

W. G. C.

Memorandum Date: December 14, 2005
Order Date:

TO: Board of County Commissioners
DEPARTMENT: County Administration
PRESENTED BY: Christine Moody, Management Analyst I
AGENDA ITEM TITLE: REPORT: TYING THE COUNTY'S ALLOWED PER DIEM RATES TO THE GENERAL SERVICES ADMINISTRATION RATES FOR BUSINESS TRAVEL BEGINNING JULY 1, 2006

THIS ITEM IS A REPORT TO THE BOARD REGARDING THE INTENT TO TIE THE COUNTY'S ALLOWED PER DIEM RATES TO THE GENERAL SERVICE ADMINISTRATION RATES FOR BUSINESS TRAVEL BEGINNING JULY 1, 2006, AS REVIEWED BY THE FINANCE & AUDIT COMMITTEE ON TUESDAY, DECEMBER 6, 2005.

I. AGENDA ITEM SUMMARY

The amount of the per diem rate for meals reimbursed to employees while traveling on County business is currently reviewed annually as part of the County budget process. An informal survey of other local agencies is conducted and the information is presented to the Finance & Audit (F&A) Committee for review & comment. For at least the past decade the per diem amount has remained at \$35.00 per day or actual receipts, whichever is greater.

There is concern that the set rate has become too low to make it a feasible option for employees, thereby necessitating the submission of receipts for all expenses. This results in extra staff time necessary to reconcile the receipts, which eliminates any cost savings gained by having a low per diem rate.

II. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Lane Manual 2.376 addresses the Travel Expense Reimbursement Policy as follows:

"The Expense Reimbursement Policy is designed to allow for the reimbursement of expenses incurred by employees when traveling on official business for the County. It shall be the County's policy that no County Employee shall sustain personal monetary loss as a result of performing official County duties. The County Administrator is delegated the authority and responsibility to develop and maintain Administrative Procedures necessary to implement this policy. (Revised by Order No. 98-4-1-11, Effective 4.1.98)"

Administrative Procedures Manual, Chapter 2, Section 7, Issue 8, sets the authorization and

reimbursement for travel expenses. As part of this policy, the APM states as follows:

"Meals related to County business shall be reimbursed based upon the greater of total receipts provided for the duration of the trip or a per diem rate, at the employee's option. (Tips and gratuities for meals are included as part of the per diem rate.) If the per diem rate is not used, receipts shall be required for all meals for which the employee is reimbursed. The per diem rate shall be established annually as part of the County budget process. The current rate is available from Accounts Payable, Management Services."

The survey of other local agencies conducted in November 2005, produced the following results:

<u>LANE COUNTY</u>	<u>CITY OF SPRINGFIELD</u>	<u>CITY OF EUGENE</u>	<u>E.W.E.B.</u>
\$35.00	\$35.50-\$43.00*	\$43.00	\$50.00 minimum or information obtained by city from Business Travel News

* Dependent on bargaining group

As shown above, the County's standard per diem rate has fallen below the other agencies surveyed.

In addition to the survey, information was presented to the F&A Committee for an alternative option for calculating the per diem rate. The General Services Administration (GSA) sets the standard daily allowance government travel for federal employees. This agency reviews and updates their rates at least annually. Their website is very interactive and can be consulted for traveling rates to major cities and counties across the nation. It also sets a minimum rate of \$39.00 per day for meals and incidentals (M&IE) in the event the city or county is not listed in their database.

The Departments of Children & Families & Public Works both had employees speak to the F&A Committee regarding the staff time involved in reconciling receipts for meal expenses. The F&A Committee recommended adopting the Government Services Administration rates as published on the GSA website, however they requested that the matter come before the Board of County Commissioners.

B. Policy Issues

Policies on travel reimbursement are found in both the Lane Manual and the Administrative Procedures Manual as noted in II (A) above. The County Administrator is delegated authority and responsibility to maintaining Administrative Procedures establishing travel reimbursement policies.

C. Board Goals

Strategic Plan: Section III. Our Guiding Principles, Accountability "We will always strive to get the most benefit from our available resources."

D. Financial and/or Resource Considerations

The change of the per diem rate to match the rate set by GSA will reduce staff time necessary for reconciling receipts freeing those staff resources to perform other duties.

When using the per diem rate, it will be the responsibility of the individual or department to obtain the GSA rate for the city they are traveling to and print out the information for attachment to the travel reimbursement request.

E. Analysis

The rates of GSA are updated annually and take into consideration local markets that Lane County does not readily have access to information on. The rates are set according to the actual costs expected in the city/county. By tying the County's rate to the GSA rate, the need for annual review of rates and the extra use of staff time to reconcile receipts would be eliminated.

There are also currently County departments, which receive grant funding from the federal government. When traveling under those grants, the grant reimburses them at the rate set by GSA. Having the County per diem match that rate would greatly simplify the reimbursement process.

It is recommended that system of using the GSA per diem rates be reviewed prior to the 2007-2008 budget preparation in order to get feedback from departments and Financial Services on how it is working. Thereafter, it could then be reviewed every 2 years unless problems arise.

III. TIMING/IMPLEMENTATION

No action is necessary of the Board given that Lane Manual already delegates the County Administrator with authority for developing travel reimbursement policies. The APM will be updated prior to preparation of the FY 2006-2007 budget and the new rates will be effective July 1, 2006.

IV. FOLLOW-UP

The County Administrator will update APM Chapter 2, Section 7, Issue 8 to refer employees to the GSA rate.

V. ATTACHMENTS

- A. Screen prints of GSA website where per diem information can be obtained.

MAIN PAGE:

Home > Policy > Travel Management > Per Diem > Per Diem Rates

Domestic Per Diem Rates

Guidance on travel to areas impacted by Hurricane Katrina.

FY 06 Rates were announced. Select 2006 below to view these rates. Rates are set by fiscal year, effective beginning each October 1.

To look up rates throughout the continental United States (CONUS), select a year and click on a state.

FY 06 PER DIEM NOTE (November 10, 2005). GSA is changing some FY 06 lodging per diem rates in the States of California, Colorado, Florida, Idaho, Missouri, New Jersey, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Wisconsin. Also, GSA is changing an FY 06 M&IE rate in Illinois. The effective date of these changes is November 20, 2005. See [GSA Bulletin 06-3](#) for more detail.

Find Rates for Fiscal Year:

CONTACTS

- Additional Contacts For
 - Travel Management Policy

REFERENCE

- FTR Travel/Per Diem Bulletins
- Federal Travel Regulation (FTR) Overview

RELATED GSA TOPICS

- eTravel
- FedRooms

FEDERAL LINKS

- Alaska, Hawaii, Puerto Rico, and U.S. Possessions Per Diem Rates
- Foreign Per Diem Rates
- FEMA/Fire Safe Certification

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GSA Staff Directory

GSA Organizations

Choose:

Abbreviation Lookup

GSA Regions by State

Choose State:

QuickLinks

[A-Z Links to GSA Tools](#)

Rates for Oregon are shown below

Breakdown

Factors Influencing Lodging Rates

Archived Files

NOTE: If neither the city nor the county is listed, the location is a standard CONUS destination with a rate of \$60.00 for lodging and \$39.00 for meals and incidental expenses (M&IE).

[State Tax Rates & Exemption Forms](#)

[Properties at Per Diem \(FedRooms\)](#)

View a [state map](#) with highlighted areas showing where rates listed below apply. Standard CONUS rates apply elsewhere.

[Select another State](#)

Key City (1)	County (2, 3)	Max Lodging Rate (4)	M&IE Rate (5)	Max Per Diem Rate (6)	Max & Lodging (7) or M&IE (8)
Ashland	Jackson	70	44	114	33.0
Beverton	Washington	72	44	116	33.0
Bend	Deschutes	66	44	110	33.0
Clackamas	Clackamas	67	39	106	29.25
Crater Lake	Klamath	68	39	107	29.25
Eugene/Florence	Lane	76	44	120	33.0
Lincoln City (October 1 - June 30)	Lincoln	74	49	123	36.75
Lincoln City (July 1 - August 31)	Lincoln	94	49	143	36.75
Lincoln City (September 1 - September 30)	Lincoln	74	49	123	36.75
Portland	Multnomah	98	49	147	36.75
Seaside (October 1 - June 30)	Clatsop	71	54	125	40.5
Seaside (July 1 - August 31)	Clatsop	98	54	152	40.5
Seaside (September 1 - September 30)	Clatsop	71	54	125	40.5

Rates for Washington D.C. are shown below:

[Rates and Incidental Expense Breakdown](#)
[Factors influencing Lodging Rates](#)
[Archived Files](#)

NOTE: If neither the city nor the county is listed, the location is a standard CONUS destination with a rate of \$80.00 for lodging and \$39.00 for meals and incidental expenses (M&IE).

[State Tax Rates & Exemption Forms](#)
[Properties at Per Diem \(FagRooms\)](#)
[View a state map](#) with highlighted areas showing where rates listed below apply. Standard CONUS rates apply elsewhere.
[Select another State](#)

Key City (1)	County (2)	Per Diem (3)	M&IE (4)	Total (5)	Per Diem (6)
District of Columbia (October 1 - December 31)	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax, and Loudoun in Virginia; and the counties of Montgomery and Prince George's in Maryland) (See also Maryland and Virginia)	166	64	230	48.0
District of Columbia (January 1 - May 31)	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax, and Loudoun in Virginia; and the counties of Montgomery and Prince George's in Maryland) (See also Maryland and Virginia)	187	64	251	48.0
District of Columbia (June 1 - August 31)	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax, and Loudoun in Virginia; and the counties of Montgomery and Prince George's in Maryland) (See also Maryland and Virginia)	145	64	209	48.0
District of Columbia (September 1 - September 30)	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax, and Loudoun in Virginia; and the counties of Montgomery and Prince George's in Maryland) (See also Maryland and Virginia)	166	64	230	48.0