Guidelines for Business Traveling

Background
The University understands that travel is essential to the teaching, research, public service missions, etc. and is committed to meeting the needs of the traveler by paying for the reasonable business expenses actually incurred by the traveler that are not paid by another party.

To ensure sound business practices and proper reporting, travel expenses must be in compliance with external regulations, particularly federal cost regulations under OMB Circular A-21 and tax regulations under the Internal Revenue Code. The traveler is responsible for understanding the policies and procedures before planning and commencing travel for the University. The traveler must complete and submit appropriate forms in a timely and accurate fashion, accompanied by sufficient documentary evidence to demonstrate that the expense was incurred, reasonable, and business related. Documentation should include information about who, what, when, where, why, and how much.

Scope of these Guidelines
It is not possible to anticipate all the situations that individual travelers may encounter in conducting University business and, therefore, these guidelines have been designed to provide some flexibility in addressing unique circumstances that may require occasional exceptions. As a general guideline, it is expected that travelers will interpret these activities in a manner that keeps expenses to a minimum and fairly assigns the costs of business-related activities to the University. Accordingly, the primary responsibility for adherence to these guidelines rests with the individual and their supervising department.

GENERAL CONSIDERATIONS

Approval of Travel
Travelers may not approve the reimbursement of their own travel expenses. In addition, an employee shall not approve the travel expenses of an individual to whom he or she reports either directly or indirectly.

Payment of Travel
American Express and/or Wells Fargo credit cards may be issued to employees who regularly travel on official University business. Any traveler issued such a card should use the card to pay for all expenses related to official University business travel, including lodging and subsistence, except where the card is not accepted. Certain prepaid expenses such as transportation tickets and conference fees may be billed directly to the University.

If the employee travels infrequently and does not have a University credit card issued, nor the means of personal credit to be reimbursed for their business travel later, they will need to consider other alternatives, such as having their supervisor use a University issued credit card. Under no circumstances will the employee be given a cash advance for items that could otherwise be made payable to the organization that includes the airline company, hotel, car rental agency, etc.

Transportation
The following segments of this document outline the University's expectation of prospective travelers regarding modes of travel. For related reimbursement information, see the "Documentation and Reimbursement Issues" section of this document.

The traveler should select a mode of transportation that is cost-effective and efficient. If the traveler takes an indirect route for personal reasons or interrupts a direct route, reimbursement for travel costs will be either the actual cost or the costs that would have been incurred by traveling the direct route by the most economical means, whichever is less. This would include the decision to travel by air and renting a vehicle at the location versus using a personal vehicle and driving directly using mileage reimbursement.
Air Travel
When you make business travel reservations, purchase the lowest possible coach airfare that meets your business needs by considering Saturday night stays or other alternatives.
- If your plans change and you cannot use your airline ticket, immediately contact the travel agency that issued the ticket or the airline. If the ticket has value, it must be used for University business.
You should use the most practical and economical mode of ground transportation to and from airports (e.g., hotel and airport shuttle services, shared ground transportation, etc.).

Car Rentals, Domestic
If driving to your destination is most efficient and cost effective, you should rent an appropriately sized car or use your personal vehicle when practical.
- Additional insurance offered by the rental agency should be denied, the University provides coverage for rental cars.

Limousine (Car) Service
Travel by limousine is not an acceptable mode of business travel unless it represents the most efficient and cost-effective method for the trip. You must attach documentation to support your decision to use a limousine service.

Personal Vehicles
If you use your own vehicle, it is your responsibility to carry adequate personal insurance coverage for yourself, your vehicle, and any passengers. A traveler should review his/her personal insurance coverage prior to using his or her vehicle for business.

Accidents: Personal Vehicles
Should an accident occur, immediately contact:
- Your insurance company, the University does not have primary insurance coverage on liability claims;
- Local authorities, as required, and
- Your immediate supervisor.
- University’s Risk Management Department at 909.469.5452

Lodging
For related reimbursement information, see the "Documentation and Reimbursement Issues" section of this document.
Choose lodging that has reasonable single room rates.

You are responsible for canceling hotel room reservations if necessary. You should request and record the cancellation number in case of billing disputes. Cancellation deadlines are based on the location of the property (e.g., Pacific Time Zone when the property is in California).
- Note: The University requires receipts for all lodging, whether domestic or foreign. If staying in a private residence, the University will reimburse reasonable expenses as a token gift of appreciation.

Meals
The University reimburses traveler's meals that are not otherwise paid for or provided. The traveler should submit a meal receipt (e.g., credit card slip, cash register receipt, etc.) for each meal. Summary credit card receipts or tear tabs are not sufficient without supporting documentation. Refer to the Guidelines for Meals and Entertainment.

Telephone and Internet Usage
Telephone calls for business purposes should be made using the most economical method, this includes the use of your cell phone or charging calls to a credit card when a hotel charges a service fee. One personal call per day is
appropriate. The University expects you to use the most economical or efficient means of accessing the Internet when you are traveling.

**DOCUMENTATION AND REIMBURSEMENT ISSUES**

**General Comments**
The following segments of this document outline the University's expectations of travelers regarding reimbursements. See "Appendix A" for additional information about documentation of expenses including expenses that the University does not reimburse.

**Proper Documentation**
You are responsible for providing sufficient documentary evidence to support business purpose and to substantiate all expenses. Documentation should be in the form of original bills or receipts, and must include the name of the vendor, location, date, dollar amount of the expense that was paid or incurred by the traveler, and a description of goods or services received. You should describe the business purpose in terms that can be easily understood by an internal or external reviewer.

Receipts (credit card slips, invoices, etc.) are generally the best documentation to support a request for reimbursement for travel expenses. If the receipt does not include a dollar amount, description of the good or service purchased, or other key information, you should provide the required information.

**Cash Advances**
The University will provide cash advances for a reasonable amount for faculty and staff traveling on authorized business to cover per diem miscellaneous costs, such as taxi fares, tips, and other expenses which cannot readily be charged to a credit card. Cash advances for extraordinary circumstances require the submission of a detailed approved budget supporting the need for the advance. The use of a credit card greatly reduces or eliminates the need for most travel advances. Cash advances should not be used to cover personal expenses or any activity that is the sole responsibility of the traveler. The size of the advance must be a reasonable estimate of the amount of cash necessary to conduct University business, bearing in mind that the bulk of a traveler’s expenses may be charged to a University credit card or, if desired, to a personal credit card. Under no circumstances will the employee be given a cash advance for items that could otherwise be made payable to the organization that includes the airline company, hotel, car rental agency, etc.

Each cash advance is the personal obligation of the traveler until discharged by completion and submission of a properly supported Trip Report. The traveler is responsible for any lost or stolen cash advances. Employees are responsible for the proper record keeping of expenses incurred while traveling and for settling any unused advance owed to the University. Unused cash advances must be returned to the University within 10 working days of returning from a trip.

**Procedures for Obtaining a Cash Advance**
Requests for cash advances must be submitted to Accounts Payable on the Travel Advance/Trip Report Form. All requests must include appropriate departmental approval for the advance. Payment of advances will be made to employees by ACH (electronic payment) if already established in Payroll. The ACH process means that the advance will be electronically deposited to a bank account designated by the employee. Advances will generally not be provided earlier than 10 working days before the planned departure date of the trip.

**Cash Advance Settlement**
The Trip Report with attached receipts must be properly authorized and submitted to the Accounts Payable Office for settlement of cash advances as well as the trip. Once the Trip Report is submitted, approved, and processed, the University will reimburse the traveler for expenses that exceed cash advances (by ACH deposit) if already established in Payroll. If cash advances are greater than the expenses incurred, the traveler must return the remaining balance (by personal check or cash) within 10 days of returning from the trip. Cash advances may not be carried over to future trips.
Unsettled Cash Advance (Including Payroll Reporting)
Travelers who have not submitted an accounting of their cash advances within 30 days of completing their trip will be notified that the settlement is overdue. The appropriate Dean or Supervisor will also be notified of any outstanding advances. If the advance is not settled 15 days henceforth, the individual will then receive a notification that the amount has been forwarded to Payroll for appropriate payroll reporting and tax withholding. Without providing adequate documentation to substantiate the business expenses covered by the cash advance (i.e. settling the advance), the University is required, by IRS regulations, to report these payments as taxable income to the employee.

Reimbursement
In general, you will be reimbursed for travel expenses that are ordinary, necessary, reasonable, and actual. Listed below are some guidelines that will assist you in determining what expenses will be reimbursed. See "Appendix A" for a list of specific non-reimbursable expenses.

Timing of Event and Reimbursement
Reimbursements for meals, lodging and other expenses will normally be limited to expenses incurred during the meeting, conference or other business activity attended by the traveler, and a travel day prior to and after the event. However, expenses incurred on additional days may be reimbursed if extending the period results in reduced airfare sufficient to cover the additional meals, lodging and other expenses. Provide information to justify savings.

Partial Reimbursement
If your expenses are partially covered by another organization, the Trip Report must include the name of the organization that is paying the partial reimbursement, what is being reimbursed, and the amount reimbursed.

Shared Travel Expenses
We understand that shared meals and taxi rides are common reasons to share business expenses. The payment request for all shared business expenses must include the name(s) of the other business traveler(s) and the amount paid on behalf of the other traveler(s). When you are traveling with members from the same University, division, or department, the senior member of the group should pay the expenses.

Other Reimbursement Information by Expense Type

Air Travel
The University does not reimburse for tickets acquired with frequent flyer miles. If you purchase premium airfare and you could have traveled coach, you will be reimbursed for coach airfare.

Family/Spouse/Companion Travel
The University will not reimburse travel expenses incurred by an employee's spouse/companion accompanying the employee on a business trip unless required under the Spousal Travel Policy.

Foreign Travel
- If foreign travel exceeds one week, the IRS requires evidence that business activities constituted at least 75% of the total time away from home. The traveler should document the daily business activities.

Currency Conversion
When you pay for expenses in foreign currencies, you are reimbursed in US dollars at the actual exchange rate for the travel period. A foreign currency exchange receipt or a credit card billing statement can support your exchange rate.
Translating Receipts
Receipts in foreign languages should be translated if the type of expense is otherwise not clear.

Lodging
Receipts are required for all lodging (including lodging in foreign locations); the University does not allow the use of *per diems* for lodging.

Meals
The University will reimburse meal expenses that are not otherwise paid for or provided. Refer to Guidelines for Meal and Entertainment.

Receipt Method (Actual Expenses)
The University will provide reimbursement for meals based upon original receipts. Receipts such as detailed credit card slips, cash register receipts, etc. should be provided for each meal for which you are seeking reimbursement.

- Note: A Missing Receipt Declaration cannot be submitted in lieu of a lost receipt when reimbursing meals using actual expenses.

Other Means of Transportation
The University will provide reimbursement for other commercial means of transportation such as train, bus, or boat. Reimbursements will not exceed the cost of reasonable coach airfare or other reasonable transportation costs to the same destination.

Personal Travel Combined with Business Travel
The University will only reimburse for the business portion of a trip. You must provide evidence to support the business portion of the trip and the allocation between the business and personal expenses. Obtain a quote at the time of ticketing to document the incremental costs that will be treated as personal expenses and include it with your Trip Report.

Personal Vehicles
The University will provide reimbursement for business usage of personal vehicles based on the Internal Revenue Code's allowable reimbursement rate for business miles (which includes gasoline, oil, repairs, insurance and costs of operating a vehicle). Business miles are based on the most direct route.

- The University will not provide reimbursement for a) repairs to your personal car, even if these costs result from business travel, b) memberships for roadside assistance, or c) travel between a personal residence and your regular work location.

Recruitment
Departments can authorize travel for prospective employees. Reimbursements for authorized travel expenses such as airfare, hotel, and meals incurred during the recruitment process should follow the same guidelines as University employee policy and are not taxable to the prospective employee. The recruitment process ends once the recruit accepts an offer. Subsequent visits to the individual's new work location (for house hunting, etc.) if authorized are generally treated as taxable income.

Timely Submission
Reports must be submitted within 30 days of the completion of each trip or included with credit card report.

Traveler's Signature
The traveler must sign and date the Trip Report. The traveler must attest to the accuracy of the charges and that the expenses claimed are not being reimbursed from another source.
The University will accept a traveler's signature on a supporting schedule rather than the Form but only if:

- The dollar amount and travel information on the supplemental schedule agrees exactly with the dollar amount and information on the face of the form; **AND**
- The traveler signs the supplemental schedule stating that the costs were actually incurred and he or she is not otherwise claiming the expenses or being reimbursed from another source.

Falsely claiming expenses may subject the traveler to disciplinary action that could include civil or criminal penalties.

**Authorized Signature(s) on Account**

- Authorized account signer(s) must have signature authority for the account being charged.
- Authorized account signer(s) is/are responsible for ensuring that all approvals have been obtained for travel expenses.
- Those approving travel expenses must have sufficient knowledge to evaluate the business purpose of the trip.

**Reimbursement Payment**

The Accounts Payable Department will generally send reimbursement of approved expenses to an employee within ten working days of its receipt of the Trip Report.

**Payments Reported as Taxable Income**

The University reports payments as taxable income when tax law requires this treatment. Taxes on the value of the travel will be withheld from the employee's paycheck. The most common instances in which taxable income is likely to occur are:

- Payment for expenses that do not meet IRS accountable plan rules;
- Payment for family/companion travel;
- Payment for lodging at the traveler's principal place of business unless required for business reasons

**RESPONSIBILITIES**

The major responsibilities each party has in connection with University Travel are as follows:

**You (The Traveler)**

- Obtain appropriate approval for a trip.
- Review expense reporting requirements prior to travel.
- Minimize travel costs.
- Clear travel advances in a timely manner.
- Report travel expenses by submitting a Trip Report within 30 days of completion of your trip or submitting with your monthly credit card report.
- Review and certify the accuracy of all expenses and that no expenses were paid for by other means by signing the request for payment.

**University**

- Provide University credit card program to eligible employees.
- Reimburse traveler for authorized expenses once a correctly completed and approved Trip Report is received.
- Ensure that authorized travelers, signers, and units are informed that they are liable for their actions.
# Definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
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<tbody>
<tr>
<td>Accountable Plan</td>
<td>A plan under which an employer reimburses an employee for expenses is not required to report the reimbursement as taxable income to the employee. The employee must document business purpose, substantiate expenses, and return any amount in excess of substantiated expenses to the employer. Expenses must be accounted for within a reasonable period of time, generally within 30 days after they were paid or incurred. <strong>Accountable Plan</strong> is an IRS term.</td>
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<tr>
<td>Away from Home</td>
<td>For purposes of business expenses, &quot;home&quot; is defined as the person's regular place of business, <strong>not</strong> always his/her personal residence. Travel expenses qualify as business expenses only if the traveler is away from home at a temporary work site.</td>
</tr>
<tr>
<td>Business Expense</td>
<td>An ordinary, necessary, and reasonable charge for goods or services that fosters or supports the ongoing missions of the University.</td>
</tr>
<tr>
<td>University Credit Card</td>
<td>A credit card provided through the University's Corporate Card program.</td>
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<tr>
<td>Incidentally</td>
<td>Miscellaneous expenses including tips, mailing expenses, etc.</td>
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<tr>
<td>Local Travel</td>
<td>Travel on approved University business is defined as travel within 50 miles of the employee’s regular working location, i.e. Employee’s main work location is 309 E. Second Street, Pomona, California and employee is traveling 50 miles away to attend a meeting would be considered local travel.</td>
</tr>
<tr>
<td>Miscellaneous Expenses</td>
<td>Expenses for ground transportation (e.g., taxis, airport shuttle services, public transportation) and other various non-personal expenses.</td>
</tr>
<tr>
<td>Official Travel</td>
<td>Travel on approved University business between &quot;home&quot; (i.e., regular place of business) and another destination. <strong>TRAVEL BETWEEN ONE’S PERSONAL RESIDENCE AND ONE’S REGULAR PLACE OF BUSINESS IS COMMUTING, NOT OFFICIAL TRAVEL.</strong></td>
</tr>
<tr>
<td>Ordinary and Necessary</td>
<td>An expense is ordinary if it is normal and customary. An expense is necessary if it is appropriate and helpful to the business.</td>
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<tr>
<td>Reasonable</td>
<td>An expense is reasonable if a prudent person would incur the expense in similar circumstances.</td>
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<tr>
<td>Personal Expense</td>
<td>An expense for personal items such as clothing, luggage, toiletries, newspapers, magazines, movies, or other entertainment.</td>
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<tr>
<td>Proof of Payment</td>
<td>Documentation that reflects date, amount, and that a payment was made (cash register receipt, credit card receipt, bank or credit card statement, or cancelled check)</td>
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<tr>
<td>Receipt</td>
<td>A written acknowledgement that something has been received; some receipts do not include key information required by an accountable plan, such as date, amount, description of goods or services etc.</td>
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<tr>
<td>Signature Authority</td>
<td>The authority to make a payment from a department account.</td>
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<tr>
<td><strong>Substantiated Expenses</strong></td>
<td>An IRS term under the &quot;accountable plan rules&quot; that requires documentation as to amount, time and place and business purpose and evidence that the expenses were incurred and paid</td>
</tr>
<tr>
<td><strong>Sufficient Documentary Evidence</strong></td>
<td>Information and documentation that, when taken as a whole, substantiates the expense and business purpose under the accountable plan rules. Sufficient documentation should include who, what, when, where, why, and how much</td>
</tr>
<tr>
<td><strong>Travel Expenses</strong></td>
<td>For tax purposes, the ordinary, necessary, and reasonable expenses of traveling away from home to a temporary work site</td>
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</tbody>
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APPENDIX A: TRAVEL EXPENSE RECOMMENDATIONS, DOCUMENTATION, AND NON-REIMBURSABLE EXPENSES

Recommendations

To expedite the review and payment process, we recommend that departments review all requests for payment prior to submission using the following checklist:

Trip Report Signatures

- Traveler’s signature;
  - We will accept a traveler’s signature on a supporting schedule as sufficient if both of the following conditions exist:
    - The dollar amount and travel locations on the supplemental schedule agree exactly with the Trip Report; AND
    - The supplemental schedule includes the attestation by the traveler that the expenses were actually incurred and that he or she has not otherwise claimed or been reimbursed for the expenses.
- Supervisor’s Signature
- Original signatures.
- Account signature: must be the University employee(s) with signature authority on the FOAP’s being charged.

Trip Report Documentation

- Attach original receipts and other supporting documentation to an 8 1/2 x 11 piece of paper;
- Review documentation for name of vendor, location, date, items purchased, dollar amount, and business purpose;
- Convert any foreign language receipts into English;
- Translate foreign currency into U.S. dollars based on conversion rates at time of travel (average rates are acceptable);
- Organize receipts by categories that correspond to the categories on the Trip Report;
- Assign a number or letter to each receipt that links the receipt to the Trip Report and/or any supplemental summary schedules the department uses.

Examples of Proper Documentation

- Original air or rail passenger coupon or other proof of costs;
- Receipt for ticketless travel, or a boarding pass and a copy of your itinerary;
- Receipts for all meals;
- Receipt showing food and beverages for hosted meals;
- Itemized hotel bill adjusted for personal expenses (incremental room costs for additional occupancy if not business related, movies, mini-bar etc.);
- Rental car receipt and credit card slip (some rental car receipts do not provide dollar amounts charged);
- Web receipts, confirming e-mails, and other documentary evidence that the trip took place;
- Receipts for all miscellaneous expenses;
- Quotation for airfare incremental costs and/or other incremental costs when personal travel is part of business travel.
**Non-reimbursable Expenses**

You will not be reimbursed for the following expenses.

- Travel to and from one’s home to regular place of business during normally scheduled business hours and vice versa unless individual and infrequent circumstances require you to take a more expensive, different mode of transportation;
- Airline/car rental upgrades;
- Airline/social club membership dues;
- Babysitting or childcare costs;
- Car repairs/routine maintenance or locksmith charges;
- Clothing, luggage, briefcases;
- Personal credit card delinquency fees/ finance charges/ annual fees;
- Duplicate insurance on rental vehicles;
- Expenses for travel companions/family;
- Frequent flyer miles;
- Health club facilities, saunas, massages;
- Helicopter services for airport transfers;
- Kennel fees and pet care for pets while on travel status;
- Loss/theft of cash;
- Loss/theft of personal property (lost baggage, etc.);
- Magazines, books, newspapers, movies etc;
- Non-compulsory health insurance coverage;
- Optional travel or baggage insurance;
- Parking or traffic violation tickets;
- Personal accident or property insurance;
- Personal entertainment/ grooming/ gifts/ souvenirs;
- Trip cancellation insurance.

- Caution: This list of non-reimbursable expenses is intended to be representative, not comprehensive.