

LIVINGSTON COUNTY COUNTY EMPLOYEE BUSINESS EXPENSE POLICY

RESOLUTION #2019-12-182

LIVINGSTON COUNTY, MICHIGAN

APPROVED: 12/9/2019

PURPOSE

The purpose of this policy is to establish a clear and uniform understanding of the procedure to reimburse Livingston County employees and Elected Officials for reasonable and customary business expenses while on official County business.

APPLICATION OF POLICY

The Employee Business Expense Policy applies to all Livingston County employees and Elected Officials who incur expenses while on authorized County business.

In some isolated cases, a business expense claim might be unique and on a case-by-case basis may need to be reviewed and a determination made by the County Administrator and/or Deputy County Administrator/Financial Officer; however, this primarily applies to expenses not discussed in this policy.

AUTHORIZATION AND RESPONSIBILITY

1. The Livingston County Board of Commissioners authorizes the Business Expense Reimbursement Policy.
2. Fiscal Services is responsible for administration of this policy.
3. Elected Officials/Department Directors are responsible for conveying this policy to their employees.
4. For an employee traveling on business, it is the traveler's is responsible for understanding and complying with this policy.
5. The traveler's supervisor is responsible for reviewing the expense claim and the supporting documentation for compliance of the policy and certify so by approving the employee's request through electronic workflow in the County's Enterprise Resource Planning (ERP) software.

Failure to comply with this policy could delay payment or the claim being adjusted or rejected by the Board of Commissioners.

PROFESSIONAL DEVELOPMENT

Professional development, as defined in this policy, is a gathering of professionals sharing a common position, expertise and/or authority who meet to discuss current issues within a specific discipline/field and who attend sessions designed to update the participant's knowledge in the various facets of a particular discipline/field. Conferences or training attended for professional development shall be job-related and beneficial to the County.

The County recognizes the value in maintaining employees who are well trained in the particular knowledge, skills, and abilities needed to use the equipment, techniques and procedures to accomplish their assigned tasks. It is understood that professional development sessions are generally of a one (1) or two (2) day duration, are held within the State of Michigan, and are designed to teach a specific skill, technique and/or application. Professional development courses must meet one of the following criteria: be specialized, provide the participant with a certificate of completion, offer continuing professional education (CPE) credits, or be geared toward a job-related professional level certification which shall be presented to the Department Director or designated person within the employee's department to verify successful completion of the training.

It is the responsibility of each Elected Official/Department Director to review, authorize, and manage employee professional development opportunities they deem beneficial within their approved annual allocation. Out of state professional development is only allowed for specialized courses not available in state. Approval to attend professional development opportunities that were not planned for in the budget process are within the department director's discretion contingent on sufficient funding being available in the appropriate travel line item. The Courts will be authorized to transfer between Court authority org and object codes within a fund provided it results in a net zero effect on the Court authority's bottom line budget.

- Employees shall provide the Elected Official/Department Director an estimated total cost of the trip and **get written approval prior** to attending any overnight conferences or meetings. It is common practice that employees pay for certain conference expenses such as transportation, registration, and lodging with the County Pcard/AP check and then follow up by requesting reimbursement for remaining expense through ESS. The total cost of the trip includes both expenses paid by a County Pcard/AP check and reimbursements made to the employee and include costs such as registration, transportation, lodging, meals, and other miscellaneous costs (parking, shuttle, baggage fees).
- A Conference Cost Form is available on the County website and can be used as a guide to ensure all costs are being taken into consideration when seeking approval from the Elected Official/Department Director, or an email with the estimated cost and the Department Directors approval will suffice.
- A written approval from the Department Director **must** be included as supporting documentation in the ERP software for an overnight trip.

Fiscal Services will prepare an out-of-state travel report to present to the Board of Commissioners at the first Finance Committee meeting in April of each year. The report will list each person who traveled outside of the state during the preceding fiscal year. The list will include the name of the employee, department, destination, reason for travel, dates of travel, mode of transportation, funding source, and the total cost to the County.

ALLOWABLE EXPENDITURES

ACCOMMODATIONS

Reimbursement may be made for actual expenditures for overnight accommodations while on official business, subject to the following restrictions and limitations:

If the destination is more than 100 miles from the normal work location, and if the individual must be at the destination at or before 9:00 a.m., an employee may elect to stay overnight the preceding calendar day.

If official business terminates after 5:00 p.m. EST and the location is more than 100 miles from the normal work location, the official or employee may remain overnight and commence travel the following morning.

If the temporary work location is more than 50 miles from the normal work location and the duration is more than one day, the night between such workdays may be spent in the immediate vicinity and reimbursement claimed for the cost of lodging.

Reimbursement shall be limited to the cost of a single room at prevailing rates for accommodations normally used in business.

If a double room is shared with a non-employee or an employee not of the specific department and not attending the conference/training, reimbursement may be claimed for the amount equal to the rate for a single occupancy accommodation.

MEALS

The County will reimburse an employee for meals while on approved business that is conducted 20 miles outside of the county. Meals will no longer be allowed to be purchased on the County Pcard or added to a hotel receipt. There will be no advancement of per diem paid.

For those conference or training sessions which do not require overnight accommodations, the following fixed per diem rates apply:

Reimbursable Meal	Travel begins before	And travel extends past	Per Diem
Breakfast	6:30 AM	8:30 AM	\$8
Lunch	11:30 AM	2:00 PM	\$12
Dinner	5:30 PM	8:00 PM	\$20

Per Diem rates cannot be combined.

Overnight Travel:

For conferences or training sessions that require overnight accommodations, the County shall utilize the current Standard Rate for meals established by the U.S. General Services Administration (GSA). Per Diem amounts cover the cost of the meal and the associated tax and gratuity. (See Attachment "A"). Note: incidental expenses and first & last day of travel does not apply within this policy.

- Meals that are included with the conference, seminar or meeting shall not be paid a per diem.
- Conference, seminar, or meeting agenda are required and must be submitted as supporting documentation with the request for per diem through ESS within sixty (60) days of the expense.

TRANSPORTATION

The expense of traveling by public carrier (rail, airplane, boat) will be allowed on the basis of actual cost. Department Directors traveling shall have approval of County Administrator prior to booking/purchase of tickets. All travelers are expected to travel by the **most economical mode** of transportation. Transportation expense in excess of the cost of coach-class air fare will not be allowed unless justification

therefore is given and the approval of the Administrator and/or the Administrator's designee is obtained before leaving on the proposed trip. The cost of one bag of luggage on the public carrier will be reimbursed.

In the event that an employee uses a personal vehicle for travel in lieu of air transportation, business expense reimbursement shall be at the prevailing Board approved County mileage rate or union contract rate and shall not exceed the rate for commercial coach air travel. Out-of-state travel using a County vehicle will be dependent on availability and must have prior written approval by the County Administrator before Car Pool can release the vehicle. This approval must accompany the reimbursement request.

When an employee uses a personal vehicle for day to day business travel to/from business locations, mileage expense reimbursement shall be at the prevailing Board approved County mileage or union contract mileage rate.

If the employee is directed to return to his/her work site after conducting official County business, the employee shall be paid mileage for the return trip back to the work site. Work site shall be defined as the County Department office which is considered the employee's main assignment.

If an employee is permitted to begin business travel from his/her residence, the amount of mileage claimed should be the mileage driven in excess of that which is ordinarily incurred during the daily commute to ones' main work site.

Example: Employee attends a meeting in Ann Arbor which is 30 miles from home. Drives to work after the meeting, which is another 30 miles. Normal drive to work is 20 miles. Employee would claim 40 miles, not actual extra miles driven.

$(30 + 30 = 60 - 20 = 40 \text{ miles})$

Mileage for employees and elected officials, excluding Board of Commissioners (See MCL 46.52 and 46.62), shall **not** be paid for regular commuting miles from home to work or work to home. Employees who are required to travel on County business are only to request mileage for travel other than what would be considered their normal commute from home. Mileage to County Commissioners must be included on their W-2 as taxable income.

An employee who is "called back" during off duty hours to work site shall not be paid for mileage traveled except in case of emergency as determined by the department director.

MISCELLANEOUS

Miscellaneous expenses incidental to official County travel shall be held to the minimum amount required for essential and efficient conduct of County business. The Elected Official/Department Director, or authorized representative, approving the travel will be held responsible for their certification for all items of expense as being necessary, reasonable and accurate.

The following miscellaneous items are reimbursable with appropriate itemized receipts:

1. Registration Fees: Enrollment or registration fees for conventions and meetings, associations or organizations are allowable for individuals attending as official representatives of the County. Receipts must be uploaded through ESS. **Registration or Conference literature must be attached for any overnight conference.** If meals are included in the registration fee, corresponding meals are not reimbursable.
2. Parking Fees: Reimbursement for parking fees is allowable with proper receipts.

3. Taxi Cab: Necessary taxi cab fares will be allowed with receipts. Tips may not exceed 15%.
4. Car Rental: Allowable only if: (a) **approved in advance** of travel by the County Administrator or the County Administrator's designee, (b) it is more advantageous for County business and (3) more economical than some other mode of transportation. Explanation and receipt are required.
5. Personal Expenses: The County will not reimburse for the following: fees and tips for valets, flight insurance, housekeeping/maid service, alcoholic beverages, cleaning and pressing clothing, renting movies, tobacco products, gift cards, snacks and similar personal expenses.
6. Baggage Fees: Travelers will be reimbursed for one bag with appropriate receipts.
7. Toll Bridge, Toll Road, and Ferry Boat Expenses: Toll bridge, toll road and ferry boat expenses are allowed with receipts.
8. Unforeseen expenses incurred due to inclement weather will be evaluated on a case by case basis.
9. Miscellaneous business expenses that are unrelated to travel (boot reimbursement, certification fees, job related materials, etc.) may also be claimed by an employee for reimbursement. These type of expenses must be job related should have the Supervisor's approval prior to the employee incurring the cost, whenever possible.

Receipts which fail to show the details of an expenditure including the name of the vendor, the date of purchase, what was purchased, price of such item, the total amount with taxes or fees, and proof of payment, must be accompanied by the Receipt Affidavit form (Appendix A) that is signed by both the employee and the Elected Official/Department Director.

- Use of this form should be used sparingly and the employee should be reminded of this by the Director. Excessive use of this form by the same employee could result in future non-itemized claims for that employee being denied.

EXPENSE REIMBURSEMENT CLAIMS THROUGH EMPLOYEE SELF-SERVE (ESS)

Reimbursement requests shall be submitted through the Employee Self-Serve (ESS) Program in the County ERP system. Each reimbursement requested shall include the what, when, where, and why as follows:

- Name of the event, conference, training or meeting attended (WHAT)
- Travel dates (WHEN)
- Starting address and destination address, including city, state (WHERE)
 - Documentation from an online mapping program showing the beginning and ending destination points should be included as back up to accompany non-county buildings mileage reimbursement requests in ESS.
- Purpose of travel (WHY)

Reimbursements must be approved through electronic workflow in the ERP system. Itemized receipts, where required, must be submitted with the expense claim via ESS. Please see the Business Expense Reimbursement Instructions located on the County website.

PAYMENT OF BUSINESS EXPENSE REIMBURSEMENTS

Business expense reimbursements will be processed bi-weekly and paid via direct deposit in the employee's paycheck. Reasonable business expenses incurred by an employee in the course of County business are County costs that should be reimbursed. Reimbursements are not considered taxable income to the employee if the employee substantiates his/her business purpose of the

expense. The Internal Revenue Service requires all business meals and entertainment expenses to include:

- Original receipts and proof of payment, with the exception of meals. However, if a meal is incurred during overnight travel, hotel or lodging receipts must be provided, if the County Pcard is not used for lodging
- Supportive documentation, e.g., brochure or invitation, or agenda
- Geographic location
- Statement of business purpose

These must be submitted by the employee to the County within sixty (60) calendar days of the date. If any of these requirements are not met, the payment may be deemed taxable to the employee and/or reimbursements may delayed or denied by the County. Request for variation and/or exception to this Policy shall require approval from the Livingston County Board of Commissioners prior to incurring expenses. It's the prudent responsibility of each Elected Official/Department Director to authorize only such conferences and training as is funded in the specific Department annual budget. If any provision of this Policy conflicts with a union contract, the union contract shall prevail for that union employee.

The Livingston County Board of Commissioners may amend, modify, or delete all or any portion of this Policy at any time. This Policy replaces all other existing policies on this matter.

AMENDED	#2018-04-081	4/23/18
AMENDED	#2016-08-131	8/8/16
AMENDED	#2015-04-100	4/27/15
ADOPTED	#2011-12-344	12/19/11



APPENDIX A
LIVINGSTON COUNTY, MICHIGAN
RECEIPT AFFIDAVIT

A separate affidavit must be completed for each lost/non-itemized receipt

On _____ I misplaced / lost / didn't receive an itemized receipt
(Date)

For _____

From _____
(Name and location)

Amount _____
(Enter total amount)

I certify to the following (please initial each section):

_____ This represents a legitimate business expense incurred while traveling on behalf of Livingston County

_____ The expense incurred was solely for me, or, if paying on behalf of another employee I will specify the employee **by name here**:

_____ No alcoholic beverages, tobacco products, or gift cards were purchased

_____ I certify that I have not previously been reimbursed for this expense

(Print Employee Name)

(Signature of Employee)

(Department)

(Elected Official/Director or Deputy Director Signature)

* As Director, I acknowledge that the employee, while on authorized business, did not follow County policy. I will ensure all my employees receive a copy of the Business Expense Reimbursement Policy prior to travel.

The Business Expense Reimbursement Policy can be found here: <https://www.livgov.com/administration/Pages/policies.aspx>

12/2019

ATTACHMENT A



FY 2020 Per Diem Rates for Michigan

Meals & Incidentals (M&IE) Breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Standard Rate	Applies for all locations without specified rates	\$55	\$13	\$14	\$23	\$5	\$41.25

Note: This policy does not include Incidental Expenses and First & Last Day of Travel and will not be provided with the per diem.