

Guidelines for Determining Reasonable Meal Per Diem and Lodging Expense for County Travel

On July 17, 2007 the Board of Supervisors adopted Administrative Policy 3-2: Travel and Meal Reimbursement. This policy combines the 1989 policy and the interim travel policy adopted by the Board of Supervisors in 2006 to comply with Assembly Bill 1234. It applies to all County employees, Department/Agency Head/General Managers, Boards and Commissions and Elected Officials.

The new Travel and Meal Reimbursement Policy contains some major changes. The major changes are:

- Receipts must now be attached for ALL expenses claimed, with the exception of meal expenses for departments that have established internal meal per diem rates. Expenditures for which there are no receipts possible (parking meters, baggage handling, etc.) will require a written explanation.
- If the actual cost method for meals is utilized, the total cost for meals cannot exceed \$90 per day. (This limit can be adjusted annually based on the CPI). Meal receipts are required under this method.
- Departments must demonstrate that lodging costs are reasonable. Requesting and receiving the government or conference rate can accomplish this.
- Claims for reimbursement must be turned in within 60 days from the date of returning from travel.

As in the past, all travel for employees must be approved in advance and must clearly state the business reason. Department heads are not required to obtain approval in advance for their travel. Department heads are responsible for determining the reasonability of transportation costs.

To assist Departments in determining reasonable costs for lodging and establishing internal meal per diem rates, the following specific guidelines are recommended.

Lodging Expenses

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

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If the group rate is not available or for expenses not associated with a conference, government rates must be requested, when available. Lodging rates that are equal to or less than government rates are assumed to be reasonable and reimbursable for purposes of this policy.

In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the median retail price for lodging for that area shall be considered reasonable and reimbursable. To assist with this determination it is recommended that departments either visit the Federal Government website at www.gsa.gov to view the maximum lodging per diem rates for their particular destination, or provide other documentation that demonstrates that lodging rates do not exceed the median retail price for the area. Acceptable documentation could be internet printouts showing lodging rates of other median priced hotels in the area.

Meal Expenses and Per Diem rates

Actual and necessary meal expenses, including gratuities, may be paid or reimbursed when traveling on official County business outside the geographical boundaries of Sonoma County, and should not exceed a maximum of \$90 each day per person. Receipts will be required to document meal expenses under this provision. This amount will be adjusted each year, effective on the date the Board of Supervisors approves the County budget, to reflect changes in the cost of living for Sonoma County in accordance with the Capital Personal Income (CPI) provided by the State Department of Finance by May 1st for calculation of the Prop 4 annual adjustment. The annual adjustment will be based on this area whether travel is within the area or not. The County Auditor-Controller Treasurer Tax Collector will maintain a record of any annual change in this amount and shall, each year notify the public entities for which this policy is adopted, by posting the new limitations on the County intranet and/or internet.

At the discretion of the Department/Agency Head/General Manager or designee, departments may elect to reimburse for meals utilizing an amount equal to or lesser than the current maximum Federal meal per diem for the area where the travel occurred. The maximum Federal meal per diem rate for California is \$64 as of October 1, 2006. If an internal meal per diem rate is utilized by a department, no receipts will be required for meal purchases. To assist departments in establishing an internal meal per diem rate, it is recommended that they visit the Federal Government website at www.gsa.gov to view the current maximum Federal meal per diem rates. The per diem rates listed on this website are revised each year by October 1st.