

SCI TRAVEL & BUSINESS EXPENSE POLICIES

Board of Director's Approval August 27, 2005

Safari Club International, (SCI), is a non-profit tax-exempt organization and is therefore held to a tighter standard and higher level of scrutiny particularly when it comes to payment of travel and other business expenses of staff and volunteers. Upon recommendation by the Audit Committee, the Executive Committee establishes policy in regard to eligibility, limitations and guidelines on travel and other expenses for volunteers and staff as follows:

GENERAL POLICY GUIDELINES

1. Authorization

- Travel advances may be issued to staff for each specific business event or trip. A staff member's immediate supervisor must approve staff travel and advances before any air or hotel reservations are made or travel advances issued. The **AUTHORIZATION FOR TRAVEL AND ADVANCE** form must be signed by the staff member's immediate supervisor and submitted to the accounting department for payment processing. If the business use of the travel advance is not documented or substantiated within a reasonable time (**45** days) through the use of the standardized expense voucher form, the travel advance amount will be included as compensation in the employee's W2 statement. Unsubstantiated travel advances could also result in loss of travel advance privileges.
- Volunteers are also eligible for reimbursement of travel and other *reasonable and necessary* SCI committee or authorized (business) expenses such as printing, postage, telephone, secretarial services, etc. to the extent that there is a budget established for such items. If there is no budgeted amount for an item it will not be approved. Authorization should be received in advance from the committee chairman or authorized staff for travel and other business expenses. When a budgeted amount has been fully expended, the committee chair and/or authorized staff should not allow additional expenditures to be made without special authorization and appropriation by the Executive Committee. It shall be indicated on an expense voucher form which committee budget the claimed expenditures are to be charged to and the committee chairman who has authorized the expenditures.
- All expense voucher payments are subject to Audit Committee review and approval.

2. Reporting

- All reporting and reimbursement requests for travel and other expenses must be completed and substantiated through the completion of a standardized expense voucher form and submitted within **45** days of the date the expenses were incurred for review, approval and reimbursement payment, if applicable. Expense vouchers submitted past the **45** day reporting requirement are subject to ineligibility for reimbursement.
- A separate expense voucher form must be submitted for each event or trip with a description of the nature of the SCI/SCIF business.

- Travel and other expenses must be documented and substantiated with receipts, and any expense for \$25 or more that does not have a receipt will not be reimbursed. Receipts are required for all meal reimbursements. If any spouse and/or guest is included on an SCI charge account, reimbursement to SCI should be provided immediately. In other words, if a spouse and/or guest is included in the SCI meal function and their meal is not considered official SCI business, then the individual must reimburse SCI on the expense reimbursement form.
- Expense vouchers that include receipts denominated in foreign currency should include the exchange rate used to convert to US dollars.
- All expenses, except tips, must be documented with a **detailed** receipt (itemizing each cost on the receipt, not just a total cost). Attach the original receipts to the expense voucher.

3. Specific Policy Guidelines

As a matter of practice and policy, any SCI departmental operation or committee is eligible for SCI to reimburse expenses incurred for travel and/or other business expenses provided:

- Budgetary funding has been established and approved through the standard budgetary and fiscal management process.
- Such expenses **must be reasonable and necessary** and in accordance with this policy.
- Expenses incurred in attending any Board of Director's meeting, (as opposed to attending any committee meeting scheduled at the same location before or after the board meeting), or the Annual Convention are not reimbursable **except** that volunteers serving on the Audit, Executive, Ethics and Nominating Committees and SCI Foundation Board of Directors are eligible for reimbursement for *reasonable and necessary* expenses incurred in attending any Board of Director's meeting and the Annual Convention. Convention exhibit floor managers authorized by the Convention Chairman are eligible for reimbursement for *reasonable and necessary* expenses incurred in attending the Annual Convention.

4. Non-reimbursable Expenses

Expenses for the following are specifically **not** reimbursable:

- Laundry, except for travel in excess of two weeks
- Personal expenses (non-business)
- Gifts to SCI staff members
- Entertainment expenses
- Meal expenses in excess of \$75 per day
- Unauthorized business entertainment expenses (see item #13)
- Rental car expenses in excess of the standard authorized amount
- Hotel room movies, hotel room mini-bars, expenses incurred for spouses, guests or family members, health club fees or personal entertainment.
- If the traveler extends their travel for personal reasons, the additional travel costs are a personal expense to the traveler.
- Alcohol beverages as a function of SCIF Sables budget activities.

5. Expenses of Spouse, Guest or Family Member

Expenses incurred by an employee or volunteer related to their spouse, guest or family member's attendance or participation in a SCI sponsored or SCI related function shall be a non-reimbursable expense. Exceptions to this rule are the following:

- Expenses incurred by any volunteer or employee for attendance or participation of the spouse, guest or family member when it is deemed appropriate and necessary by express pre-approval of the Executive Committee as to volunteers and the Executive Director as to employees.

Lodging expense when the spouse, guest or family member is sharing the same room with the employee or volunteer.

6. Pre-approval of International Travel

- Strike*
- All international travel will require pre-approval from the SCI Executive Committee or the SCIF Board, ~~unless the travel has been:~~
 - ~~(i) specifically referenced in the budget, and~~
 - ~~(ii) the budget has been approved by the Board.~~

~~This pre-approval requirement is independent of other pre-approval requirements in this policy document, including 7. Air Transportation policy below.~~

~~The individual on international travel may extend the trip for personal reasons if the economics for the airfare mandates the additional stay or benefits the association. Should the individual exercise this option, the individual will be responsible for any and all room/food/beverage and incidental expenses related to the extended days of stay.~~

- Reinstate*
- ~~Travel to CANADA and MEXICO is excluded from the definition of international travel for purposes of this pre-approval policy.~~

7. Air Transportation

- ~~Only~~ The cost of coach class or economy class airfare on a commercial carrier, and associated fees, are eligible as company paid business expenses. ~~reimbursable when using a commercial air carrier.~~

- All airfare upgrades above coach or economy class, such as Business Class or First Class, must be pre-approved by the SCI Executive Committee or SCIF Board in advance of the air transportation being purchased.

- If the traveler believes that an airfare upgrade is necessary, they must submit a written request for pre-approval which includes substantive information explaining why the more expensive airfare is a reasonable and necessary business expense. Following are sample factors that can be taken into account for a reasonable and necessary business expense justification:

- There are security factors ~~or other factors~~ that make it necessary to use business-class travel in order to accomplish the SCI or SCIF mission;
- Coach-class travel is unavailable in time to accomplish the mission, and the mission cannot be delayed or postponed;

- The traveler has a disability or special need;
 - The duration of the travel is 14 hours or more, including stop-overs and change-of-planes;
 - The carrier does not provide adequate health or sanitation in other travel classes;
 - The provision of one or more rest days would not offset the travel difficulties;
 - There would be a cost-savings to SCI or SCIF, taking into account other additional costs and loss of productivity;
- The use of a privately owned airplane for SCI business purposes is a reimbursable expense. SCI will reimburse for *reasonable and necessary* air mileage accumulated on SCI business and paid at the rate allowed by the Federal Travel Regulations (FTR). This rate includes fuel. The mileage payment shall not exceed the constructive cost of coach or economy airfare on a commercial air carrier. Mileage shall be payable to only one, if two or more individuals are traveling together on the same trip using the privately owned airplane. However, in no event will the total amount paid by the company exceed the total calculated amount using the roundtrip air mileage and the mileage rate determined by the FTR. Explanation of the SCI business purpose is required.
 - In order to maximize pricing discounts, it is recommended that the airline ticket be purchased at least **21 days** in advance of travel and include a Saturday night stay over, if applicable and if cost effective. The Audit Committee may reject reimbursement for airline tickets not purchased at least **21 days** in advance of travel and may require the traveler to assume the additional cost.
 - Only SCI authorized staff and Executive Committee members are authorized to book airline tickets to SCI's direct billing account. All other travelers on SCI business must pay for the airfare personally and submit an expense voucher for reimbursement.
 - Detailed explanations are required for airfare rates greater than \$1,000.
 - Receipts are required.

8. Ground Transportation

- The use of a rental car for SCI business purposes is a reimbursable expense. Car rental expenses above the standard daily rental car rate of \$60 per day for passenger cars and \$100 per day for 15-passenger vans are not reimbursable. Rental expenses exceeding the standard rates require detailed explanations to be considered for reimbursement. Receipts are required.
- The use of a privately owned automobile or motorcycle for SCI business purposes is a reimbursable expense. SCI will reimburse for reasonable and necessary mileage accumulated on SCI business and paid at the rate allowed by the Internal Revenue Service (***44.5 cents, Jan 1, 2006***). This rate includes fuel. The mileage payment shall not exceed the constructive cost of coach or economy airfare on a commercial air carrier. Mileage shall be payable to only one if two or more individuals are traveling together on the same trip using the same conveyance. Explanation of the SCI business purpose is required.

9. Taxi

- Actual taxi fares including tips incurred for SCI business are eligible travel expenses. Tips are limited to 15% plus \$.50 per bag/box for an unusual number of bags. Taxi fares for personal use are not eligible travel expenses.

10. Parking and Tolls

- Parking expenses and tolls incurred for SCI business are eligible travel expenses.
- Receipts are required.

11. Hotel and Lodging

- Room charges and taxes are eligible travel expenses. Personal expenses such as laundry, spa & health club fees, etc. paid for by SCI must be indicated as a personal expense on the hotel bill and deducted from the overall reimbursable expense.
- Since beverages and snacks from in-room mini-bars are very expensive for the convenience, such expenses are not reimbursable as a business expense. Exceptions to this rule would have to be justified in a detailed explanation.

12. Meals

- Meals and beverages within reason including tips are eligible travel expenses. In the event of a travel and/or business group meal, an accounting is required for the individuals participating in the meal and the business relationship of their participation at SCI's cost.
- Generally, staff attending activities such as conventions, seminars, committee meetings, are to eat at the planned group meal functions.
- Alcoholic beverages consumed outside of a meal shall be deemed entertainment and not reimbursable, unless expressly authorized.
- However, alcohol beverages as a function of SCIF Sables budget activities are deemed a personal expense and are not eligible for payment by the organization as a business expense.
- The maximum amount that will be reimbursed for meals including drinks and tips is \$75 per day. A meal tip up to 17% is an eligible business expense. Be sure that gratuity/service charge/tip has not been automatically added to the bill. Meal tips exceeding 17% are personal expenses and not reimbursed by SCI.
- Detailed receipts are required for all meals.

13. Entertainment

- Entertainment expenses are not reimbursable unless expressly authorized.
- Alcoholic beverages consumed outside of a meal shall be deemed entertainment and not reimbursable, unless expressly authorized.
- Detailed receipts are required for all meals.

14. Telephone

- SCI business telephone charges are eligible business expenses including one phone call "home" per day while away from home on SCI business. To be an eligible business expense, the telephone call(s) must be itemized (provide a copy of telephone statement) identifying the purpose or person, party or business called to substantiate the call as SCI business.
- Since hotels charge premium rates for using the hotel directory for long distance calls, long distance telephone calls made from a hotel should be charged to a telephone credit card whenever possible to avoid the expensive hotel surcharge. An explanation is required as to why any long distance calls were charged to a hotel bill.
- Detailed receipts are required.

15. Miscellaneous Expenses

- Miscellaneous **reasonable and necessary** SCI business expenses such as printing, postage, office supplies, etc. are eligible business expenses as long as they are properly authorized and sufficient budgetary allocation has been made.
- Detailed receipts are required to clearly substantiate items as SCI business expense.

16. Tips:

Tips are reimbursable expenses given to individuals for service. The following are guidelines for tipping:

Meals – 15% - 17%
Room Service – 15% (make sure gratuity/service charge has not been added to the bill)
Hotel Maid Service - \$1.00 per room/per day
Bellman/Skycap/Shuttle - \$1.00 per bag
Taxi – up to 15% (plus \$.50 per bag/box for unusual number of bags/boxes)

17. Extended Stays for Personal Activities

- Staff, when authorized by their immediate supervisor, and volunteers may extend their stays to engage in personal activity beyond authorized SCI functions provided that no additional costs to SCI are incurred and all personal expenses are assumed by the staff member or volunteer. Under no circumstances are volunteers and staff authorized to utilize SCI paid travel arrangement to accommodate their personal activity. Rigid auditing will be followed in all cases.

18. Regional Representatives

- SCI will reimburse Regional Representatives up to \$1,000 per contiguous USA region for expenses incurred for attending one SCI Board of Directors meeting (to exclude the Convention meeting) and an additional \$2,000 for chapter related travel for **reasonable and necessary** SCI business and travel expenses both within and outside the region of responsibility.
- Regional Representatives are welcome to solicit additional funding for travel expenses from the chapters in their region. Such contributions must be sent to

SCI headquarters for management and disbursement to the Regional Representative for travel expenses. The chapter funds supplement the \$3,000/\$6,000 annual budget amounts and are the first funds spent in the reimbursement process.

- SCI will reimburse International Representatives up to \$2,000 for expenses incurred for attending one SCI Board of Directors meeting (to exclude the Convention meeting), and an additional \$4,000 reimbursement for chapter related travel and expenses for International Regional Reps.
- Reimbursement for eligible expenses is provided only after "the standard required Meeting Reporting Form" has been completed and submitted for all chapters in their region of responsibility and the Regional Representative must attend a minimum of one SCI Board of Director's meeting annually, other than the annual convention.

The following expenses are eligible for reimbursement up to the maximum \$3,000 domestic, \$6,000 international, allowed (note restriction on convention expenses):

- All travel expenses to the May or August Board of Directors Meetings.
- All travel expenses for special projects or special meetings (such as attending chapter meetings)
- **Reasonable and necessary** SCI business expenses such as telephone, printing, postage, office supplies, etc.
- All travel expenses to the annual convention but only if chapter funding is available for the respective region. *Note that convention expenses are only paid from chapter supplemental funding.*

19. Executive Committee

- All travel expenses to the annual convention
- 2 complimentary registrations at the annual convention
- 2 complimentary dinner tickets for each evening event at annual convention
- All travel expenses to the May and August Board of Directors Meetings
- All travel expenses for special projects or special meetings (such as attending chapter meetings, Spring EC & Past Presidents meeting, Transition meeting, and meetings requiring SCI representation, etc.)
- **Reasonable and necessary** SCI business expenses such as telephone, printing, postage, office supplies, etc.

20. Ethics Committee

- Reimbursement of eligible costs of non-EC members traveling to the 3 face-to-face committee meetings at the Annual Convention, May board meetings, and August board meetings. The eligible costs include roundtrip airfare plus two nights lodging (or as many nights as are required by the timing of the Ethics Committee meeting) meals and other related *reasonable and necessary* expenses per each day's meeting.

21. Standing and ad hoc Committees

- Reimbursement is subject to the expenses being specifically listed in the budget and dependent on relevant provisions and limitations contained in these policies. *Reimbursement may be requested for reasonable and necessary*

business expenses for SCI committee work such as travel (roundtrip airfare, one night lodging day prior to meeting, one night lodging day of meeting and related meeting expenses), telephone, printing, postage, office supplies etc.