

CITY OF MARSHALLTOWN, IOWA

MEAL, TRAVEL AND WORK RELATED RECEIPTS

FAQs (Frequently Asked Questions)

(Derived from State of Iowa's FAQ)

Last Updated: September 1, 2011

Q1: What constitutes an official receipt?

A1: The original receipt (not a copy) is considered official and valid when it contains all of the following information:

- Name of establishment,
- An itemization of what was eaten,
- Date and time,
- City and state.

This information is necessary for the following reasons:

- The name of the establishment is to ensure that tips are allowable.
- An itemized listing of what is included in the receipt is necessary to ensure that what is being claimed is eligible for reimbursement. The detailed receipt is required for verification that it is only for one person, does not contain alcohol, and only includes meal items – not break items to be consumed at a later time, or other ineligible items. (Note: credit card receipts only showing the amount charged is not sufficient documentation.)
- The date and time is to ensure staff is claiming meal reimbursements for only those meals they are eligible to receive within their allowed meal times.
- The city, state and location of the establishment is to ensure that staff is not purchasing meals within their official domicile unless authorized for a meal in the domicile or when purchasing food to make meals for travel out of domicile in lieu of eating in a restaurant.

Q2: I received a receipt for my credit-card transaction when I paid for my meal. What is a valid credit card receipt?

A2: If you receive an itemized credit card receipt with the name of the establishment, date/time, city/state, and items purchased, it is a valid receipt. You normally receive two receipts when using a credit card at a restaurant. One is simply proof of the amount charged against your credit card, (not acceptable alone). The other receipt includes an itemization of what you are being charged. This itemized receipt must be submitted for the reimbursement.

Q3: What if a receipt shows alcoholic beverages in addition to the meal?

A3: Draw a single line through any ineligible items on the receipt and exclude both the cost of the ineligible item(s) and the taxes/tips applicable to the ineligible item(s) in the amounts requested for reimbursement. Do **NOT** charge any alcohol to a city issued credit card.

Q4: Are non-alcoholic drinks, appetizers, and dessert ok?

A4: Generally all items consumed at the meal, except alcohol, are allowable. What an employee chooses to eat for their meals will be at their discretion. However, non-food items such as gum, antacids (i.e. Tums, Rolaids, Pepto-Bismol, etc.) and breath mints are not allowable.

Q5: What about tips that are not shown on the receipt?

A5: Tips are allowable for no more than 15% of the food bill up to the maximum allowed for reimbursement. The tip is to be calculated on the sub-total of food and drink before the tax has been applied. To document tips if they are not shown on the receipt, the employee should write the allowable amount at the bottom of the applicable meal receipt. The only exception is when a restaurant automatically charges a set percentage with large groups. This tip should be included in the detailed receipt.

EXAMPLE: Employee is eligible only for lunch reimbursement. The actual cost of the meal is \$7.73 (not including tax) and the employee leaves a 70¢ tip. Maximum reimbursement allowed is \$8.00 – the current allowable rate for reimbursement for lunch.

EXAMPLE: Employee is eligible only for lunch reimbursement. The cost of the meal is \$3.00 (not including tax) and the employee leaves a 50¢ tip. Maximum reimbursement allowed is \$3.45 – the actual spent for the food, plus 15% for the tip.

EXAMPLE: Employee is eligible for lunch and dinner reimbursement. The cost of the lunch meal is \$3.00 (not including tax) and the employee leaves a 50¢ tip (45¢ tip is allowable). The cost of the dinner meal is \$10.00 (not including tax) and employee leaves a \$2.00 tip (\$1.50 tip is allowable). Maximum reimbursement allowed is \$14.95 (\$3.45 plus \$11.50).

Q6: What is the expectation for breakfast and dinner? What time do I need to leave or return to my official domicile in order to be eligible for breakfast and/or dinner?

A6: When you leave before 6:00 am, you may be reimbursed for breakfast. When you return after 7:00 pm, you may be reimbursed for an evening meal.

Q7: What is the expectation for adding break items to either breakfast or lunch?

A7: Break items are unallowable and are considered a personal expense.

Q8: What if I eat different items from multiple locations at different times (i.e., a salad at one restaurant and then a burger later, at another restaurant). Can I have multiple receipts per meal?

A8: A meal is defined as food and drink consumed at one sitting. One receipt per meal is allowed. The intent of the single receipt is not to allow the purchase of additional food for breaks throughout the day. Meals should be purchased during your allowed meal time.

(Note: Mileage is not reimbursable when traveling for food)

Q9: What if I don't eat my meal at a restaurant? For example, sometimes I stay with family or friends while on the road or stay in hotels with refrigerators and microwaves, and then purchase food for preparation from a grocery store. Will receipts from grocery stores be eligible for reimbursement instead of a restaurant receipt?

A9: If an employee chooses to make their own meals (in lieu of eating at a restaurant), a receipt from a grocery store may be eligible for reimbursement. If the receipt covers multiple meals or multiple dates, write the dates the meals are requested for on the receipt and document the cost allocated to each meal.

EXAMPLE: An employee is eligible for two lunches, one dinner and one breakfast. You need to indicate the items on the grocery store receipt that were consumed at those four eligible meals. Any items not accounted for by meal will not be reimbursed.

In addition, to clarify, grocery receipts are only to be used for the dates surrounding the trip date, for instance: a day or two prior to the trip. Claims for items on a grocery store receipt for a subsequent trip are unallowable. A grocery store receipt dated after a trip is not allowable.

EXAMPLE: An employee is staying at a location for two days. The grocery store receipt can only be used for the days with lodging and the

following breakfast or lunch meal times. Items on that same grocery receipt cannot be used for dates later in the month.

Q10: What if the wrong date is on my receipt? Can I change the date?

A10: No, altered receipts are not acceptable.

Q11: Will this new policy delay my travel reimbursement?

A11: It is anticipated that travel payments should not experience any delays if they are filled out correctly, have receipts attached which are properly documented, and are properly certified by the employee and manager. You will need to check with accounting personnel to find out if their process may delay payment.

Q12: Can I claim tips for grocery stores, fast-food restaurants, and gas stations?

A12: Tips are not allowable for self-service locations. Claims for tips paid at gas stations, fast-food restaurants, or grocery stores will be disallowed. Tips for cafeterias with seating areas within grocery stores are allowable.

Q13: What if the small town café does not provide any receipts?

A13: All restaurants will provide some sort of receipt if requested.

Q14: If I don't spend the total meal allowance at the meal time, can I buy additional items to eat later?

A14: "Break" or "refreshment" costs are considered as personal discretionary expenses and are not paid for by the City. See A7 and A8 of this FAQ for definition of a meal.

Q15: Who has to provide receipts?

A15: All city employees.

Q16: What if an employee parks at a parking meter where a receipt would not be available? Do we have to drive around until we find a parking ramp that gives receipts? Would this be allowed or would we just have to eat the expense since we couldn't obtain a receipt?

A16: Parking receipts for any dollar amount are now required. For a meter or any type of expense where receipts are not normally available, a hand-written receipt by the employee will be required.

Q17: Some restaurants use a pad where the waitress writes the order. When the customer pays, the customer receives only the small strip across the bottom as a receipt.

A17: The employee should request an itemized receipt.

Q18: Since you have to turn in receipts does the “combined” meal issue also change? They are speaking of when they are out all day (prior to departure of 6 am and return after 7 pm). If they don’t use their entire breakfast and lunch allowance are they still entitled to \$28 for the day when dinner is only \$15? EXAMPLE: They don’t claim the full breakfast (\$1) and lunch (\$2 or \$0) amount and just eat a large dinner. They pick up something light for breakfast and lunch. They may eat somewhere for \$25 for dinner. So their total for the day is \$28. They still get the \$28, right?

A18: Yes, they are still eligible to combine the costs and eat a higher priced meal when eligible. Meal reimbursement rates will conform to the State of Iowa’s reimbursement rates. This information can be found on their website (as of 9-1-11 at http://das.sae.iowa.gov/internal_services/210_travel.html) Procedure 210.205 for in-state travel and procedure 210.305 for out-of-state travel)

Q19: What if I have meals on a hotel receipt?

A19: The meals on the hotel will need to be itemized. Hotels will provide an itemized receipt if you request it.

Q20: If multiple staff are traveling together to an overnight location and decides to split a large pizza and a case of pop, will you accept the photo copying of one receipt among several people, with the cost allocated between them?

A20: A photo copy may be used with an explanation on the claims and the claims will need to be cross referenced to each other. A case of pop is a lot of beverages, so some of the pop expense may not be allowed depending on the number of staff.

Q21: What if a person only has one receipt to claim? Do they still need to tape that receipt on a blank piece of paper, or can they simply staple that to the TP? Will you accept it and say nothing to the staff, or accept it and ask the staff to tape them on a sheet of paper the next time, etc?

A21: One receipt would be acceptable to staple to the claim, but more than one receipt should be taped to one side of a piece of 8 1/2 x 11 sheet of paper. Place tape on the top and bottom of the receipts, being careful not to tape over any of the information as we have found that the tape removes the ink. The reason for this is because this makes the receipts manageable and easy to follow when auditing the claims, it reduces the chance for a receipt to become detached from a claim, and it reduces filing space in the final retention of the claims.

Q22: Some receipts don't have "Iowa" written or printed on them. For example, some chain stores only have the store number on them, which is meaningful to them. They may only have the city written on it, not the state. Will you accept the receipt as is, or make the employee write "Iowa" on it, or ask your accounting staff to write "Iowa" on it, etc?

A22: The city needs to ensure meals are not in the employee's domicile. If the city/state is not identified on the receipt, the employee should write that information on the receipt and sign it.

Q23: Can I claim reimbursement for can/bottle deposits?

A23: No, deposits are not a reimbursable item.

Q24: The receipt from the restaurant is itemized and lists the iced tea that was purchased a "beverage". Is this acceptable?

A24: You should write the type of "beverage" such as: iced tea, soft drink, etc. so that we know it was a non-alcoholic beverage and sign the receipt.

Q25: Is food purchased at a convenience store instead of a restaurant reimbursable?

A25: If an employee is eligible for a meal reimbursement, the employee may elect to purchase food and drink items at a convenience store instead of a restaurant outside of their domicile, with the proper receipts.