



To: Dave Plyman, City Manager
From: Chris Cardott, Finance Director
Date: December 6, 2016
Re: Travel Expense Policy

On July 22, 2016, Governor Rauner signed the *Local Government Travel Expense Control Act* into law (Public Act 099-0604). This law requires all non-home rule units of local government, including municipalities, school districts, special districts and community college districts, to regulate travel expenses at the board level. Thus, every covered unit of local government must adopt a resolution or ordinance that, at a minimum, contains for following provisions:

1. Allowed reimbursable activities (e.g., conference attendance, travel for business meetings, etc.);
2. The maximum amount that the unit of local government will reimburse for travel, meal and lodging expenses; and
3. A standardized form for documenting travel, meal or lodging expenses, as well as “the nature of the official business” for which reimbursement is sought.

Travel, meal or lodging expenses may not be approved unless the minimum documentation requirements have been met.

Timelines

- Effective date: January 1, 2017.
- Phase-In period: 60 days, i.e., until March 2, 2017. After March 2, 2017, expenses for employees or officers that exceed the maximum allowable expenses **must** be approved by a roll call vote of the Board at an open

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meeting, and **all** expenses of board members or corporate authorities **must** also be approved in this manner.

- Sanction for failure to adopt a compliant expense policy: If a covered unit of local government fails to implement expense regulations by ordinance or resolution within 180 days of the effective date (June 29, 2017), no expenses can be approved until the unit of local government comes into compliance with the law.

Entertainment Expenses

After January 1, 2017, no unit of local government can reimburse any board member, employee or officer for entertainment expenses such as tickets for sporting events or other amusement unless such entertainment expenses are “ancillary to the purpose of the program or event” (e.g., as part of a convention).

Applicability of FOIA

Documents and information submitted in compliance with this new law “are public records subject to disclosure under the Freedom of Information Act.”

Summary

To implement the law, each unit of local government will need to define acceptable standards and procedures for reimbursement of expenses, as well as the maximum reimbursement amount for travel, meals, and lodging. Attached is the Revised Travel Expense Policy for the City of Rochelle that meets the standards of the Public Act 099-0604.