



SUGGESTED TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINES

I. POLICY OVERVIEW

PURPOSE

This document may be utilized to assist in the drafting of a Travel & Entertainment policy for HFMA chapter leaders incurring related business travel and entertainment expenses.

OBJECTIVES

- To ensure that all HFMA volunteers have a clear and consistent understanding of expense reimbursement guidelines for chapter related travel and entertainment
- To provide reasonable cost travel and entertainment expense guidelines
- To provide prudent information to assist with travel and entertainment expense controls.

SCOPE

This travel guideline covers all HFMA chapter and regional leaders.

RESPONSIBILITY AND ENFORCEMENT

The HFMA volunteer is responsible for complying with the travel and entertainment expense guidelines. The approver is responsible for accurately reviewing expense reports for compliance. The chapter will reimburse HFMA volunteers for all reasonable and necessary expenses while traveling on authorized chapter business. The chapter assumes no obligation to reimburse volunteers for expenses that are not in compliance with this guideline.

STATEMENT OF GENERAL GUIDELINES

It is recognized that for many volunteers, travel and entertainment expenses are incurred in order to further chapter mission objectives. HFMA volunteers are expected to be conservative in their spending, while chapter executive management is expected to be diligent in their review. Guidelines are necessary to meet federal tax expenditure guidelines and are intended to justify reimbursable expenses incurred by chapter volunteers. In general, the quality of travel accommodations, entertainment, and related expenses, should be governed by what is reasonable and appropriate to the chapter business purpose involved.

TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINE

AIRLINE UPGRADES

Upgrades at the expense of the chapter are not permitted; however, upgrades are allowed at the chapter volunteer's personal expense and are the sole responsibility of the traveler. Upgrades are not to be charged on the chapter charge card.

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SPOUSE OR COMPANION TRAVEL

The chapter will not reimburse travel and entertainment expenses incurred by a spouse or other individual accompanying a volunteer on chapter business unless:

- There is a bona fide chapter business requirement associated with the spouse or other individual.

Chapter volunteer will be reimbursed for excess baggage charges for the following circumstances:

- When traveling with heavy or bulky materials or equipment necessary for chapter business
- The excess baggage consists of chapter records or property

OVERNIGHT DELAYS

Should an airline delay necessitate an overnight stay, the volunteer should first attempt to secure complimentary lodging from the airline. (Unforeseen expenses of this nature will be reimbursed with the appropriate approval)

CANCELLATIONS

When a trip is cancelled after the ticket has been issued, the traveler should inquire about applying the unused ticket for future travel.

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UNUSED AIRLINE TICKETS

Unused airline tickets or flight coupons should not be discarded or destroyed as these documents may be used for future travel or have a cash value.

To expedite refunds, unused or partially used, airline tickets must be immediately returned. A non-refundable ticket that is returned for future use should be noted on the traveler's expense report as an open item which can be applied towards future chapter business travel.

LOST OR STOLEN AIRLINE TICKETS

Immediately upon discovery of a lost/stolen ticket, the traveler must:

- Report the loss to the chapter.
- Obtain and fill out a lost ticket application from the airline ticket counter

ELECTRONIC TICKETING

HFMA chapters endorse E-ticketing as the primary ticketing option on all applicable airline flights.

Under E-ticketing, a flight is reserved as follows:

- Traveler reserves a flight
- When payment with volunteer's charge card is accepted, an itinerary with the confirmation code is then e-mailed to traveler

- If booked in advanced, the airline will mail an itinerary along with the confirmation code to traveler
- Passenger receipt for electronic ticketing is to accompany the expense report.

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CLUB MEMBERSHIPS

Dues and/or initiation fees for airline clubs such as the United Red-Carpet Club or American Admiral Club are not reimbursable by the chapter.

T&E EXPENSE REPORTING

Reimbursement of air travel and related chapter expenses incurred by volunteers is to be listed on the T&E expense report. The report must include a copy of the volunteer's receipt.

RENTAL CAR GUIDELINES

Travelers should rent a car at their destination based on their ground travel requirements and when it is less expensive than other transportation modes such as taxis, airport limousines, and airport shuttles.

When picking up a rental car, travelers should check with the rental car agent for any promotional rates, last-minute specials, or free upgrades. At the time of rental, the car should be inspected, and any damage found should be noted on the contract before the vehicle is accepted.

VEHICLE SIZE

Car rentals will be reimbursed for standard-size cars.

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INSURANCE

Chapter volunteers should decline the Collision Damage Waiver (CDW) and Personal Accident Insurance (PAI) coverage. HFMA's chapter insurance policy covers these items for each volunteer.

RENTAL CAR CANCELLATION PROCEDURE

Chapter volunteers are responsible for canceling rental car reservations.

RETURNING RENTAL CARS

Every reasonable effort must be made to return the rental car:

- To the original rental city unless approved for a one-way rental
- Intact (i.e. no bumps or scratches)
- On time, to avoid additional hourly charges
- With a full tank of gas

EXPENSE REPORTING

Chapter volunteers should pay for the rental fees with their charge card. The traveler should list car rental expense on the T&E expense report and must include the volunteer's receipt.

TAXI AND OTHER GROUND TRANSPORTATION

The sensible mode of transportation should be used to and from airports, bus and rail terminals when the volunteer. The following modes of transportation should be considered:

- Buses, subways, taxis
- Hotel and airport shuttle services
- Personal car

Reasonable tips paid in transit and on arrival and departure from hotels are chargeable to the HFMA chapter.

PERSONAL CAR USE

Chapter volunteers using personal cars on chapter business will be reimbursed at 58 cents per mile for 2019. To be reimbursed for use of their personal car for chapter business, travelers must provide on their expense report:

- Purpose of the trip
- Date and location
- Receipts for tolls and parking as applicable
- Mileage

TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINE

LODGING / HOTELS – ADDITIONAL INFORMATION

GENERAL INFORMATION

Chapter volunteers will be reimbursed for the cost of single room lodging typically occupied by business travelers. The minimum corporate rate or the lowest rack rate should be requested when available. Suites and other higher priced lodgings will not be reimbursed.

CONFERENCES/EVENTS

When traveling to HFMA chapter sponsored educational conferences and seminars, hotel housing is to be documented and reimbursed through the T & E Report submission process.

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HOTEL CANCELLATION PROCEDURES

Chapter leaders are responsible for canceling hotel reservations and must immediately contact the hotel directly within their specified guidelines.

Chapter leaders will be held responsible and will not be reimbursed for “no-show” charges unless there is sufficient proof that the expense was incurred due to circumstance beyond their control.

Chapter leaders should note that cancellation deadlines are based on the local time of the hotel property.

EXPENSE REPORTING

Original hotel folio (total bill of hotel charges documenting room rate, meals, internet and phone, etc.) must be attached to the expense report. Charges other than the actual room cost should be itemized in the appropriate section.

PERSONAL MEALS/BUSINESS MEALS/ENTERTAINMENT

GENERAL INFORMATION

Personal meals are identified as meal expenses incurred by the traveler when dining alone on a chapter business trip. **Business meals** are taken with chapter clients, prospects, or volunteers during which a related chapter objective takes place. Meals will be reimbursed according to actual / reasonable cost. Such expenses are reimbursable only if they are directly related to the active conduct of chapter business or are associated with the chapter's business when directly preceding or following a business discussion or are necessary to accomplish the chapter business initiatives.

TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINE

PERSONAL MEALS

The chapter will reimburse volunteers for meal expenses actually incurred providing such expenses are reasonable, appropriate, and supported by a receipt.

BUSINESS MEALS

Business meals include meals and refreshments provided for chapter volunteers and others, including related tips.

Meals may also be purchased for volunteers of the chapter in certain business circumstances. Where this practice is employed, the bill is paid by the most senior member of chapter management present. Whenever feasible, meals and entertainment expenses must be paid using a charge card.

TIPPING FOR MEALS

Tips included on meal receipts will be reimbursed. Any tips considered excessive will not be reimbursed. As a rule, volunteers should not tip more than they would on a personal trip.

ENTERTAINMENT

Entertainment expenses include events such as theater, sporting events, etc. whereby a business discussion takes place during, immediately before, or immediately after the event.

Travelers will be reimbursed for entertaining customers:

- If the person entertained has a potential or actual business relationship with the chapter.
- If the expenditure directly precedes, includes or follows a chapter business discussion that would benefit HFMA

The following chapter business expenses are reimbursable only when approved in advance:

- Concert and theater tickets
- Sporting and educational event tickets
- Golf fees
- Transportation to and from the event
- Meals and beverages consumed at the event

EXPENSE REPORTING AND IRS REQUIREMENTS

An original receipt must be submitted with the expense report for any individual meal or entertainment expense of \$75.00 or more.

In addition, for chapter business meal and entertainment expenses, the following documentation is required by the IRS, and must be recorded on the expense report:

- Names of individuals present, their titles and organization name
- Name and location of where the meal or event took place
- Exact amount and date of the expense
- Specific chapter business topic discussed
- In the case of entertainment events, the specific time the business discussion took place (i.e. before, during or after the event)

TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINE

TELEPHONE / MISCELLANEOUS EXPENSES

TELEPHONE

All necessary business calls and messages are reimbursable. Volunteers will be reimbursed when using their personal telephone calling cards or cell phone and/or home phone for chapter business phone calls, which are reasonable and necessary for chapter business. A copy of the original bill must be attached to support the expense report form.

HOTEL TELEPHONE USAGE

Volunteers should avoid making telephone calls that have an added surcharge. To avoid substantial charges added by hotels to telephone bills, travelers should:

- Use their cell phone whenever possible
- Use an 800 number for business calls whenever possible
- Telephone from local organization offices whenever available.

LAUNDRY

Expenses for laundry and dry cleaning are only allowed when the trip exceeds five consecutive days away from the volunteer's regular location or home. Supporting receipts must be attached to the expense report.

OTHER MISCELLANEOUS EXPENSES

Any miscellaneous expense over \$25.00 requires a receipt.

Other items necessary for the conduct of chapter business must be reasonable and justified to establish their business connection in order to be considered reimbursable.

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EXPENSE REPORTING

GENERAL INFORMATION

Volunteer expense reports filed on a timely basis with duly itemized and substantiated expenses, and in compliance with other requirements established in this chapter guideline are to be reimbursed in a timely basis.

Expense reimbursement requests must be legible, must provide appropriate documentation and be completed as to the explanations of the specific chapter business purpose of any entertainment or business development expense.

Expense reports not properly completed and approved by the chapter treasurer / president will be returned unprocessed to volunteer.

For this system to operate successfully, it is essential that all persons who submit or approve expense reports conscientiously follow the guideline outlined.

APPROVAL

In all cases, "one over one" approval is required prior to reimbursement of these expenses. In order to maintain appropriate "one over one" approval, the senior volunteer present should always incur any joint expenses.

ACCEPTABLE RECEIPTS

The following receipts are acceptable:

- Original receipt completed by the vendor
- Volunteer's detailed copy of credit card receipt
- Charge card billing statement
- Restaurant tear tabs are not acceptable receipts

EXPENSING MEALS BY CATEGORY

Each meal (breakfast, lunch, dinner) must be recorded separately on the expense report.

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OTHER REIMBURSABLE EXPENSES

- Air freight for business purposes
- Business office expenses (fax, copy services, etc.)
- Food and beverages (snacks)
- Gasoline receipted expenditures (car rental only)
- Overnight delivery and postage
- Parking and tolls

SEMINARS AND SUBSCRIPTIONS

Chapter related seminars and subscriptions, when possible, should be paid for using the credit card.

NON-REIMBURSABLE EXPENSES

- Corporate Card "rewards" membership fees
- Annual fees for personal charge or credit cards
- Expenses related to vacation or personal days while on business trip
- Golf fees (when not related to chapter business entertainment)
- Movies (including in-flight and hotel in-house movies)
- Non-compulsory insurance coverage (annual fee)
- Parking or traffic tickets and fines
- Personal accident insurance
- Personal entertainment, including sporting events
- Personal property insurance
- Souvenirs and personal gifts

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CREDIT CARD USE

Only reimbursable chapter business expenses are to be charged to the volunteer's chapter credit card. Chargeable card charges include air travel, hotels, car rentals, restaurants, and entertainment expenses, subscriptions, seminars, and miscellaneous T&E expenses. No personal charges are permitted on the chapter charge card.

DO NOT ALLOW ANYONE TO USE YOUR HFMA CHAPTER CHARGE CARD

Unlike a personal credit card, a corporate charge card is *not* a revolving line of credit. When you receive your bill, your payment is due upon receipt. In order for the account to remain current, you need to turn in a T&E expense report in a timely manner.

TRAVEL AND ENTERTAINMENT EXPENSE GUIDELINE

REPORT LOST OR STOLEN CARDS

A lost or stolen chapter charge card must be reported as soon as the cardholder discovers that it is missing. Research shows that unauthorized use of stolen cards is greatest in the first few hours following the theft.

VOLUNTEER CARDHOLDER CLOSING OF CREDIT CARDS

As a HFMA volunteer's spending authority changes cardholders should:

- Surrender the chapter card to the treasurer.
- Promptly reconcile, account for, and finalize all remaining balances