshops, seminars, etc., incurred within the City are not ordinarily considered eligible expenses for reimbursement.

- J. Authorized, Privately Owned Vehicle (POV) mileage incurred by City officials and employees in the conduct of City business is authorized. Mileage between home and work is NOT authorized for reimbursement. As with all expenditures of public funds, travel mileage in the conduct of City business must be planned and consolidated to accomplish business efficiently while minimizing mileage expense.
- K. The **Travel Expense Reimbursement Statement** will be used to document all expense claims. (Appendix C.)
- L. The **Local Travel Expense Report** will be used to document all authorized local mileage. (Appendix D.)

**Section 4. Travel Reimbursement Rate Schedules.**

- A. Authorized travelers shall be reimbursed according to the current tax year federal travel regulation rates. The City's travel reimbursement rates will automatically change when the federal rates are adjusted.
- B. The municipality may pay directly to the provider for expenses such as meals, lodging and registration fees for conferences, conventions, seminars and other education programs.

**Section 5. Administrative Procedures.**

The City adopts and incorporates by reference, as fully set out at Appendix A, the **Administrative Procedures** submitted by MTAS to, and approved by letter by, the Comptroller of the Treasury, State of Tennessee.

**Section 6: Severability.**

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

**Section 7: Conflicts.**

Baneberry Ordinance 93-5 is hereby repealed. All other Baneberry City ordinances or resolutions or parts of either found to be in conflict herewith are hereby repealed.

**Section 8: Adoption.**

This ordinance shall take effect fifteen (15) days from and after the date it shall have been passed, properly signed, certified, and having met all other legal requirements and as otherwise provided by law, the general welfare of the City of Baneberry requiring it.

**This ordinance is complete in four (4) pages of text and four (4) appendices.**

- Appendix A – Administrative Procedures, 8 pages
- Appendix B – Authorization for Travel, 1 page
- Appendix C – Travel Expense Statement, 1 page
- Appendix D – Local Travel Expense Report, 1 page

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Clint Hurley, Mayor

ATTEST: \_\_\_\_\_  
Janice Hobson, City Manager

Passed first reading: \_\_\_\_\_

Passed second reading: \_\_\_\_\_

Public Hearing: \_\_\_\_\_

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## **APPENDIX A - ADMINISTRATIVE PROCEDURES**

### **TRAVEL REQUESTS**

To ensure reimbursement for official travel, an approved travel authorization form (Appendix B) is required. Lack of pre-approval does not prohibit reimbursement, but it does assure reimbursement within the limits of the City's travel policy. All costs associated with the travel should be reasonably estimated and shown on the travel authorization form. An approved authorization form is needed before advanced expenses are paid or travel advances are authorized. A copy of the conference program/training agenda/etc., if applicable, should be attached to the form. If the program/agenda is not available prior to the travel, submit it with the reimbursement form.

**Travel proposed by and for the City Manager must be pre-approved by a Commissioner.**

### **TRAVEL DOCUMENTATION**

It is the responsibility of the authorized traveler to:

1. Accurately describe the travel on a Travel Expense Statement form. (APPENDIX C)
2. Certify the accuracy of the Travel Expense Statement.
3. Record, on the Travel Expense Statement, all direct payments and travel advances made by the City.
4. File the Travel Expense Statement, necessary supporting documents, and original receipts with the City Manager.

The Travel Expense Statement (form) should be filed with the City Manager within 10 days of return, but no later than the end of the month. Travel ending near the end of the month shall be reported as soon as practicable upon completion of travel and return to duty.

### **Transportation**

All potential costs should be considered when selecting the modes of transportation. For example, airline travel may be cheaper than automobile when time away from work and increased meal and lodging costs are considered. When time is important, or when the trip is so long that other modes of transportation are not cost-beneficial, air travel is encouraged.

If the traveler goes outside the state by means other than air, reimbursement will be limited to air fare at tourist or economy class, ordinary expenses during the meeting dates, and one day's meals and motel before and after the meeting. The traveler will be required to take annual leave for any additional time taken beyond the day before and the day after the meeting dates.

**Exceptions:** When the traveler extends the trip with personal time to take advantage of discount fares, the reimbursement will be limited to the lesser of:

1. The actual expenses incurred, or
2. The amount that would have been incurred for the business portion only. The calculations for the business portion of the trip must be made using the least expensive rates available.

All expenses and savings associated with extending the trip must be submitted with the Travel Expense Statement form.

#### **A. Air**

When possible, the traveler should make full use of discounts for advance airline reservations and advance registration. The traveler should request conference, government, or weekend rates, whichever is cheaper, when making lodging or rental car reservations. The City will pay for tourist or economy class air travel. The traveler should get the cheapest reasonable fare and take advantage of "Super Saver" or other discount fares. Airline travel can be paid by direct billing to the City.

Mileage credits for frequent flyer programs accrue to the individual traveler. However, the City will NOT reimburse for additional expenses – such as circuitous routing, extended stays, layovers to schedule a particular carrier, upgrading from economy to first class - for travelers to accumulate additional mileage or for other personal reasons.

The City will NOT reimburse travel by private aircraft unless authorized in advance by the City Manager.

#### **B. Rail or Bus**

The City will pay for actual cost of ticket.

#### **C. Vehicles**

Automobile transportation may be used when a common carrier cannot be scheduled, when it is more economical, when a common carrier is not practical, or when expenses can be reduced by two or more City employees traveling together.

- **Personal Vehicle.** Employees should use City vehicles when possible. Use of a private vehicle must be approved in advance by the City Manager. The City will pay a mileage rate not to exceed the rate allowed by the federal schedule. The miles for reimbursement shall be paid from origin to destination and back by the most direct route. Necessary vicinity travel related to official City business will be reimbursed.

However, mileage in excess of the Rand-McNally mileage must be documented as necessary and business-related. If an indirect route is taken, the Rand-McNally mileage table will be used to determine the mileage to be reimbursed.

If a privately owned automobile is used by two or more travelers on the same trip, only the traveler who owns or has custody of the automobile will be reimbursed for mileage. It is the responsibility of the traveler to provide adequate insurance to hold harmless the City for any liability from the use of the private vehicle.

In no event will mileage reimbursement, plus vicinity travel and associated automobile costs, exceed the lowest reasonable available air fare and associated air fare travel costs.

Travelers will NOT be reimbursed for automotive repair or breakdowns when using their personal vehicle.

- **City Vehicle.** The City may require the employee to drive a City vehicle. If a City vehicle is provided, the traveler is responsible for seeing that the vehicle is used properly and only for acceptable business.

The employee will be reimbursed for expenses directly related to the actual and normal use of the City vehicle when proper documentation is provided. Out-of-town repair cost to the City vehicle in excess of \$100 must be cleared with the City Manager before the repair is authorized.

- **Rental Cars.** Use of a rental car is NOT permitted unless it is less expensive or otherwise more practical than public transportation. Car rental must be approved in advance by the City Manager.

Always request the government or weekend rate, whichever is cheaper. Anyone who uses a rental car for out-of-state travel must obtain liability coverage from the vendor.

- Fines for traffic or parking violations will NOT be reimbursed by the City.
- Reasonable tolls will be allowed when the most direct travel route requires them.

#### **D. Taxi, Limousine, and Other Transportation Fares**

When an individual travels by common carrier, reasonable fares will be allowed for necessary ground transportation. Hotel/motel/convention center courtesy vans, bus, cab or limousine service to and from airports should be used when available and practical. The City will reimburse mileage for travel to and from the local airport and parking fees, provided such costs do not exceed normal taxi/limousine fares to and from the airport.

**Receipts are required.**

For travel between lodging quarters and meetings, conferences, or meals, reasonable taxi fares will be allowed. **Remember, original receipts are required for claims of five dollars (\$5) or more.** Transportation to and from shopping, entertainment, or other personal trips is the choice of the traveler and not reimbursable.

Reimbursement claims for taxis, limousines, or other ground transportation must be listed separately on the expense reimbursement form, claiming the destination and amount of each fare.

## **Lodging**

- A. The amount allocated for lodging shall not ordinarily exceed the maximum per diem rates authorized by the current federal rate schedule.

The Federal Travel Register provides guidelines for determining the maximum that can be reimbursed for lodging. IRS Publication 1542 lists the maximum reimbursable rates for hotel rooms plus appropriate taxes.

- B. Original lodging receipts must be submitted with the reimbursement form. **Photocopies are NOT acceptable.**
- C. If a traveler exceeds the maximum lodging per diem, excess costs are the responsibility of the traveler.
- D. If the best rate is secured, and it still exceeds the maximum lodging per diem, the City Manager may authorize a higher reimbursement amount.

**NOTE:** Even if it costs more, travelers may be allowed to stay at the officially designated hotel of the meeting; however, more moderately priced accommodations must be requested whenever possible. It will be the traveler's responsibility to provide documentation of the "officially designated meeting site" room rates, if these rates are higher than the normal reimbursable amounts.

- E. If two or more City employees travel together and share a room, the lodging reimbursement rate will be the maximum of two single rooms. If an employee shares a room with a non-employee, the actual cost will be allowed up to the maximum reimbursable amount. The receipt for the entire amount must be submitted with the Travel Expense Statement.



## Meals

Receipts are not required for meals. The authorized traveler may be reimbursed the daily amount based on the rate schedule and the authorized length of stay. The per diem meal amounts are expected to cover meals, tips, porters, and incidental expenses. The authorized traveler will NOT be reimbursed more than this.

Whether meals may be claimed depends on when the traveler leaves and returns to the official station. The traveler's official station is home or work, whichever produces the least cost to the City. When partial day travel is involved, the current per diem allowance is determined as follows:

MEAL	IF DEPARTURE BEFORE:	IF RETURN AFTER:
Breakfast	7 a.m.	8 a.m.
Lunch *	11 a.m.	1:30 p.m.
Dinner **	5 p.m.	6:30 p.m.

\* Generally, lunch will not be reimbursed unless overnight travel is involved. Lunch may be reimbursed if departure is before 11 a.m., **and** the employee is eligible to be reimbursed for dinner.

\*\* When overnight travel is involved, dinner reimbursement is authorized regardless of departure time.

Regardless of which reimbursement rate the City uses, the amounts include tip, gratuity, etc.

### **The hour and date of departure and return must be shown on the expense reimbursement form.**

The excess cost of an official banquet may be allowed provided proper documentation or explanation is submitted with the Travel Expense Statement. If a meal is included as part of a conference or seminar registration, then the allowance for that meal will be subtracted from the total allowance for the day.

For example, if a dinner is included as part of the conference fee, the maximum meal allowance for the day should be reduced by the allowed dinner amount.

## Miscellaneous Expenses

- A. Registration fees for approved conferences, conventions, seminars, meetings, and other educational programs will be allowed and will generally include the cost of official banquets, meals, lodging, and registration fees. Registration fees should be specified on the original travel authorization form and can include a request for pre-registration fee payment.
- B. The traveler may be reimbursed for personal phone calls while on overnight travel, but the amount will be limited to \$5 per day.
- C. A \$4 allowance will be reimbursable for hotel/motel check-in and baggage handling expenses.
- D. Laundry, valet service, tips, and gratuities are considered personal expenses and are NOT reimbursable.
- E. For travel outside the United States, all expenses claimed must be converted to U.S. dollars.

**The conversion rate and computation should be shown on each receipt.**

## Entertainment

The City may pay for certain entertainment expenses provided that:

- A. The entertainment is appropriate to and in the conduct of City business;
- B. The entertainment is approved in advance by the City Manager or in the case of travel by the City Manager; the expense is approved in advance by the City Council;
- C. The nature of the entertainment and the group or individuals involved are identified in an attachment to the travel reimbursement claim; and
- D. Documentation is attached to the Travel Expense Statement to support the entertainment expense claims.

**Examples:** Entertainment that may be approved might include: (1) Added-cost activity or outing during a conference, workshop or training where the authorized traveler's City-related knowledge and or skills may be enhanced and/or networking opportunities that will benefit the City exist. (2) Added-cost banquet or key note presentation that where the authorized traveler's City-related knowledge and or skills may be enhanced.

Entertainment costs that would NOT be approved: Any claimed recreational expense that does not directly benefit the City or that may reflect negatively on the authorized traveler and or the City.

Golf outings, spa services, raft trips, bowling costs, sporting events; movies, theater / concert costs, bar expenses, fees at adult clubs, are not authorized travel expenses, regardless to “networking opportunities” that might be claimed.

An example where one of these may be authorized would be an employee of a City-owned and operated Parks and Recreation golf course attending an added-cost golf outing structured to demonstrate new technology, equipment, maintenance, etc.

Bottom line: Any cost for recreational activity, not approved in advance and voluntarily incurred by the authorized traveler where the sole purpose is personal relaxation or recreation shall not be a reimbursable expense.

Pay-for-TV movies, channels, or shows and courtesy bar costs associated with room rental are not authorized travel expenses, regardless to “networking opportunities” that might be claimed.

To request reimbursement for authorized entertainment expenses, be sure to include with the expense reimbursement form:

- A. **Required receipts.** All requests must be supported by original receipts from the vendor (restaurant, caterer, ticket office, etc.). Reasonable tips and gratuities included on the receipt by the vendor are reimbursable.
- B. A **disclosure and explanation statement**, explaining the purpose of the entertainment and identifying the group and the number of people entertained (or individual names listed if not a recognized group).

**If the City Manager is the person filing the claim, it must be approved by the governing board before reimbursement is authorized.**

#### **TRAVEL RECONCILIATION**

- A. Within 10 days of return from travel, or by the end of the month, the traveler is expected to complete and file the Travel Expense Statement. It must be certified by the traveler that the amount due is true and accurate. Original lodging, travel, taxi, parking, and other receipts must be attached.

If the City provided a travel advance or made advanced payment, the traveler should include that information on the expense form. In the case of advances, the form should

have a reconciliation summary, reflecting total claimed expenses with advances and City pre-payments indicated.

The balance due the traveler or the refund due the City should be clearly shown - below the total claim on the form or in a cover memo attached to the front of the form.

- B. If the traveler received a travel advance and spent less than the advance, the traveler should attach a check made payable to the City for that difference.
- C. The City Manager will address special circumstances and issues not covered in this ordinance on a case-by-case basis.

### **DISCIPLINARY ACTION**

Violation of the travel rules can result in disciplinary action for employees. Travel fraud can result in criminal prosecution of officials and/or employees.

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**APPENDIX B – TRAVEL AUTHORIZATION FORM**

**Request and Authorization for Travel  
Baneberry, Tennessee**

I hereby request authority for travel on official City business to the destination on the dates and for the purpose indicated below:

DATE	DESTINATION CITY & STATE	HOTEL / DESTINATION ADDRESS	PURPOSE OF TRAVEL
Attach additional details as applicable.			

Accompanied by: \_\_\_\_\_

Mode of Travel: \_\_\_\_\_

Applicant: \_\_\_\_\_ Department / Account \_\_\_\_\_

Traveler's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Total Estimated Cost of Travel: \$ \_\_\_\_\_

**SPECIAL FUNDING REQUEST:**

- (1) Registration Pre-payment: YES  NO
- (2) Prepaid Airline Tickets: YES  NO
- (3) Travel Advance: YES  NO  Amount of advance: \$ \_\_\_\_\_

APPROVAL: (Note – Approval of travel requests by the signatory below indicates that adequate funding is provided in appropriations to cover the estimated cost of this travel.)

Signature \_\_\_\_\_  
City Manager

Signature \_\_\_\_\_  
Mayor/Department Head

**APPENDIX C – TRAVEL EXPENSE STATEMENT**

**TRAVEL EXPENSE STATEMENT**

**Detail of expenses incurred while traveling on City business - Baneberry, Tennessee**

Name:

\_\_\_\_\_  
First Middle Last

Address:

\_\_\_\_\_  
City State ZIP

Purpose of Travel: \_\_\_\_\_

Advanced Travel Payment Received: YES  NO  Amount of advance: \$ \_\_\_\_\_

Departure Date: \_\_\_\_\_ Hour: \_\_\_\_\_ Return Date: \_\_\_\_\_ Hour: \_\_\_\_\_

Date		Expenses		Meals			Transportation	Other Expenses Taxi, phone, etc.		Total for each line
Mo.	Day	Where Incurred	Lodging	Breakfast	Lunch	Dinner		Item	Amount	
		Total each column								

(Attach additional details as applicable.)

Total Reimbursement Request: \$ \_\_\_\_\_ or, Repayment due the City: \$ \_\_\_\_\_

If an adjustment is made, a supplemental Travel Expense Statement may be filed when proper documentation has been obtained. The original reimbursement check number should be referenced when filing a supplemental claim.

Check No: \_\_\_\_\_

Approved: \_\_\_\_\_  
Head of Department Date

Approved: \_\_\_\_\_  
Mayor / City Manager Date

I certify that the above stated expenses were incurred by me while on City business.

If an error is found, please return for correction. (Otherwise the necessary adjustment will be made.)

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Title

Please staple "original" receipts and applicable documentation to this form.

