

MANAGEMENT DIRECTIVE

MILEAGE CLAIM PROCEDURES

Management Directive # 11-01(REV)

Date Issued: **05/04/12**

New Policy Release

Revision of Existing Management Directive 11-01, Mileage Claim Procedures, dated 03/09/11.

Revision Made: **NOTE:** Current Revisions are Highlighted

This Management Directive has been revised to change the time frame for the submission of approved mileage claims to the Mileage Claims Unit from no later than 60 days following the end of the month for which mileage is being claimed to 90 days following the end of the month for which mileage is being claimed.

BACKGROUND

Authority

The Los Angeles County Code, Sections 5.40190 – 5.40.290, provides for the reimbursement of expenses incurred by County employees who use their private vehicles for travel on County business and who are not Transportation Allowance Program participants. The Department shall follow the rules and regulations as set forth by the Los Angeles County Code and the Auditor-Controller's County Fiscal Manual, Section 13.12.0. There are a few significant changes with this revision.

1. Employees are responsible for the timely submission of the mileage claims.
2. The approved mileage claim must be received by the Mileage Claims Unit **no later than 90 days** following the end of the month for which mileage is being claimed. This change is being made in order to allow for a 30-day grace period to accommodate the securing of the two-levels of authorizing signatures by staff whose management chain is housed at alternate worksites.
3. Employees are **not** to keep claims and submit several months' claims at one time.

4. Employees are required to use the Mileage Claim System found on LAKids. It is under the 'Instructions' portion in the bottom right hand corner. There is an Online Training Manual. If employees have any problems they may contact the Help Desk at (562) 345-6789.

5. Mileage Claim Due Date Schedule

Claim Period	Due Date to Mileage Unit*
January 1-31	April 30
February 1-29 (28)	May 31
March 1-31	June 30
April 1-30	July 31
May 1-31	August 31
June 1-30	September 30
July 1-31	October 31
August 1-31	November 30
September 1-30	December 31
October 1-31	January 31
November 1-30	February 29 (28)
December 1-31	March 31

* If the due date falls on a weekend or a holiday, then the due date will be the next business day.

APPLICABLE TO

This Management Directive applies to all Mileage Permittees.

OPERATIONAL IMPACT

Permittee Status

The Department Head determines if the duties of an employee are such that they will drive a privately owned vehicle on County business. The Department Head will also certify the employee as a permittee and that the employee is eligible for reimbursement for the mileage claimed.

All requests for certification must be signed by the Department Head, his/her Chief Deputy, or a person who has been designated by the Department Head. The certification shall be made in writing and filed in the Department. A copy of the certification should be filed in the employee's personnel file.

An employee will not receive any payment for use of a privately owned vehicle unless he is a permittee and in no event for a time more than sixty days prior to the certification required by Section 5.40.240. (**County Code Section 5.40.260**)

When duties of a permittee change so that they will no longer drive a privately owned vehicle on County business, the Department Head/Management will remove the certification of the permittee. The status of each permittee must be reviewed by the Department once a year to ensure continued need for permittee status.

It is the responsibility of the Department to verify an employee's permittee status before submitting a Mileage Claim. Following determination by the Department Head that an employee should be placed on mileage permittee status, the Department should certify the employee's eligibility for mileage reimbursement.

A job classification which requires a "Class 3" driver's license as a condition of employment is not, in itself, justification for authorizing mileage permittee status. The duties of each employee should be used as a basis for authorizing permittee status.

Mileage Rates (County Code Section 5.40.190)

Mileage rates are established by the Board of Supervisors. The permittee's departmental mileage clerk or supervisor should maintain and distribute information to each permittee concerning current reimbursement rates. The mileage reimbursement rate is **52 cents** per mile (effective **07/01/11**) within Los Angeles County and Adjacent Counties. The following are considered adjacent counties: Kern, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura. Requests for reimbursement for travel in the above mentioned counties will be submitted on a Mileage Claim. Travel outside of these designated counties will be reimbursed at 6 cents per mile and is to be submitted on an Expense Claim. (For further information in regards to Travel Policy and Expense Reimbursement, see Procedural Guide 1200-501.30,) **The mileage reimbursement rate is subject to change at any time during the fiscal year.**

Report of Vehicle Accident (County Code Section 5.32.020)

County drivers should be aware of the State Financial Responsibility Law. This law (**Vehicle Code Section 16000-16560**) requires drivers of motor vehicles involved in accidents resulting in any bodily injury or death, or damage to property of any one person in excess of \$500, to report the accident to the State Department of Motor Vehicles.

The Information and Instructions for Permittee Drivers, Notice of Self-Insurance, and County of Los Angeles Report of Vehicle Collision or Incident forms must be carried by the permittee in his vehicle at all times. All accidents that occur to, or are caused by, a permittee's vehicle being used on County business must be reported in accordance with instructions listed in this report.

Mileage Claim Form

Employee claims for reimbursement of mileage or parking expenses shall be prepared on the Mileage Claim System found on LA Kids (employees will have to obtain a password from the Help Desk). The mileage permittee is responsible for observing all rules and instructions relating to mileage. Factual reporting of mileage claimed is the primary responsibility of the permittee. **Falsification of the claim is grounds for disciplinary action, including discharge.** The permittee shall be required to make full restitution of any overpayment resulting from clerical processing errors or claiming discrepancies committed by the permittee. The original Mileage Claim form must be submitted to the Department's Mileage Unit. The employee should retain a copy for his/her personal file. The form must be completed as follows:

- The mileage permittee's name as it appears on employment records.
- A complete home address and the distance between home and the headquarters address.
- Headquarters address (i.e. a complete address of headquarters, not just the name of the facility).
- Department number (3 digits including leading zeros) must be printed or typed in the appropriate blank spaces.
- The claim period and last date driven must be shown as complete dates.
- Dates must be expressed numerically including leading zeros in month-day-year order. For example, dates must be shown as 04-30-09.
- The last date for which mileage is claimed must be shown on the "Last Date Driven" line of the claim. The last day of the claiming period must be entered on the "Mileage Claim Period" line of the Mileage Claim.

All vehicle travel on County business must be reported with starting time (indicating a.m. or p.m.), starting location, miles traveled, destination (complete street address and city), time of arrival (a.m. or p.m.) purpose of trip, and time of return (a.m. or p.m.). In the body of the form, each line used must be completed with all information requested.

Odometer readings must be given in whole miles only. If the distance between each of a series of calls is one mile or less, the odometer reading, time, and miles claimed may be omitted for such calls. **Also, disregard the Total Taxable Miles.**

NOTE: Incomplete claims and claims that are not completed per instructions **will be** returned to the permittee **with a copy to the Regional Administrator (RA)/Division Chief (DC).**

On the bottom of the form:

- The mileage permittee will sign on the “Permittee Signature” line.
- If more than one Mileage Claim page is used, the page with the last date driven will be left complete.

Mileage permittees will also be reimbursed for parking expenses incurred while performing official County business at a facility other than the permittee’s headquarters. Parking expenses are allowed **only** if non-fee County/guest parking is **not** available. The following criteria must be observed:

- Parking stubs or receipts must support the parking expenses claimed and are to be attached to the Mileage Claim. Parking lot attendants will give you a receipt or stub upon request. No support is needed for parking meter expenditures.
- Each amount claimed must be indicated in the “Purpose of Trips” column opposite the address of the facility visited. The total parking expense is to be shown separately from the total mileage reimbursement in the summary section of the claim.

Correct and factual reporting of mileage claimed is the primary responsibility of the mileage permittee. **Falsification of the claim is grounds for disciplinary action, including discharge.**

Calculation of Mileage Incurred During a Permittee’s Regular Working Hours

A mileage permittee is reimbursed for all mileage driven while conducting County business during the employee’s regular working hours.

The exception is in certain circumstances when mileage is incurred from home to the first point of contact (other than headquarters) or from the last point of contact (other than headquarters) to home. A mileage permittee will not be reimbursed for mileage between home to headquarters and from headquarters to home.

Mileage will be allowed from the permittee’s home to the first point of contact if it is equal to or less than the distance from the permittee’s headquarters to that location. In no case should the mileage allowed from home to the first point of contact be greater than the amount that would be allowed from the permittee’s headquarters to the point of contact.

If the mileage is greater, the permittee can only claim the distance (mileage) from the permittee's headquarters to the first point of contact. Also, only such mileage will be allowed from the last point of contact to home if it is equal to or less than the mileage from the last point of contact to the permittee's headquarters. If the mileage is greater, the permittee can only claim the distance (mileage) from the first point of location back to the permittee's headquarters, even if the permittee went home from the first point of contact.

Extra Trip Mileage (County Code Section 5.40.230)

In certain instances, a mileage permittee may be able to claim mileage if they are required to return to his/her duties from home after regular working hours. This "Return to Duty" is termed an "Extra Trip". The intent of County Code Section 5.40.230 is to allow permittees to claim mileage for a trip made that would qualify for mileage reimbursement if it were made during normal working hours.

- No reimbursement is allowable to any employee for trips made only from home to headquarters to home, whether such trips are before, during, or after normal working hours or are on days off. For example:
 - a. If an employee has left work and returned home and then is required to return to headquarters, the employee will not be entitled to extra trip mileage.
 - b. If an employee is required to work on an unscheduled work day and returns to headquarters, the employee will not be entitled to extra trip mileage.
- A permittee may be given mileage provided a field call is required in the performance of these "Extra Trip Mileage" duties. For example:
 - a. If an employee is required to go directly from home to the field and then return home, they are entitled to mileage from home to the field and return home.
- In "Extra Trip" instances a notation stating that the mileage claimed was pursuant to County Code Section 5.40.230 must be entered on the Mileage Claim in the "Purpose of Trips" column.

Department/Region/Office Responsibilities

The region/office must ensure that an employee claiming mileage for driving his/her private vehicle on County business conforms to the rules and regulations. Each department is responsible for assigning a permanent headquarters to each mileage permittee. It is presumed that the department facility or field office in which the employee spends most of his/her office work time or receives his/her supervision will be the assigned headquarters.

When an assignment to another facility or office within the department (temporary or otherwise) materially changes the work assignment of an employee, this constitutes a change in headquarters. (**Example:** If a Property Auditor headquartered in the department's main office, is sent to another facility of the department for either a predetermined or undetermined period of time to perform in his/her usual audit assignment, the individual's permanent headquarters will not change. If the same individual were assigned to the facility to "fill in for" or "act" as a facility director, etc., thus changing his/her work assignment, the employee's headquarters does change, even though the employee may ultimately return to the original headquarters after completion of the assignment.)

Establishment of headquarters should be compatible with the intent of the mileage program. Mileage is paid to an employee who travels away from the office to perform his work. It is not intended to reimburse an employee for traveling to and from a basic work location whether temporary or otherwise.

Mileage may not be allowed for personal trips taken in the course of a workday (i.e., lunch, doctor's appointments, etc. However, personal trips that occur between two County business trips should be shown and noted as "personal business." No mileage can be claimed.

Mileage may not be claimed for trips to other County offices to obtain employment, or for participation in any aspect of the Civil Service examining process, except when the mileage claimant is requested by the Department of Human Resources to serve as a Civil Service interviewer.

For safety considerations, the County restricts employees to the use of automobiles as permittee vehicles. Permission for the use of personal vehicles other than automobiles (aircraft, motor-driven two-wheeled vehicles, or trailers) for County business must be obtained from the Chief Executive Office (CEO) by departmental administration.

Internal Controls

Department/Region Management must:

- Exercise sound judgment in the authorization and control of mileage costs. The following criteria is to be used in authorizing all uses of an employee's car on County business:
 - a. No employee should be authorized or directed to drive his/her car when a County pool vehicle is available.
 - b. No employee should be authorized or required to make trips when acceptable alternatives are available. For example, the regular messenger should be used rather than sending an employee to deliver or pick-up material.

- c. Where two or more employees are required to travel to the same location simultaneously, they should be required to pool ride to the extent feasible.
- Furnish and instruct all permittees to carry the Information and Instructions for Permittee Drivers, Notice of Self-Insurance and County of Los Angeles Report of Vehicle Collision or Incident forms in their vehicles.
- Ensure that all permittees and occasional drivers maintain a valid and appropriate driver's license at all times.
- Ensure that any employee with an expired driver's license is prohibited from driving on County business or from claiming mileage.
- Instruct the permittee's immediate supervisor to review the Mileage Claim and compare it with the approved timesheet for the same period to ensure that mileage is claimed only for days worked.
- Instruct the permittee's immediate supervisor to review the Mileage Claim to ensure that the following errors do **not** occur:
 - a. Mileage is claimed for trips **not** authorized.
 - b. Excessive mileage is claimed. (For example, employee making unnecessary stops to/from home or claiming excessive mileage from contact point to contact point).
 - c. Mileage is claimed for travel from home to headquarters and vice versa.
 - d. Mileage is claimed for travel on a weekend, holiday or a day **not** worked unless specifically authorized.
 - e. Mileage is claimed for trips inconsistent with the employee's position.
 - f. Mileage is claimed for incorrectly calculated mileage for travel from home.
 - g. Mathematical calculation errors.
 - h. Headquarters designation is Incorrect.
- After reviewing the Mileage Claim, the supervisor must sign (approve) the claim and forward it to the RA/DC or their designee (ARA/CSA III/ASM III/HSA III) to sign (approve). Forward the original Mileage Claim with two (2) approval signatures to the Department's Mileage Unit in accordance with departmental procedures to the following address:

DCFS – Accounting Services Section
425 Shatto Place, Room 304
Los Angeles, Ca 90020
Attention: Accounts Payable-Mileage Unit

- The supervisor should provide a copy of the approved mileage claim to the employee to keep for a period of five (5) years for audit purpose.
- Establish procedures requiring management to periodically review departmental copies of mileage claims to verify the accuracy of immediate supervisor/mileage clerk audits and to determine if County policies are being followed in the preparation of claims and the claiming of reimbursable mileage.

Departmental Mileage Clerk Responsibilities

The Department's Mileage Clerk must:

- a. Ensure that the Mileage Claim is complete.
- b. Verify that the Mileage Claim contains the immediate supervisor's signature.
- c. Verify that the Mileage Claim has the RA's/DC's or designee's approval signature.
- d. Input the information located on the bottom of the Mileage Claim (includes parking claims, if applicable) form into CWTAPPS.
- e. File the departmental copy of the Mileage Claim (with parking stub/receipts attached) in alphabetical order, and then batch them by month. Departmental copies will be retained until the end of the year.
- f. Purge Mileage Claims, then box and send them to storage (GRM) at the end of the year. GRM retains for five (5) years.

Mileage Claim Submission/Payment Process

Mileage and occasional parking reimbursement will be made **only** to authorized mileage permittees (driving personal vehicles on County business) who submit a proper, and accurately completed claim form in accordance with the rules and regulations established by the Auditor-Controller for the preparation, filing, and payment of such claims. Claim periods begin on the 1st and end on the last day of each month.

Permittees will be paid according to the CWTAPPS deadline dates established for payroll processing.

The departmental Mileage Clerk(s) is responsible for answering all general questions from permittees regarding mileage rules and regulations.

Incorrectly completed claims will be returned to the claimant for correction **and a copy will be sent to the respective RA/DC**. The following guidelines will apply to rejected claims:

- Claimants/supervisors shall verify the validity of all rejected claims and shall correct or complete the claims as required prior to resubmitting the claims for payment.

- Resubmitted claims must be forwarded with the rejection slip to the Department's Mileage Clerk.
- The Mileage Clerk must re-review corrected claims.

Record Retention

Departmental copies of Mileage Claims must be retained for **five (5)** years for audit purposes. Certification of permittee's status should be retained with the employee's personnel file. The departmental central file should be purged as the employee's status changes.

Underpayments

The Mileage Clerk is responsible for the timely processing of any underpayment situation indicated by the employee. When a mileage permittee does not receive reimbursement for mileage to which they would be otherwise entitled, and if they notify the Mileage Clerk within two business days of receipt of his/her regular pay warrant that should have included the mileage reimbursement, the Mileage Clerk is responsible for correcting the under reimbursement in accordance with the regular paycheck error procedure.

If an employee claims they were under reimbursed, the Department's Mileage Clerk must verify the claim by comparing the Department's copy of the claim to what was paid as shown on the Mileage & Parking Activity printout. If the employee was under reimbursed, the Department's Mileage Clerk should contact the Special Claims Inquiry Unit. If the employee is entitled to additional money, an adjustment will be prepared and submitted by Special Claims staff.

Overpayments

Mileage/Parking overpayments can occur when an employee has claimed too many miles and/or excessive parking. When the Department discovers an overpayment, an Overpayment Letter must be prepared. The employee is given a choice to pay back the money by cashier's check, money order, or personal check; or to repay the amount through a payroll deduction plan. The Overpayment Letter will then be prepared (see sample "Overpayment Letter" on page 14 and 15) and sent to the employee.

The treatment of these overpayments is similar to salary overpayments in that recovery may be made through monthly payroll deductions for in-service employees. However, this type of overpayment differs from a salary overpayment in that there are no adjustments for taxes or deferred compensation, and it is acceptable to recover the net amount due in one month.

Once a recovery plan has been agreed upon, a copy of the letter received back from the employee (and cashier's check, money order, or personal check, if included) should be sent to the Auditor-Controller's Special Claims Section, Attention: Overpayment Desk.

If an employee is in the process of terminating his/her County service and a mileage/parking overpayment is discovered prior to the issuance of the final terminating County check, the Auditor Controller's Special Claim Section should attempt to recover the overpayment amount from the employee's lump sum earnings.

Upon receipt of the Overpayment Letter, the Auditor Controller's Special Claims Section will adjust the applicable earnings amount and reduce departmental expenses once the overpayment is collected. Special Claims will recover the net amount of the overpayment per the repayment plan for employees who are **not** out-of-service, unless the employee sent a cashier's check, money order or personal check for the entire overpayment. Any balances due upon or after termination will be referred to the Treasurer-Tax Collector for collection. If a mileage/parking overpayment is discovered after an employee terminates employment and the final check has been issued, the Department should contact the employee by certified mail and direct the employee to call the Treasurer-Tax Collector's Collections Division to make arrangements to repay the overpayment amount. Two copies of this letter should also be sent to the Auditor-Controller's Special Claims Section.

Disputed Claims

In the event there is a dispute involving the number of claimed miles, the Department's Mileage Claim Unit will adjust the Mileage Claim and the permittee will be reimbursed the lower amount on the next scheduled payroll warrant.

If the permittee agrees with the adjusted amount, **no** further action is required and the claim is considered settled. If the permittee disagrees with the adjusted amount, the Department's Mileage Claim Unit will pull the Mileage Claim and review it with the permittee. If it is found the permittee is correct, and the adjustment is appropriate, the under reimbursement will be corrected.

Payment Not Received

When a mileage permittee does **not** receive a mileage payment to which they are entitled, and for which a timely claim was submitted, they should contact the Department's mileage clerk who will review the Mileage and Parking Claim History of the permittee to ascertain whether or not payment was issued.

- If the claim was rejected because it contained incorrect information (e.g., wrong employee or Department number) the claim should be corrected and resubmitted for payment on the subsequent payday.
- If the employee is out-of-service or has transferred to another department, input information under supplemental date.

APPROVAL LEVELS

Section	Level	Approval
A.	Immediate supervisor and Regional Administrator/ Division Chief	Mileage Claim Form

FORM(S) REQUIRED/LOCATION

HARD COPY

Mileage Claim Form
 Overpayment Letter
 Expense Claim

LA Kids:

Mileage Claim Form/ LAKids Mileage Claim System
 Expense Claim

ATTACHMENTS

MILEAGE CLAIM

76M395-Rev.

Original - DEPARTMENT
Duplicate - EMPLOYEE

Permittee Name: _____
Home Address: _____
Distance Between Home & Hdqt: **30**
Hdqtrs Address: **425 SHATTO PLACE**
Payroll Title: _____

City: _____
LOS ANGELES

Department: **350**
Claim Period: **02/01/2011 - 02/28/2011**
Last Day Driven: **02/01/2011**

Falsifying this Report will be Cause for Dismissal

Date Time	Address Street & Number	Town	Odometer Reading	Odometer Miles	Mileage Claimed	* Mapped Miles	Purpose of Trip
* Short Distance Rule applies							
02/01/11							
08:00 AM	425 Shatto Pl	Los Angeles	6320	0	0	0	
09:00 AM			6345	25	25	25	Meeting/Demo/Convention
01:00 PM	425 Shatto Pl	Los Angeles	6370	25	25	25	Return to Office
Totals for			02/01/11	50	50	50	

If more than one sheet is used, Detach on heavy line, except last sheet of claim -

I hereby certify that the above trips were necessary in the performance of my duty. Claim is hereby made for mileage as itemized above. Employee Number _____ Permittee Signature _____ Approved _____ <div style="text-align: right; margin-right: 50px;">Department Head</div> By _____	Mileage Claimed Non-Taxable Miles 50 Taxable Miles _____ TOTAL MILES 50 50 Miles @\$.475 \$23.75 _____ Miles@ _____ Miles@ Total Amount Claimed \$ 23.75 for mileage	Parking Claimed Non-Taxable Park \$ _____ Taxable Park \$ _____ Total Parking Expense \$ 0 Mapped 50 Miles @\$.475 \$23.75 Auditor Examined by _____ Computation Correct, Auditor-Controller
	By _____	Deputy

Please sign and date this agreement and select the payment option. If you do not respond by Month/Day/Year, you will have waived any rights to select the collection method, and we will forward this letter to the Auditor-Controller for recovery under Option B, above, beginning with the Month/Day/Year payday.

Employee's Signature of Agreement: _____ **Date:** _____

Selected Repayment Option: Please check one: A ___ or B ___

If you have any questions, please contact XXX, in the Mileage Unit at (213) 351-XXXX.

Sincerely yours,

Manager

