



## REPORT TO MAYOR AND COUNCIL

**TO THE HONORABLE MAYOR AND COUNCIL:**

DATE: June 8, 2009

**SUBJECT: AUTHORIZE CITY MANAGER TO RESPOND TO CONTRA COSTA COUNTY 2008-2009 GRAND JURY REPORT NO. 0909, *HARSH ECONOMIC TIMES* DICTATE CITY TRAVEL PRACTICES BE FINE TUNED**

**Report in Brief**

The Contra Costa County Grand Jury has issued Grand Jury Report No. 0909, *Harsh Economic Times Dictate City Travel Practices Be Fine Tuned*. This report refers to the City of Concord and requires a response from the City to address its recommendations. Staff has drafted a response and Council is being asked to review and authorize its submittal to the County Grand Jury.

**Background**

Each year the Contra Costa County Grand Jury selects governmental issues to research and analyze on behalf of the citizens of the County; when they find it appropriate, they issue a report. Their reports are intended to expose issues of concerning government behavior to the public, to provide research and analysis, and to make findings and recommendations of possible solutions. The result is a report. Any governmental agency within the County may be required by the Grand Jury to respond to their report.

The FY 2008-2009 Grand Jury has elected to issue a report titled *Harsh Economic Times Dictate City Travel Practices Be Fine Tuned*. The Grand Jury is requesting the City of Concord to respond to their report.

**Discussion**

The Grand Jury is not requesting responses to its findings because the information they received from each city indicated that, for the most part, control policies are adequate and that cities are using due diligence with regard to their management of travel expenses. The Grand Jury did request response to its recommendations. The proposed response from the City of Concord is attached. The City has implemented each of these recommendations either by specific language within Policy and Procedure No. 34, *Business Meeting Attendance and Travel Authorization*, Administrative Directive No. 79, *Procurement Card Use and Procedures*, or, in the case of Recommendation #5, by inference. The Grand Jury recommends, in Recommendation #5, that city guidelines promote the use of websites to take advantage of the lowest rates

**AUTHORIZE CITY MANAGER TO RESPOND TO CONTRA COSTA COUNTY  
2008-2009 GRAND JURY REPORT NO. 0909, HARSH ECONOMIC TIMES  
DICTATE CITY TRAVEL PRACTICES BE FINE TUNED**

June 8, 2009

Page 2

available. The City of Concord's policy requires that staff exercise overall economy and cost effectiveness in all manner of travel but does not specifically require the use of websites. However, websites are the most common method used by employees in identifying the most cost effective manner of travel, so there is no reason to amend the City's existing policy to address this recommendation.

**Fiscal Impact**

The response to the report does not have a fiscal impact to the City.

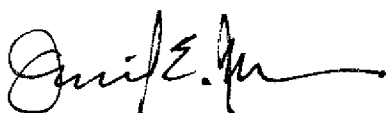
**Public Contact**

Posting of the Agenda.

**Recommendation for Action**

Staff recommends that the City Council authorize the City Manager to submit the attached letter as the City of Concord's response to Contra Costa County Grand Jury Report No. 0909, *Harsh Economic Times Dictate City Travel Policies Be Fine Tuned*.

Prepared by: Margaret L. Lefebvre  
Director of Finance  
[mlefebvre@ci.concord.ca.us](mailto:mlefebvre@ci.concord.ca.us)



---

Daniel E. Keen  
City Manager  
[Dan.Keen@ci.concord.ca.us](mailto:Dan.Keen@ci.concord.ca.us)

Reviewed by: Valerie Barone  
Assistant City Manager  
[Valerie.barone@ci.concord.ca.us](mailto:Valerie.barone@ci.concord.ca.us)

Attachment 1: Copy of City Manager's response to Contra Costa County Grand Jury Report No. 0909, *Harsh Economic Times Dictate City Travel Policies Be Fine Tuned*

Attachment 2: Copy of Contra Costa County Grand Jury Report No. 0909, *Harsh Economic Times Dictate City Travel Policies Be Fine Tuned*

June 8, 2009

Ms. Leslie Lea, Foreperson  
Contra Costa County Grand Jury  
725 Court Street  
P O Box 911  
Martinez, Ca 94553-0091

Re: Response to Grand Jury Report Entitled "Harsh Economic Times Dictate City  
Travel Policies Be Fine Tuned"

Dear Madame Foreperson:

In accordance with Section 933.5(a) of the California Government Code, please find below the responses from the City of Concord to the Grand Jury recommendations included in your letter dated May 12, 2009. For ease of reading, I have incorporated the language from your letter for each recommendation that the City has been asked to address. The City's response is in italics directly below each finding and recommendation. Please also note that in each case this response reflects only information from the City of Concord; I do not have knowledge of the travel policies of the other responding organizations.

While you have asked only for responses to the Grand Jury's recommendations, I would like to clarify Grand Jury Finding #7 which includes the statement, "All city managers possess and use city credit cards." I do not carry a City of Concord credit card. If I were to do so, I would also be subject to the City's "Procurement Card Use and Procedures" Administrative Directive.

This letter was considered and approved by the Concord City Council at its June 1, 2009 meeting.

#### **GRAND JURY RECOMMENDATIONS**

1. That elected officials be included in travel and expense policies.

*Concord complies with this recommendation.*

2. That attendees to city-paid conferences and seminars provide proof of attendance and deliver a report when appropriate.

*Concord complies with this recommendation.*

3. That all cities, at minimum, follow IRS documentation guidelines for any expenses as an audit control and for budget planning.

*Concord complies with this recommendation.*

4. That management review and communicate city travel procedures on an annual basis to update and eliminate contradictions.

*Concord complies with this recommendation.*

5. That city guidelines promote the use of web sites to obtain the lowest rates available and to leverage government and group rates . . .

*Concord complies with this recommendation. The City's travel policy specifically directs consideration of the overall economy and cost effectiveness of travel when making arrangements. This includes the use of online services when appropriate.*

Thank you for the opportunity to respond. The City of Concord recognizes its responsibility to use its resources wisely in the conduct of city travel. Please contact the City's Finance Director, Peggy Lefebvre at 925-671-3192 or at [mlefebvre@ci.concord.ca.us](mailto:mlefebvre@ci.concord.ca.us) if you have any additional questions.

Respectfully,

Daniel E. Keen  
City Manager

**Contact: Leslie Lea  
Foreperson  
(925) 957-5638**

Contra Costa County 2008-2009 Grand Jury Report 0909

## **HARSH ECONOMIC TIMES DICTATE CITY TRAVEL PRACTICES BE FINE TUNED.**

**TO:** Contra Costa County City Councils

### **SUMMARY**

An important responsibility of the Grand Jury is the oversight of cities' spending activities. These include not only city budgets but also adopted practices that affect spending programs. Cases of unauthorized credit card use and other instances of misused funds for travel and meeting expenses prompted the Grand Jury to direct its attention to review the travel expenditures, meeting practices, and documentation procedures of the 19 incorporated cities in Contra Costa County.

The Grand Jury developed a survey which was sent to each city with questions relating to travel and meeting expenses. Cities varied in travel and meeting regulations and how those regulations were administratively applied. Cities ranged in population from less than 25,000 to greater than 100,000.

The intent of the survey was to identify information relating to cities' credit card and travel practices. These guidelines may be different for elected officials than for city staff members.

After conducting the survey of the 19 incorporated cities within Contra Costa County, the Grand Jury was satisfied with the quality of each city's travel policy. The Grand Jury found several outstanding examples of procedures and guidelines and are offering them as best practice enhancements for each city to consider.

### **FINDINGS**

1. Cities in Contra Costa County range in population from less than 25,000 to more than 100,000.
2. Two cities responded that they did not have separate travel and expense policies for elected officials.
3. Twelve cities responded that they required proof of attendance at city-paid events such as conferences and seminars.

4. Four cities did not require receipts for reimbursement of travel expenses.
5. Some cities responded to the survey with answers that were not consistent with their written policies.
6. Cities were budget conscious about arranging for transportation, hotel accommodations and other traveler needs, but guidelines varied significantly.
7. All city managers possess and use city credit cards. The control policies for using the cards appear to be adequate.

## **RECOMMENDATIONS**

1. That elected officials be included in travel and expense policies.
2. That attendees to city-paid conferences and seminars provide proof of attendance and deliver a report when appropriate.
3. That all cities, at minimum, follow IRS documentation guidelines for any expenses as an audit control and for budget planning.
4. That management review and communicate city travel procedures on an annual basis to update and eliminate contradictions.
5. That city guidelines promote the use of web sites to obtain the lowest rates available and to leverage government and group rates. A partial list of the government websites includes:
  - State Association of Counties [www.csac.counties.org](http://www.csac.counties.org)
  - State of California website [www.ofa.dgs.ca.gov](http://www.ofa.dgs.ca.gov)
  - California Travel Smart [www.catravelsmart.com](http://www.catravelsmart.com)
  - League of California Cities [www.cacities.org/travel](http://www.cacities.org/travel)

## **REQUIRED RESPONSES:**

**Findings:** None (all cities responded by survey)

**Recommendations:** 1 through 5

Antioch, Brentwood, Clayton, Concord, Danville, El Cerrito, Hercules, Lafayette, Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon and Walnut Creek.