

BOARD MEETING DATE: July 7, 2017

AGENDA NO. 12

**PROPOSAL:** Amend Meal Reimbursement Provisions of SCAQMD's Administrative Code

**SYNOPSIS:** The United States General Services Administration (GSA) establishes per diem rates, which vary by locality, for meal reimbursements. This item proposes amendments to provisions of SCAQMD's Administrative Code regarding meal reimbursements for SCAQMD employees, Board Members, Board Member Consultants, Board Member Assistants, and Hearing Board Members in order to conform to the per diem rates prescribed by the GSA.

**COMMITTEE:** Administrative, June 9, 2017; Recommended for Approval

**RECOMMENDED ACTION:**

Adopt amendments to Administrative Code Sections 111, 112, and 120, as set forth in Exhibit A.

Wayne Nastri  
Executive Officer

MBO:SJ:lg

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**Background**

The SCAQMD's Administrative Code was amended in 2006 to comply with the limitations set forth in AB 1234. Among other things, AB 1234 requires Board Members to produce receipts documenting reimbursable expenses. Additional significant changes to the Administrative Code included requirements to secure government or group rates for lodging and transportation as well as to provide Board Member travel reports at Board meetings.

**Proposal**

This action is to approve amendments to provisions of SCAQMD's Administrative Code regarding meal reimbursements for SCAQMD employees, Board Members, Board Member Consultants, Board Member Assistants, and Hearing Board Members in order to comport with the per diem rates prescribed by the GSA. This action is also to forgo

the requirement to evidence meal expense claims with receipts for SCAQMD employees, Board Member Consultants, and Board Members Assistants. However, pursuant to the requirements set forth in AB 1234, receipts will still be required to document Governing Board Member and Hearing Board Member meal and travel expense claims. An underline/strike-out version of the policy showing the proposed changes to the Administrative Code is attached as Exhibit A.

Proposed changes to Administrative Code Sections 111 (SCAQMD Board Members' Expenses), 112 (Board Member Assistant and Board Member Consultant Policy), and 120 (Travel Expenses) are as follows:

- Change meal expense limits for Board Members to conform to the per diem rates in effect at the time of travel for the Board Member's city of destination, as promulgated by the GSA. Meal expenses for Board Members must still be evidenced by receipts.
- Change employee, Board Member Assistant, and Board Member Consultant meal expense limits to conform to the per diem rates in effect at the time of travel, as promulgated by the GSA for the employee, Board Member Assistant, or Consultant's city of destination. It will no longer be necessary to evidence meal expense limits with receipts.
- Incorporate meal and travel reimbursement provisions for Hearing Board Members, which include adherence to the lunchtime per diem rates prescribed by the GSA. Expense claims must be evidenced by receipt.

### **Fiscal Impact**

The current fixed meal reimbursement rate of \$50 per day (\$10 – Breakfast, \$15 – Lunch, and \$25 – Dinner) was established in 2006 and is being replaced with the GSA established per diem rates (including Incidental Expenses) for the specific location of travel. Those GSA per diem rates range from \$54 to \$74 depending on location. Additionally, employee per diem rates for meals and incidental expenses will be limited to 75% on partial days of travel. While the GSA per diem rates are higher than the current meal limits, they include incidental expenses such as baggage carriers, porters, cab tips, etc. It is anticipated that any additional costs will be more than offset by the reduction in recordkeeping and review of actual receipts from employees.

### **Attachment**

Exhibit A, Draft Amended Administrative Code Sections 111, 112, and 120 (underline/strikeout)

## **Exhibit A**

### **Section 111 - SCAQMD Board Members' Expenses**

1. **INTRODUCTION.** Health & Safety Code Section 40426 provides that: "Each member of the South Coast District Board shall receive compensation of one hundred dollars (\$100) for each day, or portion thereof, but not to exceed one thousand dollars (\$1,000) per month, while attending meetings of the South Coast District Board or any committee thereof or, upon authorization of the South Coast District Board, while on official business of the South Coast District, and the actual and necessary expenses incurred in performing the member's official duties."
2. **COMPENSATION.** SCAQMD Board Members shall be compensated as follows:
  - a. For each meeting of SCAQMD's Board or a committee of the Board to which the member is appointed, \$100 per day or portion thereof shall be paid. Committee meetings attended in person or via teleconferencing qualify a Board Member for the compensation.
  - b. While on official business of SCAQMD, \$100 per day or portion thereof shall be paid. Official business includes, but is not limited to:
    - (1) Scheduled meetings with the Executive Officer, SCAQMD staff, Board Assistants, public officials, staff at public agencies, other Board Members, members of the public regarding any pending or proposed matter within SCAQMD's purview, or with an air quality related group. An air quality related group is one that has as a primary purpose, participation in dialogue regarding air quality policy.
    - (2) Tours of facilities within SCAQMD, participation in radio, television, newspaper, or other mass media primarily concerning SCAQMD air quality issues, or presentation of an air-quality related speech.
    - (3) Meetings or conferences on air pollution-related matters, when attendance at the meetings or conferences is approved by the Board Chair.
  - c. When conducting official business of SCAQMD requiring out-of-basin travel, a Board Member must obtain advance approval by SCAQMD Board or advance written approval by its Chair in order to qualify for the \$100-per-day compensation. In the interests of equity, up to \$500 per Board Member per fiscal year may be approved by SCAQMD Board or by the Chair if, through oversight or in the event of unanticipated travel, a Board Member does not obtain advance approval. Such approval by the Chair shall be reported to the next regular meeting of the Governing Board as part of the monthly travel report. Examples of official business for which approval is required include, but are not limited to:

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- (1) Meetings taking place outside of the geographical limits of the four counties that make up SCAQMD.
- (2) The travel day immediately preceding and immediately following the meetings specified in (c)(1) above.
- d. Total compensation to a single Board Member pursuant to subparagraphs 2.a., 2.b., and 2.c. shall not exceed the limits set forth in state law.
3. **EXPENSES.** Each member of SCAQMD's Board shall be entitled to the actual and necessary expenses incurred in performing the member's official duties:
  - a. The actual cost of transportation when by public carrier.
  - b. Mileage as specified in Section 110 of the Administrative Code.
  - c. ~~Actual reasonable and necessary cost of meals as evidenced by receipts.~~
  - d. Actual and necessary expenses associated with trips taken outside of the geographical limits of the four counties which make up SCAQMD while on official business of SCAQMD, when such trips are requested or approved *in advance* by action of SCAQMD Board or are approved *in advance* in writing by its Chair. In the interests of equity, expenses, subject to the total dollar limit specified in Section 2.c., may be approved by SCAQMD's Board or by the Chair if, through oversight or in the event of unanticipated travel, a Board Member does not obtain advance approval. Such approval by the Chair shall be reported to the next regular meeting of the Governing Board as part of the monthly travel report.
  - e. ~~Rules for Board Member meal expense limits and claims, which must be evidenced by receipts, as evidenced by receipt shall follow the procedure described in Section 120 of the Administrative Code conform to the per diem rates as shall be currently in effect at the time of travel, as promulgated by the -be as per limits located at United States General Services Administration (GSA), -www.gsa.gov/per-diem, for the Board Member's city of destination. by receipts, except that~~ However, ~~Mm~~ meal expenses will be allowed within SCAQMD boundaries.
  - f. Government or group rates offered by transportation or lodging providers must be used when available. ~~If such rates are not available,~~
  - g. ~~shall be made only for~~ Lodging that exceeds the limits described in Section 120 of this Code will only be reimbursed up to the government rate, or if not available, up to the corporate rate, or if neither a government nor corporate rate is available, the actual rate, as evidenced by receipts.

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- (1) In addition, if only the convention/conference rate for the event the Board Member is attending is available at the convention/conference hotel and such rate is greater than government or corporate rate, the convention/conference rate is reimbursable.
- (2) If a rate greater than that permitted or authorized elsewhere in this section is the only rate available, or if there are overriding reasons why the mission of SCAQMD cannot be accomplished at the rates permitted or authorized elsewhere in this section, such rate may be approved by the Board upon written justification submitted by the requesting Board Member in advance of the proposed travel. (The Board Member Travel Request and Report form contains a section for justification and may be used to comply with this requirement.)

Any upgrades or costs that exceed those allowed by this paragraph are the sole responsibility of the Board Member.

~~hfgf.~~ \_\_\_\_\_ Board Members must provide a brief report on meetings attended at SCAQMD's expense at the Board's next regular meeting. The reports may be made in writing. Report forms are available from the Clerk of the Board's office. Travel reports are required when a Board Member receives expense reimbursement. They are not required when a Board Member only receives compensation for attending an event.

#### **4. FILING A CLAIM FOR COMPENSATION AND/OR EXPENSES**

- a. Claims for compensation shall specify the applicable subparagraph 2 of this section.
- b. Claims for expenses shall include full justification for expenses incurred, including receipts, when required.
- c. Claims shall be made on SCAQMD expense claim forms and submitted to SCAQMD Executive Office staff who will process for payment expeditiously.
- d. Claims for compensation and/or expenses incurred in connection with travel outside the geographical boundaries of SCAQMD shall include a copy of the approved Board Member Travel Request and Report form and the Travel Report that includes:
  - (1) an assessment of the benefit to SCAQMD derived from the trip,
  - (2) individuals contacted, affiliations, addresses/phones,
  - (3) key information learned/points of interest/issues,
  - (4) items for staff follow-up, and

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- (5) description of materials (if any) received and a copy thereof, if feasible.
- e. ~~All air travel, lodging, and car rental expense should be made through the travel agency specified by the Executive Officer unless the Board Member can obtain an equal or lower rate through a different agency. In the latter case, a statement of the Board Member that the rate obtained was equal to or lower than that available through SCAQMD-designated travel agency must be included on the Board Member Travel Request and Report form or the expense claim form. Any upgrades or costs that exceed those allowed by this paragraph are the sole responsibility of the Board Member.~~ All air travel is restricted to regularly-scheduled commercial carriers. Reservations can be made electronically and should be made for the lowest class attainable at the time of reservation (e.g. economy). Whenever possible, reservations for air travel should be made in advance in order to take advantage of available discounts. Any upgrades or costs that exceed those allowed by this paragraph are the responsibility of the Board Member.

### **Section 112 – Board Member Assistant and Board Member Consultant Policy**

1. That an employee classification of Board Member Assistant be established, with the following scope of duties, minimum requirements, and compensation rates:

Scope of Duties: performs for Board Member a variety of tasks ranging from liaison with constituent public entities, other Board Members, the public, and SCAQMD staff related to clerical functions. Typical functions may include preparing narrative and statistical reports, preparing correspondence, filing and maintaining records, arranging meetings and other group functions; monitoring various programs and projects; responding to inquiries from constituent public entities, SCAQMD Board Members, the public, and SCAQMD staff.

Minimum requirements: evidence of the required training and experience shall be demonstrated by coursework in business administration or a related field, and/or sufficient experience performing data analysis and adjunct clerical functions for which familiarity with personal computers is desirable.

Maximum compensation rate: up to \$31.05 per hour effective January 1, 2015; \$31.51 per hour effective January 1, 2016; and \$31.99 per hour effective January 1, 2017, and as revised by the Governing Board.

2. That an employee classification of Board Member Consultant be established, with the following scope of duties, minimum requirements, and compensation rates:

Scope of Duties: performs for Board Member a variety of professional-level assignments in the development and formulation of policy, data analysis, reports, plans, assessments, and strategies for SCAQMD programs; provides advice and recommendations to the Board Member regarding matters subject to the Board

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Member's decision-making authority; may provide liaison with the public on behalf of the Board Member. Typical functions may include planning, organizing, and developing a wide variety of programs on the Board Member's behalf and evaluating the effectiveness of various approaches.

Minimum requirements: evidence of the required training and experience shall be demonstrated by graduation from an accredited college or university preferably with a major in an academic discipline related to the assignment and/or sufficient experience involving technical or analytical work at a professional level which would demonstrate the required knowledge, skills, and abilities related to the assignment.

Maximum compensation rate: up to \$55.90 per hour effective January 1, 2015; \$56.73 per hour effective January 1, 2016; and \$57.59 per hour effective January 1, 2017, and as revised by the Governing Board, except for the Board Chair's Assistant/Consultant.

3. That class specifications of Board Member Assistant and Board Member Consultant be added to SCAQMD's Classification Plan at that maximum compensation rate and with the scope of duties and minimum requirements specified above.
4. That Board Member Consultants may be engaged as either independent contractors or exempt SCAQMD contract employees and that Board Member Assistants may only be employed as SCAQMD contract employees.
5. That the Contracts for Board Member Consultants engaged as independent contractors shall specify that they shall not, during the term of their employment, engage in any performance of work that is in direct or indirect conflict with duties and responsibilities for SCAQMD, and that their contracts shall contain a provision so stating. Contracts for Board Consultants and Assistants engaged as contract employees shall be subject to Section 40 of SCAQMD's Administrative Code—Code of Ethics, except that they shall adhere to the work rules and performance standards established by the Board Member to whom they report.
6. That a Board Member wishing to engage the services of a person to provide assistance shall submit to the Administrative Committee a Proposal identifying the person and setting forth his or her qualifications, scope of duties, and proposed compensation. The proposal shall include a listing of other employment and/or clients sufficient to determine whether the person has existing work that conflicts directly or indirectly with his or her duties and responsibilities for SCAQMD. The Administrative Committee shall review the Proposal and determine if the proposed compensation rate is consistent with the required qualifications described above and shall, with advice of General Counsel, make a case-by-case determination of whether a person proposed to provide assistance complies with the conflict-of-interest requirements of this Policy and is a Board Member Assistant or a Board Member Consultant. If the determination is made that the person is a Board Member Consultant, the Administrative Committee also shall determine whether the Board Member consultant be classified as an employee or an

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independent contractor. All Board Member Assistants shall be contract employees. Board Member Assistants, and Board Member Consultants who are SCAQMD employees, are exempt from SCAQMD's Salary Resolution, Personnel Rules, and Administrative Code, except as specifically referenced in the said documents, this policy, or in his/her contract with SCAQMD.

7. That the position of Board Member Consultant (whether SCAQMD employee or independent contractor) and Board Member Assistant be noticed for designation in SCAQMD's Conflict of Interest Code listing classifications subject to the Code and the incumbent must disclose economic interests and comply with the Conflict of Interest provisions of the Political Reform Act.
8. That Board Member Assistants and Board Member Consultants serve at the pleasure of the Board Member to whom support services are provided and pursuant to the provisions of the contract executed between the Board Member Assistant or Board Member Consultant and SCAQMD. The Board Member served may determine whether his/her Board Member Consultant is to be paid on an hourly or a monthly basis. Board Member Assistants must be paid on an hourly basis. Board Member Assistants and Board Member Consultants who are contract SCAQMD employees and who are paid on an hourly basis shall receive overtime pay at the rate of 1.5 times the hourly rate specified in his or her contract for hours worked in excess of ten per day or forty per week provided the Board Member approves in advance in writing the working of any overtime by the Board Member Assistant or Board Member Consultant. Board Member Consultants paid on a monthly basis will be paid a pro rata share of their annual contract amount each month, provided the Board Member approves in writing, which will also cover all expense reimbursements authorized under the contract.
9. That the maximum support service-related expenditure SCAQMD may make for the Chair and Vice-Chair is \$116,250 for FY 2015-16; \$117,993 for FY 2015-16; and \$118,872 for FY 2016-17, and as revised by the Governing Board, not including business-related expenses. That the maximum support service-related expenditure SCAQMD may make for all other Board Members, not including business-related expenses shall be calculated prior to the beginning of each fiscal year based upon the Committee/Advisory/Other Group Assignment Points Methodology and Calculation, as described in Exhibit I. That the minimum support service-related expenditure SCAQMD may make for all other Board Members, is \$38,750 for FY 2015-16; \$39,331 for FY 2016-17; and \$39,624 for FY 2017-18, and as revise by the Governing Board, not including business-related expenses. Effective May 1, 2009, expenses approved in advance that are associated with Board Member-approved attendance at mobile Board meetings and Board retreats will be reimbursed by SCAQMD upon presentation of expense receipts. Effective May 1, 2009, expenses approved in advance that are associated with Board Chair-approved attendance at mobile Board meetings and Board retreats will be reimbursed by SCAQMD upon presentation of expense receipts.



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- a. Board Member Assistants and Board Member Consultants will be provided vehicle mileage reimbursement, at the rate set forth in Administrative Code section 110.4, for travel within the geographical boundaries of SCAQMD for travel directly related to their duties as a Board Member Assistant or Board Member Consultant.
  - b. A Board Member Assistant or Board Member Consultant to the Board Member(s) serving as SCAQMD's CARB representative or as SCAQMD's representative to the California Fuel Cell Partnership (CaFCP) will be provided reimbursement for necessary expenses related to attending CARB or CaFCP workshops, hearings, meetings, or related events, subject to advance approval by the Board Chair.
  - c. Board Member Assistant and Board Member /Consultant meal and travel expenses shall follow the reimbursement procedures described in Section 120 of the Administrative Code.
  - de. -The Board Chairman may also approve other Board Member Assistant/Consultant travel for SCAQMD-related activities provided such travel is requested by their supervising Board Member and is reported to the Administrative Committee.
- 10. That Board Member Assistants and Board Member Consultants who are contract SCAQMD employees and who work on average a minimum of 13 hours per week may elect, from among SCAQMD-sponsored health, dental, and vision insurance plans available to SCAQMD employees, SCAQMD-paid single-party coverage up to the dollar amount of the benefits cap approved by the Board for professional employees. Board Member Consultants who are independent contractors are not eligible for any SCAQMD benefits.
  - 11. That Board Member Assistants and Board Member Consultants who are contract SCAQMD employees may elect to participate in the deferred compensation plan SCAQMD sponsors for employees, as covered under section 457 of the Federal Internal Revenue Code.
  - 12. The total compensation provided under a contract between the Board Member Assistant or Board Member Consultant and SCAQMD for any Board Member shall not exceed the amounts specified in paragraph 9 above. At such time as the compensation for services reaches said amounts, the contract for services shall be terminated and the employment relationship between the Board Member Assistant or Board Member Consultant and SCAQMD shall be terminated.
  - 13. That all present and future assistants to a Board Member (whether Board Member Assistant or Board Member Consultant and whether or not an independent contractor) shall be subject to this policy.

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### EXHIBIT I

#### **Committee/Advisory/Other Group Assignment Points Methodology and Calculation**

- 1.) Utilizes the Board Committee/Advisory Group/Other Group Assignment spreadsheet as maintained by the Executive Officer or his designee.
- 2.) Assumes various levels of effort per assignment, based on agenda size and routine/non-routine nature of agenda items (Board Meetings/CARB/CACFP - 3 points, Admin/Leg/etc. - 2 points, LGSBA/IOC/BLTAP - 1 point)
- 3.) Assumes the following points based on assignment/role:
  - a. Governing Board Meetings (12 mtgs/Yr): 4 points per meeting for Chair, 2 points for Vice-Chair, 1 point per meeting for all other Governing Board Members
  - b. Committee/Advisory Group/Other Group Meetings (1-12 mtgs/Yr, depending on Comm/Advisory/Other): 2 points per meeting for Chair, 1.5 points per meeting for Vice Chair, 1 point for all other Governing Board Members
  - c. CARB Meetings (12 mtgs/Yr): 2 points per meeting for CARB representative
  - d. CA Fuel Cell partnership (2 mtgs/Yr): 2 points per meeting for CAFCP representative
- 4.) ~~For Committee/Advisory Group/Other Group assignments that may not have any actual meetings scheduled, it is assumed they will meet one time per year to reflect the possibility of a meeting (Refinery, Marine Port Committees, etc.)~~

4.)

#### **Section 120 - Travel Expenses**

##### **Section 120.1 - Expenses for travel shall not exceed:**

- a. The actual cost of transportation when by public carrier.
- b. Government or group rates must be used whenever possible. If no lodging is available or practicable at government or group rates, the Executive Officer, or designee, can approve reimbursement up to the reasonable actual cost of lodging, as evidenced by receipt.~~The actual cost of meals and lodging, as evidenced by receipts, not to exceed:~~
- (1) ~~Lodging \$90 per night. If no lodging is available or it is not practicable at \$90 per night, the Executive Officer, or designee, can approve additional amounts, when necessary. Effective July 1, 2006, the rate for lodging will increase to \$150 per night.~~

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(2) ~~Meals breakfast, \$8.50; lunch, \$10; dinner, \$17. Effective July 1, 2006, meal rates will increase, for breakfast, to \$10; for lunch, to \$15; and, for dinner, to \$25. Charges exceeding these limits require the approval of the Executive Officer or designee. Requests without proper receipts will be denied.~~

~~\_\_\_\_\_c. Employees will be reimbursed for business meal and incidental expenses (M&IE) \_\_\_\_\_ according to the per diem rates in effect at the time of travel, as promulgated by \_\_\_\_\_ the U.S. GSA, located at [www.gsa.gov/per-diem](http://www.gsa.gov/per-diem), for the employee's city of \_\_\_\_\_ destination. -The per diem is 75% of the applicable M&IE rate, if travel is ~~more~~ \_\_\_\_\_ than 12 hours but less than 24 hours. If travel is ~~more than~~ 24 hours or more, then the \_\_\_\_\_ per diem is 75% of applicable M&IE rate on the day of departure ~~day One of~~ \_\_\_\_\_ travel, 100% of the applicable M&IE rate for the full day/days of travel, and 75% \_\_\_\_\_ of the applicable M&IE on last day of travel, as set forth in Federal Travel Regulation, Section 301-11.101(a). The per diem rate includes incidental \_\_\_\_\_ expenses such as tips for meals, porters, baggage carriers, hotel staff, and cab \_\_\_\_\_ drivers. These per diem rates shall also apply to business M&IE purchased on District Cal-Cards. Employees ~~will need to~~ shall reimburse the District for any charges exceeding limits specified in this section.~~

de. Employee meal expenses within the geographical boundaries of SCAQMD shall be reimbursed only when approved by the Executive Officer or designee subject to 120.1(b) and 120.1 (c) of this Code.

ed. Meals and travel expenses for other than SCAQMD employees shall be reimbursed only when approved by the Executive Officer or designee. Reimbursement will be made for the actual cost of the meal and travel while, and meal reimbursement subject to the limitations presented elsewhere in this Code. ~~Section 120.1(b) and 120.1(c) of this Code.~~

fe. Meals and travel for other than SCAQMD employees asked to sit on oral boards used for interviewing prospective employees of SCAQMD will be reimbursed for the actual cost of the meal and travel, subject to the limitations presented elsewhere in this Code. ~~Sections 120.1(b) and 120.1(c) of this Code.~~ The Executive Officer, or designee, must approve a request in advance.

g. Hearing Board Members will be reimbursed for meal expenses incurred within the geographical limitations boundaries of the SCAQMD according to the per diem rates applicable to lunch expenses for the Los Angeles area, as set forth by the GSA, [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem). Meal expense claims must be evidenced by receipts. When traveling outside the geographical limitations boundaries of the SCAQMD, Hearing Board Members will be

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reimbursed in accordance with Sections 120.1(b) and 120.1(c) of this Code, except that receipts will still be required.

### **Section 120.2 - Requests for Travel Expenses and Required Receipts**

All requests for travel expenses shall be filed ~~in duplicate~~ on forms and at times prescribed by the ~~Chief Financial Officer~~ Assistant Deputy Executive Officer of Finance. Requests must be submitted within 120 days after incurring the expense.

Receipts must be presented for all expenses, with the exception that the ~~Chief Financial Officer~~ Assistant Deputy Executive Officer of Finance may waive the receipt requirement for SCAQMD employees when they use public transportation on SCAQMD business where a receipt is not provided by the public agency. To qualify for this exception, the employee must provide sufficient information regarding the date, mode of travel, and the public agency providing the service.