

TRAVEL AND BUSINESS ENTERTAINMENT POLICY FOR DREW UNIVERSITY FACULTY AND STAFF

Revised 9-25-08

The Drew University Travel and Business Entertainment Policy is established to provide a standard for all University employees who engage in business travel or expend funds for business entertainment. All travel or business entertainment (T&E) processed through the University is governed by this policy, regardless of the source of funding. This policy supports Drew's compliance with the Internal Revenue Service's code and regulations and establishes guidelines to assure that expenses reimbursed or charged to the University are not taxable.

It is the responsibility of any employee who plans to travel or expend funds on business entertainment to read and understand this policy, before transactions occur.

Vice Presidents, Deans, Department Heads and Supervisors are expected to review and approve all travel and business entertainment expenditures in order to ensure the consistent administration of this policy. (The roles of such officers are explained below). They are also responsible for the adequacy of T&E documentation processed by their staffs to be submitted to the Accounts Payable Office.

One of the goals of this policy is to increase awareness and control at the Vice Presidential level. Vice Presidents have the authority to interpret this policy, determine what is essential Drew business, and identify certain employees as "frequent travelers" who may be governed by modified rules. They are expected to work with the Vice President for Finance and Business Affairs to communicate their interpretation and affect necessary modifications.

In the case of situations not specifically addressed by these regulations or if exceptions to these regulations are required, the advance written approval of the Vice President for Finance and Business Affairs is necessary. The Vice President of Finance and Business Affairs shall recommend to Cabinet amendments to these regulations as conditions warrant.

LEGITIMATE BUSINESS EXPENSES

The University will provide funding for travel and business entertainment when such expenses have been incurred in accordance with the provisions of this policy. Expenses related to travel and business entertainment may be charged to the University only when they meet the following criteria:

1. The expense is essential to transacting the official business of Drew University.

2. Sufficient funds exist within the specified budget.
3. The expense has the prior approval of the appropriate Supervisor/Chair/Director/Dean and Vice President/Provost.
4. The expense is transacted in accordance with the fiscal regulations of Drew University.
5. The expense is supported by appropriate documentation.
6. A Travel and Entertainment Expense Voucher detailing the expense has been completed and submitted to the Accounts Payable Office.
7. The employee has made a sincere effort to keep costs at the lowest possible level.
8. The employee involved does not profit financially in any way.

EXPENSES RELATED TO TRAVEL

Drew University encourages its employees to engage in a variety of scholarly and professional experiences through attendance at meetings, seminars and training programs in order to keep themselves current in their fields and fully equipped to meet the responsibilities of their position. University administrators also understand that certain departments have a travel requirement closely related to their core mission. In any of these activities, travel transacted through the University must follow the provisions of this policy.

For the purpose of this policy, "Travel" shall be defined as any activity which involves an overnight stay and/or expenses for transportation, meals, registration, etc. which exceed \$300. Inexpensive "Day Trips" are regulated differently and do not require the level of approval described in this section.

APPROVAL PROCEDURE

University travel requires two levels of approval. First approval is provided by the traveler's supervisor, chair, Dean or budget manager. The second level shall be provided by the appropriate Vice President or the Provost whenever expenses exceed \$1,000 for any single event.

An employee wishing to travel at University expense must begin by creating a travel plan which includes an itinerary and budget. The plan should also include the purpose of the trip and highlight the benefit received by the University. The plan should be indicated on the **Request For Travel Form** which shall be presented to the appropriate supervisor/chair/budget manager and Vice President/Provost (requests over \$1,000) for approval prior to any commitment for travel or lodging reservations. The completed Request For Travel Form shall be filed in the traveler's department. A copy of the completed form must be turned in to the Accounts Payable office with the completed Travel and Entertainment Expense Voucher.

Frequent travelers, defined as those who travel regularly as part of their department's core mission (example: Admissions Officers on recruiting trips), are not required to complete a Request For Travel Form for each trip. Frequent travelers are required to complete the form if they travel to attend a conference, convention, seminar or training.

Approvals for travel related expenses, including signatures on the Request For Travel form and Travel and Entertainment Expense Voucher (Expense Report) should follow the schedule as below:

Traveler

Authorized By

Vice Presidents

President

All other Administrators or Staff

Supervisor/budget manager and Appropriate Vice President

Faculty

Chairperson/Dean and Provost

REPORTING PROCEDURE

The **Travel and Entertainment Expense Voucher** (Expense Report) must be completed and submitted to the Accounts Payable Office by the participating employee within 30 days of return from the travel event. All expenses incurred, no matter what the method of payment, must be detailed on the form. A completed form is required even when no reimbursement is forthcoming. In any case where an expense amount is unknown at the time of submission, this item may be submitted the following month.

The purpose of the Travel and Entertainment Expense Voucher is to document the details of the travel event including dates, destinations and categories of expenses. It serves as proof that costs listed are legitimate Drew business expenses and can not be classified as taxable personal income ("perks") by the Internal Revenue Service. The form must be signed by the employee as well as the person(s) authorized for approval (see above) to certify the validity of the expenses. It is the responsibility of the traveler to route the form to the required signer(s) and to ensure the signed form is delivered to the Accounts Payable Office.

RECEIPTS

Original receipts are required for all expenses (except for expenses under \$5) incurred on the trip with the exception of meals which qualify under Drew's per diem allowances. Receipts shall be attached to the Travel and Entertainment Expense form when it is submitted to the Accounts Payable Office. It is the responsibility of the employee to provide sufficient documentation and detail to fully justify all expenses.

REIMBURSEMENT

In cases where the employee used personal funds for legitimate travel expenses, the University shall provide reimbursement within 15 business days of the submission of the Travel and Entertainment Expense Voucher. In cases where the request for reimbursement totals less than \$20.00, the balance shall be carried over to the following month.

LEGITIMATE TRAVEL-RELATED EXPENSES

Employees traveling on approved University business may charge the following to the University:

- Transportation costs
- Lodging
- Tips (maximum 15%)
- Meal expenses up to per diem level
- Automobile rentals
- Parking costs
- Expenses associated with baggage handling
- Internet, fax and modem line charges made in connection with official business
- Laundry expenses when away for seven or more consecutive days
- Telephone calls, including those calls necessary to conduct University business and one call per day to family

TRAVEL-RELATED EXPENSES WHICH MAY NOT BE CHARGED TO THE UNIVERSITY

Employees traveling on University business may not charge the following to the University:

- First Class or Business Class Airline Tickets
- Flight Insurance
- Telephone calls except as noted above
- Babysitter
- Personal grooming
- Reading matter
- Gifts

- Laundry and dry cleaning
- Movies
- Room service, except for meals up to the per diem limit
- Health club fees
- Expenses of spouse, children or other travel companions
- Changes to reservations except in case of emergency
- Personal entertainment including extra-cost social events at conferences or conventions

DAY TRIPS

Travel which does not involve an overnight stay or expenses in excess of \$300 are considered "Day Trips". Such travel events do not require a Request For Travel Form or the approval of a Vice President/Provost. The Travel and Business Expense Voucher may be approved and signed by the Department Chair or Director. All other requirements of this policy remain in force for Day Trips.

TRANSPORTATION

The term "Transportation" shall encompass all necessary official travel on airlines, railroads, buses, taxicabs, rental cars, etc. When planning a trip, employees are expected to choose the least expensive mode of transportation whenever reasonably possible.

Air Travel

Travel by air is often the most economical and efficient mode of transportation utilized to reach destinations a significant distance from Drew. Air travel is authorized when it is determined that this mode is the most advantageous to the conduct of Drew business. Employees are expected to search for the most economical fares and to be flexible with their travel planning. Additionally, airfare should be booked at least one month in advance in order to secure the most favorable rates. Employees may only charge the University for coach or economy class fares. In cases where it is determined that the traveler did not make a sufficient effort to find the most economical fare, the University reserves the right to require the traveler to repay the portion of the cost deemed excessive.

Receipts are required to document air travel. In cases where the traveler was issued an e-ticket, the boarding pass must be submitted with the Travel and Entertainment Expense Voucher.

Rental Vehicles

Use of a rental vehicle is authorized only when it is deemed the least expensive way to reach a destination. University travelers may only rent compact cars at

University expense unless a group traveling together requires a larger car or van. Fines due to motor vehicle infractions are the responsibility of the operator and may not be charged to the University. Travelers attending, conferences, conventions, seminars or training are not authorized to rent vehicles for use at their destination.

Drew's VISA Purchasing Card provides Auto Rental Collision Damage Coverage for damage or theft of rental vehicles. This coverage only applies if the operator of the vehicle is a valid VISA cardholder.

The University will not pay or reimburse the traveler for additional insurance offered by the car rental company.

Use of Traveler's Personal Vehicle

Use of an employee's own vehicle is authorized only when it is deemed the least expensive way to reach a destination. The employee will be reimbursed for mileage at a rate determined by the Vice President for Finance and Business Affairs provided that such reimbursement does not exceed the cost of alternate modes of transportation such as air or rail. Fines due to motor vehicle infractions are the responsibility of the operator and may not be charged to the University.

Drew University purchases automobile liability insurance which provides non-ownership coverage to be extended to privately-owned vehicles while being used for authorized Drew business. Drew's coverage is in excess of any valid and collectible insurance on the privately-owned vehicle.

Motor Vehicle Accident

Any motor vehicle accident involving a traveling Drew employee must be reported in accordance with procedures set forth by the Chief of Public Safety (973-408-3378) within 24 hours of occurrence.

Taxicabs

Taxicabs should only be used when other, less costly, modes are not available or require the traveler to wait an inordinate amount of time for service. Shuttles should be used for transportation between an airport and a downtown destination or hotel.

LODGING EXPENSES

Employees may stay at hotels at their destination if authorized business requires their presence more than one day and the destination is more than 75 miles from the Drew Campus. Hotel rooms may be charged to the University provided that the rate does not exceed Drew's reasonable daily room rate of \$135.00. In

“prime” travel markets: Boston, San Francisco and Washington, DC, the reasonable rate is \$250.00. In cases where a conference, convention or training is staged in a hotel, an employee is authorized to charge that hotel’s conference rate to the University.

Travelers and those approving travel expenses may visit www.gsa.gov to determine reasonable per diem lodging rates for the area visited.

Employees are expected to restrict their stay to the minimum number of nights required. If an event concludes prior to 5:00 p.m., employees are expected to return home that afternoon or evening whenever reasonably possible. The traveler may stay over an additional Saturday night if airfare savings exceed the cost of the room and additional meals. Receipts are required for hotel expenses. Incidental or personal hotel expenses must be lined out and the lodging total recalculated by the employee, prior to submission for approval.

MEALS

Employees are authorized to charge meals to the University provided that the costs per meal do not exceed the per diem rates set by the University. The total meal expense guideline for three meals per day is shown below. When travel covers part of a day, only the appropriate pro-rated amount may be charged.

	Low-End Market Areas	Intermediate Market Areas	Prime Market Areas
Daily Per Diem Rate	\$34.00	\$41.00	\$50.00
Breakfast	7.00	8.00	9.00
Lunch	7.00	8.00	9.00
Dinner	20.00	25.00	32.00

Travelers and those approving T&E expenses may visit www.gsa.gov to determine reasonable per diem rates for meals for the area visited.

In cases where a conference, convention or other event provides meals as part of the program, the employee may not charge or be reimbursed per diem rates for the meals made available at the event. This applies even if employee chose not to partake of the meals offered. Receipts are not required for per diem rate meals.

Room service may not be charged to the University unless charges fall within the limits of the meal per diem limit.

Alcoholic beverages may not be charged to the University except in cases where authorized employees are entertaining guests of the University.

EXPENSES RELATED TO BUSINESS ENTERTAINMENT

The Business Entertainment Policy is intended to govern the funding of events and expenses/reimbursement of employees engaged in any activity involving food, beverages, gifts and social activities.

Legitimate Business Entertainment consists of activities which are directly related to specific University endeavors such as fund raising, alumni relations, admissions, recruiting, and hospitality offered to special guests of the University. In most cases, this activity is conducted by a University employee whose duties involve entertaining or providing hospitality to donors, alumni, recruits, candidates, speakers, lecturers, trustees or other guests of the University.

CATERING SERVICES

University funds may be used to provide catering services when the event is an officially sanctioned University event which has been approved by the President's Office. Additionally, University funds may be used for events which are an integral part of the core mission of departments involved in recruiting, admissions, alumni relations, development or student life activities. Catered events for student life activities shall be approved by the Dean of Campus Life and Student Affairs.

Catering/refreshments for department meetings or department social events, coffee service, refreshments or snacks for employees in the department office can be provided within the limit of the approved budget (by the Dean or Vice President).

MEALS

Employees may charge the University or be reimbursed for meals only in cases when the meal includes a donor, speaker, trustee or other official guest of the University or is part of the recruitment of faculty and staff. No more than two employees may be involved in any charged meal unless the meal is part of a sanctioned University event or part of a core-mission activity (example: Development staff entertaining a donor).

FLOWERS, GIFTS AND CARDS

Individuals or individual departments may not use University funds to provide flowers, gifts or cards for employees, family members, associates or friends. The Department of Human Resources shall make provision for flowers (bereavement),

service awards and retirement gifts on behalf of the University. Departments should work with Human Resources in these cases.

Flowers, gifts and cards are allowable when related to core-mission activities involving development, alumni relations, admissions and official guests of the University.

SOCIAL EVENTS

Official events of the University will be announced by the President's Office. Such events will be sponsored by the University and paid from University funds. The Board of the staff organization, US/A, may sponsor and approve events open to all staff members which may be funded through the US/A budget. Student Life events will be approved and announced by the Dean of Campus Life and Student Affairs.

HOLIDAY PARTIES

University departments may schedule holiday parties in December to celebrate seasonal holidays. Departments may charge food and beverage expenses to adequately funded department accounts to a maximum of \$10.00 per department member. University funds may not be used to purchase alcohol for departmental holiday parties.

ALCOHOL

University funds may not be used to buy alcohol for any purpose except in cases of officially sponsored University events or events sponsored by the Admissions, Alumni Relations or Development offices which are directly related to their core mission or other events approved by a Vice President or Dean.

MEMBERSHIP DUES

University funds may be used for dues for membership in organizations or associations which are directly related to the department's core mission. Prior approval of the Department Chair or Director is required. The approval of the appropriate Dean or Vice President/Provost is required if the fee for dues is \$1,000.00 or above.

CHARITABLE CONTRIBUTIONS

The authority to use University funds for charitable contributions shall rest in the President's Office. Individuals or departments may not make donations utilizing University funding.

EXPENDITURES WHICH ARE NOT LEGITIMATE BUSINESS ENTERTAINMENT

The following types of expenditures may not be charged to the University:

- Meals for one or more employee while meeting for business or social purposes.
- Meals for an employee meeting with an associate or colleague.
- Birthday parties or other parties for an employee, associate or colleague.
- Birthday gifts, retirement gifts, etc. for an employee, associate or colleague.
- Flowers for an employee, relative of an employee, associate or colleague.
- Holiday/seasonal decorations with the exception of reception areas of Admissions, Alumni, Development, Seminary Hall and Mead Hall.

DREW UNIVERSITY PURCHASING CARD

The Drew University Purchasing Card is the preferred method of payment for all travel and business entertainment expenditures. Employees who anticipate regular T&E expenditures should confer with their supervisor and then make application for a Purchasing Card. The procedure for application and related policy is included on the Purchasing Department web site.

Employees utilizing the Drew Purchasing Card for travel and business entertainment are reminded that strict compliance with Purchasing Card Policy and Procedures is required and all T&E transactions must be detailed on the Purchasing Card Transaction Log. **Whenever the Purchasing Card is used for a T&E transaction, a properly completed Travel and Entertainment Voucher must be submitted to the Accounts Payable within 30 days of the event.**

EXCEPTIONS TO THIS POLICY

Exceptions to this policy may only be established when stated, in writing, by the Vice President for Finance and Business Affairs.

FREQUENTLY ASKED QUESTIONS

Q. I am expecting to travel next semester, how should I begin?

A. Begin by creating an itinerary/budget and discussing your plans with your supervisor or chairperson. Complete a Request For Travel Form making sure to get required signatures before making any arrangements.

Q. How do I get a "Request For Travel" Form and a "Travel and Entertainment Expense Voucher"?

A. Both forms are available on Drew's web site and are linked through the Accounts Payable and Purchasing pages.

Q. How should I pay for my travel expenses?

A. The Drew University Purchasing card is the recommended method to pay for travel. You may also use your own funds and request reimbursement.

Q. If my travel or entertainment is funded by my grant, am I required to follow this policy?

A. Yes. Drew's Travel and Business Entertainment Policy remains in effect regardless of the source of funding. It is normally the expectation of grant providers that organizations utilizing grant funding have in place reasonable policies. In any case where a granting agency identifies more stringent guidelines, Drew employees are expected to meet them.

Q. If all event expenses were charged to my Drew Purchasing Card, am I required to submit a Travel and Entertainment Expense Voucher?

A. Yes. A Travel and Entertainment Expense Voucher must be completed for all travel or business entertainment expenditures. The method of payment does not affect this requirement.

Q. Do I need receipts for meals if I am claiming the per diem rate?

A. Meal receipts are not necessary if the per diem rate is charged.

Q. May I charge the University the per diem meal rate for each day I travel?

A. No. The traveler may only charge the University for meals actually eaten and paid for. The per diem rate is set only as a maximum daily spend for meals.

Q. What will happen if I purchase an airline ticket on the day of the flight and pay a much higher rate than I would have paid had I planned ahead?

A. Unless there is an emergency or another compelling reason to make arrangements at the last minute, the traveler is expected to make up the difference in cost.

Q. If I change my arrangements or cancel a flight, will the University pay for the costs?

A. Only in cases of emergencies will the University pay for changes or cancelled reservations. The traveler must have the approval of the appropriate Vice President or the Provost prior to making the change.

Q. Who determines what is an emergency or compelling reason to modify this policy?

A. The appropriate Vice President or the Provost.