

HAVERFORD

Expense Reimbursement Policy

TRAVEL AND OTHER ITEMS

A. Business Travel Policies, Advances and Reimbursement.

1. **General** The intent of the Travel Policy is to appropriately reimburse employees for out-of-pocket expenses incurred while performing qualified, College business activities. All necessary and reasonable expenses for authorized College travel will be paid or reimbursed in accordance with the following guidelines in this section XI. Assuming a reasonable level of comfort and convenience for the traveler, effort should be made to keep College expenses to a minimum.

This travel policy follows the IRS guidelines in Publication 463, *Travel, Entertainment, Gift and Car Expenses*.

Reimbursement

Upon the completion of a trip, a travel reimbursement disbursement voucher (DV) must be submitted to the Business Office with itemized receipts for all business expenses, other than lodging, \$50 or greater. According to IRS guidelines, an itemized receipt is **always** required for the reimbursement of lodging expenses. Please note that travel expenses being reimbursed from a grant, regardless of the amount, should **always** have proper supporting documentation.

Proper supporting documentation includes:

- itemized receipts that show the vendor, date, amount, and essential character of the expense. (A signed credit card receipt that is not itemized or detailed may be insufficient on its own);
- brief description of the business travel purpose (e.g. professional conference, meeting with a donor, research trip);
- documentation for meals must also include the names of other attendees, if any, when the College is providing reimbursement. Faculty meal reimbursements also follow Provost Office policies;
- receipts in foreign currency must be converted to US dollars showing the exchange rate used on the date of the expenditure or as otherwise converted on credit card statements or other applicable transaction date.

Reimbursement requests should be made within 60 days of the completion of a trip. In the event of missing documentation or documentation which is insufficient to support an expense, the [Expense Reimbursement/Missing Receipt Form](#) should be filled out and submitted (not to be used for lodging expenses).

The College does not reimburse for travel expenses using a *per diem* basis. Reimbursements are made for reasonable, usual, and customary expenses incurred on an actual basis.

Travel expenses must be approved by the immediate supervisor or department head. The Senior Vice President approves all senior staff members as well as the President of the College. The President approves travel expenses for the Senior Vice President. The Senior Vice President will periodically provide expense information regarding the President to the Chair of the Board. The Provost, or the Provost's designee, approves all faculty travel expenses. Please also consult the Faculty Handbook regarding faculty travel. When administrative staff travels together, the most senior person should typically pay for shared meals, taxis, tolls, etc., unless the business protocol suggests otherwise.

Travel expenses paid by a College credit card must be documented via the monthly credit card statement along with the required supporting documentation (see the [Purchasing Card Policy](#)).

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2. Transportation

Airplane and Train

All efforts should be made to obtain the most economical mode of transportation that meets the requirements of both the traveler and the event schedule. Exceptions may be made for upgraded travel only for a compelling reason, such as length of trip or temporary health condition, or if economical accommodations are not available and appropriate justification must be provided with the travel reimbursement request. If there is not a compelling reason for upgraded travel, prior approval must be given by the President, Provost or Senior Vice President. It may be appropriate to travel and stay over a Saturday night if it reduces the overall cost of the trip and is consistent with a reasonable level of convenience and security.

Automobile

Travelers using their personal vehicle will be reimbursed at the current IRS mileage rate in effect at the time of travel. A simple printout from Map Quest, Google Maps or any other similar site is sufficient as documentation for mileage reimbursement. The mileage rate covers all operating costs of the personal vehicle including, depreciation, repairs, fuel, and insurance. The mileage rate can be found at <http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates>. Separate gas purchases are only reimbursable for rental cars. It is not reimbursable for personal auto usage.

If the employee travels directly to or from an off-campus business event from their home, only the difference between the commuting distance from home to campus and the event location is reimbursable per IRS regulations. Commuting mileage is not reimbursable and local travel should be shown as a net distance against the employee's standard commuting mileage, if any, for standard workdays.

The College cannot reimburse employees for parking tickets, moving violations fines or vehicle towing charges.

Expenses for parking fees and tolls are eligible for reimbursement in addition to the mileage rate.

Rental Automobiles

Rental autos may be used when such travel is more advantageous to the College than the use of taxis or other means of transportation. Within the US, optional collision damage insurance should normally be declined since the College's automobile insurance includes this coverage. However, outside the US, the employee is strongly encouraged to accept and purchase the automobile insurance and this cost will be reimbursed by the College.

Taxi and Limousine Service

Taxi fares, including reasonable tips (e.g. 15%-20%), are allowable and reimbursable.

3. Meals, Lodging and Other Expenses.

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Meals

Reasonable and customary expenses for meals and gratuities (15%-20%) are reimbursable. Depending on the location, out-of-pocket meal expense should normally be limited to no more than \$75 per day for three meals or as otherwise directed by the IRS. Original receipts must be submitted when requesting reimbursement. If an employee is claiming reimbursement for meals purchased for others, detail must be provided concerning the names and affiliations of other diners and the business purpose for hosting the meal.

Local meals are reimbursable if they are a business meal. A business meal must have a clear business reason and substantial discussions relative to the College must occur, per IRS guidelines. Off-campus meals that only include other College employees will typically not be reimbursed, as most College business should be able to be accomplished during normal business hours. If it is unavoidable that the meeting be held during meal times, then that should be documented on the expense reimbursement request. Per IRS guidelines, such meetings should be infrequent. If not, reimbursement will be considered taxable compensation.

Lodging

Reasonable hotel/motel expenses when supported by itemized receipts are reimbursable. While no maximum is established since it is recognized that reasonable expense differs according to size of town and area of the country, "deluxe" and other expensive hotels should be avoided. When staying in New York, Florida, Massachusetts or Illinois please note that as a non-profit educational organization the College is not subject to their hotel occupancy tax. Please obtain the State Exempt Organization Certification from the Business Office.

Other Necessary Miscellaneous Expenses

Reimbursement is provided for such items as customary gratuities, parking, business telephone calls, faxes, internet fees, special fees for foreign travel costs of obtaining passports when needed for College travel and registration fees at conferences and conventions. Personal entertainment and other personal expenses are not eligible for reimbursement.

4. Travel Insurance Notes

The College carries insurance coverage for employees of the College against accidental death during travel on College business. Details of the coverage amounts and limitation are available from the Human Resources Office. The mileage rate for reimbursement of personal automobile use is a full-cost rate and assumes that the employee carries his or her own automobile insurance.

5. Travel Advances

The College will provide travel advances for employees traveling on College business in order to cover reasonable out-of-pocket expenses. The advance must be approved by your department head. In most cases the advance is limited to \$250- \$300. Upon completion of the travel, an accounting of the funds along with appropriate receipts should be sent to the Business Office within 60 days. All unused travel advance money must be returned to the Business Office within the 60 day time limit also. According to IRS Publication 463, travel expense advances not adequately accounted for within 60 days of your return must be included in your taxable wages on your year-end W-2. The College reserves the right to decline additional requests for travel advances for employees who have an outstanding advance or frequently do not submit timely expense reconciliations.

6. Entertainment Expenses

Reasonable and necessary expenses to entertain official College visitors (such as speakers and employment candidates) or donors must be approved by the President, Provost's Office, Distinguished Visitors Office, Institutional Advancement, the Senior Vice President, or other department head as appropriate. Group meals off-campus should be kept to a minimum and gratuities should not exceed 20%. Costs of alcoholic

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beverages should also be kept to reasonable amounts, and cannot be charged to federal grants. Entertainment expenses for employees are generally not allowed, except for the occasional event such as a holiday luncheon or retirement party. As mentioned, local business meals attended by only College employees should be the exception meaning that they are infrequent in nature and there was no reasonable opportunity for the business to be conducted during standard business hours.

Entertainment costs are prohibited on federal grants.

7. Companion Travel

In general, travel expenses incurred on behalf of a companion, such as a spouse, are not eligible for reimbursement and the employee is expected to pay all incremental costs associated with the companion's travel including transportation and any additional lodging costs, meals, or other expenses directly associated with the companion's travel. In accordance with IRS regulations, for companion travel expenses to be eligible for tax free reimbursement to the employee, the employee must fully document how the companion's purpose for traveling is for a bona fide business purpose and critical to the achievement of the College's business. To be eligible for reimbursement, this bona fide business purpose must be fully documented for each trip, and, with rare exceptions, prior approval is required. Faculty should contact the Provost and staff should contact the Senior Vice President in advance of the trip for any companion travel where reimbursement might be requested.

8. Non – Reimbursable Items

The following is not an exhaustive list but a general guideline for what would typically be deemed ineligible for a qualified reimbursement.

- Personal laundry and dry cleaning for trips of less than ten days
- Personal identification documents, including driver's license
- Personal entertainment and recreation expenses
- Tickets to theater shows or sporting events not directly related to the academic program
- Health clubs
- Mini bar purchases
- Airline and other travel club fees
- Cost of barbers and/or hairdressers
- Cost of luggage (please note: airline baggage fees are reimbursable)
- Personal care items such as clothing or toiletries items
- Magazines, books, newspapers, or other personal reading material
- Expenses for the care of dependent child or family member
- Kennel or pet-sitting expenses
- Traffic violations, parking fines, personal vehicle repairs or maintenance
- Contributions, including those to religious, political or other charitable organizations
- Other items, not listed above, but of a predominately personal nature

Travel and other expenses attributable to a spouse, partner, companion or family member who are not directly associated with College business are very rarely reimbursable and typically require prior approval. See Section 7 above.

9. Gifts

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College funds should not be used to give gifts to another College employee or group of employees. Gifts between employees for such events as birthdays, Holidays, showers are personal in nature and should be paid with personal funds or through a collection in the department.

Reasonable retirement or length of service gifts or awards may be a reimbursable expense. Please confirm with the Business Office in advance.

While travelling on College business, if an employee stays at the home of friends or family, a modest gift or meal in return for such hospitality is reimbursable.