

POLICY FOR INCIDENTAL BUSINESS EXPENSES

PURPOSE

The intent of this policy is to establish guidelines for eligibility and payment of expenditures for meals, snacks, and incidental expenses **not** related to out of town business travel.

SCOPE

All elected officials, employees, and volunteers acting on behalf of the City of Mercer Island, including members of City Boards and Commissions. As used throughout this policy document, “employee” means all persons included in this “scope”.

POLICY

Authorization

The City will pay for allowable business expenses when reasonable, necessary, and directly related to conducting business for the City of Mercer Island. Expenses incurred that are not in compliance with the policies outlined below will not be paid or reimbursed.

City Paid Business Meals

The City will pay for meal costs when such costs are directly related to the conduct of City business. Meal expenses must be reasonable and necessary to achieve the intended public purpose. Adequate, itemized expense documentation must be submitted for payment and approved by the Department Director. Examples of appropriate meal expenses include:

- Lunch or breakfast meeting necessary to accommodate scheduling conflicts;
- Professional organization sponsored business lunch meetings;
- Recruitment lunch meetings with candidates for City positions;
- Meals provided to interview panel members required to remain through a normal meal break;
- Meals provided to public works employees required to work un-scheduled extended periods of overtime related to utility main breaks, snow removal, or other infrastructure emergency repairs; and
- Meals provided to employees required to work un-scheduled continuous overtime as directed by Emergency Operations Center (EOC) for City wide emergency response.

City Paid Incidental Expenses

The City will pay for incidental business expenses including, but not limited to:

- In the event a fleet vehicle is not available, mileage reimbursement for local use of personal vehicle when used to conduct City business;
- Parking; and
- Training materials not included in registration fees.

Certain Expenses are NOT Eligible for Reimbursement

The City will not pay or reimburse cost for:

- Liquor or tobacco;
- Spouses or other family member to attend business event;
- Supplies or refreshments for regular or routine staff meetings;
- Staff birthday parties or other social celebrations;
- Flowers or gifts purchased for employees or volunteers except as outlined in Human Resource Employee Recognition policy; and
- Payment of parking tickets, traffic citations, fines or penalties.

City Sponsored Group Events

The City will pay for food and other refreshments for City sponsored activities as outlined below. Total cost for meal per employee should not exceed per diem rate as outlined in the Travel Expense Policy. Allowable group sponsored meal expenditures include:

- Meals associated with Council, Board, or Commission meetings that span a normal meal break;
- Department Director and Council retreats;
- Department retreats that span a normal meal break;
- Meetings with consultants, staff from other jurisdictions, professional and regional work groups, or elected officials;
- Lunch or breakfast meetings necessary to accommodate scheduling conflicts. Such meetings should be infrequent and will be limited to once per quarter; and
- Special or non-recurring staff training, planning, or committee meetings that exceed two hours.

CLAIMS AND DOCUMENTATION

Business Meals and Incidentals

When not on travel status, business meals and incidentals will be paid or reimbursed at actual cost when such expenses conform to the “reasonable and necessary” standard of this policy. Department Director approval is required for payment or reimbursement of expense incurred.

Documentation Required

The City will not pay or reimburse business meals and incidentals until all required documentation is received and approved. The following documentation is required:

- 1. Original, Detail Receipt.** The receipt must include individual meal detail costs including gratuity. For incidental expenses the receipt must show cost detail of items purchased.
- 2. Statement of Business Purpose** – Payment request must clearly state business purpose and benefit to the City. For business or professional organization meetings, a copy of meeting agenda must be included with request for payment.

Employee Responsible for Unauthorized Expenses

The employee will be responsible for payment of any expense they incur which is not in accordance with this policy, including those for which the above required documentation is not provided.

POLICY ADMINISTRATION

The Finance Director develops and implements procedures for administering this policy, ensuring compliance with the policy and State Law. The Finance Director is required to authorize any exceptions to the above policy.