

Attachment No. 30

Travel Policy for the District Board of Directors

EAST PALO ALTO SANITARY DISTRICT

POLICIES AND PROCEDURES FOR DISTRICT RELATED TRAVEL

Section 1. PURPOSE. The purpose of this policy is to establish the conditions under which board members, officers and employees of the District will be reimbursed for travel expenses incurred for travel on behalf of the District or related to the normal course and scope of duties of the board member, officer or employee.

Section 2. SCOPE. This policy covers all expenses of authorized travel including, but not limited to, meals, lodging, transportation, registration or membership fees for attendance at meetings, seminars, training sessions and conventions as approved by the Board of Directors. Authorized travel may be local, regional, statewide or national.

Section 3. AUTHORIZATION. Board members may attend no more than 4 conferences or trainings in any fiscal year. All other travel, regardless of nature or location, for which a board member, officer or employee requests reimbursement shall be authorized in advance by the Board of Directors for all board member travel and by the District Manager for all other District related travel.

3.1 As part of the annual fiscal budget review process, authorization for travel of board members, officers, and employees shall be approved by the Board of Directors of the East Palo Alto Sanitary District.

3.2 Requests for travel not specifically authorized during the annual fiscal budget review must be submitted and approved by the Board of Directors for all board member travel and by the District Manager for all other District related travel.

Section 4. RESPONSIBILITY. Each board member, officer or employee requesting reimbursement of travel expense shall comply with the policies and procedures set forth herein. Noncompliance with the procedures shall be deemed sufficient cause for the Board or the Director, as appropriate, to deny reimbursement of any or all expenses claimed.

Section 5. REIMBURSABLE EXPENSES. The District will reimburse and/or pay for the following expenses incurred by the board members, officers or employees during authorized travel. All expenses incurred for travel are the responsibility of the individual board member, officer or employee.

5.1 Air Transportation. The District shall pay for airfare to and from the location of authorized travel or nearest air terminal servicing the location. All airline reservations shall be made and through the District. The District will use its best efforts to obtain favorable pricing and scheduling of such travel. In no event shall the District pay for the cost of first class travel.

5.2 Ground Transportation. The District shall pay for ground transportation to and from the airport and for local travel at the approved travel destination. Board members, officers or employees using their own personal vehicle for authorized travel shall be reimbursed for the actual round-trip mileage from their home or office to the location of authorized travel. The District shall pay the common carrier fare for such travel if determined to be more economical. The rate for mileage reimbursement shall be the prevailing rate established by the Internal Revenue Code or Regulations for automobile use for business purposes and shall be the total compensation for all operational maintenance expense associated with the use of the vehicle. Individuals who use their own automobile shall maintain insurance coverage in the amount of \$100,000/300,000 combined limit PI/PD which must be effective at all times personal vehicles are used in the conduct of District business. Employees intending on using their own cars shall present to the

District at the beginning of each calendar year evidence of insurance which shall include a thirty-day notification clause by the insurance company to the District should the policy be terminated or cancelled for any purpose. Whenever feasible, employees are encouraged to use District vehicles for local travel.

5.3 Automobile Rental. The District will pay for automobile rental expenses when i) the automobile was used for the conduct of District business and, ii) no other reimbursement is sought for ground transportation during the period of authorized travel. The District will only reimburse rental expenses for those days of the rental period for which travel was authorized. Insurance coverage offered by the rental company and gasoline are considered part of the cost of rental and will be paid for by the District.

5.4 Miscellaneous Transportation Costs. The District will pay for rail and bus transportation to and from the destination of authorized travel. The District will pay for taxicab or public transportation fares, tolls and parking fees.

5.5 Lodging. The District shall pay for the cost of overnight lodging (single occupancy) incurred during authorized travel. The payment for overnight lodging shall not exceed rates generally offered to participants attending the conference, seminar, training session or meeting. The District will not pay for overnight lodging extended beyond the actual dates for which travel was authorized.

5.6 Per Diem for Meals and Incidentals. The District will pay the federal per diem amount for the Sunnyvale/Palo Alto/ San Jose area for each full day of authorized travel to cover the cost of meals and other incidentals authorized in Section 5.2 above. Should any employee or board member be required to exceed the per diem amount, they may seek reimbursement for the actual costs in lieu of the per diem provided that receipts shall be presented justifying the actual expenses.

5.7 Miscellaneous. The District will pay for the cost of registration or other fees associated with attendance of a conference, meeting or seminar. The District will also pay for the cost of materials required to attend any training session.

5.8 When Travel Expenses Accrue. The District shall only pay for hotel costs associated with continuous travel of 24 hours or more away from the Board member's residence and/or continuous travel of less than 24 hours, which requires overnight absence from the Board member's residence. The District shall not pay for hotel costs for travel for short or day trips where the Board member is not away from his or her residence overnight.

5.9 Economical Travel. All travel must be by the most economical method and by a usually traveled route. In case a Board member travels by an indirect route for his or her convenience, any extra costs shall be borne by the Board member; and reimbursement for expenses shall be based only on such charges as would have been incurred by a usually traveled route.

Section 6. METHOD OF PAYMENT OF TRAVEL EXPENSES.

6.1 Advance Payments. The District may prepay the costs of transportation, lodging and registration directly to the vendor. Requests for prepayment should be made to the District Manager. The claim form should indicate the date and location of authorized travel.

6.2 Use of District Credit Cards. Upon approval of the District Manager, District credit cards may be used for gasoline purchases, telephone calls and meals. All credit cards transactions must be documented indicating the date, amount and nature of the expense and submitted to the District Manager upon completion of authorized travel. In no event shall such documentation be provided later than two weeks following the completion of travel.

6.3 Reimbursement. The District shall reimburse the cost of expenses as set forth in Section 5, incurred by the board member, officer or employee for authorized travel. Reimbursement will be provided under the following conditions.

6.3.1 Documentation shall be provided showing detailing information regarding the date, nature and amount of the expense for all items except those covered by the per diem payment in Section 5.6. With respect to items covered under per diem no claims will be honored except in accordance with the provisions of the in lieu reimbursement set forth of in Section 5.6.

6.3.2 Documentation shall be submitted to the District Manager for review and approval, or the Board as appropriate, within two weeks following the completion of authorized travel. Payment for the reimbursement shall be made within thirty (30) days of the submission of the documentation.

Section 7. ADDITIONAL TRAVEL REQUIREMENTS. Officers and employees attending seminars, meetings, conventions, or tours shall, upon their return, provide a brief synopsis of the important point from the meeting. This synopsis shall overview meetings attended, information received and value of the particular program.

Section 8. COMPENSATION FOR "DAY OF SERVICE." A board member shall be entitled to compensation for a day of service pursuant to Section 7.1 of the Board of Directors Policy Handbook for travel to and from and attendance at authorized seminars, meetings, conventions or tours on the condition that s/he sign an affidavit stating that: (1) s/he actually attended the event for at least four hours per day on each day of attendance for which s/he is requesting compensation; and/or (2) spent at least four hours traveling to or from the event on each day for which s/he is requesting compensation. The board of directors may approve compensation for a travel day less than four hours in duration if the board determines that such compensation is justified and appropriate under the circumstances. Approved compensation for a day of service under this section shall be paid within three (3) working days. Notwithstanding the foregoing, no director may receive compensation for more than six (6) days of service_per calendar month.

Section 9. ENFORCEMENT. Any board member, officer or employee who intentionally or negligently misrepresents any expenses associated with authorized travel, misuses travel funds for personal purposes, or claims reimbursement not in conformance with this policy shall be subjected to disciplinary action including, but not limited to, return of all funds previously paid for authorized travel, suspension or removal from office or employment. In addition to the penalties set out above, in appropriate circumstances the misrepresentation may be turned over to the district attorney for criminal prosecution.