North Central Regional Transit District (NCRTD)

Resolution No. 2017-27

A RESOLUTION ADOPTING AN AMENDED “BUSINESS TRAVEL AND MEALS EXPENSES POLICY”

WHEREAS, the Board of Directors is the statutory governing body in and for the NCRTD and finds it in the best interest of the constituents of the NCRTD to establish polices to ensure the financial stability of the District; and

WHEREAS, the current Business Travel and Meals Expenses Policy was adopted on November 4, 2011; and

WHEREAS, the Finance Subcommittee have recommended consideration of changes to the Board of Directors; and

WHEREAS, the Board, after thorough consideration and upon recommendation of the Finance Subcommittee finds that it is prudent to amend the District’s Business Travel and Meals Expenses Policy attached hereto.

NOW THEREFORE BE IT RESOLVED, by the NCRTD Board that the attached Business Travel and Meals Expenses Policy shall be and are hereby adopted as amended.

NOW THEREFORE BE IT FURTHER RESOLVED, that the NCRTD board does hereby direct management to implement and develop procedures to insure appropriate accounting and maximum accountability in accordance with all laws and regulation that pertain to the travel policy.

PASSED APPROVED AND ADOPTED BY THE GOVERNING BODY OF THE NORTH CENTRAL REGIONAL TRASIT DISTRICT ON THIS 4TH DAY OF AUGUST 2017.

[Signature]
Daniel Barrone, Chair

Approved as to form:

[Signature]
Peter Dwyer, Counsel
1.0 Objective:

District employees are required, from time to time, to attend conferences, meetings, and training sessions which relate directly to the concerns of the District or provide job-related educational opportunities. It is the District’s intention to allow such attendance without unreasonable financial sacrifice. The purpose of the following policies and procedures is to establish guidelines for District authorized travel and provide reimbursement procedures for reasonable and appropriate expenses. These procedures are not intended to cover every possible circumstance. Anything not specifically covered must be authorized by the Executive Director. Employees are expected to use sound judgment and fiscal responsibility in assessing the need for business, travel, and training expenses.

2.0 Coverage:

This policy applies to employees, candidates for employment (to the extent possible), and appointed elected public officials of the North Central Regional Transit District who travels outside or within the District’s four county service area for work related conferences, meetings, and/or training. Travel and meals expenses are categorized into two distinct categories:

- Within Radius Travel – Vehicle travel from the employees defined work location for at least 4 hours in all directions including out of district travel and out of state travel (i.e. Colorado)
- Outside of Radius Travel – Any travel outside of the “Within Radius Travel” which includes areas still in New Mexico and outside of the State

Important Note: For employees that live inside and outside of the four county service area of the District, the determination of travel status is from the employees work location and not necessarily the employees residence.
Travel paid or reimbursed by Federal and State grants/agencies are considered exempt from this policy, if the grant/agency specifically requires compliance with Federal and/or State travel guidelines or policies in order for the District to be reimbursed.

3.0 Purpose:

The purpose of this policy is to identify and provide guidelines regarding the District's travel policies and to further delineate those valid business expenses for which public officials and employees of the District may qualify for payment or reimbursement. When reading this policy, it is important to note whether the policy guideline is part of the in radius travel (section 4.0) or outside the radius travel (section 4.1) because the allowable cost could be different.

4.0 Authorization for Travel and Training or Transitory Travel and Lodging Within the Radius Travel:

An employee may incur expenses for pre-approved training programs, conferences, and professional meetings attended for the benefit of the District. The approval of the appropriate Department Director/Manager is required prior to travel. Approval should be requested far enough in advance so that payment can be made directly to the sponsoring organization as part of the District's regular payment cycle. Every effort should be made to receive the early registration discount, if available.

4.0.1 Transitory Travel and Lodging

At times, the District may experience a vacancy in the assigned driver for routes located in outlier communities. In those cases, until the selection, training and placement of a new driver has occurred, it may be more cost effective to assign an existing employee to that route on a temporary basis and to provide for transitory lodging and per diem instead of incurring daily dead head runs to the service location and the attended transportation expenses (wear and tear on the vehicle and fuel), overtime and maintaining a reasonable amount of cumulative driving hours for the employee to ensure optimum performance and safety. When this situation presents itself the Transit and Facilities Operations Director will conduct a cost and service analysis to ascertain the appropriate process for staffing of these routes and provide a recommendation to the Executive Director for approval. The following general parameters will apply:

- When an employee is assigned to work at an alternate work location which is different from their official domicile, and by the nature of the assignment they are unable to return to their domicile at the end of the workday’s shift, they are considered in-radius travel status and are eligible for per diem and lodging in accordance with the District’s in-radius travel policy.
- Travel between the employee’s home and their domicile location is considered commuting time and is not reimbursable.
- Employees temporarily assigned to these routes will be provided with an NCRTD vehicle for travel to those locations.
- In accordance with the Collective Bargaining Agreement if the employee is required to drive their own vehicle to an alternate reporting location other than their domicile they shall be paid the applicable standard IRS Mileage rate.
- If the employee is assigned to operate a RTD vehicle from any NCRTD facility for travel from job site to job site during their regularly scheduled working hours then it is considered work time and recorded as such.
4.0.2 Mode of Transportation:

a) Official District Vehicle

- Employees are encouraged to use a District vehicle in lieu of a personal vehicle whenever a District vehicle is available. When a District vehicle is used, the employee will be reimbursed for all gas receipts (if gas card is not available), as well as any toll charges and necessary parking fees. Retain receipts where available.

b) Personal Vehicle

- Employees may use their personal vehicle for business travel if the use of a District vehicle is not feasible.

- Employees using a personal vehicle for business purposes will be reimbursed based on miles traveled. Reimbursement will be at the allowable rate established by the IRS. This rate is regularly re-evaluated (usually each calendar year) and all departments are notified of the new rate by the Finance Department. Commuting distance to and from work is generally prohibited for reimbursement. If travel is required, the District will reimburse at the mileage less the normal distance traveled between the employee’s home and the employee’s normal reporting location (if the employee travel is originating from their home and not from their work location). If travel starts or ends on a regular day off and is not to the employees work location, then the commuting miles to and from work will not be used in the reductions of the mileage calculation.

- To receive mileage reimbursement, employees must submit documentation of total miles traveled by including a copy of the trip using MapQuest, Google Maps, or any equivalent mapping program, including origination, destination, and number of miles on the trip. The District will reimburse the driver for mileage by the most direct route per the mapping software.

- When personal vehicles are used on District business the employee must have adequate liability insurance coverage. The minimum prescribed liability insurance is as follows:
  - $100,000 for personal injury to, or death of, one person;
  - $300,000 for injury to, or death of, two or more persons in one accident; and
  - $100,000 of property damage.

- An employee who uses a personal vehicle on District business is required to have, and provide upon request, satisfactory evidence of liability insurance coverage. Upon request, proof of such coverage must be provided to the Finance Department.

- Should an accident occur, to ensure full communication and disclosure between all parties, the driver should immediately contact:
  - Local authorities, as required
  - His / Her personal insurance company
• His / Her supervisor
• The Finance Department

• If an employee receives a car allowance as part of their employment the employee is not eligible for a mileage reimbursement for the business use of their personal vehicle, except as maybe provided within the agreement governing the car allowance.

c) Miscellaneous Automobile Related Expenses

• Toll road charges and reasonable charges for parking, while an employee is traveling on business, will be allowed. The location of the parking lot, garage, or meter as well as the business purpose of the trip needs to be documented. Obtain receipts where available or certify charge to Finance after travel.

d) Other forms of transportation

• Will need to have prior approval of the Executive Director prior to incurring the expense

4.0.3 Special Travel Situations:

a) Companion/Spouse/Family Travel Expenses

Companion, spouse, or other family members traveling within radius travel for business purposes by employees is strictly prohibited.

b) Combining Business and Personal Travel

If an employee combines business with personal travel approval by the Executive Director is required prior to incurring the expense.

4.0.4 Lodging, Meals, & Incidentals:

a) Lodging

Lodging expense for in radius travel requires preapproval by the Executive Director and should be requested under the following situations:
• In radius travel that would result in the employee arriving home after 9:00pm
• Employee required to leave their home before 6:00am to make an early morning meeting/route
• Inclement Weather
• Executive Director’s discretion

Lodging expense is limited to the standard room rate for single occupancy for the minimum number of nights required to attend the function. The employee should request the government or corporate
rate where available. Retain itemized receipt. The procurement card should be used when possible.

If multiple co-workers are authorized to travel and share accommodations the hotel room size should be appropriate to the number of employees sharing lodging. One employee, generally higher in the District’s organizational structure, should submit the entire lodging expense, making note of those employees covered by the lodging expense.

b) Meal Allowance

1. Meals are reimbursable if in conjunction with an overnight stay and will be based on per diem. Business Meeting and Meals Expenses Guidance will apply for all other meal expenses not in conjunction with an overnight stay.
2. Alcohol during meals is never reimbursable by the District.
3. Per Diem Rates:
   i. Daily per diem rate is $47 per day for in-radius travel and is inclusive of taxes, gratuity and incidentals
   ii. Part day travel per diem is prorated by the leave times.

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4. Meals will not be allowed in addition to meals provided as part of a conference/function.

4.1 Authorization for Travel and Training Outside the Radius Travel:

An employee may incur expenses for pre-approved training programs, conferences, and professional meetings attended for the benefit of the District. When travel is anticipated a NCRTD In-state or Out-of-state Travel Form must be completed and approved prior to incurring travel expenses. A copy of the conference brochure or similar documentation of program content and agenda must be attached to all NCRTD In-state or Out-of-state Travel Forms. For both forms the approval of the appropriate Department Director/Manager, the Finance Director (or designee) and the Executive Director is required. The Chair of the Board of Directors is the approving authority for travel requests by the Executive Director. In the event the travel is for the Chair of the Board of Directors or other Board Members then the Board of Directors will approve such travel requests.

Approval should be requested far enough in advance so that payment can be made directly to the
sponsoring organization as part of the District’s regular payment cycle. Every effort should be made to receive the early registration discount, if available.

4.1.1 Mode of Transportation:

No specific mode of transportation is mandatory. However, employees are expected to use the most economical means available with reasonable consideration given to the time and distance involved.

a) Air Travel

- Every effort should be made to obtain the lowest possible round-trip coach fare. Due to airline practices and employee circumstances, there may be times that only premium seating is available at booking. For those occurrences, the exemption from this guidance can be noted on the travel authorization and approved by the Executive Director or Chair for the Executive Director or the Board of Directors for the Chair and Board Members.
- Upgrades, early boarding or enhancements at the gate are personal expenditures and will not be paid by the District.

Travelers should also review the following topics, as applicable to their situation:

- Companion / Spouse / Family Travel Expenses
- Combining Personal and Business Travel
- Travel Extended to Save Costs

b) Official District Vehicle

- Employees are encouraged to use a District vehicle in lieu of a personal vehicle whenever a District vehicle is available. When a District vehicle is used, the employee will be reimbursed for all gas receipts (if gas card is not available), as well as any toll charges and necessary parking fees. Retain receipts where available.

c) Personal Vehicle

- Employees may use their personal vehicle for business travel if the use of a District vehicle is not feasible.

- Employees using a personal vehicle for business purposes will be reimbursed based on miles traveled. Reimbursement will be at the allowable rate established by the IRS. This rate is regularly re-evaluated (usually each calendar year) and all departments are notified of the new rate by the Finance Department. Commuting distance to and from work is generally prohibited for reimbursement. If travel is required, the District will reimburse the mileage less the normal distance traveled between the employee’s home and the employee’s normal reporting location. If travel starts or ends on regular day off, then the commuting miles to and from work will not be used in the reductions of the mileage calculation.

- To receive mileage reimbursement, employees must submit documentation of total miles
traveled by including a copy of the trip using MapQuest, Google Maps, or any equivalent mapping program, including origination, destination, and number of miles on the trip. The District will reimburse the driver for mileage by the most direct route per the mapping software.

- When personal vehicles are used on District business the employee must have adequate liability insurance coverage. The minimum prescribed liability insurance is as follows:
  - $100,000 for personal injury to, or death of, one person;
  - $300,000 for injury to, or death of, two or more persons in one accident; and
  - $100,000 of property damage.

- An employee who uses a personal vehicle on District business is required to have, and provide upon request, satisfactory evidence of liability insurance coverage. Upon request, proof of such coverage must be provided to the Finance Department.

- Should an accident occur, to ensure full communication and disclosure between all parties, the driver should immediately contact:
  - Local authorities, as required
  - His / Her personal insurance company
  - His / Her supervisor
  - The Finance Department
  - If an employee receives a car allowance as part of their employment the employee is not eligible for a mileage reimbursement for the business use of their personal vehicle, except as maybe provided within the agreement governing the car allowance.

  d) Rental Vehicle

- When more advantageous to the District, as compared to other means of transportation such as a taxi, parking should be considered before renting a vehicle. The traveler is responsible for obtaining the best available rate, in accordance with the District’s purchasing policy, commensurate with the requirements of the trip. When renting a vehicle for business purposes the employee should make sure to specify the District’s name on the rental agreement. The smallest possible vehicle size for the individual and group should be considered as the most cost advantageous to the District. No additional insurance should be purchased for the rental car, since the District has adequate coverage for rental cars in the District’s insurance policy. Rental Car Company’s may request personnel credit cards over procurement cards due to rental policy, but every effort should be made to make the final charges are paid on the District’s procurement card.

- Should an accident occur the driver should immediately contact:
  - Local authorities, as required
  - The rental company, in accordance with the rental agreement
  - His / Her supervisor
• The Finance Department

e) Miscellaneous Automobile Related Expenses

• Toll road charges and reasonable charges for parking, while an employee is traveling or away from their assigned District facility on business, will be allowed. The location of the parking lot, garage, or meter as well as the business purpose of the trip needs to be documented. Obtain receipts where available or certify charge to Finance after travel.

f) Other forms of transportation

• Taxi fares are allowable expenses for travel to and from a business destination such as an airport, hotel, conference site, or other locations necessitated by the business trip (locations of personal interest are not allowed) when the date, origination, and destination are documented. When available, the use of public transportation (e.g., buses, subways) or a hotel / airport shuttle is encouraged. Reimbursement for the reasonable cost of tips related to these forms of transportation is also allowed. Obtain receipts where available or certify charge to Finance after travel.

4.1.2 Special Travel Situations:

a) Companion/Spouse/Family Travel Expenses

Payment of expenses for companion, spouse, or other family members of the employee is strictly prohibited.

b) Combining Business and Personal Travel

If an employee combines business with personal travel, only the business portion of the trip is reimbursable. This amount may not exceed the amount of reimbursable expenses which would have been incurred had the trip been strictly for business purposes.

If an indirect route is taken as a result of personal travel the reimbursement of expenses shall be limited to the lesser of actual costs incurred or the charges that would have been incurred via a more direct route. In the case of airfare, the employee must document the lowest reasonable cost for round trip coach airfare to the business destination, as well as submitting actual expenses. The District will reimburse the employee for the lesser amount.

c) Travel Extended to Save Costs

Additional expenses associated with travel extended to save costs (e.g. a Saturday night stay for air travel) may be reimbursed when the cost of airfare plus the additional expenses would be less than the cost of airfare had the traveler not extended the trip. These additional expenses include the additional cost of lodging, meals, and incidental expenses incurred in the vicinity of the business destination. If requested, the employee must provide documentation of the airfare savings derived from extending the trip.

d) Ground Transportation in Lieu of Air Travel
An employee may use ground transportation for personal reasons even though air travel is themore economical and efficient mode of transportation. In this case the cost of meals, lodging, mileage, parking, tolls, etc. while in transit by ground transportation will be reimbursed as allowed by District policy for these types of expenses. However, such costs shall not exceed the cost of airfare, based on the lowest available coach fare, plus costs to and from the airport terminal. The employee must provide documentation of potential airfare costs (on/near the days air travel would have been utilized) before receiving reimbursement for the ground transportation.

If the employee’s election to use ground transportation results in additional time away from work the employee must use leave time for the additional absence from work.

4.1.3 Lodging, Meals, & Incidentals:

a) Lodging

Lodging expense is limited to the standard room rate for single occupancy for the minimum number of nights required to attend the function. The employee should request the government or corporate rate where available. Retain itemized receipt.

If multiple co-workers are authorized to travel and share accommodations the hotel room size should be appropriate to the number of employees sharing lodging. One employee, generally higher in the District’s organizational structure, should submit the entire lodging expense, making note of those employees covered by the lodging expense.

Stay(s) prior to or beyond that required for the function is the personal responsibility of the employee, see Special Travel Situations: Combining Business and Personal Travel. Any difference between the single occupancy standard room rate and actual room charges is also the personal responsibility of the employee. See Special Travel Situations: Companion/Spouse/Family Travel Expenses

b) Per Diem Meal Allowance

1. Meals are expenses for breakfast, lunch, dinner, gratuities and taxes on those meals, which are incurred on travel status, and are reimbursable based on per diem rates. No receipts are required.
2. Per diem for meals will be reduced for any meals provided as part of a conference/function (excludes continental breakfast) using the guideline provided below.
3. Per Diem Rates

i. Daily per diem rate is $59 per day for In-State travel and is inclusive of taxes, gratuity and incidentals

ii. Daily per diem rate is $64 per day for three meals for Out-of-State Travel and is inclusive of taxes, gratuity, and incidentals

iii. Part day travel per diem is prorated by the leave times.
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5.0 Business Meals and Meeting Expenses:

a) Business Meals

Business meals are defined as meals purchased while meeting with a business associate during a meal period to conduct official business on behalf of the District and must be authorized in advance by the Executive Director. The employee’s meal and the meal of their business associate(s) may be allowed, excluding the cost of alcoholic beverages. An itemized receipt must accompany the expense report form and note the following:

- Date of the meal
- Nature of the business conducted
- Name and business affiliation of all attendees

Employees and Board Members are expected to use sound judgment and fiscal responsibility in assessing the need for business meal expenses.

In general, employees should not use their budgets to entertain or pay for meals of other District employees. Exceptions must be approved in advance by the Executive Director.

b) Meeting Expenses

No food or refreshments should be purchased, using District funds, for meetings of District staff or internal training activities unless the activity falls under one of the following categories:

- Employee and Volunteer Recognition events
- Quarterly Employee Informational meetings
- Team Meetings
- Job recruitment events
- Served to the public at large as a part of a scheduled District program
- District sponsored activity, event, or program where food is part of the event
- Formal / Posted meetings, involving the District Board, elected or appointed officials
- Employee or staff meetings where work or training needs to be conducted over a meal period
- The Executive Director may approve expenditures for other food purchases as deemed
appropriate

The qualifying event should be noted on the food/drink receipt and/or expense reimbursement request.

c) Other

Employee recognition expenses are only allowable for established recognition programs.

Gifts are not allowable.

The purchase of greeting cards (i.e. sympathy, get well, birthday, holiday) are not an allowable District Expense.

6.0 Specifically Prohibited Expenses:

Employees are responsible for reviewing the complete Travel and Business Expense policy prior to traveling to determine allowable expenses and receipt requirements necessary for reimbursement.

Prohibited expenses include, but are not limited to, the following:

• Personal items, including personal grooming items
• Beverages and snacks, hotel mini bar charges
• Gifts
• Entertainment and recreation expenses, including hotel movies and health club activities
• Golf outings, fitness events or other “recreational” activities
• Alcoholic beverages
• Expenses for spouses, guests or family members

Conference registration related special events such as banquets, receptions, recognition and award events, etc. are only allowable for the District representative.

7.0 Expense Payment Options:

Direct payment, through the District’s normal accounts payable process, may be made for prepaid expenses such as conference registrations.

In addition, a P-Card holder may make purchases such as airfare tickets or rental car and hotel reservations on behalf of the traveling employee. The cardholder is then responsible for submitting the related receipts with their monthly P-Card statement.

a) Expense Advances

An expense advance may be secured for outside the radius travel by submitting an approved In-State or Out of State form to the Finance Department. The amount requested should be a minimum of $100 and should not exceed the amount budgeted for the trip, less any costs that have been prepaid by the District. Such advances shall be requested at least two (1) weeks prior to the date
needed.

8.0 Reporting Expenses:

a) Be sure the outside of radius travel is approved prior to incurring travel related expenses. In radius travel expenses, such as overnight stays and meal allowances should be requested from the Executive Director by email and copy the Finance Director on the email prior to incurring the expense.

b) Keep all receipts. Itemized receipts are required for lodging, meals, and other miscellaneous incidental costs. Receipts are also required for airfare, auto rental, taxi fare, and registration fees. The amount of any tips or gratuities paid should be noted on the applicable receipt.

c) Expenses paid directly by the District should not be included on the employee expense report.

d) Receipts for expenses paid with a District’s procurement card should be retained for inclusion with your monthly procurement card statement.

e) All receipts being reported on the employee’s expense report should be attached to an 8 ½” x 11” sheet of paper to prevent small receipts from being lost during the approval and payment processing cycle. Attach these behind the expense report.

f) Be sure origination and destination has been noted on all taxi fares.

g) Be sure the location for toll and parking charges is included on these receipts. If receipts were not obtainable for these items reimbursement will be made for reasonable costs when the date, location, and amount paid are noted.

h) If a personal vehicle was used as transportation, document the miles traveled along with origination and destination. If mileage was not part of a “travel trip” a mileage log must be attached to the expense report documenting date, origination, destination, business purpose, and number of miles driven.

i) The amount of any travel advances must be subtracted from total expenses. If the employee’s travel advance exceeds allowable expenses the employee must attach, to the expense report, a check, made payable to the District, for the balance.

j) All expenses must be submitted within 45 days of the occurrence or, for routine or daily mileage reimbursement requests, at least quarterly.

k) Expense reports require the approval of the Department Manager/Director, or in the case of a Department Manager/Director the approval of the Executive Director is required. In the case of the Executive Director approval by the Chair of the Board. In the case of the Board Chair, by the Board Vice-Chair. In the case of a Board Member, by the Chair of the Board.

l) Any reimbursements received by the employee for business travel from a third party must be promptly remitted to the District by sending a check to the Finance Department.