

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH ESTABLISHING A BUSINESS
EXPENSE POLICY FOR ELECTED AND APPOINTED OFFICIALS

WHEREAS, AB 1234 mandates the adoption of a business expense policy for elected and appointed officials; and

The City Council desires to establish an expense policy, as authorized by City Charter Section 401 and Minute Action of the City Council, for all elected and appointed officials of the City who attend approved meetings, schools, conferences, training programs, and seminars,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntington Beach that the Business Expense Policy shall be as follows:

BUSINESS EXPENSE POLICY:

1. POLICY

1.a. This policy shall apply to all elected and appointed officials of the City.

1.b. The City Administrator and / or the Director of Finance shall be responsible for the proper administration of this policy for all elected / appointed officials.

1.c. Any exceptions from this policy must have prior written approval of the City Council.

2. ALLOWED EXPENSES. Whenever possible, group rates shall be used.

2.1 Registration

2.1.a. Approved schools and training exercises specifically related to the functions and responsibilities of the elected / appointed official in his/her present job classification.

2.1.b. Approved participation in meetings that provide specific job-related information or input for City programs.

2.1.c. Approved participation in meetings that affect department or City programs so that the value to the City warrants attendance.

2.1.d. Attendance at non-budgeted meetings may be granted at the expense of the elected / appointed official provided the above criteria are met.

2.1.e. Registration fees normally payable in advance shall be obtained through the regular requisition and purchasing process.

2.2 Travel

2.2.a. Expense for local transportation shall be allowed when necessary to conduct City business.

2.2.b. Air travel at coach fare by the most direct route. Air transportation costs normally payable in advance shall be obtained through the regular requisition and purchasing process.

2.2.c. Car rental shall have prior approval by Administration and a City discount credit card shall be used.

2.2.d. Personal cars may be used, with prior approval of Administration, at the amount per mile as allowed by the most recent Internal Revenue Service Allowance, or the equivalent amount of round trip air coach by the most direct route for one passenger, whichever is the lesser amount.

2.2.e. Travel time, when allowed, will be based on the most cost-effective mode of travel. The approving authority shall make such determination.

2.3 Lodging

2.3.a. Lodging shall be obtained at the single room rate or at government rates when available. Government rates shall be requested on all lodging reservations.

2.3.b. Rates shall not be higher than any special rate offered for the meeting location.

2.3.c. Whenever practical, lodging shall be arranged and paid for by the City.

2.4 Miscellaneous Allowable Fees and Costs

2.4.a. Telephone expense shall be allowed for City business only.

2.4.b. Costs necessary for school or meeting supplies which cannot be obtained by the City prior to such school or meeting.

2.4.c. Costs of miscellaneous items may be allowed when it is specifically shown that such items were necessary to conduct City business.

2.4.d. All additional charges incurred shall be at the expense of the attending elected / appointed official.

3. PER DIEM ALLOWANCE

3.1.a. Per Diem will be allowed in lieu of A detailed accounting of expenses. This will ordinarily be forty-five dollars (\$45) for each full day during the travel period. On official business authorized by the City Council, Councilmembers shall be allowed, in lieu of detailed accounting, a per diem of fifty dollars (\$50). It is recognized that certain cities (e.g. New York) are "high cost" areas. Accordingly, a supplemental allowance of up to twenty dollars (\$20) per

day for a total of sixty-five dollars (\$65) may be allowed if approved by the City Administrator in advance. Per diem for the following cities shall be as indicated: New York \$65; Washington D.C. \$65; San Francisco \$65; Monterey \$55, Palm Springs \$55.

3.1.b. The per diem requirements shall be 1) for days actually spent on City business; 2) for programmed days of a conference meeting, and 3) for time spent in travel (limited to the shortest travel time available).

3.1.c. Separate reimbursement will not be made for items identified as being covered by the per diem allowance. Per diem expense will include, but not be limited to, the following items:

- 1) Meals purchased during the inclusive dates of the trip.
- 2) Tips and gratuities of reasonable amounts for meals, hotels and transportation purposes.
- 3) Miscellaneous items of expense otherwise unclassified will be included in this category. Personal items and entertainment, unless such entertainment is necessary to conduct City business, will be included under this category and will not be reimbursed if in excess of per diem allowance.
- 4) Exceptions: Per diem allowance will not apply to official travel for meetings, conferences and conventions which: a) do not require an overnight or out-of-town attendance; b) takes place within the County of Orange limits; and c) one day meetings, conferences and conventions which are within commuting distance will not be allowed per diem allowance but will be subject to reimbursement based on reasonable, actual and itemized expenses for purposes listed in this paragraph.

4. ADVANCES.

Request for advances should be submitted for approval at least ten (10) days prior to departure. The approving authority may grant one hundred percent (100%) of the approved estimate of expenses. Advances shall be paid in accordance with procedures established by the Finance Director. In no case shall any money be advanced for expenses to be incurred by any person other than the authorized elected / appointed official.

5. RECORDS

Records of expenses as outlined above shall be maintained on a City form. The elected / appointed official shall provide itemized expense receipts on prescribed forms for the following:

5.1.a. All travel for which tickets must be purchased, lodging, parking; all meals; all other expenses for which receipts can be obtained.

5.1.b. Date, amount, purpose and reason for failure to furnish receipt(s) shall itemize all expenses for which receipts cannot be obtained.

5.1.c. All expenses, with or without accompanying receipt, shall be reported on the appropriate City form, approved for such purposes. Expense reports shall be submitted to the approving authority within ten (10) working days upon return. Any elected / appointed official who fails to comply with this provision shall forfeit his/her right to future advances.

5.1.d. The elected / appointed officials shall be responsible for all personal record keeping which may be necessary to meet Internal Revenue Service requirements relative to his or her taxes.

5.1.e. Elected / appointed officials shall comply with this policy and insure that all requests are approved in advance and proper reports and receipts are submitted.

6. BROWN ACT MEETINGS

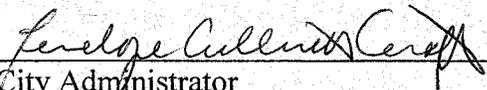
Elected / appointed officials shall report on any Brown Act meeting attended at the expense of the City / Agency at the next regular meeting of the legislative body.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 18th day of December, 2006.



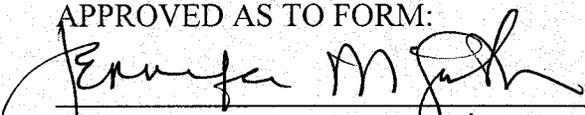
Mayor

REVIEWED AND APPROVED:



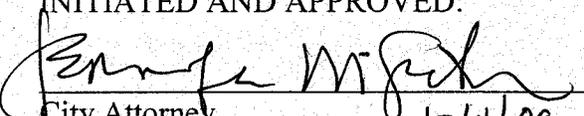
City Administrator

APPROVED AS TO FORM:



City Attorney
12/4/06

INITIATED AND APPROVED:

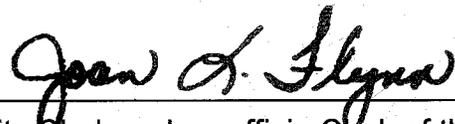


City Attorney
12/4/06

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at an **regular** meeting thereof held on the **18th day of December, 2006** by the following vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, Hardy
NOES: None
ABSENT: None
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California