

Travel and Expense Reimbursement and Official Functions Policy

Statement of Purpose and Responsibilities

Pursuant to the Foundation's mission to promote the welfare and future development of Arkansas Tech University, Foundation funds are used to supplement Arkansas Tech University budget expenditures. This document establishes policies governing the reimbursement of travel, entertainment and other business expenses incurred during the conduct of business, and outlines events, meetings, and activities that qualify as official functions. It is the Foundation's policy to reimburse for ordinary, necessary and reasonable expenses when directly related to the mission of the university and/or Foundation.

Directly related expenses are those in which there is the expectation of deriving some current or future benefit for the University/Foundation, the person is actively engaged in a business meeting or activity necessary to the performance of job duties, or, in the case of entertainment, there is a clear business purpose. Prudent business judgment is expected regarding expenses covered by this policy.

Reimbursement for expenses that are not in compliance with this Policy requires the written justification by the requestor and supervisor.

Submitting expenses that are not in compliance with this policy risk delayed, partial or forfeited reimbursement.

Arrangements for air travel, lodging, rental cars, the use of personal vehicle, and any other travel-related activity are to be made in accordance with Arkansas Tech University policy. See the Tech website for the university travel manual (<http://www.atu.edu/budget/docs/travelmanual-revised6-2012-format.pdf>).

Documentation

Requests for reimbursement of business expenses must be submitted on the Foundation requisition form. Each expense shall be separately identified (a TR-1 may be helpful for this purpose but is not required).

The Foundation complies with IRS regulations, which require that all business expenses be substantiated with adequate records. This substantiation must include information relating to:

- (1) the amount of the expenditure;
- (2) the time and place of the expenditure;
- (3) the business purpose of the expenditure; and
- (4) the names and the business relationships of individuals other than the traveler for whom the expenditures were made

Requests for reimbursement lacking complete information will be returned to the requesting department.

Approvals

The Foundation requisition form, together with required documentation, must be submitted to the department head and Dean for review and signature approval. Supervisors approving expense reports are responsible for ensuring that funds are available, the expenses reported are proper and reimbursable under this policy, the expense report has been filled out accurately and has the required documentation, and the expenses are reasonable and necessary.

Reimbursable Expenses

The following are reimbursable expenses, as long as they are in compliance with the applicable provisions of this policy, and are for business purposes:

- Hotel or motel charges and related tips
- Airfare, train fare, bus fare, taxicabs, and related tips
- Meals, including tips between 15 and 20%
- Business telephone calls
- Charges for internet connectivity at the hotel or motel
- If the employee does not have a mobile phone, once daily calls home of a reasonable length while travelling on University or Foundation business
- Car rental expenses
- Personal mileage, if using own vehicle
- Toll and parking charges
- Conference and convention fees
- Business center costs (i.e., copying, faxing, etc.)
- Laundry and/or dry cleaning expenses during trips in excess of five days
- Other reasonable and necessary business expenses, not specifically excluded by this section

The following expenses are **not** reimbursable:

- Airline club dues
- First-class airfare without written justification and supervisor approval
- In-flight movies/refreshments
- Hotel room movies and other forms of personal entertainment
- Child care costs
- Barbers/hairstylists
- Traffic fines
- Tips in excess of 20% and/or tips in addition to pre-applied gratuity
- Luggage or briefcases
- Alcohol, unless consumed during legitimate business-related entertainment activities
- Meals including only employees, unless travelling on university/Foundation business
- Reimbursement for personal miles in excess of the cost of airfare to the same destination

No policy can anticipate every situation that might give rise to legitimate business expenses. Reasonable and necessary expenses, which are not listed above, may be incurred. Each employee and supervisor must use his/her best professional judgment in determining if an unlisted expense is reimbursable under this policy.

Official Functions

There are occasions when selected persons need to provide a meal for guests of the University or Foundation when acting in the capacity of an official host for the University or the Foundation. As official host, the university employee will pay for the expenses of the guest and request reimbursement. A receipt is required for reimbursement of the employee's and the guest's meal expenses. Reimbursement of up to 20% for a tip is allowed. The Foundation is not obligated to reimburse expenses in the event of misuse of this policy.

The Board of Directors of Arkansas Tech University Foundation establishes the following policy for determination of the appropriateness of expenditures in the "Official Functions" category.

All expenditures for Official Functions should only be made to accomplish institutional or Foundation purposes. Functions which are of primary personal benefit are not appropriate expenditures. Specifically, the following events are appropriate for expenditures or reimbursement, with exceptions to the policy made on a case by case basis by the Foundation's Executive Vice President or Financial Officer:

A. Campus Committees, Advisory Groups, Staff Meetings

Meals for various business-related meetings are appropriate. The primary purpose of these meetings is to coordinate activities of the University or Foundation, plan courses of action and make decisions. The meetings are conducted at meal time to prevent disruption of activities of the officials and staff during normal operating hours.

B. Administrative Training

There may be one or more times during an academic year that the University President, Vice Presidents, Deans, Academic Department Heads, and other selected personnel are involved in training that enhances the skills of personnel in their area of responsibility. Issues impacting the operations of Arkansas Tech University and higher education in general would be discussed. Reasonable payment of meals, travel, and lodging are deemed appropriate expenditures.

C. Off-campus Committees, Advisory, and Work Groups

The University receives much support, financial and otherwise, from various segments of society. It is appropriate, and a good business practice, to host various groups from time to time. Institutional/Foundation purposes are served when hosting the following groups:

- a. Accreditation teams
- b. Potential donors
- c. Speakers and other expenses for convocations, graduation, departmental and similar activities
- d. Hall of Distinction banquet and other Alumni activities
- e. Community service, athletic, and student events and activities
- f. Faculty, staff, and student receptions at various times during the academic year
- g. Functions by the University President for guests of the University and appropriate institutional representatives
- h. Legislative events, receptions, and activities
- i. Additional functions approved by the Deans, Vice Presidents, or President

D. Recruiting

Reasonable expenses incurred in the process of recruiting prospective athletes, faculty and staff (meals, lodging, travel) are appropriate expenditures.

E. Expenses Related to Travel of the President's Spouse

Meetings which are official functions of the institution where the president's spouse has a role and meetings where there are specific training activities which would help the president's spouse function better in his/her campus responsibilities can be funded from Foundation funds.

F. Official Board

Meetings and activities of the Board of Directors are directed toward accomplishing the mission and purpose of the Foundation. Expenses of these activities are appropriate to be paid from Foundation Funds.

G. Administrative Approval

All expenditures incurred under this policy should have the approval of the Supervisor/Dean whose area is involved.

H. Policy Exceptions

If deemed necessary, the Foundation Executive Committee may make an exception to this policy.