

# Governor Approves Local Government Travel Expense Control Act

*Amundsen Davis Government Entities Alert*  
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On July 22, 2016, Governor Bruce Rauner signed into law Public Act 99-0604, the Local Government Travel Expense Control Act. Effective on January 1, 2017, this Act requires school districts, community colleges and non-home rule units of local government to approve, by resolution or ordinance, policies regulating the reimbursement of travel, meal and lodging expenses of officers and employees. Such policies must identify the type of official business for which the reimbursements are requested, the maximum allowable reimbursement and a standardized form to be used. The Act also identifies the supporting documentation necessary to submit reimbursement requests, namely estimates for expenses not yet incurred or receipts, the name of the official seeking reimbursement and the dates of the program or event. This documentation will be subject to disclosure pursuant to the Freedom of Information Act. In addition, the Act provides that expenses associated with entertainment such as shows, amusements, theaters or sporting events will not be reimbursable unless such are ancillary to the program or event being attended.

The Act establishes a couple of compliance deadlines. By March 2, 2017, any expenses that exceed the maximum allowable established in the adopted policies can only be approved by a roll call vote of the governing board or corporate authorizes of the affected public entities, something that may already be in place in certain entities irrespective of the amounts at issue. Moreover, no reimbursements can be approved if applicable policies have not been adopted by June 30, 2017.

While most public entities have already adopted comprehensive expense reimbursement policies in their employee handbooks or other such policy documents, the Act does impose certain requirements that may differ from such policies, particularly establishing a maximum allowable reimbursement amount and the need for a roll call vote of the governing board if the reimbursement request exceeds such amount. It is also likely that such administrative policies have never been adopted by the governing boards or corporate authorities and have simply been implemented by administrative action. Accordingly, we recommend that reimbursement policies be examined, revised as appropriate and subsequently adopted "by resolution or ordinance" to ensure compliance with the Act.

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