

FINANCE AND ADMINISTRATIVE SERVICES

AP 6901 MILEAGE REIMBURSEMENT**References:**

BP 6900 Travel
Education Code Section 87032, 44032, 44033
AP 2735 Governing Board Member Travel

The Vice President for Finance and Administrative Services is responsible for ensuring that the District complies with sound operating procedures regarding business mileage reimbursement as it relates to the District's Board Policy regarding Travel.

A. Purpose & Scope

The purpose of this procedure is to implement provisions of *Board Policy 6900 Travel* by outlining the administrative procedures associated with mileage reimbursement. As noted herein, and in reference, District employees may be reimbursed for the use of their personal vehicles while traveling on District business.

B. Requirements & ProceduresEligibility for Mileage Reimbursement

Business mileage is the travel an employee incurs beyond normal commute mileage (from home to the office and home again) on a normal workday. Employees may request reimbursement of any business mileage incurred, less an adjustment associated with their normal commute mileage. The mileage rate includes gas, vehicle maintenance, insurance, and other personal vehicle related costs.

The District reimburses travelers for mileage if the following conditions are met:

- Employees must be authorized to use their personal vehicle within the scope of their duties for official District business.
- Mileage reported must be for District business purposes and exclude personal trips. Normal commute from the employee's home to the regular place of work, and from the regular place of work to home, are not considered District business.
- Employees must have a valid driver license and adequate automobile insurance.
- The personal vehicle must be licensed, registered, and insured consistent with California State requirements.

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- Employees must track their business mileage and maintain auditable records as outlined in the Auditable Records section below.
- Immediate supervisors are responsible for ensuring that employees provide appropriate documentation for all trips for which reimbursement is requested.
- If two or more employees share a personal vehicle, only one employee shall be reimbursed.
- For grant funded activities, mileage claims must be reasonable and necessary to the performance of federal and state award. The cost must be allocable to the program. Travelers and program directors are responsible for being knowledgeable and compliant with specific Sponsor's requirements.
- Reimbursement for mileage may not exceed the total cost of coach airfare and other transportation costs to the same destination.

Computing Mileage

Employees will be reimbursed at the prevailing Internal Revenue Service (IRS) standard mileage rate in effect at the time of travel. The standard mileage rate is intended to cover fuel, maintenance, depreciation, licensing and registration, insurance, and all other costs associated with operation of the vehicle. The standard mileage rates will be posted on the *Fiscal Services Travel Forms & Documents* page.

Mileage shall be calculated as the distance from the employee's regular work location to the business travel destination(s). Employees that do not have a regular work location must be designated a primary place of work (IRS Publication 17).

If an employee has more than one office location, consider the following when determining your primary place of work.

- The total time the employee ordinarily spends in each place
- The level of business activity in each place
- Whether the employee's salary from each place is significant or insignificant

In computing business mileage, the starting and finishing points shall be the regular work location of the employee. When business travel originates from an employee's home, subtract the following (a.k.a. an *Origination Point Deduction or OPD*) from the total mileage:

- The distance from home to the first business destination; or
- The distance from home to the primary work location, whichever is less

If the employee proceeds from their last business destination directly to their home, they shall also subtract (a.k.a. a *Return Point Deduction* or *RPD*) from the total mileage:

- The distance from the last destination to home; or
- The distance from the regular work location to home, whichever is less

For trips between District locations, use the following *District Mileage Chart*:

From/To	San Marcos	Escondido Center	Camp Pendleton	Fallbrook Center	Rancho Bernardo Center
San Marcos	n/a	11.00	17.00	20.00	15.00
Escondido Center	11.00	n/a	26.00	20.00	10.00
Camp Pendleton	17.00	26.00	n/a	17.00	31.00
Fallbrook Center	20.00	20.00	17.00	n/a	26.00
Rancho Bernardo Center	15.00	10.00	31.00	26.00	n/a

Mileage Reimbursement Examples

See *Standard Mileage Examples* on addendum

Submission of Claims

Travelers requesting mileage reimbursement shall complete the *Business Mileage Reimbursement Form* and submit it to Accounts Payable once a month (or less frequently if the accumulated mileage is less than 100 miles). Mileage must be reported to Accounts Payable no more than fourteen (14) calendar days after the end of the fiscal year, which falls on June 30th each year.

Mileage claims for trips outside San Diego County must be reported on the *District Travel Approval/Claim Form* for reimbursement of their mileage and associated travel expenses.

Report only travel on authorized District business. If the continuity of a day’s travel is interrupted by a personal trip, subtract this trip from the mileage claim.

Separate claims for expenses incurred in the use of a personal vehicle, such as gasoline and oil, repairs, registration, licensing, insurance premiums, traffic and parking violations, and any damage to personal vehicles brought by third parties arising from accidents in which the employee may be involved, unless such is specifically authorized by Board action, will not be allowed.

- Transportation related expenses, which are directly associated with business mileage and reasonably incurred, may be reimbursed. Allowable expenses include such costs as parking fees, bridge, and highway tolls. These should be itemized and listed separately on the District’s *Travel Reimbursement Claim Form* and adequately receipted by attached original itemized receipts. Before travel reimbursement forms are submitted, it is highly encouraged that copies be made and retained by the employee, of all original receipts being submitted.

Auditable Records

The IRS requires substantiation of all mileage for which reimbursement is claimed. For trips other than between District locations, mileage reimbursement must be supported by printouts-from websites such as Google maps, MapQuest or a similar site showing the detailed start and end points and total distance travelled. Adequate explanation of locations covered must be shown. Fiscal Services shall retain all such records.

Mileage Claims – Approval Routing

The following represents the approval routing for mileage claims. Below the responsible party is noted along with the actions they are responsible for.

Approval Routing	
Responsible Party	Role
Employee	Prepares reimbursement form, signs & submits to administrator for approval
Board Trustee Representative (District EE)	Prepares Business Mileage Reimbursement Form for GB Trustee, signs and submits to President for approval
Supervisor (Administrator)	Reviews claim, signs if approved, and submits to appropriate administrator responsible for ensuring propriety of travel and budget to cover the expense.
Accounts Payable (AP) Department	Reviews mileage claim and follows procedure for reimbursement payment if all is in order. If backup is not sufficient, AP will return the claim to the claimant or their Departmental ADA for revisions and or additional backup.

Forms

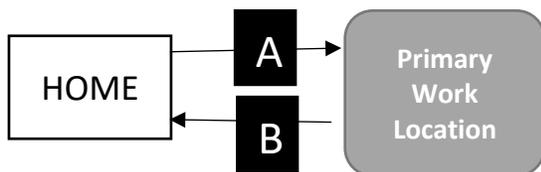
The following forms are available on the District's Fiscal Services website

- Business Mileage Reimbursement Form
- Travel Reimbursement Claim Form
- Travel Reimbursement Rate Sheet

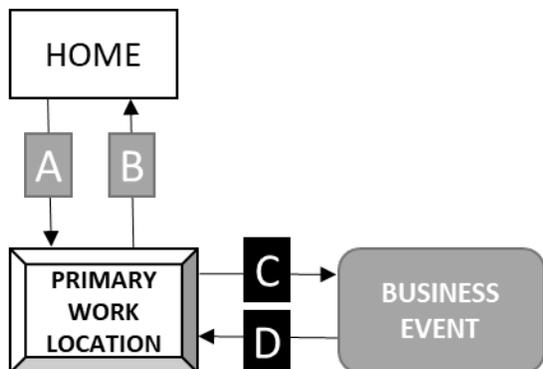
Mileage Examples – Diagrams

The following are common scenarios associated with business mileage and are provided to help District employees understand how the District calculates the net reimbursable miles for a given segment of travel.

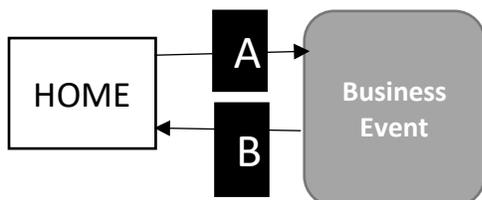
Example 1: This represents the distance to and from an employee's home of record and their primary work location. When seeking reimbursement for business mileage, the one-way distance (e.g. A) between these locations should be recorded at the top of the *Business Mileage Reimbursement Form* (see <2>) in the space provided. **Result:** No reimbursable miles



Example 2: In this example, the employee is first traveling to their primary work location and then they are making a round trip to and from a business event that ends back at their primary work location. In this scenario the total of legs C and D would be reimbursable to the employee. That's true because the employee is beginning and ending the business travel at their primary work location. Assume A=5, B=5, C=7 and D=7. **Result:** C+D or 14 reimbursable miles



Example 3: In this example the employee is traveling directly from their home to an off-site business event and back home. In this scenario the employee *may or may not* receive reimbursement. In this case, reimbursement is dependent on the roundtrip between home and the business event being further than the roundtrip from home to the employee’s primary work location, as illustrated in **Example 1**. As discussed earlier in the *Computing Mileage* section above, the employee must deduct the *lesser* of the two distances (e.g. either from home to the primary work location or home to the business event) from each leg of travel when computing their mileage reimbursement request.
Result: (A+B) – total distance to and from their home = Reimbursable Miles



Example 3a: Assume A & B = 5 miles each and the distance to and from the primary work location, known as X & Y are 1 mile each. **Result: (A+B) – (X+Y) = reimbursable miles or (5+5)-(1+1) = 8 reimbursable miles**

Example 3b: Assume A & B = 5 miles each and the distance to and from the primary work location, known as X & Y are 10 miles each. **Result: (A+B) – (X+Y) = Reimbursable miles or (5+5) – (10+10) = -10 miles which is not reimbursable.** The rationale is that the employee is driving less miles per day as a result of going directly to the business event. Therefore they aren’t incurring any added expense so there is nothing to reimburse.

Example 4: In this scenario the employee is first traveling to the business event (A) then back to their primary work location (B) and then home (C). Assume: A = 7, B = 10 and C = 5. **Result: (A – C) + B or (7 – 5) + 10 = 12 reimbursable miles**

