

Travel Reimbursement

Policy Option 1

This policy establishes the general guidelines and procedures to be followed when business travel is required:

- Travel-related expenses are to be detailed on the company travel reimbursement form.
- Employees who prefer to use their personal vehicles for their convenience on company business, including trips to the airport, will be reimbursed at the standard company mileage rate, provided that the time and distance involved is reasonable under the circumstances.
- All parking expenses and highway tolls incurred as a result of business travel will be reimbursed.
- All air travel must be approved in advance by the employee's supervisor/manager unless it is unavoidable. All travel will be by coach class whenever possible. First class may be used when coach class accommodations are not available or when traveling with a customer who is traveling first class. The duplicate airline ticket receipt should be attached to the company reimbursement form.
- The company insures employees who fly when traveling on company business with a travel accident rider to our regular group insurance policy. Purchase of additional air travel insurance is not a reimbursable expense.

Note: Delete this preceding statement if your company does not provide such travel insurance, but consider whether or not such insurance purchased by the employee should be reimbursable anyway.

- Employees should request advance approval for use of a rental car at their destination. If a rental car is used, insurance additional to existing insurance coverage should not be purchased. A copy of the rental car agreement form must accompany the travel reimbursement form.
- Employees should select moderately priced lodging convenient to their destination to minimize time and expense. A detailed receipt from the hotel or motel must accompany the reimbursement form unless such a document is unavailable, in which case a credit card receipt is acceptable.
- Employees must submit receipts for meals with the reimbursement form. Reasonable tips, when paid by the employee and noted on the receipt, will be reimbursed.
- Travel reimbursement requests are due in the accounting department on the last working day of each month.

Policy Option 2

All company travel, conference, and meeting expenses must clearly serve the objectives of the company and should not conflict with the ethical standards of our company. In preparing for company travel, prior approval must be

obtained from your supervisor/manager by submitting a travel approval request memo detailing the itinerary, estimated cost, and business purpose of travel.

Upon receiving approval from your supervisor/manager, contact the Accounting Department to obtain a travel number. This number must be used to claim reimbursement. If air travel is required, request that the Accounting Department make the reservations. All personnel will travel economy class unless extenuating circumstances require first class travel.

Lodging expenses are to be reimbursed at actual cost. Unless special circumstances dictate otherwise, mid-price lodging facilities shall be selected. Room accommodations will be honored only for one person per room, per night. Expenses for a non-employee are not reimbursable. Exceptions include meals for a customer or business associate during which business was the primary topic of discussion, or for other legitimate business-related meetings and conferences. Should a non-employee companion accompany you on a business trip, the "single" rate for lodging should be noted on your copy of the bill and expense report.

Reimbursement for food and other incidental travel expenses is referred to as per diem expenses. "Per Diem" is defined on the basis of the hours spent in travel, generally measured from point of departure to point of return. The full per diem allowance is [ADD DOLLAR AMOUNT] per day and will be granted for travel requiring an employee to be away from home for more than 15 hours. Half per diem is granted for trips involving 6 to 15 hours, and no per diem is allowed for trips less than 6 hours.

Note: You may decide to reimburse employees for their actual meal and incidental expenses. Some companies give an employee the option to claim more than a modest per diem if they submit receipts showing expenses over the per diem.

Travel advances are intended to allow employees the convenience of using the company's money for business purposes while traveling. However, only reasonable travel advances will be granted and only on [#] days prior notice. Typically, the travel advance will be equal to the per diem times the expected number of travel days unless the employee can justify a greater need. The advance must be accounted for on the travel reimbursement form by deducting it from the employee's claimed expenses.

All requests for reimbursement of company travel are due in the Accounting Department by the last working day of the month. Payment will be made to the employee by the fifth working day of the following month.

If the travel advance exceeds the claimed expenses, employees shall attach a check to the expense report made payable to the company for the difference.