



## LOCAL MILEAGE REIMBURSEMENT & OTHER LOCAL TRANSPORTATION POLICY

*January 27, 2012*

**CITY COLLEGES OF CHICAGO**  
**Local Mileage Reimbursement and Other Local Transportation Policy**

---

**Table of Contents**

General Information.....	3
• Effective Date	
• Purpose	
• Policy Acknowledgement Agreement	
I. Local Mileage Reimbursement Policy and Procedures.....	4
II. Other Local Transportation .....	9
III. Post-Payment QA/Monitoring Audit Policy.....	10
IV. Training.....	11
V. Transparency.....	11
VI. Exceptions/Exemptions.....	11

## CITY COLLEGES OF CHICAGO

### Local Mileage Reimbursement and Other Local Transportation Policy

---

**Effective Date:** January 27, 2012

**Purpose:** The preferred method of local travel for Colleges of Chicago (“CCC”) employees should be public transportation; however, it is recognized that there are times when this mode of transportation may not be feasible due to location, timing, equipment/materials, and/or security reasons. Options that can be considered as "second-choice" alternatives would be the use of a CCC vehicle, a contracted iGo/Zip rental car (option availability to be determined), or, **lastly**, a personal vehicle.

This policy addresses the local (within city limits) mileage reimbursement process when using a personal vehicle while performing CCC business, as well as other local transportation. The following protocols and related procedures need to be complied with; however, they may not address every situation and should be used as guidelines in those exception situations.

**Acknowledgement Agreement:** Employees seeking mileage reimbursement are required to sign an Acknowledgement Agreement indicating that they accept the terms of this policy. Failure to comply with any component of this policy and the related procedures will make the employee subject to disciplinary action up to and including termination of employment.

## **CITY COLLEGES OF CHICAGO**

### **Local Mileage Reimbursement and Other Local Transportation Policy**

#### **I. Local Mileage Reimbursement Policy and Procedures**

Although public transportation should be the preferred method of travel for CCC employees, it is recognized that there are times when this mode of transportation may not be feasible due to location, timing, equipment/materials, and/or security reasons.

Employees who utilize their personal vehicles to conduct CCC business are eligible to request reimbursement for local mileage. Local mileage reimbursement is for local travel related to the performance of an employee's regular job duties (and for occasional local travel for required meetings and/or professional conferences within the city).

It is important for CCC employees to understand that inappropriate and/or excessive mileage reimbursements increase the risk of taxpayer dollars not being used appropriately for CCC operations.

#### **A. Employees Eligible for Mileage Reimbursement**

- Must be a full-time or part-time CCC employee. Employees who are assigned a CCC-owned vehicle are not eligible for mileage reimbursement and are required to follow the CCC Vehicle Fleet Operation Policy.
- Must have prior authorization from their Officer of the District or Department Head on an annual basis to use their personal vehicle while performing business on behalf of the District (see annual acknowledgement form).
- Must meet or exceed minimum insurance policy limits as required by Illinois State Statutes., as follows:

\$20,000 – Per Person for Bodily Injury

\$40,000 – Per Accident for Bodily Injury

\$15,000 – Per Accident for Property Damage

Completion of the Certification of Driver's License and Automobile Liability Coverage form will be required on an annual basis.

- Full time employees must have the personal vehicle registered in Illinois and have a current City vehicle sticker.
  - o New employees, a current vehicle registration from any state is required, however once residency is established, a current Illinois vehicle registration and city sticker will be required (generally 6 months to 1 year from date of hire).
  - o Part time employees do not require City of Chicago residency and therefore a current vehicle registration from any state will suffice.
- Full time employees must have a valid Illinois driver's license, wear a seatbelt while driving, and use hands free wireless devices (confirm compliance on reimbursement on form).
  - o New employees, a valid driver's license is required from any state, however once residency is established (generally 6 months to 1 year from date of hire) a current Illinois driver's license is required.
  - o Part time employees do not require City of Chicago residency and therefore a valid driver's license from any state will suffice.

## **CITY COLLEGES OF CHICAGO**

### **Local Mileage Reimbursement and Other Local Transportation Policy**

- Must **not** have any outstanding debt owed to the City of Chicago, such as unpaid parking tickets or water bills (confirm compliance on reimbursement form and CCC will review City Data base).
- Must **not** have been convicted of more than three moving violations in the last three years or of driving under the influence within the last 5 years (confirm compliance on reimbursement form).
- Are **not** eligible to receive additional reimbursement for other vehicle-related expenses, such as gas, oil, car washes, maintenance, repairs, insurance or stipends
- Responsible for all parking/red light violations and moving violations incurred while driving.
- Independent consultants and contractors are **not** eligible for mileage reimbursement; although personnel from outsourced departments are eligible for mileage reimbursement based on position requirements.
- Mileage reimbursement under this policy shall apply to CCC and not extend beyond the City of Chicago limits unless approved in advance by the Department Head via a conference leave or employee reimbursement form.

#### **B. Supporting Documentation Required for Local Mileage Reimbursement**

Employees must submit a completed and signed Local Mileage Reimbursement Form and the supporting documentation for their monthly allowable local mileage within 10 days of each month-end to their supervisor for approval prior to submission for payment. Failure to complete and submit the Mileage Reimbursement Form within the 10 days may result in forfeiture of the employee's mileage reimbursement claim.

The monthly mileage amount shall be substantiated by a completed Mileage Reimbursement Form containing the following required information:

- Employee Information- Name; Department; Job Title; Employee ID and Employment Status.
- Dates vehicle was used during the month.
- Origination and destination locations- attach copy of MapQuest/Google/Yahoo map indicating start and end addresses and mileage for each segment of travel.
- Reason and purpose of each segment of the travel, as well as why public transportation could not be used.
- Requested mileage per day. This is the miles traveled for CCC business and not for commuting and/or minimum/maximum threshold purposes.
- Calculated mileage reimbursement. Reimbursement will be calculated using the "per mile" rate set by the Internal Revenue Service.
- Employee signature and date, which acknowledges the business appropriateness of the requested mileage reimbursement.
- Appropriate approval signatures.

## CITY COLLEGES OF CHICAGO

### Local Mileage Reimbursement and Other Local Transportation Policy

#### C. Unallowable Miles

Unallowable miles cannot be included in an employee's request for mileage reimbursement. This includes non-chargeable commuting miles between home and the employee's regular work site; the minimum and maximum thresholds for daily and monthly mileage usage; and personal mileage.

- Mileage between the **last destination of the day and home** cannot be included for reimbursement unless there is remaining mileage after the regular commuting miles have been deducted. Employees who include unallowable miles in their request for mileage reimbursement will be subject to disciplinary action.
- Mileage **will not** be reimbursed for **requests of 2 miles or less for any segment of a trip** (employees should be using public transportation unless they are responding to a security incident outside normal business hours), or for more than 50 miles per day, after commuting miles for the starting and ending segments of the trip have been deducted. Total monthly local mileage should not exceed 1,000 miles.

#### D. Management Review/Approval & Random Audits

Approval of a Mileage Reimbursement request is required from an employee's Supervisor/Manager (*first-line approver*), VC/Department Head, and Executive Director/DO Business Manager prior to reimbursement. Not having an adequate review process prior to submitting for payment increases the risk that taxpayer dollars are not being used efficiently or prudently.

- The Approvers' signatures must be original - copies/stamped approvals are not acceptable, nor is delegation of the review. Approval authority may be delegated on a limited basis with prior written approval from the COO or Chancellor.
- Reimbursement requests from Officers of the District are to be reviewed/approved via original signatures from the CFO or COO.
- Accounts Payable will provide final review for completeness, supporting documentation, expenses in accordance with policy, and proper level of approvals prior to payment.

It is the responsibility of the first-line approver to ensure that an employee's monthly Local Mileage Reimbursement Form is complete and that required documentation has been provided to support the expenditure is a valid CCC business expense. The first-line approver shall evaluate the submitted Mileage Reimbursement Form for:

- Timely submission (no later than 10 days after month end);
- Completeness of required elements (refer to Section B);
- Mileage claimed for CCC business vs. actual distance driven;
- Mathematical accuracy;
- Employee signature; and
- Escalation, if necessary, to the next Approver of any questionable and/or unsupported mileage for a more focused review.

## CITY COLLEGES OF CHICAGO

### Local Mileage Reimbursement and Other Local Transportation Policy

When the first-line review and approval is complete, the Approver submits the mileage reimbursement request and documentation to the next approver for signature, as required, and then to the Executive Director/DO Business Manager who will review and approve prior to forwarding it on to the Accounts Payable Services. This process needs to be **completed within one week** from the time that the employee submits the Mileage Reimbursement Form to the first-line approver.

**Random Audits:** Office of the Inspector General (OIG) may also conduct random audits of employees' mileage claims at least once per year to ensure that the information on the Mileage Reimbursement Form, as required in Section B above, is accurate and complete. If an employee is found to have falsified their requested mileage reimbursement (or any requested reimbursement) in any way, they will be subject to disciplinary action up to and including termination

#### E. Reimbursement/Payment Process

- The mileage reimbursement request is processed for payment after the supporting documentation has been properly reviewed, approved, and received by the Accounts Payable Services, as indicated in Section D above.
- All reimbursement requests will be paid via a Direct Voucher; therefore the following steps should be followed:
  - Upon receipt of the request the College Business Office or District Office Business Manager should date stamp the local mileage reimbursement form and perform required review (see section D above) immediately to insure compliance with the **10 day** processing requirement.
  - Look up the vendor number and assign and write invoice # on document. Use the following naming convention with no spaces for the invoice #.
    - Vendor # and first 4 of last name (e.g. 12345boul)
    - Beginning date of travel (Nov302011)
  - The expense report should be entered into a control group and then entered into the system for payment. System will perform budget check at this time; if funds are not available the first line approval should be contacted to request the appropriate budget transfer.
  - Submit the expense reimbursement request and supporting document to the Accounts Payable Services for approval for vendor payment.

## CITY COLLEGES OF CHICAGO

### Local Mileage Reimbursement and Other Local Transportation Policy

#### *Accounts Payable Services*

- The Accounts Payable Services will review, audit and verify that all expenditures have met the internal and external guidelines and policies prior to issuing payment.
- Escalation to Finance Managers of any expense that appear to be out of the ordinary (i.e., abnormally large mileage) for a more focused review.
- Once audit has been completed the Accounts Payable Services will approve the Direct Voucher and release for payment.
- All non-bargained for employees will receive payment reimbursement via direct deposit. Employees under a collective bargaining agreement will be encouraged to submit bank account information to process payment reimbursement via direct deposit.
- After payment, the final approved supporting documentation is to be maintained by the Accounts Payable Services electronically or in hard copy.

***Noncompliance*** - The District will deny reimbursement for expenditures which do not comply with District policy. Unreasonable, exorbitant, improper, or unsubstantiated charges will be denied.

***Fraud*** - An employee who knowingly misrepresents the facts concerning local mileage reimbursements or who files or signs any reimbursement forms which contain deliberate false statements with intent to defraud the District may be subject to both administrative and/or disciplinary action, including the possibility of termination and criminal action.

## **CITY COLLEGES OF CHICAGO**

### **Local Mileage Reimbursement and Other Local Transportation Policy**

#### **II. Other Local Transportation**

Reimbursement for Other Local Transportation modes will either no longer be allowed or limited, due to non-standard usage among City Departments and Sister Agencies and unclear control procedures, to ensure that taxpayer dollars are used appropriately for operations that require employee transportation. Other local transportation refers to taxi cards/coupons; CTA passes; parking fees; jury duty travel expense; fuel credit cards.

##### **A. Taxi Cards/Coupons**

The use of taxi cards and taxi coupons will be discontinued. Taxi fares (excluding gratuity) for local travel when performing CCC business can be submitted for payment through the Employee Reimbursement process.

##### **B. Bulk Purchase of CTA Passes**

The bulk purchase of CTA passes will no longer be allowed. Employees can register for pre-tax transit checks through a payroll deduction which can be used to purchase train/rail passes.

##### **C. Jury Duty Travel Expense**

Reimbursement for jury duty travel expenses will no longer be allowed.

##### **D. Parking Fees**

Reimbursement of parking fees will be limited to \$25 for each segment of travel, with a maximum of two segments per day.

##### **E. Fuel Credit Cards**

Externally-issued fuel credit cards will no longer be allowed. If unable to use a City-issued fuel card for fuel-related expenditures for a CCC assigned vehicle, submit these expenditures for payment through the Employee Reimbursement process.

## **CITY COLLEGES OF CHICAGO**

### **Local Mileage Reimbursement and Other Local Transportation Policy**

#### **III. Post-Payment QA/Monitoring Audit Policy**

Post-Payment QA/Monitoring Audit processes will be developed/enhanced by each Agency and the City to ensure compliance with the Local Mileage Reimbursement and Other Local Transportation Policy and that expenditures are being properly processed and paid/reimbursed accurately.

The monitoring and analytical review of mileage reimbursements and other vehicle-related expenditures by type and by individual are also important controls. Without well-defined monitoring processes, it would be difficult to identify payment issues, such as duplicate reimbursements where an employee submits local mileage and then at a later date submits actual fuel and/or maintenance expense for the personal vehicle.

This multi-tiered review process will be performed by CCC's Finance and Internal Audit departments; as well as the City of Chicago's Internal Audit department.

##### **A. CCC Finance Department**

- Periodic random QA reviews of processed mileage reimbursement transactions for compliance with the Policy's documentation and processing requirements.
- Individual Utilization - Review both mileage and travel reimbursements by employee to identify any questionable expenditures, duplicate payments, and/or spending habits.
- Analytical Review - Compare mileage reimbursements for current time period to prior periods and actual expenditures to budgeted ones to identify unusual or excessive spending and/or unexpected trends.

##### **B. CCC's Internal Audit**

- Perform periodic audits for compliance with the CCC's current mileage reimbursement process, utilizing the results of the procedures performed in Section A by the Finance department.

##### **C. City of Chicago Internal Audit**

- Review results of Agencies' audits and determine if there is a need for additional audit review by the City.
- Perform periodic audits for compliance with the City's current mileage reimbursement process. Determine the need and frequency of this audit, for either all departments or judgmentally-selected departments, utilizing the results of the procedures performed in Section A by the Agencies Finance department.
- Perform periodic reviews of the expenditures of the Senior Executives at both the Agency and the City.

**COLLEGES OF CHICAGO**  
**Local Mileage Reimbursement and**  
**Other Local Transportation Policy**

**IV. Training**

Employees of CCC shall undergo training regarding the City-Wide Local Mileage Reimbursement Policy at the time of implementation of the new Policy or upon hiring of new employees.

**V. Transparency**

CCC shall upload their individual mileage and travel reimbursement information to its website on a monthly basis, starting with an initial year-to-date upload at the time of adoption of the Local Mileage Reimbursement, Other Local Transportation Policy and the General Travel Policy.

Proactive transparency increases disclosure of and accountability for CCC expenditures. It also serves as a deterrence mechanism for those employees who might otherwise be tempted to engage in inappropriate conduct or spending.

**VI. Exceptions/Exemptions**

Potential exception/exemption from any component of this Policy must be submitted to and discussed with the Chicago Comptroller for consideration. Any approved exception/exemption will be considered part of the Policy and will need to be retained as part of the Policy.