

Section I

Introduction

The **Travel and Entertainment Policy** applies to all Idyllwild Arts Foundation employees.

Business travel and entertainment are major expenses for IAF. This policy is designed to keep travel, recruiting, entertainment and miscellaneous expenses under control, as well as to ensure adequate guidelines for proper reporting of business-related expenses.

Section II

Travel Arrangements/Reimbursement

Travel Booking All employees may book his/her own air, hotel, car rental and other necessary travel arrangement through the booking agent of his choice. An employee may use his/her personal credit card for reservations and travel expenses if he/she does not hold a corporate American Express or Visa/MasterCard credit card. If an employee does not have a personal credit card, he/she should request a travel advance (see sections VIII).

Reimbursement of Travel Expenses IAF will reimburse business-related expenses once the employee's supervisor has approved a properly completed expense report. In signing the expense report, the employee and his/her supervisor are responsible for ensuring that all expenses are correct, reasonable and in compliance with IA policy.

Expense reports are processed weekly. A properly completed expense report, including all receipts, which is submitted to the Finance office by noon on Monday, will receive a check the following Friday.

Section III

Air Travel

Airline Reservations Every effort should be made to schedule flights well in advance to allow maximum advantage of reduced rates. A copy of the airline ticket or e-ticket confirmation needs to be attached to the expense report for reimbursement.

Class of Air-Travel IAF standard class of air travel is coach. Any upgrade violates this policy and will not be reimbursed beyond coach rates in effect on the dates of travel.

Section IV Automobile Expenses

- Car Rental** Use of rental cars is permissible only when other means of transportation are not available. Taxis, shuttles and other forms of public transportation should be used when available. The size of the automobile rented must be proportionate to the number of individuals in the group and the duration of the trip.
- Purchase of insurance on rental cars is not necessary, as rental cars are covered under IAF's fleet auto insurance.
- IA Vehicles** Standard expenses incurred during the use of an auto will be reimbursed. Any expense should be properly documented on an expense form and submitted for approval and reimbursement.
- All drivers **MUST** be approved through the Human Resource Office before using a vehicle. IAF insurance is primary for all approved drivers.
- Personal Vehicles** Personal automobile expense will be reimbursed when used for business purposes at the current rate of **\$.45 per mile**. Employees must log the mileage for **EACH** trip and the purpose of the trip on the expense form. The mileage recorded must begin from an office location, not a home.
- The employee's supervisor must approve lengthy trips with a personal automobile **BEFORE** travel begins. In some cases, it may be more economical to fly to certain destinations; if that is the case the employee is expected to purchase an airline ticket. If the employee chooses to drive, he/she will only be reimbursed for the amount that airline ticket would cost.
- Personal auto insurance is primary coverage.
- Tolls and parking fees are reimbursable when submitted with receipts.
- IAF will not reimburse individuals for parking tickets, fines, traffic violations, vehicle repair, or maintenance.
- Commuting Expense** Travel from an employee's home to a normal place of business will not be reimbursed. The IRS defines commuting expenses as:

“.....the costs of transportation, including driving your personal car, between, your home and your main or regular place of business. These costs are personal expenses regardless of the distance from your home to regular place of work. An employee may have more than one regular place of business.”

For additional guidance, please contact your tax advisor.

Section V Hotel Accommodations

Hotel Reservations	Employees may stay at any hotel of choice, however reimbursement will be in accordance with the IRS Federal Per Diem Rates. IAF will reimburse any hotel room up to \$200.00 plus tax per night, unless the per diem is said to be more when consulting the IRS schedule. For questions concerning per diem amounts for specific areas, please consult either the Business Office, or refer to the following website www.gsa.gov then click on the link “Domestic per diem rates”.
Distance Requirement	Lodging expenses will be reimbursable when the employee is traveling more than 100 miles (one way) from his/her office. If the location is located fewer than 100 miles from his/her office the lodging expense will not be reimbursed. Exceptions may be approved in advance of lodging due to special circumstances.

Section VI Meal Allowance

Employee Meals	<p>Employees will be allowed a \$30.00 per day meal allowance in accordance with the IRS per diem rates, unless the per diem amount is said to be more when consulting the IRS schedule. For questions concerning per diem amounts for a specific area, please contact the Business Office or refer to the following website www.gsa.gov and click on “Domestic per diem rates.” However, when purchasing a single meal while on IAF business, the following per diem amounts will be reimbursed:</p> <ul style="list-style-type: none">• Breakfast - \$7.00• Lunch - \$8.00• Dinner \$15.00 <p>Alcoholic beverages (for employees only) WILL NOT be reimbursed.</p>
----------------	--

Room Service Room service is to be used only when there is no other food service available, or the employee is traveling alone and security is an issue.

Entertainment Meals Reasonable business-related expenses, including tips for food and beverages furnished to third parties are reimbursable when the following guidelines are met.

Entertainment is directly related to the active conduct of a trade or business when (1) there is more than a general expectation of deriving income or some other specific business benefit, (2) the principal purpose was the active conduct of business and (3) business discussion was engaged in during the entertainment.

Alcoholic Beverages are allowable for reimbursement in cases of meeting with constituents where appropriate. (i.e. trustees, donors, contractors etc. and also faculty/staff recruitment.)

The following information is required when submitting an expense for reimbursement of entertainment related meals:

- Date/place of entertainment
- The names of person(s) entertained
- The reason for entertainment

Meal Receipts An actual itemized receipt must be attached to the expense report. Even when the employee pays with a credit card, the actual itemized receipt must accompany the credit card receipt to be eligible for reimbursement. Credit card statements are not acceptable as receipts.

Section VII Miscellaneous Expenses

The following miscellaneous expenses are reimbursable when in compliance with IAF Policy.

Telephone Expense Business calls on behalf of IAF when traveling for IAF are reimbursable.

Business calls placed from home will be reimbursed with an attached copy of the bill and appropriate calls noted as reimbursable.

Personal calls will not be reimbursed.

Laundry Service	Laundry service is only reimbursable when a trip is over six days in length.
Tips	Reasonable tips are reimbursable and should be included with cost for meals, entertainment, taxis, etc. Tipping rates will vary depending upon customs, locality, and an employee is expected to conform to local practice.
Parking	Local, hotel and satellite long-term airport parking reimbursement are applicable to rental, personal and IAF vehicles. Appropriate receipts will need to be attached to the expense report.
Gasoline	Gasoline charges are reimbursable when using a rental car or IAF vehicle. Rental cars should always be refilled at a local gas station.
Business Gifts	Business gifts must have prior approval from the appropriate administrative officer. The IRS limits gifts to \$25.00 per outside party, per year.

Section VII Non-Reimbursable Expenses

The following items will not be reimbursed under this policy.

- Loss or damage of personal items (i.e. luggage, car repairs, etc.)
- Expenses resulting from injury or illness.
- Expenses for newspapers, magazines, greeting cards or floral arrangements.
- Personal Entertainment fees (i.e. movies, video games, in room movies, etc.)
- Personal items (i.e. clothing, toiletries, medication etc.)
- Mini-bar expenses

Section VIII Travel Advances

Request of Advance Advances are intended primarily for business travel. Travel advances for individuals will be considered on a case by case basis. All requests must be submitted to the Business Office by noon on Monday to be processed and ready on Friday of the same week. Any request received after the deadline will not be processed until the following week.

Reconciliation	Unused funds must be returned with the expense report and not carried over for future expenses. All advances must be reconciled within 7 days after the return from the trip.
Denial of Advance	Travel Advance requests may be denied due to outstanding advances as determined by the Director of Business and Finance or the Controller.

Section IX Corporate Credit Cards

Eligibility	Corporate American Express (AMEX) and Visa/MasterCard credit cards will be provided on a need basis for business and entertainment use. The Director of Business and Finance or the Headmaster will determine approval of a corporate card for an employee.
Personal Expenses	Personal charges are not allowed on the corporate AMEX or Visa/MasterCard credit card. The credit card is made available to minimize the amount of cash employees must carry and to eliminate the need for travel advances for those cardholders. Recurring personal charges may result in suspension of an employee's corporate card privilege.
Reconciliation	<p>AMEX statements will be sent to the cardholder on a monthly basis. The cardholder must reconcile his/her original receipts against the statement. The employee's supervisor must approve the statement and submit it to the Director of Business and Finance for payment.</p> <p>The reconciliation shall be turned in within 14 days of receipt of the statement to ensure proper recording of expenses.</p>
Personal Credit Cards	Personal credit cards should not be used to transact Foundation business unless approved by the Director of Business and Finance. Use of personal credit cards for Foundation business may result in the denial of reimbursement for these expenses.

Employee Acknowledgement

I acknowledge that I have read and understand the Idyllwild Arts Travel and Entertainment Policy.

I understand that the Idyllwild Arts Business Office will contact me for reimbursement of any expense deemed non-reimbursable. I understand I will have 14 business days to reimburse Idyllwild Arts or the amount will be deducted from my next payroll check.

Employee Signature

Date

1/31/2010 12:44 PM