

C. REIMBURSEMENT REQUIREMENTS

To conserve District resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the District will be limited to the costs that fall within the guidelines.

Unless the Board or this policy establishes other permitted reimbursement rates for travel, meals, lodging and other actual and necessary expenses, the District will reimburse expenses at the Internal Revenue Service rates for reimbursement of travel, meals, lodging, and other actual and necessary expenses as established in Publication 463, or any successor publication.

1. Conferences/Education

Reimbursement of expenses of attendance at an authorized conference or organized educational activity shall include any registration, attendance, tuition, materials or other similar charge of the conference organizer or activity provider.

2. Transportation

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Government and group rates offered by a provider of transportation shall be used when available.

Automobile mileage is reimbursed at Internal Revenue Service rates presently in effect (see www.irs.gov). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable. The Internal Revenue Service rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed.

Taxis or shuttle fares may be reimbursed, including a 15% gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time efficiency.

Traffic or parking tickets, or fines for misconduct, are not reimbursable by the District.

3. Lodging

Lodging expenses will be reimbursed or paid for when travel on official district business reasonably requires an overnight stay. If such lodging is in connection with a conference or group event, lodging expenses must not exceed the conference or group rate published by the event sponsor for the meeting in question if such rates are available at the time of booking.

Directors must request government rates, when available. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy. If government rates are not available at a given time or in a given area, lodging rates that do not exceed \$110 per night are presumed reasonable and hence reimbursable. Other rates must be approved by the General Manager or their designee prior to travel.

4. Meals

The maximum daily amount reimbursable for meals including beverages and tips is \$60. The following guidelines should be used for reimbursement of meals while traveling on KRCD business. Special circumstances will be required to justify reimbursement for amounts above the following:

	Per Meal Max	Per Max/High Area	Meal Cost
Breakfast	\$15.00	\$18.00	
Lunch	\$15.00	\$18.00	
Dinner	\$30.00	\$36.00	

To be eligible for meal reimbursement, the following criteria must be met:

Breakfast-travel must begin prior to 7 a.m. or involve an overnight stay.

Lunch-travel must begin prior 11 a.m. or involve an overnight stay. If the travel ends prior to noon, lunch expenses are not eligible for reimbursement.

Dinner-you must have started traveling prior to 4 p.m. or have stayed overnight. If the travel ends prior to 6 p.m., dinner expenses will not be eligible for reimbursement.

In certain high cost cities, the maximum daily amount reimbursable for meals including beverages and tips is \$ 72. Frequently traveled, high cost cities include as Sacramento, San Francisco, San Jose, San Diego, Monterey, Lake Tahoe, Las Vegas, Los Angeles and Washington D.C. Such amounts will be annually adjusted to reflect changes in the cost of living in accordance with statistics published by the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index, all-urban consumers for the West Region. The District will not pay for tips greater than 15%.

5. Alcoholic Beverages

The District does not reimburse for the cost of alcoholic beverages.

6. Entertainment Expenses for Customers/Independent Contractors

Management employees may occasionally entertain business related guests from other agencies or businesses, typically for a meal. District employees must adhere to the District’s reimbursement limits for their own meal, in those instances (unless authorized to exceed the limits), but the guests are not held to the District’s limits. Discretion should be used by District Managers on these occasions so that the expense does not appear to be lavish or extravagant. Just because the expense exceeds the District’s reimbursement limits does not mean that it is lavish or extravagant. The expense should be reasonable considering the facts and circumstances of the occasion.

7. Telephone/Fax/Cellular

Directors will be reimbursed for actual telephone and fax expenses incurred on District business. Telephone bills should identify which calls were made on District business. For cellular calls when the Director has a particular number of minutes included in the Director’s plan, the Director can identify the percentage of calls made on public business.

8. Internet

Directors will be reimbursed for Internet access connection and/or usage fees away from home, not to exceed \$15 per day, if Internet access is necessary for District-related business.

9. Airport Parking

Long-term airport parking (as opposed to short-term lots) must be used for travel exceeding 24-hours.

10. Expense Report Content And Submission Deadline

All cash advance expenditures and expense reimbursement requests must be submitted on an expense report form provided by the District. Expense reports must document the expense in question met the requirements of this policy. If the meeting is with a legislator, the Director should explain whose meals were purchased, what issues were discussed and how those relate to the District's adopted legislative positions and priorities.

Directors must submit their expense reports within thirty (30) days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Inability to provide such documentation in a timely fashion may result in the expense being borne by the Director.

11. Audits of Expense Reports

All expenses are subject to verification that they comply with this policy by the Board appointed Auditor.

12. Reports To Board

Except where the subject of a meeting relates to matters discussed in Closed Session, each Director shall briefly report on meetings attended at District expense. If multiple Directors attended, a joint report may be made.

13. Compliance With Laws

Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act and other laws.

14. Authorized Employees

The Board may determine if the activities of any staff person, including the General Manager and General Counsel, shall be subject to this policy and therefore subject to compensation and reimbursement.

15. Violation of This Policy

Use of public resources or falsifying expense reports in violation of this policy may result in any or all the following:

- Loss of reimbursement privileges
- A demand for restitution to the District
- The District's reporting the expenses as income to the Director to State and Federal tax authorities
- Civil penalties of up to \$1,000 per day and three (3) times the value of the resources used
- Prosecution for misuse of public resources

EFFECTIVE DATE: July 12, 2011

Adopted by the Kings River Conservation District Board of Directors

Attest: _____

Secretary to the Board of Directors