



# **Rider University**

## **Travel and Business Related Expense Policies**

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## **Introduction**

As a major not-for-profit organization, Rider University is held to a high level of accountability for its business practices. Numerous constituencies (including students, donors, alumni, The State of New Jersey and the federal government) have an interest in how the University spends its money. Accordingly, every reasonable effort must be made to ensure funds are used in a responsible and appropriate manner.

This policy and these procedures have been prepared as guidance in identifying legitimate travel and business related expenses incurred in carrying out necessary, authorized business of the University. Individuals incurring similar expenses are to be reimbursed or not reimbursed consistently throughout the University. Individuals may not charge any item of travel or business related expense directly to the University, in the name of the University, except when using the official travel agency of the University. (See exceptions in Scope of Policy section below.) While traveling on University business, travelers should expect to receive service and accommodations that are both safe and comfortable, but not lavish or extravagant. In addition, travel arrangements must be well planned so that costs will not exceed budgetary limitations.

To ensure that expenditure decisions are consistent with the University's mission, applicable laws and ethical practice, departments must comply with the policies and procedures in this document.

## **Scope of Policy**

This policy covers expenditures for all University travel including recruitment, administrative and group travel charged to unrestricted, restricted and designated funds. Group travel is defined as 10 or more individuals traveling together. Faculty travel covered under the AAUP contract and budgeted in account 2-41002 and 2-41006 is covered under a separate policy and procedure.

Group travel arranged by faculty members is governed by the AAUP contract and such travel may be reserved using current practices. Faculty making individual or group travel arrangements, however, are encouraged to seek quotes from the University travel agent. Any travel paid by an outside concern is exempt from the requirements of this policy.

## **Prior Approval of Travel and Business Related Expenses**

Purchase Orders are required for all purchases over \$500 prior to the purchase of goods or services. Purchase Orders are not required for "inside" vendors such as Aramark, Collegiate Press and the University Store. For all purchases at the University Store over \$500, the requisition must have prior budget approval before the items are purchased. Purchases under \$500 do not require a Purchase Order but one may be used if required by the vendor.

To complete the Purchase Order, clearly document the name and address of the vendor on the top left side of the form. To the right on the top, indicate the department ordering the item. This will assist in directing the purchase to the correct office and will also hasten the invoice reaching the department for verification and authorization. After completing the details of the purchase (e.g., quantity, item description and price) indicate account number(s) to be charged, department(s), along with the authorized signatory on the account(s). Please allow five (5) working days for processing.

### **Prior Approval of Travel**

A pre-approved Purchase Order for travel must be completed stating the purpose of the business travel. This would include the following:

- a. time of travel
- b. dates of arrival and departure
- c. place of business travel
- d. names of those traveling
- e. all anticipated expense such as registration fee, air fare or estimated mileage expense for auto trips, hotel, meals and a reasonable amount for incidentals such as taxis.

If any portion of the travel is to be paid by an outside organization it should be so stated on the Purchase Order. This Purchase Order should be in the name(s) of the employee(s) traveling or the name(s) of the employee(s) responsible for group travel and should list all anticipated costs named in item (e) above to encumber the account for the trip costs. The budgetary head should approve the Purchase Order before it is sent to accounting for budget approval.

An approved travel Purchase Order should be obtained before employees make and pay any travel reservations and/or registration fees. It is the traveling individual's responsibility to ensure that this pre-approval is obtained.

Any obligation entered into without proper authorization may be considered a personal obligation of the individual with the vendor.

### **Approval of Travel and Business Related Expenses**

Travel Expense reports must be completed within 15 days upon return from travel or time of when expense was incurred. It is the responsibility of the individual approving the Travel Expense report to assure the accuracy of the report, the appropriateness of the expenses, comparability with the Purchase Order, and the compliance with all aspects of this policy.

Travel and business related expenses must be approved by the employee's supervisor. The Associate Vice President for Academic Affairs must approve faculty travel. An

individual may not approve his or her own travel and business expenses. Also an individual may not have his or her travel and business expenses approved by a subordinate.

- The Deans of the Colleges should have their Travel Expense reports approved by the Vice President for Academic Affairs and Provost.
- The Vice Presidents and President of the University should have their Travel Expense reports approved by the Vice President for Finance.
- The Vice President for Finance should have Travel Expense reports approved by the President.

Travel Expense reports will also be reviewed by the Disbursements Office to ensure compliance with IRS regulations and compliance with University policy.

### **Documentation Standards**

Reimbursable expenditures must be supported by documentation attached to the Travel Expense Report. The documentation must be presented in an orderly fashion. Affix receipts to one or more sheets of standard 8-1/2" x 11" paper and include explanations and cross references in the margins. In all cases, there must be a clear trail from the receipted amounts to the amounts claimed on the expense report, or the amounts may be charged back.

The Internal Revenue Code requires reimbursable expenditures to be supported by adequate records which clearly establish that they were (i) ordinary and necessary, (ii) reasonable in amount and (iii) incurred for a valid business purpose. The University interprets this to mean that all of the following criteria must be met to qualify for reimbursement:

- The identity of the vendor or supplier must be indicated.
- The business purpose for the expenditure must be stated.
- The identity and business relationship of others participating in the event (e.g., entertainment, business meal, etc.) covered by the expenditure must be stated.
- Original itemized receipts must be attached (e.g., itemized hotel bills, airline passenger receipt coupons, automobile rental invoices, parking receipts, telephone, business meal receipts, etc.) for all expense items regardless of amount, except receipts are not required for certain expenses under \$25 such as taxi fares, rail fares, tolls, etc. No receipts are required for mileage, however mileage documentation should include to/from information. Photocopies of receipts will not be accepted. Because of IRS documentation standards, substitute or incomplete documented receipts will not be accepted and reimbursement will be disallowed (e.g., guest check stubs, receipts without dates). If the original itemized receipt is not available, adequate proof of payment must be submitted (e.g., original credit card statement, copy of canceled check), along with an explanation of why alternative documentation is being submitted.

In addition to meeting the above criteria, any specifically required explanations per provisions contained in this document must be provided.

In the rare event that neither a receipt nor proof of payment is available (accidentally destroyed, lost, etc.) the specific reimbursement must be approved by the appropriate Division Head. An explanation must be included with alternative documentation.

### **Exceptions**

Exceptions to any of the provisions set forth in this policy require the prior approval, in writing, of the Vice President for Finance or his/her designee. If the expenditure is to be charged to a grant or contract, then the exception also requires approval of the Grants Coordinator.

### **Travel Services**

The University travel agent is World Travel, Inc. All airline tickets, hotel and car rental reservations must be made through the University travel agent. Travel is treated like all other purchases, with Purchase Orders “reserving” budgeted funds and setting limits on travel costs. Working through our designated travel agent can provide University employees negotiated discounts on hotels and car rentals that other individuals may not get. For airfares, the agent will get the most competitive rate, and will continually search for better fares and refund the difference in the event any employee finds a comparable, cheaper fare. World Travel also provides individual travelers a 24-hour resource for any problems encountered while traveling at any time with the help of the agency support team. Refer to Team D when contacting World Travel at 1 800 341-2014.

### **American Express Corporate Card**

American Express corporate card applications are available to University employees for travel and business related expenses as well as personal expenditures. An application for the credit card with no annual fees can be obtained from Human Resources. While issued through Rider University, charges incurred on these cards are the responsibility of the individual with reimbursement from the University as allowed under this policy for travel and business related expenses.

### **Travel Advances**

A travel advance for meals and incidentals will be issued no more than two weeks before the travel date. An approved cash advance request must be completed referencing the trip Purchase Order and sent to the Disbursements Office for processing.

The reconciliation of the travel advance must be completed within 15 business days of the return from the trip. If the travel advances are in excess of expenses, then a cash receipt from the cashier’s office indicating that unused money was returned to the

University should be attached to the travel expense report. The returned overage will be deposited in and credited to the account to which the expense advances were charged.

Individuals having unreconciled travel advances after 30 days from the date of return will be sent a reminder notice. After 60 days a second notice will request reconciliation and state that after 90 days the advance will be deducted from the individual's pay. Any advance unreconciled when an employee leaves employment at the University will automatically be deducted from his/her last paycheck.

### **Airline Travel**

Travelers are encouraged to make reservations as far in advance as possible to take advantage of airline discounts. To be reimbursable, all airline reservations must be quoted through the University travel agent except as noted below. Reimbursement to other travel agencies or directly to employees will not be authorized unless prior written approval of the Vice President for Finance was obtained, exceptions as follows:

- Departments may choose to obtain a competitive quote directly from an airline or another agent. Quotes must be in writing, obtained at the same time as the quote from the University travel agent, and with identical specifications (travel dates, flights, times, number traveling, etc.). If the alternative quote is lower, reimbursement will be made to that vendor if both are included with the Purchase Order.
- Airline travel that is required to be booked through the NCAA travel agent is exempt from the requirements of this policy.
- Faculty travel is covered under the AAUP contract.

Air carrier selection cannot be biased by any traveler's frequent flyer affiliation. The lowest cost air travel will take precedence over frequent flyer programs. If at any time a traveler feels the University travel agent has not quoted the lowest airfare, it should be brought to the agent's attention immediately. In addition, employees should contact the Assistant to the Vice President for Finance, who serves as University Travel Coordinator, for follow-up on any fare questions or other service issues involving the University's designated travel agency.

Employees must notify the University travel agent of any tickets or other travel reservations that will not be utilized. All unused tickets must be returned to the agency as quickly as possible.

All airline tickets should be guarded as closely as you would guard cash. In cases where tickets are lost, the travel agency must be notified immediately so that alternative plans can be made. Department accounts will be charged for all costs associated with lost tickets.

Employees should book reserved round trip itineraries whenever possible as opposed to “open flight” segments since these flights are always priced at the highest full coach fare. An “open flight” would be one in which no return date was stated.

### **Automobile Rentals**

Automobiles should be rented only when public transportation and taxis are impractical, more expensive, or not available, and only when traveling out of town. To be eligible for reimbursement, all reservations must be made using the University travel agent. Vehicles up to an intermediate (midsize) class are customary for individual travelers. The next size class may be rented when three or more people are traveling together.

Reimbursable items include the actual cost of the rental, excess mileage fees, tolls, and gasoline purchases. Although reimbursable, one-way rentals should be avoided and must be specifically explained in the documentation attached to the Travel Expense report. Rental costs in excess of airfare or other public transportation are not reimbursable without prior written authorization.

Reimbursement for rental cars should be included on the Travel and Business Related Expense report and documented by an original rental agreement. Credit card receipts are not sufficient for reimbursement. If a car rented for business purposes is also used for personal reasons, all additional costs incurred as a result of personal use must be computed and paid by the individual.

While on University business in the United States, employees should decline Collision Damage Waiver (CDW) or personal liability insurance offered through the rental company to cover deductible amounts as the University provides this insurance. When renting vehicles in a foreign country, collision auto liability insurance options must be accepted, as University insurance does not provide this coverage.

### **Business use of Personal Cellular Telephone**

While cellular phones (“cell phones”) are now readily available and very convenient, the phones and their use can be very expensive and should not take the place of landline phones where they are readily available.

Calling charges having a legitimate business purpose are reimbursable; charges for personal calls are not reimbursable. Business charges from the monthly invoice should be highlighted and include documentation for the business purpose of each call.

The following costs related to personal cellular usage are not reimbursable:

- phone purchases, lease or installation costs, and the fixed monthly service charge;
- the cost of special features, such as call waiting, answering service, voice mail, conference calling and call forwarding;



- the cost of additional hardware, such as battery, battery charger, car adapter, and hands-free installation.

### **University Provided Cellular Telephones**

University provided cellular telephone contracts require appropriate Division Head approval and Vice President for Finance signature. Cell phones should only be assigned to staff members whose University assigned duties require them to immediately communicate with others or be immediately available regardless of where they are located.

Use of University cell phones must be restricted to University business only, and such use will be authorized and monitored. The University must be reimbursed for any occasional incidental or emergency personal use of University cell phones. Each employee will be responsible for the safekeeping, care, and custody of the cell phones assigned to him or her and will be responsible for costs associated with the replacement of a lost or stolen phone.

In accordance with IRS documentation requirements, departments must retain cellular telephone bills and be able to document the business purpose of each call. If the business use of a cellular telephone is infrequent, or if personal use exceeds business use, the departments should require the employee to provide his or her own cellular telephone and submit reimbursement requests for business calls.

### **Personal Use of Telephones**

Rider employees making personal phone calls are asked to reimburse the University for the cost of those calls. Because we know how quick calls can be necessary to check on children, etc., calls less than \$1.00 each are exempt from the reimbursement requirement.

If an individual is away overnight, one personal phone call home of reasonable duration per day will be reimbursed. Additional cost savings may be obtained by using a long distance calling card to avoid the costly phone rate structures hotels and some pay phones have.

### **Hotels**

Travelers are authorized to use only the standard single room rate. If this rate is unavailable this shall be noted on the Travel Expense report. This policy will not apply for a seminar or convention where the sponsoring organization booked blocks of rooms at a specific hotel. Travelers are expected to utilize economical accommodations. University travelers can realize significant savings by using discounted hotel rates available through the University travel agent.

All hotel reservations must be arranged through the University travel agent. Reimbursement to other travel agencies will not be permitted except as follows:

- Hotel reservations required to be booked through the NCAA travel agent are exempt from the requirements of this policy.
- Departments may choose to obtain a competitive quote directly from a hotel or another agent. Quotes must be in writing, obtained at the same time as the quote from the University travel agent, and with identical specifications (travel dates, times, number traveling, etc.). If the alternative quote is lower, reimbursement will be made to that vendor if both quotes are included with the Purchase Order.

The following types of expenses are considered to be of a personal nature and will not be reimbursed:

- Personal or extra-cost services such as barber, laundry service, beautician, manicurist and shoeshine;
- Special room services, such as in-room movies;
- Additional charges for room upgrades, poolside rooms, or special floors.

An itemized hotel bill must be included with your Travel Expense report. A credit card receipt is insufficient to support a business hotel stay.

### **Lodging Expense within a Two Hour Drive of Rider**

Overnight lodging within two hours driving distance from Rider University must have the Dean or Division Head's prior written approval submitted with an explanation of the rationale for the request.

### **Room Service**

Room service shall be used at the discretion of the traveler who bears in mind the service shall not be authorized when the charge for such service is excessive.

### **Local Transportation**

Costs of public transportation, airport shuttle vans, and taxis, including reasonable tips, are acceptable for service to and from airports and railroad stations, and between hotels and meeting locations if properly substantiated by original receipts. Airport shuttle vans or buses should be used whenever possible.

### **Group Travel by Bus**

It is expected departments will arrange for the most cost effective bus service available. Departments are encouraged to get quotes independently and to book travel either independently or through the University travel agent based on consideration of cost and service factors. The cost of bus travel must be included on an approved Purchase Order submitted for the groups' total travel cost, or a notation must be included stating that the

bus travel costs for the trip are included in a separate blanket Purchase Order for bus transportation.

### **Rail Transportation**

The University will reimburse the cost of first class railroad fare plus the lowest priced available private Pullman facilities not to exceed the cost of coach airfare. Local rail travel would be expected to be at the lowest rate, whether it is NJ Transit or Amtrak.

### **Meals**

Reimbursement of meals will not be granted in instances in which meals are covered by conference or registration fees, or other instance in which the employee does not pay for the meal. Student meals will be reimbursed on the basis of actual reasonable cost or a reasonable per diem.

A valid original receipt documenting the actual purchase of the meal claimed for reimbursement must be submitted with the Travel Expense report. Groceries are not considered a meal subject to reimbursement. Substitute or incompletely documented receipts will not be accepted and the reimbursement will be disallowed.

It is sometimes more convenient to have one individual pay for meals of other University members who qualify for a meal reimbursement. This practice is acceptable providing the individual lists the names of all others covered by the payment. The other University members are not entitled to any reimbursement under these circumstances or when the University provides a meal.

### **Business Meals**

The University will deny payment or reimbursement for meal expenses that lack documentation or a clear business purpose. Gatherings that are primarily social in nature, such as holiday, retirement or appreciation gatherings, do not qualify for payment or reimbursement as business meals.

Reimbursement for business meals depends on those participating. Two broad categories apply, namely, those involving only University personnel and those involving University personnel as well as others. The amount of any reimbursement is equal to the actual amount of the expense incurred at the restaurant, plus a reasonable tip.

### **Meals Only Involving University Personnel**

Meals involving only University employees are acceptable, but only when a seminar, retreat, workshop, orientation or another University function is being conducted and with prior written approval from the appropriate Vice President.

## **Business Meals Involving University Employees and Others**

The University may pay or reimburse properly documented meals involving University employees and non-University employees whose primary purpose is University business. Expenses may be incurred only for those individuals whose presence is necessary to the business discussion. In addition to an itemized receipt, IRS rules on substantiation of business expenses require documentation of the time, date, place, business purpose and attendees at the meal.

## **Courtesy Gifts for Friends in Exchange for Meals or Lodging**

If friends, relatives or associates provide meals or lodging for traveling Rider employees, the University will reimburse the employee a maximum of \$20 for gifts or entertainment offered in return for each day of meal(s) or lodging. The name and address of the host must be provided. If a host or host's household provides meal(s) or lodging for more than one employee at a time, \$20 per day is the maximum reimbursement for the entire group of employees.

## **Travel Expenses for Other Than University Employees**

Travel expenses to other than University employees, such as guest speakers, consultants and prospective employees are subject to the same regulations pertaining to University employees.

## **Recruiting Expenses**

The payment of recruiting expenditures may occur in one of the following ways:

- Reimbursement to University employee
- Reimbursement to the recruit
- Direct payments to vendors

Recruiting expenditures must be reasonable, prudent and commensurate with the position being recruited. Receipts are required for reimbursement of all recruiting expenses. For meal, IRS rules require documentation of time, date, place, business purpose and attendees at the meal.

## **Complimentary Ticket Policy**

When planning a special University event, the responsible person or department will determine which staff members are needed to work the event. Staff who are designated as essential for the smooth operation of the event will be given a complimentary ticket. If staff are not designated by the sponsoring department, they will have the option to attend public events but will be required to purchase a ticket to attend. Where appropriate, every opportunity will be given to offer reduced cost tickets to faculty and staff.

## **Personal Travel**

If a traveler wishes to include a personal trip while on University business, these expenses must be billed to the employee personally.

## **Student Groups Traveling in the Name of Rider University**

All expenditures for student groups traveling in the name of University business, such as athletic teams and choirs, are covered under the guidelines established by this policy. All expenditures on behalf of these students must be paid through the University accounting system rather than having the students pay the travel agency directly.

## **Organization and Reconciliation of Group Travel Documentation**

The following items must be included, if applicable, in the group travel expense report along with original receipts:

1. Student meal per diem signature list. (Student per diem Signing Sheets need to include the purpose of the per diem, date funds were distributed, student name, amount received as per diem, and signature of the student.)
2. Hotel rooming list.
3. Number of airfares used.
4. Copy of original Purchase Order, listing approved travelers and estimated expenses. (These first four reports should all be referring to the exact same group of people and should be reconciled as such.)
5. Any meals paid in advance according to a contract must be reconciled with a final head count and final invoice.
6. The submitting department has the responsibility for reconciliation to these items.

## **Personal Automobile Travel**

Employees will be reimbursed for use of personal automobiles when the University requires such usage and the mileage in any single day exceeds their base mileage rate (normal commuting distance). The mileage reimbursement rate is the maximum current rate allowed by the IRS and the reimbursement is calculated as follows:

- Determine the total number of business-related miles traveled during the day, beginning and ending at your residence.
- Subtract from that total your base mileage (normal commuting distance) when making a round trip between your residence and your assigned office.
- The difference is your allowable reimbursed miles. Documentation for reimbursed mileage amounts must include the above calculation, destination and business purpose.

Should personal automobile expenses exceed the cost that would have been incurred for public transportation, use of a personal vehicle must be justified for one of the following reasons:

- a) No reasonable means of public transportation is available to the destination at a suitable time.
- b) The personal vehicle is used to carry passengers. All passengers should be listed.
- c) The personal vehicle is used to carry equipment too bulky, heavy, sensitive, or fragile for public transportation.

Actual toll charges and parking fees, if itemized, may also be claimed under this method of reimbursement. This rate is intended to cover all transportation and operating costs including insurance. The cost of buying gas is included in the mileage reimbursement rate, and should not be separately charged when requesting reimbursement from the University for mileage. No reimbursement is given for the cost of repairs to a personal auto or other such costs whether they result from the traveler's acts or the actions of others.

When a personal automobile is used in lieu of public transportation or car/van service, mileage and parking costs may be charged to the maximum of the lowest cost alternative transportation. The cost may exceed the lowest cost alternative transportation if there are other advantages, such as substantial savings in time.

The only recognized exception to the reimbursement for the use of your personal auto is for Admissions Counselors. Those employees should refer to the mileage reimbursement memo for rules concerning reimbursement of personal auto use by Admissions Counselors for University travel.

### **Car/Van Service**

When a car/van service is used in lieu of public transportation or personal automobile, the costs may be charged to the maximum of the lowest cost alternative transportation. Documentation must include computation of the lowest cost alternative transportation.

### **Payment for Services**

If an employee pays another individual to provide services (e.g., consultants, performers, officials, etc.), the University will not reimburse the employee for these expenditures. All individuals providing services to the University must be paid directly by the University.

## **Non-Reimbursable Expenses**

The following items are not reimbursable under any circumstance:

- ***Those with an unreasonable cost or which are unnecessary or not required for conducting University authorized business.***
- ***Entertainment expenses for University employees where only University employees are involved.*** Examples are a University employee buying another University employee lunch (even if University business is conducted during lunch); appreciation lunch for student workers; a department head taking employees to lunch; holiday, retirement, and other office parties; daily coffee or water service, etc.
- ***Fines*** for parking or traffic violations.
- ***Theft, loss or damage of personal luggage and effects while traveling.***
- ***Personal expenses:*** babysitter, house-sitting, toiletries regardless of the circumstance, barber, hairdresser, car washes, golf fees, health club fees, laundry, medical bills while traveling, movies, optional conference entertainment, personal entertainment, pet care, phone calls (except as specified on pages 6 and 7), and shoe shine.
- ***Travel accident insurance premiums.***
- ***Gifts or Flowers*** including fruit baskets or other items of condolences or congratulations.
- ***Spouse, domestic partner or other dependent expenses*** for travel, lodging or meal expense will not be reimbursed unless the Vice President for Finance, in advance of the travel, specifically approves it in writing.

The above non-reimbursable items are not to be considered all-inclusive. All reimbursements are subject to review by the Assistant Vice President for Finance and the Director of Disbursements. Unusual or extenuating circumstances that might warrant an exception to these policies must be discussed beforehand with the Vice President for Finance.

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