

RESOLUTION NO. 18-07

**MORAGA-ORINDA FIRE DISTRICT
BOARD OF DIRECTORS EXPENDITURE AND EXPENSE
REIMBURSEMENT POLICY**

WHEREAS, the Moraga-Orinda Fire District (District) takes its stewardship over the use of its limited public resources seriously;

WHEREAS, public resources should only be used when there is a substantial benefit to the District that serves a public purpose;

WHEREAS, such benefits include the opportunity to discuss the community's concerns with local, state, and federal officials; participating in regional, state and national organizations whose activities affect the District; attending educational seminars designed to improve officials' skill and information levels; and, promoting public service and morale by recognizing service to the District;

WHEREAS, District business is occasionally conducted over meals to facilitate a more extensive, focused and uninterrupted communication about the District's policy concerns, and all meal expenditures must comply with the limits and reporting requirements of local, state and federal law;

WHEREAS, this policy provides guidance to members of the District Board of Directors on the use and expenditure of District resources, as well as the standards against which those expenditures will be measured;

WHEREAS, this policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources;

WHEREAS, this policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws;

WHEREAS, AB 1234, adopted in 2005 and codified as Government Code sections 53232, *et. seq.*, requires that all local agencies, including special districts, adopt an expense reimbursement policy;

WHEREAS, this policy satisfies the requirements of Government Code sections 53232, *et. seq.*, and supersedes District Administrative Policy A 2.03.02 with respect to the District's Board of Directors; and

BE IT FURTHER RESOLVED that the policy concerning the Moraga-Orinda Fire District Board of Directors Expenditures and Expense Reimbursement is hereby adopted to read as follows:

**Moraga-Orinda Fire District Board of Directors
Expenditure and Expense Reimbursement Policy**

I. AUTHORIZED EXPENSES

District funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized District business.

Travel, meals, lodging and other expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:

- a. Communicating with representatives of regional, state and national government on District adopted policy positions;
- b. Attending conferences, educational seminars, or meetings designed to improve officials' skill and information levels, provided that a brief report of such meetings shall be made by the Board member(s) at a subsequent Board meeting;
- c. Participating in regional, state and national organizations whose activities or meetings affect the District's interest, provided that a brief report of such meetings shall be made by the Board member(s) at a subsequent Board meeting;
- d. Recognizing service to the District (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
- e. Attending District-sponsored events;
- f. Meals where the primary purpose of the meal is to conduct District-related business (other than simply meeting constituents) as long as the amount of such meal does not exceed the applicable federal meals and incidental expenses per diem rate by location and meets applicable federal and state standards as to when meal reimbursement may be allowed; and
- g. Authorized expenses specifically defined in Section III of this policy.

Expenditures for all other activities require prior approval by the Board of Directors. The report proposing the expenditure must include an articulated public purpose justifying the expenditure. The resolution authorizing the expenditure shall also state the articulated public purpose.

II. UNAUTHORIZED EXPENSES

The District will not reimburse the following expenses:

- a. Alcohol;
- b. Internet service charges or telephone charges not required for District business;
- c. Room service;
- d. Travel insurance;
- e. Damages to official's vehicle;
- f. Excess baggage fees, unless required for District business;

- g. Family expenses, including cost of partner, children, other family members, or pets accompanying Board member on District business;
- h. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), newspapers, magazines, or other entertainment;
- i. Non-mileage personal automobile expenses, including repairs, traffic citations and fines, insurance or gasoline; and
- j. The personal portion of any trip;
- k. Personal losses incurred while on District business.
- l. Political or charitable contributions or events; and
- m. Expenses which are deemed excessive or unreasonable by the Board of Directors.

Any questions regarding the propriety of a particular type of expense should be resolved by the Board of Directors at a duly noticed public meeting before the expense is incurred.

III. PARTICULAR TYPES OF AUTHORIZED EXPENSES DEFINED

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.

a. Registration

Registration fee charged for any authorized convention, conference, seminar or meeting is reimbursable.

b. Transportation

The most economical mode and class of transportation reasonably consistent with scheduling needs, cargo space requirements, and the most direct and time-efficient route must be used.

Automobile. Mileage is reimbursed at Internal Revenue Service rates presently in effect (see www.irs.gov) at the time of travel. 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. Mileage will be reimbursed to the event or hotel location only. Board members shall maintain a valid California driver's license and auto liability insurance as required by the California Vehicle Code.

Taxis/Ride Shares/Shuttles. Taxis, ride shares, or shuttle fares may be reimbursed, including a 15 percent 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.

Rental Vehicle. Charges for rental-vehicles may be reimbursed if more than one Board member is attending an out of town conference, and it is determined that sharing a rental vehicle is more economical than other forms of transportation. In making such determination, the cost of the rental vehicle, parking and gasoline will be compared to the combined cost of such other forms of transportation. Government and group rates must be used when available. Rental rates that are equal or less than those published by the California Department of General Services (DGS) Statewide Travel Program, shall be considered the most economical and reasonable for purposes of reimbursement under this policy. If DGS rates are not available, reimbursement for car rental must not exceed 110% of either the state DGS rates or the Federal GSA rates, whichever is greater. Any exceptions to these rates must be approved at a public Board meeting before the expense is incurred.

Airfare. Airfares that are equal or less than those available through the DGS Statewide Travel Program are presumed to be the most economical and reasonable for purposes of reimbursement under this policy. If DGS rates are not available, reimbursement for airfare must not exceed 110% of either the state DGS rates or the Federal the rates published by the U.S. General Services Administration (GSA) rates, whichever is greater. Any exceptions to these rates must be approved at a public Board meeting before the expense is incurred.

c. Lodging

Lodging expenses will be reimbursed or paid for in advance when travel on official District business reasonably requires an overnight stay. Government rates must be used when available.

Conferences/Meetings. If such lodging is in connection with a conference, lodging expenses must not exceed the group rates published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board member at the time of bookings. If lodging at the conference group rate is not available, or if travel is not in connection with a conference, rates that are equal to or less than those available through the DGS Statewide Travel Program are presumed to be the most economical and reasonable for purposes of reimbursement under this policy. If DGS rates are not available, reimbursement for lodging must not exceed 120% of the state DGS rates or 100% of the Federal rates published by the GSA, whichever is greater. Any exceptions to these rates must be approved at a public Board meeting before the expense is incurred.

d. Meals

The District will reimburse meals for Board members required to travel outside of the District for District business up to the applicable federal meals and incidental expenses per diem rate by location (<https://www.gsa.gov/travel/plan-book/per-diem-rates>). Board members shall attach itemized meal receipts to any Expense Report requesting reimbursement for meal costs. Board members are not required to submit receipts for meals that are included in conference registration fees and provided by the conference.

e. Airport Parking

Short-term parking may not be used for travel exceeding 24-hours.

V. PROCEDURES

a. Expense Report Content and Submission Deadline

For reimbursement of authorized expenses: submit a completed and signed Expense Report to the District Secretary/District Clerk within 30 days of incurring the expense. The following receipts documenting the expense must be attached, as applicable:

- i. Original itemized receipts for registration, airfare, ground transportation, lodging and other travel expenses;
- ii. Itemized meal and restaurant receipts, including number of individuals served and food/beverages ordered;
- iii. Computerized maps for mileage reimbursement;
- iv. Receipts for tolls;
- v. Certificates of completion or attendance.

Inability to provide such documentation in a timely fashion may result in the expense being borne by the Board member.

Authorized expenses incurred no more than four months prior to the effective date of this policy that have not yet been reimbursed by the District shall be submitted in accordance with this policy, and either approved or rejected by the Board.

b. Cash Advance Policy

From time to time, it may be necessary for an official to request a cash advance to cover anticipated expenses while traveling or doing business on the District's behalf. Such request for an advance should be submitted to the District Secretary/District Clerk at least ten (10) days prior to the need for the advance with the following information:

- i. The purpose of the expenditure(s);
- ii. The benefits of such expenditure to the residents of District;
- iii. The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs, and transportation expenses); and
- iv. The dates of the expenditure(s).

Any unused advance must be returned to the District within two (2) business days of the Board member's return, along with an Expense Report and receipts documenting how the advance was used in compliance with this expense policy.

In the event the District Secretary/District Clerk is uncertain as to whether a request complies with this policy, such individual must seek resolution from the District Board of Directors.

c. Audits of Expense Reports

All expenses are subject to verification by audit for compliance with this policy.

d. Reports

At the following Board of Directors meeting, each Board member shall briefly report on meetings attended at the District's expense. If multiple officials attended, a joint report may be made.

e. Compliance with Laws

Board members 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.

f. Violation of This Policy

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: loss of reimbursement privileges; a demand for restitution to the District; the District's reporting the expenses as income to the official to state and federal tax authorities; civil penalties; and, prosecution for misuse of public resources.

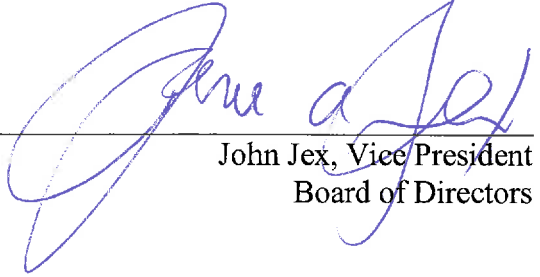
The foregoing Resolution was adopted by the Moraga-Orinda Fire District Board of Directors on April 18, 2018 by the following vote:

**AYES: DIRECTORS ANDERSON, BARBER, FAMULENER, JEX,
AND JORGENS**

NOES: NONE

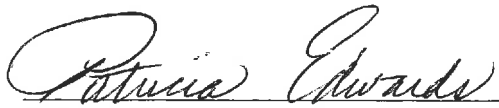
ABSENT: NONE

ABSTAIN: NONE



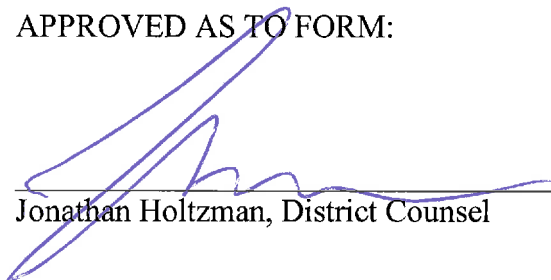
John Jex, Vice President
Board of Directors

ATTEST:



Patricia Edwards
Interim District Secretary/District Clerk

APPROVED AS TO FORM:



Jonathan Holtzman, District Counsel