

Amherst College
Employee Travel, Meals and Entertainment
Reimbursement Policy

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I. Policy Statement/Summary

The College will reimburse employees for necessary and reasonable travel, entertainment and non-travel business expenses (such as business lunches) incurred while conducting authorized College business. Note that all employees are expected to spend College and grant funds prudently. The policy is supported by Internal Revenue Service regulations, which provide guidance to *ordinary* and *necessary* business expenses. The General Services Administration (GSA) link below provides a tool that may be used to identify the current maximum per diem rates in specific areas for both lodging and meals/incidentals. These rates can serve as a guide when incurring lodging and meal costs:

<http://www.gsa.gov/portal/category/104711>

It is the responsibility of the traveler to have knowledge of the grantor's regulations concerning acceptable costs, whether the grantor is private or a government source. Faculty may wish to contact the Dean of Faculty about travel related to research.

Note that travel and other expenses funded by federal grants or counted as cost sharing on federal grants must also comply with regulations outlined in funding agency guidelines and in OMB Uniform Guidance (primarily Subpart E – Cost Principles). The Uniform Guidance can be reviewed at the link below:

https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

It is the responsibility of the employee incurring the expense and of the approving party to be familiar with the need for the business expenses incurred and to be satisfied that they have been reported in a manner consistent with this policy. Failure to follow this policy and/or incurring costs outside of the policy may result in the expense not being reimbursed. Additionally, intentional spending of College funds in an inappropriate nature may lead to further disciplinary consequences as outlined in the College employee handbooks.

The College Controller's Office reviews all reimbursement requests and documentation and makes every effort to ensure compliance with this policy, as well as IRS regulations. Please be advised that the Controller's Office may make inquiries on reimbursements to ensure compliance.

II. Transportation Costs

In general, travel expenses must be reasonable for reimbursement.

A. Air Travel

All College employees are expected to travel using commercial airlines, coach class, at the lowest logical airfare, unless scheduling, a medical condition or other extraordinary circumstance necessitates other arrangements. Under IRS regulations the College must disclose any first class travel costs incurred by the College. First class and charter travel should be avoided and is generally not reimbursed by the College.

Penalties incurred for changes in travel plans are reimbursable to an employee when the change is reasonable and approved by the Department Head.

A receipt for air travel must accompany the reimbursement request. For electronic tickets, please submit the web page receipt or confirmation letter that is mailed to the traveler.

Generally, expenses not considered for reimbursement include, but are not limited to, the following:

- tickets for classes other than coach class
- fees for early boarding and seat upgrades
- on board incidental costs, such as movies, alcoholic beverages, etc.
- cancellation penalties for unreasonable changes in plans
- tickets for individuals lacking a business purpose, including companions
- reimbursement for frequent flyer miles used
- baggage insurance

B. Vehicles - General

All employees driving College owned vehicles, rental cars, or their personal vehicles for College business must file a Driver Credentialing Form with the Campus Police Department. This form is disseminated to the College community once annually and should be filed at that time. If an employee is scheduled for traveling and has not filed the form, it should be completed and sent to the Campus Police Department at least one week prior to traveling. Anyone who is traveling in the near term and has not filed the form should contact the Campus Police Department immediately. The Driver Credentialing Form can be accessed at the Five College Inc. link below:

https://www.fivecolleges.edu/riskmgmt/forms/driver_credentialing

Amherst College relies on the Five College Risk Manager on issues surrounding insurance and risk management. Employees are expected to understand the College procedures when involved in a motor vehicle accident. Please note the procedures outlined on the Five Colleges, Inc. website, (“Auto Accidents, Emergencies/Claims”) accessible at the link below:

<https://www.fivecolleges.edu/riskmgmt/policies/accidents>

Employees involved in a motor vehicle accident must report the accident to the Amherst College Police Office within twenty-four hours at the following phone number:

413-542-8172

Personal Vehicles

Generally, the College will reimburse employees for mileage incurred for business purposes with their personal vehicle. In cases where an employee chooses to drive rather than travel by air or rail, the lower reasonable cost will be reimbursed. For instance, lodging is not reimbursable when it is incurred only due to an individual choosing to drive versus other form of travel when it causes the total expenses to rise above the level that would have been incurred if the employee had travelled by air.

The cost incurred for parking is eligible for reimbursement and must generally be supported by receipts. Costs incurred for tolls are also reimbursable expenses.

It is noteworthy that an employee’s insurance carrier is primarily responsible for any liability and physical damage coverage when an employee uses his/her personal vehicle for College business. The College’s insurance carrier will only provide coverage when the employee’s insurance policy coverages are exhausted. The College will not reimburse for deductibles under the owner’s primary insurance or damage to the employee’s vehicle if the employee does not carry insurance. As noted above, employees are expected to understand the “Auto Accidents, Emergencies/Claims” policy and procedures.

The College reimburses employees the mileage rate approved by the IRS. This rate typically changes annually, but can change more often if conditions dictate. The following link may be used to access the current rate:

[IRS’ website.](#)

Vehicle expenses not considered for reimbursement include, but are not limited to, the following:

- fines and penalties associated with speeding tickets or other vehicle infractions
- damage to a vehicle, including damaged tires, vandalism, etc.
- car wash
- personal items stolen from an employees’ vehicle
- fuel costs in addition to reimbursement to mileage reimbursement

Rental Cars

Employees are expected to rent a vehicle at a reasonable class necessary for the business conducted. Generally, travelers may rent up to and including an intermediate-size vehicle with standard equipment.

Employees must carefully inspect the car prior to leaving the rental agency. Costs for damages to rental cars will require departmental reimbursement for coverage of College costs.

Employees should adhere to all policies as documented by the Five College Risk Manager available on the Five College's website. A link is provided below:

<https://www.fivecolleges.edu/riskmgmt/policies/auto>

Per the policy linked above, "decline liability insurance and collision insurance" offered by the car rental agency for vehicles rented/driven in the United States or Canada. For any non-US rentals, you **must** take the applicable comprehensive and collision insurance provided by the rental company.

Employees are expected to refuel rental cars by the most inexpensive means offered to them. This is generally by using local gas stations in the area visited instead of paying the rental agency contracted amount. However, the employee should strive to use the lower of the two means.

Employees should generally not rent cars for transportation to a parking area for further transportation when the car will remain in the parking lot for over a twenty-four hour period.

Expenses not considered for reimbursement include, but are not limited to, the following:

- rental car expenses when not reasonable for the business purpose
- increased expenses for specialty vehicles (i.e.: luxury, sports utility, etc.)
- navigation systems (unless need is clearly demonstrated)
- excessive refueling costs

College-Owned "Pool Vehicles"

The College owns and operates various vehicles that can be utilized by employees under certain conditions. There are specific policies and procedures dependent on the vehicle needed. Please note the following links for further information:

General Pool Vehicle Information

<https://www.amherst.edu/mm/46629>

General Pool Vehicle Policy

<https://www.amherst.edu/mm/46783>

Amherst College Driver Credentialing

https://www.fivecolleges.edu/riskmgmt/policies/driver_credentialing

Employees are expected to review and understand the full set of policies when utilizing a College owned vehicle, including the Five College insurance/accident policies noted earlier in this policy.

C. Train

Receipts (including boarding pass) are necessary for all costs incurred. Employees are expected to ride at the “coach” rate.

D. Other Transportation

Receipts are necessary for reasonable costs of transportation. Submit receipts for expenditures from such costs as ground transportation from airports, railroad stations, etc.

III. Meals

The College will reimburse reasonable and actual expenses of meals and gratuities, as long as College policies are followed. Per IRS regulations, meals can not be lavish or extravagant. Additionally, the IRS requires the following information present for reimbursement:

- list of attendees
- documented business purpose
- cost, supported by a receipt
- location of the meal
- date of the meal
- description of meal (breakfast, lunch or dinner)

It is the responsibility of both the traveling employee and the supervisor signing the reimbursement request to ensure that meal costs are kept at a reasonable level. The General Services Administration (GSA) link below provides a tool that may be used to identify the current maximum per diem rates in specific areas for both lodging and meals/incidentals. These rates can serve as a guide when incurring meal costs.

<http://www.gsa.gov/portal/category/104711>

Although an invoice is always required, the College requires an itemized invoice for meal reimbursements greater than \$25.00. The itemized invoice is the typical bill received at restaurants prior to making payment, showing the specific food and drink items ordered.

Costs of individuals, aside from employees, will be considered for reimbursement when a valid business reason for the meal and attendance of the additional person exists.

Expenses not considered for reimbursement include, but are not limited to, the following:

- reimbursement requests without information required by the IRS
- tips in excess of 20%
- costs considered unreasonable, including per item costs or volume
- costs for individuals not required for business purposes
- alcoholic beverages exceeding a reasonable level both in terms of volume and expense (note alcoholic beverages are not allowed under federal grants)
- alcoholic beverages purchased outside of a meal
- snacks and mini-bar items

IV. Lodging

The College will reimburse the actual cost for accommodations of single occupancy when an overnight stay is reasonable. Generally, hotel costs should be kept in the moderate range. It is the responsibility of both the traveling employee and the supervisor signing the reimbursement request to ensure that lodging costs are kept at a reasonable level. The General Services Administration (GSA) link below provides a tool that may be used to identify the current maximum per diem rates in specific areas for both lodging and meals/incidentals. These rates can serve as a guide when incurring lodging costs.

<http://www.gsa.gov/portal/category/104711>

To qualify for reimbursement, an itemized invoice from the hotel is required. In addition, any meals charged to the room should be supported by the separate invoice.

Phone calls made direct from a hotel room phone are rather expensive. Employees should not make calls directly from a hotel phone, but should seek other avenues, including cell phones or the use of calling cards.

Expenses not considered for reimbursement include, but are not limited to, the following:

- rates incurred outside of single occupancy
- upgrades for larger rooms, concierge level, etc.
- movies and entertainment charged to the room, including health club costs
- unreasonable personal telephone calls
- damages caused by the employee
- snacks, mini-bar items and incidentals such as toiletries, magazines, etc.
- newspapers/magazines and similar periodicals

V. Entertainment

Entertainment costs must contain a valid business purpose. Employees are encouraged to receive approval of such costs from their immediate supervisor prior to his/her trip. Such costs that may be reasonable in certain situations include entertaining a donor, prospect, alumni, etc.

As with other costs, original receipts along with a detailed business purpose is required for reimbursement. It is the responsibility of the traveler and his/her supervisor to ensure the entertainment need is valid and at a reasonable cost.

VI. Other

A. Individuals Accompanying Employees

Guests accompanying employees of the College on business are not protected under the College's insurance policies and travel at their own risk of injury and financial loss. Individuals who accompany employees on a business trip are responsible for their own travel costs, meals, etc. Increased lodging costs of a room due to additional guests are not reimbursable by the College.

B. Extended Stays

The cost of lodging, meals, etc. due to an employee's decision to either arrive at a location earlier or stay longer than what is reasonably necessary for business is not reimbursable. This does not apply to lodging and meal costs if airline savings are proven due to flights on a particular day.

C. Host Meal/Gift

When it is convenient and preferred, an employee may stay overnight with family/friends in lieu of a hotel room. In these cases the reasonable cost of a meal/gift in return for such hospitality is reimbursable when approved by a Department Head. The cost of the meal/gift must be supported by a detailed receipt from the restaurant/vendor and clearly explained on the reimbursement request. Travelers are eligible for reimbursement for one host meal/gift per trip.

D. Electronic Devices

When traveling, employees must report a lost or stolen College owned electronic device (cell phone, Blackberry, laptop, etc.) as soon as the loss/theft is known. Employees should carry with them while travelling the phone number to the Campus Police Office in case they need to report an incident. The phone number is (413) 542-2291.

E. International Travel

See <https://www.fivecolleges.edu/riskmgmt/intltravel> for information on international travel. The College provides emergency evacuation and repatriation insurance to all travelers, as well as travel services through International SOS. If a traveler believes that other travel or flight insurance is needed (for example, the trip has a complex itinerary of several flights through several countries with a high risk of strikes and cancellations) the need and coverage should be approved in advance by the department manager. Otherwise, in general, expenses for trip insurance will be the responsibility of the traveler.

VII. Expense Reconciliation

Generally, the policies and procedures outlined in the College's Account's Payable Policy apply:

<https://www.amherst.edu/mm/480916>

Employees are expected to account for all travel advances and expenditures within two weeks after the completion of the trip or business event. All required support as outlined in this policy should be attached to an expense summary that is easily followed. After the employee obtains the necessary signatures, the summary and supporting materials must be forwarded to the Controller's Office/Accounts Payable Department.

Incomplete travel and expense reports and those outside of this policy will be returned to the individual requesting reimbursement.

Expenses incurred in a foreign currency must be converted to U.S. dollars by the spender/traveler. The exchange rate at the time the expense was incurred, the U.S. dollar equivalent and date of the transaction must be provided on all receipts. This may be in the form of a receipt of currency exchange, credit card statement with exchange rate listed, etc.

VII. Questions

Questions of this policy can be made to the Accounts Payable Department within the Controller's Office at ext. 2803.

Policy Approved by Senior Staff, November 30, 2009