



Town of Londonderry, New Hampshire

Administrative Policies and Procedures

Policy Title: **Travel Expense Policy**

Policy Number: **ADM-107**

Original Adoption Date: 11/28/25

Revision Date:

Approved by: Shaun Mulholland, Town Manager

Signed by:

Shaun Mulholland

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Section 1.0: Purpose

The purpose of this policy is to establish uniform procedures for authorizing, incurring, and reimbursing travel-related expenses for official Town business. This ensures accountability, transparency, and fiscal responsibility while supporting professional development and efficient Town operations.

Section 2.0: Scope

This policy applies to all Town of Londonderry employees, elected and appointed officials, volunteers, and board or committee members ("Town Personnel") who incur expenses while conducting authorized Town business.

Section 3.0: Definitions

The following definitions apply to this Policy:

- **General Business Meeting:** A meeting or appearance undertaken for official Town business.
- **Conference/Seminar:** A professional training or development event related to Town operations.
- **Site Visit:** Travel for inspection or operational assessment.
- **Training Session:** A structured event for professional development.
- **Includable Expenses:** Necessary and properly documented travel-related costs.
- **Excludable Expenses:** Personal or entertainment expenses, including alcohol, fines, and family-related costs.

Section 4.0: Policy

This section contains all policy requirements, standards, limitations, approvals, and conditions governing travel-related expenditures.

4.1 Town Purchasing Policy

This Policy shall not be interpreted or applied in such a way so as to circumvent the Town's Purchasing Policy, collective bargaining agreements, or employment contracts. Expense reimbursements and advances must have a Town business connection and are considered as such when expenses are incurred in connection with the performance of services and duties as Town personnel or officials appropriately authorized and approved. Town personnel and officials are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. It is intended that the frequency and duration of travel

be confined to essential purposes; and, that economic arrangements are used, consistent with established policy.

4.2 Authorizations and Approvals

1. **Department Head Authorization and Approval:** Prior department head authorization is required for any activity involving the incurrence of reimbursable or direct expenses in accordance with this Policy.
2. **Notification to Town Manager:** Department heads shall notify the Town Manager when they will be out of the Town overnight on Town-related business; arrangements to be reached in case of emergency shall be included in the notification.
3. **Allowability:** While grants may specify allowable and unallowable cost, the Town will adhere to the federal cost principles outlined in [2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) when developing and administering the budget for each grant.

4.3 Expenditure and Reimbursement

Expense reimbursements are contingent on the availability of sufficient budgetary spending authority. By authorizing the payment of an expense reimbursement or advance, the department head responsible is assuring that the expenditure is within the purpose of the appropriation to which it is charged and that there are sufficient funds available.

4.4 Substantiation Requirements

Town personnel and officials must substantiate business expenses by providing evidence of the amount, date, time, place – to the extent provided for, and evidenced by, third party generated receipts – and business purpose of the expenses within fifteen (15) business days upon conclusion of activity. Requests for expense reimbursement in connection with approved local travel by personal vehicle are to be submitted monthly.

1. It is the responsibility of the submitting party to ensure the timeliness and completeness of supporting documentation. Original receipts or photocopies may be used for substantiation of expenses and must be arranged in date sequential order.
2. Incomplete or unclear supporting documentation shall be returned unacted upon to originator for addressing and re-submittal.

4.5 Expense Disallowance

A request for reimbursement may be disallowed for any expense item or items deemed to be inappropriate, unreasonable, unauthorized, or contrary to the intent of this Policy. If an expense is disallowed, employee or official shall be notified of disallowance and the reasons, therefore. Disallowed expenses shall be the responsibility of the individual seeking reimbursement.

4.6 Other Town Personnel Expenses

Town personnel and officials may be reimbursed or may make direct payment for expenses incurred for other Town personnel or officials provided the specific business reason necessary for doing so is indicated along with the names of those involved.

4.7 Extenuating Circumstances

It is recognized that circumstances may arise which prevent strict adherence to this Policy. Those instances will be considered and evaluated by the Town Manager on a case-by-case basis taking into consideration reasonableness and appropriateness. The Town Manager may approve of unusual travel or other expenses not covered by this Policy or may modify procedures for the payment of travel or other expenses. The need for reimbursement of unusual travel or other

expenses, including supporting documentation and justification, shall be made in writing to the Town Manager.

4.8 Meals

Reimbursements for meals, including tips, tax, and gratuities, shall be made at Government Services Administration (GSA) per diem meal rates when overnight travel is required.

4.9 Transportation

Town personnel must utilize the most economical and practical means of conveyance. Various limitations apply to rental vehicles, common carrier fare, ground transportation, and personal vehicle reimbursement.

4.10 Liability

The Town's insurance does not insure personal vehicles. Personal insurance is primary and Town insurance functions as excess coverage.

4.11 Lodging

Town personnel are expected to stay in moderately priced, safe establishments. Lodging upgrades for personal reasons is the individual's responsibility.

4.12 Other

1. **Association Officer Expenses.** Occasionally, members of associations are invited to serve in an official capacity in their various recognized professional associations. This type of undertaking requires the expenditure of time and money, but often the membership will reflect favorably upon the Town. The Town encourages this practice by reimbursing employees for reasonable expenses incurred for travel, lodging and meals as set forth within this Policy. Where these costs are paid by a recognized professional association, reimbursement shall not be provided by the Town.
2. **Other Town Personnel:** Town personnel and officials may be reimbursed or may make direct payment for expenses incurred for other Town personnel or officials provided the specific business reason necessary for doing so is indicated along with the names of those involved. This is intended to be used for those common types of travel situations where it is normal and practical for one (1) individual to pay an expense rather than be divided among all individuals. Examples may be a restaurant bill or hotel charge for which a room was shared.

Section 5.0: Procedures

5.1 Substantiation

Town personnel and officials must substantiate business expenses by providing evidence of the amount, date, time, place – to the extent provided for, and evidenced by, third party generated receipts – and business purpose of the expenses within fifteen (15) business days upon conclusion of activity. Requests for expense reimbursement in connection with approved local travel by personal vehicle are to be submitted monthly.

1. It is the responsibility of the submitting party to ensure the timeliness and completeness of supporting documentation. Original receipts or photocopies may be used for substantiation of expenses and must be arranged in date sequential order.
2. Incomplete or unclear supporting documentation shall be returned unacted upon to originator for addressing and re-submittal.
3. The appropriate forms for documenting substantiation of bona fide business expense reimbursements, or to request an advance for estimated expenses are required.

5.2 Required Forms

1. **Request for Expense Reimbursement or Advance:** Prior to submitting to the Finance Department for processing, requests for expense reimbursement or advance must be reviewed by the department head responsible to determine that the business purpose and amounts are reasonable, appropriate and have been calculated correctly. The Finance Department shall review the report for evidence of department head's approval, that supporting documentation has been attached, that mathematical footings and extensions are correct, and that expenses have been coded to the proper budgetary expenditure account.
2. **Mileage Reimbursement Form:** This form is used for the reimbursement of approved travel and local travel by personal vehicle. Department Heads will approve requests for members of their respective staff. Town Manager approval is required for Department Head reimbursement.

5.3 Advances Procedure

1. **Travel Advances.** It is expected that the Town be invoiced directly by third parties for purchased transportation, lodging and fees/registrations. Town personnel and officials may, under certain limited circumstances, request an advance of estimated out-of-pocket expenses provided that such advances are:
 - a. Not used for the purposes of convenience or as a substitute for inefficient planning.
 - b. Justified by demonstrating personal hardship by not doing so.
 - c. Properly authorized and limited to established needs; and
 - d. Settled within fifteen (15) business days upon conclusion of travel and submission of expense claims.

5.4 Meal Reimbursement Procedure

1. When the Town requires, or the need occasions, Town personnel or officials to travel overnight, the Town shall make reimbursement for the cost of meals, tips, tax, and gratuities at the Government Services Administration (GSA) per diem meal rates for the area where the activity occurs. Reimbursements will be granted provided the following criteria are met:
 - a. Receipts are submitted to substantiate that a meal was purchased.
 - b. No more than three (3) meal receipts per day may be submitted for reimbursement.
 - c. For days that Town personnel or officials are traveling to or from an overnight destination only meals consumed during the travel period will be reimbursed.
 - d. No allowance will be made for meals when travel does not include an overnight stay. Exceptions: 1) travel is conference, training or seminar related, 2) travel is preapproved by the department head, 3) reimbursement is required by collective bargaining or employment agreement.
2. For circumstances where meals are pre-paid, are part of the fee charged for an event, or provided at no charge, the Town will not provide reimbursement for meals taken at some other location or outside of that event for that time period.
3. Credit cards may be used for meal expenses however users may only charge the maximum of the authorized per diem amount for any given meal.

5.5 Transportation Procedures

The Town should be invoiced directly by third parties for purchased transportation except when a Town issued credit card is available allowing for direct payment. Otherwise, such costs are the responsibility of the individual and subject to reimbursement in accordance with this Policy.

1. **Means of Transportation:** Town personnel and officials must utilize the most economical and practical means of conveyance. Public transportation shall be used where practical. If an indirect route is taken for personal reasons, any additional costs incurred as a result of that route will not be reimbursed.
2. **Rental Vehicles:** The utilization of rental vehicles is not permitted without the express prior approval of the department head. Auto rental optional insurance shall be purchased through the rental company agreement and that expense will become part of the overall rental fee and be processed as all other travel fees are processed. The rental vehicle chosen must be the most economical available, given the purpose for which the vehicle will be used. When traveling with other Town personnel, travelers should share vehicles to minimize costs.
3. **Common Carrier Fare:** Round trip common carrier fare (air, train, bus, et cetera) is eligible for reimbursement provided it is coach class. First-class air travel is prohibited, except for emergency conditions as determined by the department head. Luggage fees are reimbursable when reasonable.
4. **Ground Transportation:** Whenever possible, ground transportation (airport bus or public shuttle) shall be used to/from the airport. Taxis or ride share may be used only when: a) public ground transportation is not available; b) the cost for a taxi or ride share is cheaper; c) round trip tax fare from home or office is cheaper than the mileage plus parking expenses.
 - a. Uber, Lyft, and other similar pay for transportation service is considered a Taxi service for purposes of this policy.
5. **Personal Vehicle Usage:** The appropriate form for documenting mileage using personal vehicles is the Mileage Reimbursement Form. The use of personal vehicles shall be reimbursed for approved travel measured from either the persons home or regular place of work, whichever is less. When more than one (1) person travels in the same automobile, only the owner of the vehicle shall be allowed mileage. The routing of each trip for mileage computation shall be by the most common traveled route unless unusual circumstances warrant other less direct routes.
 - a. Personal vehicle use reimbursement shall be based on the GSA mileage reimbursement rate. This rate is all inclusive to cover all vehicle expenses including proportionate costs of insurance as well as other vehicle operational costs. Mileage figures indicated on the Mileage Reimbursement Form are to be rounded to the nearest whole mile.
 - b. Other expenses, such as toll charges for bridge, turnpike use, and parking charges, are allowable and may be submitted for reimbursement.

5.6 Liability

The Town's property and liability insurance carrier does not insure personal vehicles – only municipal-owned vehicles. Therefore, the use of personal cars for Town business is not directly insured by the Town's property-liability insurance carrier. Town personnel or officials who use their personal vehicles to conduct Town business several times each week and who occasionally transport other private (non-Town personnel) individuals should have Business Use Coverage in addition to regular insurance.

1. In the event of an accident, an individual's auto insurance carrier should respond and cover damages per policy limits. The Town's insurance coverage is never primary; it is only excess coverage over and above private coverage. Claims made against Town personnel or officials should be covered by the individual's own insurance.
2. If Town personnel and officials using a personal vehicle are involved in an accident while working within the scope of Town duties, and are sued, it would be up to the Town's insurance carrier to work with the individual's insurance company to cover the liability.

The Town's insurance policy would function as secondary insurance after private insurance coverage was relied upon first.

3. **Volunteers:** Town departments must have a record indicating that an individual is a volunteer for the Town; the volunteer must have been acting in good faith and within the scope of his or her duties with the Town; and the damage or injury must not have been caused by the willful, wanton, or grossly negligent misconduct of the volunteer. The Town should provide written confirmation that a volunteer is recognized as a volunteer of the Town.
4. It is understood that Town personnel and officials who use their own vehicle on Town business, and who are reimbursed for this use, shall maintain and have in effect private vehicle insurance.

5.7 Lodging Procedures

It is expected that the Town be invoiced directly by third parties for purchased accommodation except when a Town issued credit card is used. Otherwise, such costs are the responsibility of the individual subject to reimbursement in accordance with this Policy.

1. Town personnel and officials are to stay in moderately priced, safe establishments. No Town personnel or officials shall be allowed lodging expenses while in the Town of his/her official domicile.
2. It is expected that when lodging facilities are designated in connection with a conference or seminar that those accommodations will be utilized.
3. In those instances where a lodging upgrade is affected (for example to accommodate non-Town personnel or official) the cost of the upgrade (the difference in cost between suitable accommodation and upgraded accommodations) shall be the expense of the individual.

5.8 Gratuity and Incidental Reimbursement Procedure

The Town will reimburse or permit direct charges to Town issued credit cards for the following costs, at the amounts indicated:

1. Taxi service tips -15% to 20%
2. Maid or housekeeping services (tip daily) -\$3 per day.
3. Baggage handling for check in day and check out day-\$1 per bag per day.
4. Parking attendant/valet- \$2 to \$3 per use.
5. Incidental expenses will be reimbursed at the GSA per diem rate per day.

Section 6.0: Reference

1. Town of Londonderry Purchasing Policy
2. Town of Londonderry Credit Card Policy
3. [U.S. General Services Administration \(GSA\) Per Diem Rates](#)
4. [2 CFR Part 200](#) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

7.0: Policy & Procedure Revision History

Original Adoption Date:		
Section	Description of Revision	Date
	Original Adoption	11/28/2025

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