

Chapter 9

Travel & Employee Business Expense Policy

Overview

Introduction Employees may be reimbursed for normal and reasonable travel and other expenses incurred for a University business purpose. Travel costs are defined as expenses for transportation, lodging, meals and related items incurred by employees who are traveling for a University business purpose. Washington University does not reimburse business expenses on a per diem basis. Travel expense and business expense reimbursement is based on actual expenses incurred. Estimates should not be submitted. Expenses are reimbursed based on a Business Expense Statement (**See page DS10-6**) document filed within 15 days after completion of the trip.

Travelers should obtain receipts or confirmations on all expenses. Original receipts must be submitted for all travel expenses that are \$30 or more. Loss of receipts, use of photocopied/faxed receipts and statements from credit card companies require exception approval signature from a Dean, Director, or Department Head.

Schools and departments may choose to develop a stricter travel policy.

In this chapter

This chapter covers the following topics:

Topic	See page
Corporate Credit Cards	DS9-2
Reimbursable Travel Expenses	DS9-4
Non-Reimbursable Expenses	DS9-10

Corporate Credit Cards Program Administration

Purpose An individual American Express (AX) and/or Citicorp Diner's Club Corporate Card (DC) may be issued to each employee who is expected to travel and/or incur entertainment expense for a University business purpose. Requests for corporate credit cards must be approved by the department head or business manager. (See Appendix C for a comparison of the two cards.)

In addition, departments may authorize non-renewable corporate cards to graduate students or post-doctoral trainees. A non-renewable card expires after two years.

Corporate credit cards are intended to eliminate the need for travel advances. Travel advances for corporate credit card holders may be obtained for unusual and special circumstances.

An employee may have both credit cards. The American Express card may be more widely accepted, but the Diner's Club card allows cash advances from automatic teller machines (ATM's).

Billing Agreement that any charges to AX or DC are the responsibility of the card holder. The monthly billing statement will be sent directly to the cardholder and it is the cardholder's responsibility to pay the bill within the prescribed payment period. No annual fee is charged to the corporate cardholder.

Payment of penalty fees resulting from late payment is the responsibility of the cardholder.

Reimbursement Individuals will be reimbursed via a Business Expense Statement with proper documentation as outlined on page DS10-2. Accounting Services will process and reimburse approved and documented travel expenses within 5 working days of receipt of the approved travel report.

continued on next page

Corporate Credit Cards

continued

When not to use

Cardholders should not use the Corporate Credit Card for advance fees such as registration or airfare UNLESS the cardholder is willing to pay the bill before receiving a travel reimbursement. Advance fees can be paid on a Check Request only if payable directly to the vendor (Diner's club). If reimbursement will be made directly to the cardholder, a Travel Advance must be completed (and subsequently Travel Report).

The corporate credit card should not be used to purchase equipment, office supplies, or other items for use at the University. The University's purchasing policies and procedures must be followed to purchase goods and/or services.

Note: Advance fee of up to \$500 per person charged to sponsored agreement funds should be paid using a check request. Advance fees greater than \$500 per person charged to sponsored agreement funds should be paid using a travel advance. Each traveler must have a separate travel advance. All advance payments, regardless of amount, must be payable to a third party not the Washington University employee.

Lost cards

The cardholder must report any lost or stolen American Express or Diner's Club Corporate Cards immediately to the perspective company's phone number listed below:

1-800-528-2122 American Express (24 hour hotline)

1-800-525-9341 Citicorp Diner's Club in the Continental U.S., Puerto Rico, Hawaii, or the Caribbean

1-303-779-1504 Citicorp Diner's Club in Alaska or Canada

Terminations Cards of terminated employees should be forwarded promptly to the attention of the Corporate Credit Card Program Administrator at Campus Box 1147.

Applications To obtain an application for a corporate credit card, or for additional information, please call the Corporate Credit Card Program Administrator in Accounting Services at 935-5764.

Reimbursable Travel Expenses

Expenses reimbursed

The following business expenses may be reimbursed by the University.

Expense	Policy
Air travel	<p>The University will reimburse the cost of standard airfare (coach) only. The lowest available discount airfare or customary standard airfare (coach or equivalent) must be obtained.</p> <p>Upgrades to a different class is unallowable unless:</p> <ul style="list-style-type: none"> • indirect routing • travel during unreasonable hours (requiring the traveler to wait six hours or more to make connections) • excessively prolonged travel (extending the time in transit by at least 24 hours) • greatly increased duration of the flight (extending the time in transit by at least 24 hours) • inadequate accommodations for medical needs of the traveler <p>Reservations should be made in advance to guarantee the ticket is purchased at the lowest available discount fare.</p> <p><i>Additional cost incurred by purchasing the ticket at a higher price may be offset by accommodation savings of the traveler. A person doing a Saturday night stayover in order to get a lower price fare can do so if the additional cost of the room and meals is less than the savings.</i></p> <p><i>Exceptions to this policy (e.g., reimbursement for the use of first class or business class) require prior approval by the dean, vice chancellor or their designee and must be coded as unallowable travel. Use budget/object 36-87.</i></p> <p><i>Reimbursements for costs of travel on non-commercial airlines (institutional leased or chartered aircraft) shall not exceed the cost of standard commercial coach airfare.</i></p>

Continued on next page

Reimbursable Travel Expenses

continued

Expense	Policy
Air travel (cont'd)	<p>The University's policy does not cover employees:</p> <ol style="list-style-type: none"> 1) If the aircraft is owned, leased or controlled by Washington University 2) If employee is the pilot or crew member 3) If aircraft does not have certificate of airworthiness 4) If aircraft is flown by a pilot without a valid license 5) If aircraft is being used for crop dusting, spraying, or seeding; fire fighting; sky writing; sky diving or hang gliding; pipeline or power line inspection; aerial photography or exploration; racing, endurance tests, stunt or acrobatic flying; or any operation which requires a special permit from the FAA, even if it is granted (this does not apply if the permit is required only because of the territory flown over or landed on).
Foreign travel	<p>Federal guidelines for grants and contracts requires that travel on United States Flag carriers should be used to the maximum extent possible when commercial air transportation is the means of travel between the United States and a foreign country, or between foreign countries. The United States is defined as the 50 states, the District of Columbia, and the territories and possessions of the United States for the purposes of the use of United States flag air carriers. This requirement shall not be influenced by factors of cost, convenience, or personal travel preference.</p> <p>Travel on non-United States Flag carriers should be within the individual grant or contract regulations and an appropriate reason stated on the travel expense report. If a U.S. Flag carrier is not available, please contact Sponsored Projects.</p> <p><u>Note:</u> Travel expense reports for foreign travel must have amounts completed in U. S. dollars with the exchange rate noted on the report. Receipts for hotel, rental, car, airfare, etc., accompanying the Business Expense Statement, should be labeled as such in English.</p>

Continued on next page

Reimbursable Travel Expenses

continued

Expense	Policy
ATM charges	The service charges for automatic teller machine (ATM) cash transaction processing for each seven day period are reimbursable when a Corporate Diner's Club card is used.
Automobile rental	<p>Automobile Rental expenses will be reimbursed to the extent they are reasonable and appropriate. Such expenses must be supported by a receipt.</p> <p>Automobile insurance will not be reimbursed for domestic automobile rental, and should be declined.</p> <p>Additional automobile insurance should be purchased when renting an automobile for foreign travel.</p> <p>Questions concerning automobile rental discounts available to WU employees may be directed to the Purchasing Department (935-5642).</p>
Fees	Receipts or confirmations for any banquet or registration fees should be submitted with the Business Expense Statement.
Alcoholic beverages	Alcoholic beverages are not allowed as Federal direct or indirect costs per The Cost Principles for Educational Institutions (A21 guidelines). If purchased, they must be charged to budget/object 36-87 Unallowable Travel on departmental accounts.
Incidental expenses	Reasonable, incidental charges such as gratuities are reimbursable and need not be supported by a receipt.
Laundry	<p>Laundry services and valet services which cannot be deferred until completion of the trip may be claimed as a reimbursable expense. Valet/laundry charges during trips less than seven days are not normally reimbursable.</p> <p>Exceptions should be approved by your business manager. Such expenses claimed on the Business Expense Statement are to be supported by receipts or other documentation.</p>

Continued on next page

Reimbursable Travel Expenses

continued

Expense	Policy
Lodging	<p>Itemized receipts for all lodging expense must accompany the Business Expense Statement. Many hotels and other services offer preferential rates to the faculty and staff of educational institutions. The traveler is encouraged to take advantage of such favorable rates.</p> <p><u>Note:</u> Faculty and staff are encouraged to seek out reasonably priced accommodations to minimize the cost to the University. Costs associated with upgrades in accommodations will not be reimbursed unless standard accommodations are not available.</p> <p>Standard reimbursement will be made to the traveler at the single occupancy rate. Additional accommodation costs over and above the standard rates for personal or family reasons must be borne by the traveler.</p> <p>Travelers should separate lodging and tax charges from other charges (meals, telephone, etc.) on the Business Expense Statement.</p>
Meals	<p>Reimbursement for meals is based on actual expenses. Receipts for meals are not normally required, however, exact amounts must be provided by the traveler. Estimates should not be submitted.</p> <p><u>Exceptions to this policy are:</u></p> <ul style="list-style-type: none"> • If any one expenditure <u>amounts to \$30 or more</u> (including the cost of meals for a group) <u>a receipt must accompany the travel expense report.</u> • Itemization of meals are required when total daily meal expenses are greater than \$50.00. <ul style="list-style-type: none"> ▪ If meals are covered in the registration fee, an additional meal charge will not be reimbursed, UNLESS there is an exception for a dietary, religious reason, etc. • If expenses include the cost of meals for other persons, the Business Expense Statement must list names of individuals, the purpose, time, place and amount. University policy requires approval of the dean. (See <u>Entertainment Expense Policy</u> on page DS3-1.)

Reimbursable Travel Expenses

continued

Expense	Policy
Other	Expenditures that are not otherwise covered in this policy require the prior approval of the Department Head, Dean or Vice Chancellor. These expenditures should be detailed and a receipt should be attached to the Business Expense Statement.
Personal automobile	<p>Automobile expenses will be reimbursed at the current Internal Revenue Service (IRS) mileage rate, when a personal automobile is used for the convenience of the University due to an irregular itinerary or other valid reasons properly documented on the Business Expense Statement. All automobile expenses are to be supported by a detailed itinerary.</p> <p>An exception to this policy will be made when a personal automobile is used for the convenience of the traveler, such as combined vacation/business travel. Automobile expenses will be reimbursed at the lower of:</p> <ol style="list-style-type: none"> 1) Coach airfare PLUS rental car expense PLUS a \$20 allowance for taxi or limousine costs, OR 2) Automobile expense, reimbursed at the current IRS mileage rate PLUS lodging expense incurred en route. <p>A quote for the airfare will be required in order to reimburse the traveler for the use of his/her automobile.</p>
Local mileage	Mileage related to business or travel expense, this includes to and from the airport.
Taxi	Receipts for taxi/limo fares are required when a single fare is greater than \$30.

Reimbursable Travel Expenses

continued

Expense	Policy
Telephone	Reasonable telephone cost incurred for modem access, fax machines and business calls are reimbursable. Personal calls are reimbursed according to departmental policies. (Personal calls may <u>NOT</u> be charged to a Federal source.)
Employee Training	Conferences, seminars, Training Courses, and Classes related to employee training and training materials.
Travel insurance	<p>The University provides travel insurance on a blanket travel policy with limits of \$100,000 per person. Additional travel insurance is not an authorized reimbursable expense. In addition to the travel insurance mentioned above, there is also available to eligible University staff members, group life insurance (which has accidental death and dismemberment features). Further questions concerning the University's group life insurance plan should be directed to the Office of Human Resources (935-5990).</p> <p><u>The University's insurance policy states:</u> The University's insurance policy covers all sums for which the University or an employee becomes legally obligated to pay because of bodily injury and property damage to a third party arising out of the operation or use of a University vehicle, a non-owned, hired or leased vehicle while on University business.</p> <p>When faculty/staff employees use their personal vehicles for a University business purpose, the individual's personal insurance is primary. If the individual's liability coverage limits are exceeded, then the University's insurance acts as excess insurance. University policy does not allow employees to use their automobile for a University business purpose unless the employee maintains insurance coverage (liability) on their automobile. The University's insurance does not cover the cost to repair the employee's vehicle; however, if the employee carries collision insurance on their vehicle, the University will pay the deductible.</p>

Non-Reimbursable Expenses

Expenses not reimbursed

The following expenses are considered personal and are not reimbursable by the University.

- Movies
 - Sports club/health club fees/green fees/ski passes, etc.
 - Babysitting fees
 - Kennel fees
 - Honor Bar charges
 - Airline VIP clubs may be considered reimbursable with approval of the dean/vice chancellor/designee. Payment should be reimbursed via a check request.
-

Expenses not allowed as indirect costs

The following expenses will be reimbursed by Washington University but are not allowed as Federal indirect costs. These expenses must be charged to budget/object 36-87.

- Alcoholic beverages
 - Alumni activities
 - Entertainment costs when incurred for a University business purpose
 - Student recruiting activities
-