

American Physical Society

TRAVEL & BUSINESS EXPENSE REIMBURSEMENT

POLICY AND PROCEDURES

March 12, 2019 (revised effective date)

September 22, 2015 (original)

Travel & Business Expense Reimbursement

It is APS' intent that its travel and business expense reimbursement policy comply with IRS regulations for an accountable plan. These reimbursement policies affect employees, independent contractors, volunteers and any other individuals conducting a valid business activity on behalf of APS. In order for an expense to be deemed a valid business purpose, it must be incurred to fulfill the mission of APS. While an allowable business expense may be eligible for payment by APS funds, other funding sources (e.g. federal grants or contracts) may have more restrictions. In all cases, the most restrictive reimbursement guideline will prevail.

The procedures outlined in this policy apply to grant and non-grant related travel and business expense reimbursements. This policy applies to employees and non-employees conducting business on behalf of APS. This policy requires employees and volunteers to exercise discretion and judgment in ensuring that travel and other business costs are valid, appropriate, necessary and managed in a manner that minimizes costs and optimizes impact.

This guide shall also be followed when processing [Travel & Business Expense \(T&E\) Reports](#) submitted by employees and non-employees (including but not limited to scholarship recipients, program participants, conference presenters, APS volunteers, etc.) to request reimbursement of expenses incurred during approved travel to attend conferences and meetings or to obtain reimbursement for allowable business expenses to support other business and program activities of APS.

In order to be paid by APS (or reimbursed by another party), a business expense must be:

- **Necessary** to perform a valid business purpose fulfilling the mission of APS; and
- **Reasonable** in that the expense is not excessive or extreme and reflects a prudent decision to incur the expense
- **Appropriate** in that the expense is suitable and fitting in the context of a valid business purpose; and
- **Allowable** according to the terms of any federal regulation, sponsored contract and/or APS policy.

Note: *For expenses incurred under a Federal grant, this policy further interprets and relies upon the guidelines set forth within the [Code of Federal Regulations](#),¹ (See 2 CFR 200.474). Please review the **APS Federal Grant Procedures Manual** for more specific guidance related to expenses reimbursed using Federal grant funds.*

Unless otherwise specifically stated, all travel and business expenses must be substantiated and documented by receipts or other supporting documentation including date, location, vendor/venue, participant names, expenditure detail and business purpose. Falsification of any business expense is subject to disciplinary action up to and including termination.

All travel and business expense reimbursement forms plus substantiating documentation must be submitted in a timely manner. Please provide a completed [Travel and Business Expense Report](#) along with all supporting information to the Accounting/Finance Department no later than 30 days after the expense has been incurred to ensure timely financial recordkeeping. Failure to submit reimbursement requests within the 30 days timeframe may result in the expense being deemed unallowable and not reimbursed and/or may result in taxable income to the recipient.

I. TRAVEL

It is the responsibility of employees and other individuals traveling on APS business to inquire about and be aware of any budgetary limits regarding travel. The program budget may specify maximum expenditure per traveler and/or limits to specific travel expenses, such as lodging, airfare, meals, and local transportation.

- Travel should always be approved in advance by the employee's supervisor or, in the case of a volunteer or other person traveling on APS' behalf, by the APS employee responsible for overseeing other individual travel.

- In the instance of the CEO business travel is considered a normal and regular business activity and will not require any additional approval.
- An APS employee shall notify any non-employee traveler by email that travel has been authorized and specify the terms of reimbursement and clearly inform that individual if any federal grant funds will be used and any limitations thereof.
- Travel reservations shall be booked as far in advance as possible, ideally 30 days or more but no less than 14.
- In the instance of international business travel, employees and others traveling on APS business shall follow prudent and reasonable guidelines. Neither meals nor lodging should be extravagant.
- Expenses should be claimed promptly upon completion of travel or upon incurring a business expense. Business expenses may be deemed unallowable expenses if submitted more than 30 days after the expense is incurred.
- No expenses shall be reimbursed for spousal or other family member travel.
- If travel expenses are incurred for multiple business purposes (APS or another outside party) or if part of the travel is for personal travel, a reasonable allocation shall be made to approximate APS' fair share of travel costs.
- The following will apply to foreign currency transactions that are not paid through an APS corporate credit card:
 - For staff/others using their personal credit card for APS business expenses, APS can use the credit card company converted rate for USD if the person's personal credit card statement is provided along with the detailed receipt (we still need the receipt, the statement is just proving what the converted expense is in USD)
 - For staff/others not providing a credit card statement for foreign purchases for APS business expenses, Finance uses Onada to provide the foreign exchange rate that is applicable on the transaction date, using the dropdown box for +/- 3% Typical Credit Card Rate. The website for ONADA <https://www.oanda.com/currency/converter/>.
 - APS will compare any foreign exchange rates provided by others, and adjust per Onada if there is a material difference.

TRAVEL EXPENSE GUIDELINES

Travel expenses including lodging, travel and meals shall generally be based on moderate accommodations.

In the instance of travel funded in whole or in part by a governmental entity, expenses shall comply with General Service Administration (GSA) guidelines based on the meeting specific location if government funding is used in full or in part for reimbursement. Applicable rates for lodging and meals, entertainment and incidentals funded by a governmental entity can be determined by visiting the GSA website at www.gsa.gov and searching under "per diem" for the specific location where you incurred any travel related expense. Please refer to the APS Federal Grants Procedure Manual or the Appendix to this policy for additional information.

Meals While Traveling

For travel expenses incurred for APS business that are not grant funded, the following per diem reimbursement amounts shall apply or you may submit actual receipts for meals while traveling:

Breakfast	\$20
Lunch/Brunch	\$20
Dinner	\$40

Travelers will not be reimbursed for:

- Meal expenses exceeding the maximum APS per diem meal rate;
- Alcohol will not be reimbursed as part of business travel; and,
- Alternative meals unless there is a health or other valid reason provided.

If seeking reimbursement for the actual cost of a meal, please include a detailed receipt including name of venue, pricing of meal, taxes and tip and names of other diners, if applicable.

APS will reimburse the lesser of the actual cost or the per diem. Receipts are not required (under any circumstances) for reimbursement of travel meals using per diem rates. Traveler must choose to use per diem or actual reimbursement for the entirety of a trip.

The meal cost shall include the cost of food, beverages and any taxes or tip. If a meal cost includes service fees, room rental, room set up fees, etc., they should be separated by the vendor whenever possible.

Airfare/Rail

Air and rail travel should be at the lowest possible fare for standard passage and booked no less than 14 days in advance to obtain the lowest possible fair, taking into consideration total travel time.

- Upgrades or premium seating/boarding will not be reimbursed without express advance approval from the appropriate SMT member (or designee).
- Charges for changes made for the traveler's convenience are the responsibility of the traveler.
- Baggage costs should be separated from airfare expenses.
- Booking fees and miscellaneous travel insurance will generally not be reimbursed. Please check with the CFO if you have questions regarding such costs.
- In-flight entertainment will not be reimbursed.

Lodging

Unless otherwise specified, lodging will be reimbursed at single occupancy rate for a moderately priced hotel near the meeting location. APS will also reimburse for AirBnB and similar lodging, provided it does not exceed the cost of a moderately priced hotel room and is in proximity to the meeting site. Every effort should be made to negotiate moderate sleeping room rates.

If the success of an event depends critically on holding it at a venue where there are no moderately priced options, every effort should be made to minimize the room rate and a written explanation shall be kept on file to document the rationale.

However, if APS has arranged a room block for attendees, employees are required to stay at the contracted hotel in order to avert any attrition fees from that hotel. The hotel arrangements should be made through the Meetings Department. Volunteers being reimbursed by APS are encouraged to stay at the contracted hotel.

Mileage

If an employee uses his/her personal car for transportation on a work-related trip, the employee will be reimbursed at the IRS mileage rate. Under IRS regulations distances between the employee's home and the employee's regular job location are never allowed and therefore cannot be included in mileage reimbursements.

Expenses for transportation by a privately owned car will be reimbursed at the APS mileage rate plus tolls, parking and related fees. Individuals driving on business shall do so only when the cost of travel will not exceed that by a common carrier (e.g. plane, train, etc.). Drivers must possess a valid driver's license and carry at least state mandated levels of insurance.

Other Travel Expenses

- When public or hired (e.g. taxi) transportation is not available reimbursement will be made for **rented automobiles** and related expenses.
 - When renting a vehicle, do not purchase additional insurance. APS' general liability policy provides for this coverage.
- Use the most economical method of **transportation to and from the airport**. If hotels provide complimentary shuttle, it should be used in lieu of paid transportation.
- When **parking at the airport** for longer than two days, use satellite parking where possible.
- Alcohol is not considered part of travel expense reimbursement and must be specifically approved and coded as "Hospitality" expense (Acct. 5970).

Meals at Conferences

APS will not reimburse for meals when such meals are included with a conference, only the non-conference meal expenses up to stated per diem will be considered.

Incidentals

APS will reimburse for certain "incidental" expenses including gratuities for baggage carriers, porters, hotel employees (bellhops and house cleaners), and similar travel fees. Travelers may request reimbursement for laundry for international or domestic travel lasting seven (7) or more consecutive days. APS does not reimburse for expenditures related to entertainment (e.g. on-demand movies) when traveling. Receipts or other support for such expenditure must be provided.

II. OTHER BUSINESS EXPENSES

From time to time, employees or others on official APS business will incur reimbursable business expenses. All other business expenses in excess of \$25 must be accompanied by a receipt or other supporting documentation including date, location, vendor/venue, participants, expenditure detail and business purpose.

While not inclusive, reimbursable business expenses include but are not limited to:

- Mailing, copier, postage or package delivery
- Business supplies
- Transportation costs including parking, tolls or taxi costs
- Meeting registration costs
- Certification and licensing costs

It is preferred that business expenses be paid directly by using an APS credit card or processed through the normal accounts payable system.

III. MEETINGS EXPENSES

Employees with budgetary authority must develop a detailed budget for an APS-hosted meeting. If a budget does not exist, a budget should be prepared and expressly approved by the CFO or COO prior to commencing any meeting planning.

Allowable Meeting Expenses may include but not limited to:

- Facility rental
- Speaker fees
- Meals and refreshments (must be working meals with a written agenda)
- Local transportation
- Participant support costs including lodging, registration fees, travel reimbursement or stipend
- Meeting support including audiovisual, room set up, etc.

Meeting Materials

Care should be taken to minimize publication/printing expenses and other materials and preparation costs. Whenever possible, meeting materials should be provided to participants via an electronic medium and in advance of the meeting.

Unallowable Meeting Expenses

A number of costs are generally considered unallowable. Any such expenses must be approved in advance by the CEO, CFO or COO and must be coded to "Hospitality" Acct. 5970. Such expenses can *never* be charged against federal grants. They include but are not limited to:

- Alcoholic beverages (unless expressly approved by the CEO, CFO or COO)
- Food and beverage expenses that may be perceived as extravagant (gourmet snacks and desserts, for example)
- Swag bags, promotional items and giveaways
- Travel and other expenses for dependents, spouses, etc.
- Costs of entertainment
- Meals that do not have a written agenda or business purpose. "Intramural" meals shall never be reimbursed with governmental funds
- If you are planning a meeting funded in whole or part by a governmental entity, please also review the APS Federal Grants Procedure Manual for additional information or seek assistance from the Accounting Department

Meeting planning and Logistics

- Employees should work with the Meetings department, when appropriate, for assistance with logistics including (but not limited to) identifying meeting locations and negotiating contracts; coordinating catering, room setup, AV and signage; and serving as a point of contact with the conference venue.
- Planning should begin at least 18 months prior to meeting or conference and should begin as far in advance as possible to minimize costs.

Venue

When possible, employees should consider the feasibility of hosting meetings onsite at one of the APS office locations. If it is determined that the success of a particular meeting will be greater at an alternate site, consult with the meetings department to obtain bids from multiple venues to identify the most cost-effective option that will contribute to the overall success of the meeting. The following should be considered when selecting a venue:

- Reasonable access for attendees.
- Proximity to airport hubs and public transportation.
- Central location for target audience to help ensure maximum participation.
- Proximity of venue to lodging if meeting will be held a location other than a hotel.
- Cost of lodging for attendees.
- Catering expenses.
- Other meeting costs including room rental, AV, service charges and taxes.
- Travel expenses for APS employees and invited participants.

IV. CATERING

Employees shall make every effort to ensure all meal costs are allowable and reasonable. When food and beverages will be provided by the venue, APS employees should inform the events manager at the venue of any APS budget restrictions and request a custom menu aligned with the budget.

- Basic food and beverage items should be selected as necessary for the sustenance of meeting attendees. Per participant meal expenses should be guided by APS per diem rates.
- Alternative food and beverage items may be provided to accommodate participants with dietary restrictions.
- Any food or menu options that may be perceived as extravagant (gourmet snacks and desserts, for example) should be avoided.
- Meals paid for with grant funds must be working meals with a written agenda.
- Meals for networking purposes only or without a working agenda can only be charged to an APS account not connected with grant funds.
- Alcoholic beverages cannot be paid for using any grant funds and are generally unallowable expenses. Alcoholic beverages may be charged to a specific internal APS account but only with the advance permission of the CEO, CFO or COO.

V. AUDIOVISUAL

Every effort should be made to minimize audiovisual expenses while meeting program objectives.

Where practical, APS LCD projectors or projectors borrowed from another organization should be used to minimize expense.

Internet access should not be provided to participants unless necessary for achieving program goals.

VI. HOSPITALITY EXPENSES

APS permits limited expenditures for meals and light refreshments for employees, educators, students, visitors, donors, guests, visitors, volunteers other individuals for the purpose of conducting bona fide APS business. The host must obtain advance approval as an exception to the policy for any expenditure that exceeds the per-person maximum rates set forth in the per diem guidelines above.

- All such expenses shall be documented and submitted for approval and meals associated with a working meeting shall be itemized.
- Such expenditures should occur infrequently and must be reasonable and appropriate to the purpose and nature of the business or programmatic meeting.
- In addition, limited hospitality expenses may be incurred for extended planning meetings, work groups and employee celebrations to commemorate years of service or separation.
 - Please contact the Human Resources Department for specific guidelines regarding employee service and/or separation events.
- No expenditure will be reimbursed if it is expressly prohibited under an internal or external funding guideline.
- Hospitality expenditure that includes approved alcohol costs will be coded to Acct 5970.

VII. PROCESSING TRAVEL & BUSINESS EXPENSE REPORTS

EMPLOYEE RESPONSIBILITIES

APS employees shall complete all expense reimbursement forms and provide supporting documentation including all receipts, contracts, date, location, vendor/venue, participants, expenditure detail and business purpose. The same is required for non-employees requesting reimbursement from APS.

All documents and substantiating receipts should be organized in a manner that allows a reviewer to easily match stated expenses with related documentation.

Expenses submitted for reimbursement (APS or Gov't Funded) shall conform to the following guidelines:

- Online – print to pdf with all supporting documentation/emails from requestor. By Mail – time stamp date received and check for all relevant support
 - Acceptable documentation includes original receipts or scanned copies of receipts.
 - If no documentation is provided, employees will contact traveler and request documentation.
- In both instances, maintain a timeline from receipt to processing to establish the start of the 30-day timeline from submission of form to payment. Expense form and a copy of relevant correspondence should be submitted to Accounting and will be maintained as part of the accounting files.
- Review forms for completeness.
 - Ensure that all subtotals and totals have been calculated. Travelers should be asked to calculate and hand write on the form any subtotals and totals that the form does not automatically tabulate.
 - Check that form is signed and dated by the employee or other individual conducting business on APS' behalf.
 - Accounting/Finance will perform a detailed audit of documentation to ensure all required receipts have been submitted and will contact the employee if additional documentation is required.

- Ensure reimbursement request(s) have not exceeded any budget limits in any category (transportation, lodging, etc.) or in total. If no limits are specified, employees will use prudent judgment to question costs that appear excessive.
- Write appropriate project-specific company code, cost center, and accounting code in the *General Ledger Distribution* section on the bottom of the form. Refer to the *Chart of Accounts* for a complete listing of all available accounting codes by project.
 - The current version of the *Chart of Accounts* can be obtained on the intranet at staff.aps.org – Accounting forms or from the APS Accounting Manager.
- Obtain appropriate signature from supervisor and submit form and documentation to Accounting for final processing and payment.

All travel and business expense reimbursement forms plus substantiating documentation must be submitted to Accounting no later than 30 days after the expense has been incurred to ensure timely financial recordkeeping. Failure to submit reimbursement requests after 30 days risks expenses not being reimbursed and/or may result in taxable income to the recipient.

FINANCE/ACCOUNTING EMPLOYEES RESPONSIBILITIES

Finance/Accounting employees will receive completed Travel and Business Expense reimbursement forms and accompanying documentation. Upon receipt of completed forms, the accounting employees will:

- Confirm that individual claims no unallowable expenses.
 - Notify employees of any unallowable expenses claimed on form that will not be reimbursed.
- Check for complete and appropriate documentation of expenses.
- Notify employees of any deficiencies in documentation and request any additional documentation needed.
- Issue reimbursement check no later than 15 days after the complete expense reimbursement form and supporting information has been received.

VIII. DISPUTE RESOLUTION

Should an individual dispute the final amount of the travel or business expense reimbursement:

- Accounting employees will inform the individual that they do not agree with the amount of the reimbursement and will work to resolve the dispute with the traveler.
- If a resolution cannot be met, the dispute will be elevated to the CFO who will make a final determination.

**APPENDIX: ADDITIONAL TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT GUIDELINES
WHEN FUNDED IN ALL OR PART BY FEDERAL GRANT FUNDS**

PER DIEM FOR GOVERNMENT GRANTS

Per Diem GSA Meal Breakdown for Domestic M&IE Rates by “Tier” (as of March 12, 2019):

TOTAL	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6
	\$55	\$56	\$61	\$66	\$71	\$76
Breakfast	\$13	\$13	\$14	\$16	\$17	\$18
Lunch	\$14	\$15	\$16	\$17	\$18	\$19
Dinner	\$23	\$23	\$26	\$28	\$31	\$34
Incidentals	\$5	\$5	\$5	\$5	\$5	\$5

Meal breakdown for International M&IE rates: Rates can be found on the U.S. Department of State [website](https://www.gsa.gov/travel-resources) at <https://www.gsa.gov/travel-resources>.

First and Last Day Breakdown for Domestic M&IE Rates (as of March 12, 2019):

TOTAL	\$55	\$56	\$61	\$66	\$71	\$76
First & Last Day of Travel (75%)	\$41.25	\$42.00	\$45.75	\$49.50	\$53.25	\$57.00

First & Last Day of Travel

When travel is funded in part or whole by a governmental entity, APS will reimburse 75% of the per diem for the first and last day of travel, consistent with GSA per diem guidelines (see the APS Federal Grant Procedures Manual for further information).

Departure day – the day you leave your home or office.

Return day – the day you return to your home or office.

MEAL REIMBURSEMENT EXAMPLES:

- **Full day of travel (Full Per Diem):**

An employee travels to Washington DC and NO meals are provided during a full day of travel.

Washington DC M&IE = \$76

Calculation: \$18 (breakfast) + \$19 (lunch) + \$34 (dinner) = \$71 + \$5 (Incidentals) = \$76.00/day.

- **First or last day of travel (75% of Per Diem):**

An employee travels to San Antonio, TX for a grant-funded meeting and NO meals are provided on a travel departure or return day.

San Antonio, TX M&IE = \$61

Calculation: \$14 (breakfast) + \$16 (lunch) + \$26 (dinner) + \$5 (incidental) = \$61 x 75% = \$45.75