

|   |  |   |
|---|--|---|
| <b>HUMAN RESOURCES MEMORANDUM 24-004</b>                  |  | DATE ISSUED:<br>2/23/2024                       |
| SUBJECT:<br><b>UBER FOR BUSINESS</b>                      |  | REFERENCE:<br><a href="#">CalHR Manual 2203</a> |
| TO:<br>All Department of General Services (DGS) Employees |  | SUPERCEDES:<br>N/A                              |

**Purpose**

The purpose of this Memorandum is to advise DGS employees on the expectations and procedures when utilizing Uber for Business (U4B) direct bill option. **Effective March 1, 2024**, the direct bill option, U4B, will be available for DGS employee usage.

U4B allows all business-related rideshare charges to be billed directly to DGS, removes the expense burden from DGS travelers and reduces the number of travel expense claims submitted for accounting to reimburse. U4B is the only Transportation Network Company (TNC) service available at DGS for direct bill rideshares.

DGS employees authorized to travel for official state business will follow these requirements and guidelines. The basic concepts central to policy requirements and guidelines include:

- Each division/office shall ensure the necessity of all travel, including the method of travel, is in the best interest of the state.
- DGS employees must receive prior approval for all travel from their manager or approved delegate.
- DGS employees may still pay for rideshare services out-of-pocket and submit for reimbursement through the Travel Expense Claim (TEC) process. Rideshare expense reimbursement to DGS employees must be for actual and necessary out-of-pocket expenses, consistent with applicable reimbursement rates and rules for traveling on official state business.
- Rideshare expenses paid with U4B direct bill will be held to the same requirements, restrictions, and reimbursement rules as rideshare out-of-pocket reimbursements.
- U4B uses the same mobile application/account as Uber for personal use.
- U4B is managed by the Office of Fiscal Services (OFS) at DGS. OFS will update this document and other rideshare-related policy documents as needed. Refer to the DGS Travel Policy 'Transportation Network Company' section for further policy information.

## Terms of Use

**Using U4B for personal rides is strictly prohibited.** U4B is only authorized for employees on official state business attending offsite meetings or on travel status. DGS employees will be required to select one of the following options when requesting a ride in the mobile application:

- **Offsite meetings** – Travel between headquarters and other local offices/worksites on official business. For purposes of this policy, a DGS employee's home is never considered the headquarters, a local office, or worksite.
- **Travel status** – Travel away from assigned headquarters while on official DGS business. [California Department of Human Resources \(CalHR\) Online Manual Section 2201 - Travel and Relocation Policy](#) standard for official travel status is 50 miles or more away from headquarters.
  - Ride receipts from Uber **must** be attached to each TEC for business trip reimbursement. This requirement is for U4B direct bill rides and rides paid by the DGS employee using a personal payment method.

After selecting the intended use, DGS employees must provide a detailed summary noting the purpose of the ride in the Expense Memo section of the mobile application. Expense Memos must be included and must be informative. Please see image to the right for a visual of the Expense Memo section in the mobile application.

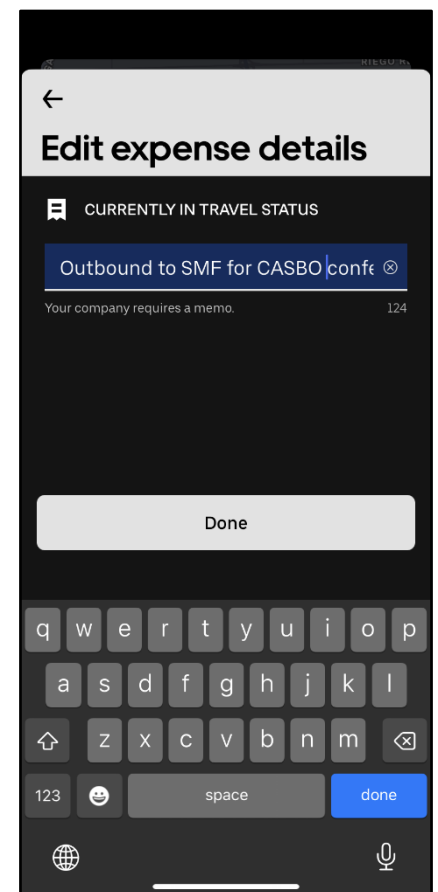
### Examples:

- Acceptable summary: "Outbound to airport for training in San Diego."
- Unacceptable summary: "Flight," "Training," "Meeting," etc., and similar non-descript information.

**U4B is never authorized for commuting from your home to your headquarters under any circumstance.** OFS will not consider any justification for using U4B to commute, regardless of your telework status (remote-centered or office-centered, as defined in the [DGS Telework Policy AO 02-22](#)).

If you telework during your regular work week:

- Using U4B to go from a home to an office and/or an office to a home is considered commuting and is prohibited.
- Using U4B to go from a home to local offsite meetings and/or a local offsite meeting to a home may be considered commuting and is prohibited unless the following conditions are met:
  - The cost of traveling to the business or local offsite meeting is less costly when the departure is from an employee's home; and
  - A cost comparison is conducted, documented, and retained with the employee, showing the departure and arrival locations considered and the costs of all options; and



- o The employee's manager or supervisor has approved such use in writing.

DGS employees are responsible for understanding and complying with the DGS Telework Policy as it relates to the U4B Direct Bill Policy.

If a DGS employee is unsure if a particular trip is considered commuting, the employee is required to seek clarification from their division/office Travel Coordinator, immediate supervisor/manager, or OFS prior to using U4B.

### **Tips**

**Tips cannot be charged to the U4B direct bill account.** After completing a trip, riders may (if desired) apply a tip within the mobile application using a personal credit card. Tips are reimbursable up to the amount prescribed by CalHR. Refer to [CalHR's Online HR Manual Section 2203 – Allowances and Travel Reimbursements](#). Employees must submit a TEC for reimbursement of a tip. Whether using the U4B direct bill account or personal account to book and pay for a TNC business ride, cash tips are not allowed for expense reimbursement.

### **Approved Vehicle Classes**

DGS employees utilizing U4B are permitted to use the following classes:

- UberX
- Uber Assist
- Uber Pool (this class may also appear as UberX Share. Broadly, it is a shared UberX. As long as cost estimates do not exceed the cost estimate for UberX, Uber Pool is allowed)
- WAV (a third party that provides wheelchair accessible vehicles)
- Uber XL (please see note below on allowable uses of Uber XL)
- Uber Green (eco-friendly ride options, typically priced to match UberX. If cost estimates for UberX and Uber Green are the same, Uber Green is allowed. If Uber Green cost estimates are higher than UberX, the class is prohibited.)

All other classes are considered out-of-policy and not authorized. Using an unauthorized class will result in removal from the U4B account. OFS will not consider any justification for using other classes.

### **Note:**

All Uber XL rides must have the following information noted in the expense memo field indicating why the larger vehicle was needed:

1. List of fellow DGS passengers sharing the ride and/or
2. Description of the cargo you are traveling with.

A single individual's height is not a valid justification for using Uber XL.

## Cost Comparisons

U4B may be used in lieu of a personal vehicle, rental car, or taxi if deemed the least costly method and 'in the best interest of the state.' Having access to U4B is not a justification in and of itself for choosing the service over a personal vehicle, rental car, or taxi.

For all offsite meetings and travel status rides, DGS employees must perform appropriate due diligence by conducting a cost comparison **before** travel takes place. Cost comparisons must compare the costs of ground transportation using U4B, taxi, rental car, and/or personal vehicle, as applicable. Cost comparisons must be approved in writing by the DGS employee's manager/supervisor, and both the cost comparison and the approval must be retained with the employee for audit purposes.

Tools and considerations to use when conducting a cost comparison include, but are not limited to:

- **Tools:**
  - Uber mobile application + Uber.com
  - Enterprise [Trip Optimizer](#)
  - Third-party estimators, such as [RIDEGURU](#)
  
- **Considerations:**
  - Taxi stands at airports
  - Rental vehicle refueling costs
  - Mileage reimbursement
  - Parking costs
  - Travel duration and time of day
  - Location (remote or rural areas)
  - Traffic conditions

Cost comparisons/estimates must reasonably encompass all travel for that day/trip. Considerations should be given for the length of trip (duration) and total distance to be traveled.

*For example:* On a two-day trip, ground transportation options are a rental vehicle or U4B. The method of transportation selected will depend on many factors. A typical two-day commercial vehicle rental will cost roughly \$90.00; therefore, gas, parking costs, and travel time (picking-up/returning, finding parking, possible traffic, etc.) would need to be considered.

Similarly, taking multiple Uber rides in a single day can quickly add up. DGS employees are expected to use the tools provided to plan and determine the most cost-effective method for ground transportation before departing.

Surge pricing (multiplier applied to the Uber rate during times of high demand) must be avoided for all rides unless unavoidable and must be considered when formulating a cost comparison.

## Policy Enforcement

Failure to comply with the policies herein may be grounds for a DGS employee's removal from U4B and prohibition from using future contracts for the same or similar services.

OFS has the discretion to remove DGS employees from U4B for the reasons described in this section. OFS, in consultation with the Statewide Travel Program, will periodically review and audit trip information to ensure DGS employees comply with all requirements herein.

Violations described in this section will result in the DGS employee's account being flagged for review. During the review process, DGS employees will be unable to book new rides until the issue/issues is/are resolved.

DGS employees whose accounts are flagged for review will receive one warning in writing (via email) from OFS, which will outline the reasons for the flag. The employee's supervisor(s) will be copied on the email.

Subsequent violations after the first warning will result in the revocation of the U4B privilege. Policy violations include but are not limited to:

- Using U4B for personal rides.
- Using U4B for commuting.
- Failure to input an acceptable (see "Terms of Use" above) Expense Memo for a ride.
- Failure to use only the approved vehicle classes.
- Failure to prepare/provide a cost comparison before using U4B.
- Failure to notify OFS (in writing) of any discrepancies or disputes.
- Canceling rides that do not comply with Uber's cancellation requirements.

All issues and policy violations will be reviewed on a case-by-case basis and addressed individually with the DGS employee and the employee's supervisor.

If it is determined that a ride is not business-related, the DGS employee must switch the payment method from the U4B direct bill to their personal credit card via the Uber mobile application (applies to trips less than 30 days old).

If non-business-related charges are discovered after trips completed in the last 30 days, OFS will work with the DGS employee, their supervisor, and/or their division/office Travel Coordinator to correct the non-business rides. If the matter cannot be resolved, the OFS, Program Support Accounting Section (PSAS) will require repayment to the department within 15 days to correct the non-business ride.

At the end of every month, DGS division/office Travel Coordinators will receive a report from PSAS containing all charges for DGS employees within their division. Supervisors must notify OFS immediately in writing (via email) if any rides reviewed are not business-related.

**Note:**

- The division/office Travel Coordinators are required to provide the aforementioned reports to supervisors and managers within the division/office to review, approve, and/or dispute charges.
- Supervisors are required to work with and respond to Travel Coordinators to review, approve, and/or dispute charges.
- If a supervisor fails to review each DGS employee's ride(s) to ensure compliance with this policy, every employee under that supervisor is subject to removal from U4B direct bill.
- Any ride charges determined by the Travel Coordinator or supervisor to be unauthorized will be referred to OFS to recoup the funds.

**Onboarding Process**

Accessing the DGS U4B profile requires:

- Submitting a request for U4B in the DGS ServiceNow Portal and agreeing to the terms and conditions. Your direct supervisor/manager will need to approve the Service Portal request as well.
- A personal Uber account with a valid personal credit card on file (sign-up for free using the Uber mobile application or Uber.com).

**Requesting U4B access:**

- Use the ServiceNow Portal to submit a request for a DGS U4B account.
  - Must read and agree to comply with this policy.
  - Must provide Fi\$Cal Reporting Structure number in ServiceNow request.
- After approval in ServiceNow Portal, the requester will receive a link and instructions to connect to the DGS U4B account through the Uber mobile application.
- Downloading the Uber mobile application requires compliance with and acceptance of Uber's policies, including its Community Guidelines. DGS employees that do not agree to Uber's policies will not be able to book rides on the U4B platform.

**Disputes, Refund, Corrections, Adjustments and Cancellations****For ride, charge disputes, refunds, and/or corrections and adjustments:**

- DGS employees must request help from Uber Customer Support via the Uber app.
  - Within the app, Customer Support can be reached by tapping on the account icon at the top left or right. DGS employees will then be prompted to select the ride in question and note the specific issue.
- DGS employees must immediately (as soon as the discrepancy is discovered) notify OFS by email of the discrepancy and the need to dispute a charge.
  - Emails must contain the rider's name, ride date, ride time, and reason for the dispute.
  - Emails must also include the final ride receipt.

**For cancellations:**

- DGS employees must avoid making cancellations that violate Uber's cancellation requirements to the extent possible.
- Rides that are canceled and do not comply with Uber's cancellation requirements may result in penalty fees.
- Upon request, DGS employees will be required to provide a compelling business reason justifying the penalty/cancellation charges in writing via email. Failure to provide a valid justification for penalty/cancellation fees could result in OFS seeking recoupment of funds from the employee.

**Additional Resources and Best Practices****Situations when to use U4B:**

- When U4B is the most cost-effective (least costly) method of ground transportation and deemed by the authorizing manager/supervisor to be in the best interest of the state.
- Low mileage trips in which a pool, personal or rental vehicle would sit idly rather than be driven during most of the business trip.
- Transportation is only needed from the airport to the hotel and back to the airport, and U4B costs are lower than using other forms of ground transportation (i.e., personal vehicle, shuttle, rental car, etc.).
- A hotel or airport is near the business location, and a rental vehicle is not the most cost-effective mode of transportation after factoring in relevant costs such as rental fees, parking, and fuel charges.

**When NOT to use U4B:**

- When U4B is not the most cost-effective (least costly) method of ground transportation.
- When U4B is not deemed by the authorizing manager/supervisor to be in the best interest of the state.
- For trips that will result in long-distance or high mileage rides.
- During surge or peak pricing hours (unless TNC costs are still less than alternate ground transportation methods).
- When an excessive number of short trips need to be conducted (i.e., total cost of several trips surpasses the daily car rental rate or is not cost-effective).
- When a hotel provides a free shuttle service that will meet the business need(s).

**Uber Mobile Application:**

- Ensuring that the most up-to-date version of the mobile application is installed will avoid/resolve many technical issues.
- Select 'Help' in the Account section of the app to troubleshoot various issues.

Contact [business-support@uber.com](mailto:business-support@uber.com) for further technical support or if an issue has prevented you from accessing the app.

**Questions**

If employees have questions not addressed in this memorandum, please submit your questions via email to [DGSTravel@dgs.ca.gov](mailto:DGSTravel@dgs.ca.gov).