

Effective Date: February 2019

Responsible Official: Executive Director

1.3 Travel Reimbursement Policy

This document establishes policies governing travel, entertainment and other business expenses incurred during the normal and ordinary course of Consortium business. Expenses must be necessary, reasonable, cost effective and directly related to business of the Consortium, which should be supplemented by the good judgment of each employee, manager and executive.

Directly related means:

- There is the expectation of deriving some current or future benefit for the Consortium
- The employee is actively engaged in a business meeting or activity necessary to the performance of the employee's job duties
- There is a clear business purpose for the entertainment

Documentation:

- Attaching receipts in Oracle is recommended for all expenses but are **required for all expenses greater than \$25.00**. The absence of receipts for expenses over \$25.00 will result in completion of the missing receipt form and will be flagged for audit. Receipts do not need to be retained outside of Oracle.
- Supporting documentation must be in compliance with IRS regulations, which require that all business expenses be substantiated with adequate records and be submitted in a timely manner, i.e., 45 days after the business activity occurred. The substantiation must include information relating to:
 - The amount of the expenditure
 - The time and place of the expenditure
 - The business purpose of the expenditure
 - The names and the business relationships of individuals other than yourself for whom the expenditures were made.

Approvals:

- Supervisors approving expense reports are responsible to ensure the following:
 - The expenses are reasonable and necessary
 - There is budget sufficient to cover the expenses
 - Itemized receipts are attached
 - Supporting documentation is complete
 - General ledger accounting is correct

Allowable Expenses:

- Lodging and related tips
- Travel expenses including airfare, train fare, bus, taxi and related tips
- Meals, including tips between 15-20%

- Laundry and/or dry-cleaning expenses during trips in excess of 5 days
- Car rental using the Consortium's car rental program or a cheaper rental proven by documentation
- Personal mileage at **the current IRS mileage reimbursement rate related to the personal use of autos for business purposes**
- Gasoline for Consortium owned, leased or rented vehicles
- Tolls, Parking
- Conference and convention fees
- Travel expenses for someone other than the employee must include written approval (obtained in advance) from the Executive Director or the President.
- Other reasonable and necessary business expenses, not specifically excluded by the following section

Dis-allowed Expenses:

- Baby-sitter costs
- Airline club dues/memberships
- Barber/hairstylist
- Fines and penalties such as traffic citations, parking tickets, tow charges, etc.
- Personal reading materials like magazines etc. or tobacco products
- Tips in excess of 20%
- In-flight movies/refreshments
- Hotel room movies and other forms of personal entertainment
- Luggage, briefcases
- Alcohol, unless consumed during legitimate entertainment activities with or for others beyond the Consortium community
- Meals including only Consortium employees, including student employees, unless traveling on Consortium business
- Parties and gifts for Consortium employees, including student employees
- First class and business airfare
- Sales tax from which the Consortium is exempt
- Tuxedo rentals
- Mileage for member employees, mileage for member employees is being paid by the member institutions

Reimbursement by Outside Source:

When travel expenses for Consortium staff are to be reimbursed by an outside source, the procedures outlined in this policy will apply. After filing a travel expense report, a memo outlining the charges to the outside source should be submitted to the Executive Director who will then send invoice to the outside source to reimburse the Consortium.