

# EXPENSE REIMBURSEMENT POLICY

## I. GENERAL POLICY

### A. General Policy

Travel by University personnel should be necessary and reasonable. Expenses incurred for official University business must be in accordance with established University policies stated herein. Individuals traveling on official University business should exercise the same care in incurring expenses as they would exercise in their personal travel. The intent of this policy is that the reimbursement of travel expenses be fair and equitable to both the traveler and the University. To proceed, the guidelines provided on the Accounts Payable website should be referenced prefacing this policy statement. Content provided in both sources discloses helpful guidelines and instructions governing expense reimbursements.

The individual departments of the University will make decisions regarding the use of travel funds. Travel policies, procedures, regulations and reimbursement rates apply to all University travel regardless of source of funds. University business travel is defined as any travel paid for, whether in advance or through reimbursement, out of a University of La Verne account, including grant and agency accounts. This policy also applies to non-University employees whose travel is paid for by the University (e.g. students, recruits, consultants, speakers and other University guests).

When travel is funded by a contract, grant or sponsored program, the use of travel funds will be governed by the more restrictive of grant, contract, program, or University policies.

The Expense Reimbursement Form that is located on the University's website must be used to request travel expense reimbursement. Expenses that are submitted 90 days after the date the expense was incurred are reimbursable but are taxable. Forms must be properly completed online in their entirety, printed out, and include documentation and/or receipts in order to be processed. Effective 1/1/15, expense reimbursement

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checks will be issued out of the accounts payable department. Expense reimbursement forms must be received (properly completed and approved) in Accounts Payable by noon on Fridays in order for a check to be issued by the following Friday.

## B. Eligibility

All employees of the University, persons who are invited to the University or who are asked to travel for the University, students representing the University in intercollegiate athletics, scholastic competitions, student clubs, and other University sanctioned events are eligible for travel reimbursement.

## C. Limitations, Exceptions, and Authorizations

1. If an employee has been issued a University Travel/Combo Card (PCard), the employee is strongly encouraged to use the card as the preferred method of payment instead of applying for reimbursement.
2. Expenses attributable to spouse travel are not reimbursable. The only exception to this policy is the President's spouse.
3. Conference registration fees must be paid in advance whenever possible. The Check Request Form or Purchase Requisition Form must detail the name of the attendee, date, location and the name of the conference. Attach copies of conference agenda/materials to the form.
4. Cancellation - When a trip is canceled after the ticket has been issued, the traveler must print the updated invoice, write down the FOAP, obtain the authorized signature for the FOAP, and submit to Accounts Payable. Service fees incurred in the normal course of doing business are reimbursable. Fees incurred by the traveler through negligence, personal choice, or carelessness of the traveler are not reimbursable.
5. Cost for airfare insurance is not reimbursable and is considered a personal expense. If there is an occasion where airfare insurance must be purchased, reasoning needs to be documented and approved by the department's PEC member.
6. Costs in connection with the use of privately owned or rented aircraft are not reimbursable. The University insurance policy specifically excludes coverage for persons who are acting as "pilot, operator, or member of crew" of private or rented aircraft. Persons traveling on such aircraft are considered to be on personal business and the University disclaims any responsibility for loss thereof.

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7. It is the University's policy to reimburse the traveler for all reasonable and necessary University related business expenses. Expenses specifically non-reimbursable are those which:

- Lack required documentation;
- Demonstrate no clear University business purpose Are unreasonable as to the amount;
- Are not actually incurred;
- Are paid to individuals or vendors for services rendered;
- Do not have receipts (unless allowed for in this policy).

8. Expenses for personal necessities and entertainment are not reimbursable.

Examples of non-reimbursable expenses include:

- Lost or stolen articles
- Alcoholic beverages
- Excessive meals and lodging
- Damage to personal vehicles, clothing, or other items
- Expenses related to accident or injury while the employee is not on official business
- Towing charges
- Expenses related to the personal negligence of the traveler, such as fines
- Personal entertainment expenses x Expenses for children, spouses, and companions
- In-room movies or video games charged to hotel bills
- Personal memberships and health club charges
- Floral or other arrangements for University staff
- Decorative furnishings and plants for offices
- Personal expenditures (e.g. items for personal hygiene, medication, tissue, etc.)

The costs of alcoholic beverages will not be reimbursed unless purchased in conjunction with necessary University business with the signature authority from the President, Provost, Chief Financial Officer, Associate Vice President of Finance, Vice President of Enrollment Management, or the Vice President of Advancement. Proper documentation and receipts are required, clearly stating the nature of the business for reimbursement. Business reimbursement for meals and alcohol require a clearly substantiated business purpose which is directly associated with the active conduct of

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University business. At a business meal, the business discussion is the primary purpose of the meal. Examples of business meals include meetings with trustees, officials, donors, professional colleagues from other institutions or professional organizations, student recruitment (at no time will the University reimburse for alcohol consumed by a student or prospective student), and others at which a bona fide business discussion takes place. However, no alcohol costs at meals at which only La Verne employees are in attendance will be reimbursed, unless it is for a university sponsored event that has been preapproved by a member of the PEC. Costs of alcoholic beverages cannot be reimbursed from federal and state grants or contracts. Alcohol consumption on the University's campus is also governed by the Alcohol Permit Policy, which may be found at the following location:

<https://laverne.edu/acc/wpcontent/uploads/sites/10/2017/08/ALCOHOL-PERMITPOLICY-updated-August-2017.pdf> .

9. The President, Provost, Chief Financial Officer, and Associate Vice President of Finance may authorize exceptions to these policies and procedures. It is important to note that exceptions may result in taxable income to the employee.

## II. LOCAL TRAVEL

### A. General Information

Local travel is defined as travel within the home community of the traveler's place of employment. When University business requires an employee or University representative to travel extensively in the local area, reimbursement for business expenses related to local travel may be authorized.

### B. Reimbursement

1. On-campus travel is not reimbursable.

2. Local travel consistent with the criteria noted above may be reimbursed as follows:

a. Transportation: Reimbursement will be based upon the University mileage rate (see Schedule of Rates). Sufficient detail should be documented on the Expense Report Form to support mileage being reimbursed (business purpose, beginning and destination location).

b. Meals: Reimbursement will not be made for meals taken in the local area except when attendance at a meal is necessary for participation in

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a conference or meeting. Business reasons for the exception must be stated and receipts are required in all instances. Meals with other University staff are not reimbursable. Occasional meals for committee meetings with other La Verne staff may be authorized.

c. Lodging: Reimbursement will not be made for lodging in the local area (50 miles of the employee's primary work location). A supervisor may authorize lodging for conferences within the local area of an employee's workplace, if the employee's presence at an early morning meeting or function is deemed necessary to conduct University business, as well as taking into consideration the distance of the employee's residence from the conference site and the traffic conditions to travel to the site.

C. Commuting expenses to your place of employment are not a reimbursable travel expense. Mileage reimbursement requests for travel on weekends or holidays to your place of employment are not allowable. Under certain criteria, La Verne-ROC part time faculty may be eligible to receive a travel stipend. All such payments will be processed as part of the part time faculty teaching contract through the Payroll Office. Faculty members who do not receive a stipend are not eligible to be reimbursed for meal costs incurred that are associated with commuting to their primary teaching site.

D. Mileage reimbursements (from home or place of work, whichever is closer) to attend campus events of ceremonial and collegial nature not related to your primary job or role (University Retreats, Town Meetings, Service Awards, Graduation and Hooding Ceremonies) are allowable. It is encouraged that off-campus sites utilize carpools to attend these functions.

E. Reimbursement for local travel will continue to be made by submission of an Expense Report Form. Expense reports submitted that are over 90 days old will be reimbursed, but are taxable. If an employee has a P-card, they may not use the expense report form. P-Card holders may only use the expense report form for mileage and locations that do not accept P-Cards.

## III. DOMESTIC TRAVEL

### A. General Information

In-state travel is defined to include travel for which the destination is outside the local area but within the state of California. Out-of-state travel is travel outside the state of California but within the United States. When University business requires an employee or University representative to travel within the United States (Domestic Travel), reimbursement for business expenses related to the travel may be authorized.

### B. Limitations, Exceptions and Authorizations

1. All travel must be authorized in advance by the Department Heads, and/or the Budget Director providing the funding for the travel.
2. The budget director responsible for the program budget must sign the Expense Report Form authorizing the expenses. However, when a budget director travels, her/his immediate supervisor will authorize the expense report.
3. The original authorized Expense Report Form along with original receipts and business justification for the expenses should be submitted to the University's Accounts Payable Department. This form provides evidence that the traveler is on University business and may be critical in the event of an audit, insurance claim, worker's compensation claim, or litigation.

### C. Transportation

1. Air Travel
  - a. Air travel reservations must be at the lowest available airfare (coach or economy class) taking all circumstances into account. To improve the likelihood of lower rates, travelers are encouraged to make reservations well in advance of the travel date.
  - b. Cost for airfare insurance is not reimbursable and is considered a personal expense. If there is an occasion where airfare insurance must be purchased, reasoning needs to be documented and approved by the department's PEC member.

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- c. Travelers may arrive early for an event if the cost savings related to early travel (e.g. airfare rate) exceed the additional lodging costs. This must be documented on the expense report.
  - d. When travel is by rail or personal vehicle, the fare or mileage reimbursement may not exceed the cost of the lowest available airfare.
  - e. Taxi, shuttle, bus and limousine services incurred in connection with authorized travel by common carrier are reimbursable. Expenses are allowable only for travel related to business. For example, taxis between an airport and hotel are allowable. Taxis for sight-seeing trips are not allowable.
  - f. Helicopter taxi services or costs in connection with the use of a privately owned or rented aircraft are not reimbursable.
  - g. Travelers must use the most economical airport parking facilities available within reason, which are normally the airport long-term lots.
2. Personal Vehicles
- a. University employees may use their personal vehicle while on University business (e.g., traveling to meetings and purchasing supplies). However, the University does not provide insurance coverage for personal vehicles. While operating a personal vehicle for University business, the vehicle owner's insurance is primary coverage. By opting to use a personal vehicle, the employee affirms their knowledge of this policy and that they have adequate vehicle insurance coverage (meets state insurance requirements) and an unrestricted driver's license. Further, the University will not pay for deductibles on behalf of the employee.
  - b. When using a privately owned vehicle for University business, the University will reimburse the person at the established University rate per mile (see Schedule of Rates).
  - c. Expenses for gasoline, oil, repairs, towing, etc. are included in the mileage allowance, and cannot be reimbursed separately.
  - d. Expenses for parking fees and tolls may be claimed for reimbursement for business travel only. The University does not reimburse tolls for the regular commuting to work.

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- e. When traveling by vehicle, the total transportation expenses reimbursed, including meals and lodging, should not exceed the cost of the highest airfare. The dollar value of work hours lost while en route should also be factored into the cost of automobile travel.
  - f. Mileage payments are calculated from the distance between the destination and the employee's residence or official workplace, whichever is less.
3. Rental Vehicles
- a. An employee who finds it necessary to rent a car while traveling on official University business may be reimbursed. The business purpose for use of a rental car must be clearly documented on the Expense Report Form. The department head's signature on the form constitutes approval for the traveler to rent a car.
  - b. The use of a rental vehicle is limited to situations where commercial transportation facilities are not available or their use is impractical. Justification for the expense of car rental as compared with other transportation must be documented (based on comparable total cost, availability, and functionality for the intended business use).
  - c. La Verne employees and students on official business of the University in the United States should decline the Collision Damage Waiver (CDW) insurance and Liability Damage Waiver (LDW) insurance offered by rental car agencies. For insurance reasons a car rental agreement should include the name of the University in addition to the name of the traveler.
  - d. The University will reimburse the traveler for the actual cost of renting a compact or economy size car. If justified, a full-size car rental may be reimbursed for (e.g. three or more travelers are traveling together in the same vehicle).
  - e. Employees are reminded that it is their responsibility to refuel a rental car prior to returning it to the agency. Rental car agencies charge excessive amounts to refuel a returned vehicle. As such, it is expected that a vehicle is refueled before returning it.
  - f. Mileage reimbursement may not be used with rental vehicles. The University will only reimburse the actual business use portion of fuel purchases with original receipts.



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## D. Lodging

1. The traveler may be reimbursed for lodging while on University business and when away from home for one night or more.
2. Lodging rooms should be for a single rate and be supported by the original hotel receipts. If two or more travelers share a room, and the other occupant(s) is not an employee, the single room rate should be submitted on the expense report.
3. The traveler or the traveler's department makes lodging arrangements through standard travel sites, through a conference portal, or directly with the hotel. The traveler is responsible for confirming or canceling reservations and for obtaining refunds if reserved accommodations are not used.
4. The name and location of each hotel or motel, along with the business purpose, and original invoice or receipt must be submitted with the Expense Report Form.
5. Please refer to II.B.2.C above for the policy regarding lodging and local travel (within 50 miles of the employee's primary work location).

## E. Lodging - Airbnb for Work

1. Airbnb is permitted for domestic group travel only through Airbnb for Work. Airbnb for Work is only permitted when booking with an Airbnb Plus listing which are preferred hosts. Airbnb for Work must be booked through the University Airbnb for Work Portal URL:  
<https://www.airbnb.com/w/university-of-la-verne/Cw8H99xsan4K>
2. If booking for a group, you must be set-up as a travel coordinator, please contact [ddeacy@laverne.edu](mailto:ddeacy@laverne.edu) to access this function.
3. If a Plus listing is not available in your area you will be required to book through a traditional commercial hotel. Please be aware this business travel option is still under development therefore runs a higher level of risk than using a traditional commercial hotel. Each traveler choosing this less structured option is accountable for their own safety, their colleagues and the safety of our students. If the traveler feels their personal health or safety is at risk for their self and others they are authorized to incur necessary cost to relocate. Relocation cost will be absorbed by the booking department.

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4. This program is not permitted for international travel. Traditional commercial hotels must be used for housing.
5. Please visit the University travel website under Finance for details <https://myportal.laverne.edu/web/ofbs/treasury/travel-services>

## F. Meals

1. Meal expenses are reimbursable only for overnight, official, business-related travel outside of the traveler's primary workplace.
2. The maximum meal allowance per day is \$40 (See Schedule of Rates).
3. Regular meals within commuting distance of your place of employment are not reimbursable. Employees engaged in constant, daily routine business travel are not reimbursed for meals. Occasionally, with the approval of the respective dean, meals taken while traveling outside the employee's local area can be reimbursed.
4. Meals consumed while teaching for the University are not a reimbursable expense.
5. Meal expenses not involving an overnight stay are not reimbursable unless documentation supporting the reimbursement clearly establishes that the meal is taken during overtime work periods or for official University business reasons. To be eligible for reimbursement, such meals must be considered essential to the University's operations, and a business necessity.
6. Meals are reimbursed only if they are "directly related" or "associated" with the active conduct of University business and must be shown as such on the Expense Report.

**Definitions:** Directly related: A business meal is considered to be directly related to the University if its principal purpose is either the promotion of the University or fostering University relations.

**Associated:** A meal to develop goodwill or foster University relations is considered to be "associated" with the conduct of University business and is reimbursable if it precedes or follows a substantial and bona fide business discussion.

7. Meal reimbursement will not be made for meals taken close to your workplace except when attendance at a meal is necessary for participation

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in a conference or meeting. Business reasons for the exception must be stated and receipts are required in all instances.

8. Meals with other University staff are not reimbursable. Occasional meals for committee meetings with other La Verne staff may be authorized, with proper documentation.
9. As a general policy, alcoholic beverages are not reimbursable. However, employees may be reimbursed if the purchase of the alcoholic beverages was related to University business (fundraising, recruitment, etc.) and other individuals associated with the University business were also participating. It is expected that the consumption of alcohol be reasonable and in moderation. Alcohol consumption on the University's campus is also governed by the Alcohol Permit Policy, which may be found at the following location:

<https://laverne.edu/acc/wpcontent/uploads/sites/10/2017/08/ALCOHOL-PERMITPOLICY-updated-August-2017.pdf>.

Only the President, Provost, Chief Financial Officer, Associate Vice President of Finance, Vice President of Enrollment Management, Vice President of HR, IT, Facilities & Safety, or the Vice President of Advancement are authorized to sign off on reimbursements related to alcoholic beverages.

## G. Other Travel Expenses

1. Reimbursements for official telephone calls, internet access, facsimile transmissions, copying and printing, and postage paid by the traveler, are reimbursable expenses provided the required business purpose is listed. The name of the parties and business purpose to substantiate the expense must be documented.
2. Tips for taxi or limousine service between 15-20% are reimbursable.
3. Tips for restaurant meals between 15-20% are reimbursable and are included as part of the \$40 per day maximum. A receipt must be provided.
4. Tips for lodging are limited to \$2 per night. A receipt is not required.
5. Fees for more than two bags are reimbursable only when the traveler is transporting University materials, such as computers, equipment, class materials, etc. Travelers must provide a description indicating the need for the excess baggage. Excessively heavy bags will not be reimbursed. Also,

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the amount reimbursable for baggage handling tips is actual out-of-pocket cost limited to \$1 per bag.

6. Employees traveling on official University business may be reimbursed for additional necessary airline charges (e.g. early check-in, economy plus seats for long flights).
7. The cost of laundry, dry cleaning, and pressing services utilized away from home is reimbursable when the business trip exceeds six days.
8. Cost for airfare insurance is not reimbursable and is considered a personal expense. If there is an occasion where airfare insurance must be purchased, reasoning needs to be documented and approved by the department's PEC member.

## H. Entertainment Expenses

Expenses incurred for ordinary and necessary business entertainment including, but not limited to, food, beverages (non-alcoholic), refreshments, social and recreational activities may be reimbursed. All such expenses should be clearly documented with the business purpose, and names and titles of persons entertained. However, birthday and holiday cards, retirement gifts, baby shower gifts, and similar items are considered personal expenses and are not reimbursable. Business entertainment at the University of La Verne is defined as one or more of the following:

1. Payment for meal(s) of prospective donors, new students, parents, prospective staff members, alumni, trustees, and vendors.
2. Payment for meal(s) and other related expenses as an authorized representative of the University to local organizations, Chambers of Commerce, United Way, etc.
3. Participation in charity events as an authorized representative of the University.
4. Catered luncheons/dinners for LA VERNE employees if such event is an occasional multi-departmental or University wide recognition/award event (e.g. Faculty and Staff Awards Luncheon, Rideshare Breakfast, Commencement Committee "Thank You" BBQ, Administrative and Classified Picnic, etc.).

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5. Personal payment by a Senior Management Team member for similar type recognition events at off campus locations, where University catering is not available.
6. Staff or departmental lunches associated with a working retreat (e.g. ROC coordinator's retreat, Faculty Retreat, etc.).
7. Refreshments for University wide events (e.g. Retirement, Social, Town Meetings, etc.).
8. Refreshments for occasional departmental staff meetings or committee meetings.
9. Payment for meals for departmental celebratory type of events (e.g. Holiday parties). One event per person, per department, per year.

## I. Recruitment Expenses

Employee recruitment (full time) is considered official University business. Therefore, reasonable expenses incurred by prospective employees or University employees who are directly involved in the recruitment process are reimbursable. Generally, guests or spouses of prospective employees are not required to be present during the recruitment process and their expenses are not reimbursable. However, the inclusion of the prospective employee's spouse only, at a meal is allowable, for Senior Management and Full-time Faculty positions. Expenses of University employees' spouses involved with the interview process are not reimbursable.

The University will reimburse the necessary and reasonable travel and lodging expenses of a prospective employee. Travel expenses of the guests or spouse of a prospective employee are not reimbursable.

## J. Employer Paid Moving Expenses

The Internal Revenue Code that provided an exclusion from employees' income for qualified moving expense payments and reimbursements made by employers has been suspended for tax years 2018 through 2025. Under the previous law, qualified moving expense reimbursements provided by an employer to an employee were excluded from the employee's income.

The Tax Cuts and Jobs Act repealed this exclusion effective for expenses paid or reimbursed beginning January 1, 2018. As a result, all authorized moving

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expenses made after December 31, 2017 will be paid through payroll as one lump sum and taxed accordingly, meaning they are subject to Social Security, Medicare, State Disability, Federal and State income tax withholdings.

Please contact the Office of Human Resources at 909-448-4076 to request reimbursement for moving expenses.

## K. Travel/Cash Advances

Regular full-time faculty, staff, and students of the University of La Verne, who are traveling on University business, may be eligible for travel/cash advances, if following normal expense reimbursement procedures would cause financial hardship for the traveler. Cash advances may also be utilized if an employee is asked to purchase goods (minor supplies) for a University sponsored event. IRS W9 form is required for cash advances to students that are over \$600.00

Travel/Cash advances may be obtained by completing a Check Request Form, and submitting it to the Accounts Payable Department for processing. Documentation regarding dates (travel start and return dates) and business purpose of the travel, along with a supervisor's approval is necessary on all travel/cash advances.

No advances will be issued to cover conference registration fees or hotel deposit fees. These fees should be paid in advance through either the Check Request Form, the Purchase Requisition/Order Form, or P-Card.

No advances will be issued for stipends, honorariums, wages, or consulting fees and contracted services.

The repayment of travel/cash advances is the responsibility of the payee. All travel/cash advances are due no later than 15 days after the date the trip or event is completed. To reconcile the advance, complete an expense reimbursement form, make a deposit of unspent travel/cash advance amounts at Student Accounts, attach the receipt to the form, and submit the expense reimbursement form along with all receipts to Accounts Payable.

A past due advance must be settled before an employee or student is eligible for additional advances. Failure to promptly repay a travel/cash advance may result in the traveler incurring taxable income for the outstanding amount. Students that default on cash advances will have a hold placed on their student account. Failure to respond to repeated contacts by the Accounting staff to clear a travel/cash advance will also result in the forfeiture of the privilege of receiving future advances.

## IV. FOREIGN TRAVEL

### General Information

The Vice President or highest level responsible for the division (may be an Associate Vice President) must provide pre-approval. Employees traveling outside of the United States on University business should use the Per Diem rate method explained below.

### Foreign Travel Expenditures

1. Lodging and airfare must be reserved and paid for prior to travel. An exception may be made if the lodging provider does not accept credit cards. In this case, per diem for the lodging may be used. See #2 below for the details on per diem rates.
2. A "Per Diem" will be paid to the employee prior to travel for meals and incidental expenses (M&IE) and lodging if a per diem for lodging is requested. The amount is dependent upon the destination city (or nearest city) and is in accordance with the per diem rates issued by the U.S. Department of State. Foreign countries (and localities within those countries) are assigned a daily rate by the U.S. Department of State. These rates are subject to change on a monthly basis. Rate information is available from the U.S. State Department web site at [aoprals.state.gov](http://aoprals.state.gov) (select foreign per diem rates). M&IE per diem and lodging per diem will be provided based on the duration of the travel, including travel days.
3. A Check Request Form for the per diem should be submitted to Accounts Payable at least 2 weeks prior to the travel date and include the supporting documentation for the amount (e.g. the U.S. State Department rates and dates of travel).

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4. M&IE includes all charges for meals and related tips and taxes; laundry; cleaning and pressing of clothing; local transportation costs; fees and tips to porters, baggage handlers, and hotel maids.
5. If a domestic layover is required for a foreign travel, lodging and meal expenses will be reimbursed based upon University policy and procedure for domestic travel.
6. Traveler's checks, passports, and visa expenses for official University business for foreign travel may be reimbursable. Vaccinations and medications required for entry to some countries are also reimbursable. Receipts are required.
7. Cost for airfare insurance is not reimbursable and is considered a personal expense. If there is an occasion where airfare insurance must be purchased, reasoning needs to be documented and approved by the department's PEC member.