

HOOD COLLEGE

EXPENSE REIMBURSEMENT AND CREDIT CARD POLICIES AND GUIDELINES

EXPENSE REIMBURSEMENT

TRAVEL

Employees of Hood College may be required to travel out of town and stay overnight on occasion as part of their official duties. Reasonable and necessary expenses associated with travel on behalf of the College will be reimbursed. The College trusts the integrity of the traveler in following its policies in planning and conducting official travel. The traveler will be fully reimbursed for all ordinary, necessary, and reasonable expenses incurred in connection with any required travel, having first obtained appropriate approvals.

The College believes that its employees are entitled to reasonable standards of convenience and comfort and maximum standards of safety in transportation, meals, lodging and related services in the conduct of College business. Employees are expected to use good judgment when determining the necessity of a trip and the actual expenses incurred.

Official business travel shall have prior authorization from the appropriate department head, Vice President, or President. The employee's immediate supervisor and/or person responsible for the departmental budget or project must approve requests for reimbursement of travel expenses.

While an individual initiates travel plans, and that individual or a designated administrator within a department typically makes the arrangements, the individual approving travel has the primary responsibility for monitoring the cost of travel and authorizing reimbursement. In approving business-related travel expenditures, this responsibility includes determining that the total travel expenditures are within the approved budget, expenditures are appropriate for the circumstances, unusual expenditures are justified and explained and the trips are planned in the most efficient manner.

Employees may occasionally wish to combine personal travel with a business trip, either before or after carrying out their business responsibilities. Employees may also request that a family member or friend be allowed to accompany them during all or part of a business trip. Such arrangements may be approved when they will not interfere with the successful completion of the business objectives of the trip. Additional costs associated with personal travel or those of a companion are the personal responsibility of the employee and will not be reimbursed. Any time spent in excess of the time scheduled for the conference or meeting is considered the employee's vacation or personal time.

Transportation

Transportation costs include those charged by common carriers, rental cars and private automobiles. No traveler can claim transportation costs when transported without charge by another person or when transported by another employee who is entitled to and will be seeking expense reimbursement. Employees are reimbursed for actual fares incurred for air, bus and train expenses as well as parking and road and bridge tolls.

Employees will be reimbursed for each mile traveled in their private vehicles when on College business. The reimbursement rate is established by the College each year based on the IRS Standard Business Mileage Rate. All requests for business mileage reimbursement must include a brief description of the trip and the start and end points.

All airline travel arrangements should be processed in time to take advantage of discounted fares requiring advance purchase. Airline travel will be coach class. Costs to change flight arrangements or for early check-in will be reimbursed if the change was made due to an emergency; however, these costs will not be reimbursed if the change was made for convenience. Requests for reimbursement of costs associated with changing flight arrangements or for early check-in must be accompanied by an explanation.

Rental Car Insurance

The College's insurance provides coverage for physical damage to a rental car and liability for employees while renting a car on College business. However, rental car agreements often require reimbursement for losses not covered by standard insurance policies such as the loss of revenue when a vehicle is being repaired. Accordingly, the College requires employees to purchase the physical damage waiver (alternatively referred to as loss of damage waiver, collision damage waiver, or physical damage coverage). This cost will be reimbursed as part of the rental car expense.

Conference Registration Fees

Payment in Advance: To pay registration fees in advance of a conference, the request for payment of registration fees must be made at least seven (7) days prior to the conference or earlier if required by the conference sponsors. The request for payment should be made on a Check Request Form accompanied by a completed conference registration form.

Payment at a Conference (on-site): On-site registration fees paid by an employee at a conference will be reimbursed upon submission of an approved Expense Report supported by the receipt.

Meals

Reimbursement for meals when traveling will be for actual expenditures, including tips. A cash register or credit card receipt must show the details of the items ordered. The cost of alcoholic beverages is considered a personal cost and will not be reimbursed.

If approved, entertainment meals may be reimbursed, provided that the cost is substantiated by original receipts with detail of items purchased, the names and titles of the guests, and the business purpose. In cases where an employee is entertaining guests (e.g., donors, alumni) the actual and reasonable cost of alcoholic beverages may be reimbursed if approved by the President or Vice President. See *Hospitality* below.

Lodging

Reimbursement will be made for lodging expenses incurred in a hotel or motel on the presentation of a paid original bill. The costs of mini-bar service and in-room movies are considered personal costs and will not be reimbursed. Laundry will be reimbursed for travel in excess of five (5) days.

Tips

Tips for meals and transportation services should be included as part of the respective charges. Cash tips for baggage handling should be identified separately.

OTHER

Hospitality

Food provided at events and meetings and business-related meals with non-College persons such as donors, alumni, guidance counselors, and business partners, are considered hospitality or entertainment expenses. If approved, entertainment meals may be reimbursed, provided that the cost is substantiated by original receipts with detail of items purchased, the names and titles of the guests, and the business purpose. In cases where an employee is entertaining guests (e.g., donors and alumni) the actual and reasonable cost of alcoholic beverages may be reimbursed if approved by the President or Vice President.

Business Meals

Reimbursement for meals during working meetings on and off campus will be for actual expenditure, including tips. A receipt must show the details of the items ordered, the names of the employees, and the business purpose. The cost of alcoholic beverages will not be reimbursed. Business meals held off-campus require pre-approval by the President or Vice President.

Office Functions and Gifts

Office functions involving students, employee farewell, and retirement parties are allowable College expenditures and can be charged to departmental budgets as long as there is sufficient funding available and the expenditure is approved by the President or Vice President.

Purchases of gifts, gift certificates, sympathy and greeting cards may be issued by the President, Senior Team, and Human Resources, as appropriate.

Donations to Outside Organizations

Donations to outside organizations, including sponsorships, must be reviewed and pre-approved by the President.

REIMBURSEMENT

Upon returning from a trip or incurring an expense, employees should immediately submit an Expense Report or Check Request along with the required receipts and other supporting documentation. Reimbursement requests submitted without all receipts attached and/or appropriate approvals will be returned to the employee. If a receipt is missing or was not obtained, a detailed explanation of the expense is required. An expense that is not supported by a receipt may not be reimbursed depending on the item purchased and the amount. Approval of an expense is not in lieu of receipts or other supporting documentation.

In order to ensure that all expenses are recorded in the College's accounting records in a timely manner, it is important that reimbursement requests be submitted within 45 days after the expenditures are incurred. All reimbursement requests that are submitted more than 45 days after the trip is completed or expense is incurred will require additional approval from the Vice President of Finance or the President.

If an employee is due reimbursement, the check will be processed in the next scheduled check run after receipt of a properly submitted and approved Expense Report or Check Request.

ADVANCES

Advances to cover out-of-pocket travel expenses should be requested on an approved Check Request Form at least seven (7) days prior to the departure date. All travel advances must be repaid and/or accounted for when the Expense Report is submitted. Outstanding advances not cleared within sixty (60) days of completion of travel may become taxable income to the recipient. Should an advance exceed expenses, a check made payable to Hood College should accompany the Expense Report. Expenses in excess of the amount of the advance will be reimbursed upon approval by the appropriate department head, Vice President, or President.

HOOD COLLEGE CREDIT CARDS

Hood College Credit Cards are issued for the convenience of faculty and staff for use when traveling and for transacting College business on-line. Credit cards should only be used when direct billing (invoicing) is not an option. Hood College has accounts with many vendors and it is generally less costly to pay a vendor based on an invoice rather than by credit card.

The Hood College Credit Card is for business purposes only. Use of the Hood College Credit Card for personal purposes will jeopardize the employee's ability to use the College Credit Card in the future and the employee will be required to reimburse the College for the amount of the personal charge.

An application must be completed by the employee requesting a Hood College Credit Card and approved by a Vice President or President and submitted to the Accounting Office for processing.

Applications can be obtained by sending an e-mail to accounting@hood.edu. It typically takes a week to receive the credit card once the Accounting Office has received the fully completed and approved application.

In order to limit liability due to fraudulent activity, there are two dollar limits placed on each credit card – a single transaction limit and a maximum credit limit – and a daily transaction number limit. These limits can be temporarily increased when College activity requires. Requests to increase credit card limits should be directed to accounting@hood.edu, roy@hood.edu or extension 3609.

Credit cards are issued in the employee's name. The employee is responsible for activating the card and for notifying the credit card company of a lost or stolen credit card and of any questionable or fraudulent charges on the account. The employee should also notify the credit card company if he or she will be traveling abroad so that the credit card company is aware that there may be atypical charges. This will reduce the likelihood of inconvenience to the employee. In the case of lost or stolen cards and cards that are compromised due to fraudulent activity, the credit card company will immediately cancel the card and issue a new one. Newly issued cards are typically received within a few days of notification.

Credit card statements arrive in campus mailboxes around the 20th of each month. All statements are to be submitted to the Accounting Office by the 5th of the following month, along with supporting documentation, budget account coding, and approvals. If the card holder will be away from campus when the statement is due or it is late in arriving, please contact the Accounting Office.

All charges must be approved by the budget director, Vice President, or President and a budget code must be provided for each charge. The proper format for the budget code is ###-###-####. The first 3-digit segment is the department code, the second segment is the project or activity code, and the last segment is the expense code. For example, Accounting's budget number for supplies is 401-000-7100. If you are unsure of the correct budget code to use, please contact the Accounting Office.

All transactions using the Hood College Credit Card are subject to the Expense Reimbursement Policy and Guidelines.

All expenses and credits listed on the credit card statement must be documented. Credit card receipts must include the detail of the items purchased; the summary page with total only is not acceptable.

- Receipts for food-related expenses (restaurants, grocery stores, etc.) need to indicate the participants and the occasion/business purpose or be for the employee's meals while traveling.
- Room bills are to be submitted for all hotel charges. An e-mail confirmation of the reservation is not acceptable.
- Packing slips may be used as documentation if the total dollar amount charged is included.
- Purchases made for another department must be approved by that department's budget director, Vice President, or the President. Attaching e-mail approval is acceptable in lieu of an actual approval signature.

If a receipt has been lost, every effort must be made to obtain a replacement. Only after all efforts to obtain a replacement are unsuccessful may a memo, stating the vendor name, amount, business purpose of the charge and the card holder's efforts to replace the missing documentation, be accepted.

The Expense Report and the Check Request forms can be found at www.hood.edu/Campus-Services/Accounting-Services/Accounts-Payable.html. Please use the expense report applicable to the calendar year during which the expense has been incurred. The IRS often changes the mileage reimbursement rate at the beginning of the calendar year, so it is important to use the form with the reimbursement rate applicable to the period covered.

Please contact the Accounting Office at accounting@hood.edu with any questions or concerns.

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