



TRAVEL EXPENSE REIMBURSEMENT POLICY

The purpose of this document is to formalize the standard for what travel expenses are intended for reimbursement. This goal of this document is set clear expectations for Maintenance Connection staff and customers about the reimbursement of travel expenses.

SECTION 1: Introduction

OVERVIEW

It is the policy of Maintenance Connection to reimburse staff for reasonable and necessary expenses incurred in connection with approved travel on behalf of the agency. Maintenance Connection strongly encourages use of travel discounts when making travel arrangements.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. Reimbursement is allowed only when reimbursement has not been, and will not be, received from other sources. If a circumstance arises that is not specifically covered in the travel policies, the most conservative course of action should be adopted.

Business travel policies are aligned with agency reimbursement rules. All business related travel paid with Maintenance Connection funds must comply with company expenditure policies. Maintenance Connection funds are defined as general funds, earnings operations, restricted funds, agency funds, and discretionary funds and apply to all areas.

AUTHORIZATION AND RESPONSIBILITY

Travel for staff must be authorized by either a Customer or direct supervisor. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the trip, and within 30 days, the traveler must submit an Expense Report and supporting documentation to obtain reimbursement of expenses.

PERSONAL FUNDS

Travelers should review reimbursement guidelines before spending personal funds for business travel to determine if such expenses are reimbursable. See Section II – Travel Expenses/Processes for details. Maintenance Connection reserves the right to deny reimbursement of travel related expenses for failure to comply with policies and procedures.

Travelers who use personal funds to facilitate travel arrangements will not be reimbursed until after the trip occurs and proper documentation is submitted.

VACATION IN CONJUNCTION WITH BUSINESS TRAVEL

In cases where vacation time is added to a business trip, any cost variance in airfare, car rental, and/or lodging must be clearly identified on the Travel Request form. Maintenance Connection will not prepay any personal expenses with the intention of being “repaid” at a later time, nor will any personal expenses be reimbursed.

SECTION II: Travel Expenses/Processes

GENERAL INFORMATION

Authorized business travel for staff that includes prepayments must be pre-approved.

REIMBURSEMENTS

Requests for reimbursements of travel related expenses are submitted on an Expense Report.

These forms must be submitted within the CRM within two weeks after the trip was completed. Travel Reimbursement forms not submitted within this time frame requires exception approval from the traveler’s direct supervisor.

Reimbursement of travel expenses is based on documentation of reasonable and actual expenses supported by the original, itemized receipts where required. Reimbursements that may be paid by Maintenance Connection are shown below.

1. Airfare – An original itemized airline receipt, e-ticket receipt/statements, or an Internet receipt/statement is required. The receipt must show the method of payment and indicate that payment was made.

Travelers are expected to obtain the lowest available airfare that reasonably meets business travel needs. Travelers are encouraged to book flights at least 30 days in advance to avoid premium pricing.

Coach class or economy tickets must be purchased for domestic or international flights (defined as flight time totaling less than 5 consecutive hours – excluding layovers). A higher-priced coach ticket cannot be purchased for a subsequent upgrade in seating.

A less than first class ticket (i.e. business class) may be purchased at traveler’s discretion for domestic or international flights (defined as flight time exceeding 5 consecutive hours – excluding layovers).

In any case, first class tickets are not reimbursable.

2. Rail Transportation – Maintenance Connection will pay for rail transportation providing the cost does not exceed the cost of the least expensive airfare

If rail transportation was not prepaid by the Business Office, an original itemized receipt, original e-ticket receipt/statement or Internet receipt/statement is required. The receipt must show the method of payment and indicate that payment was made.

3. Automobile (Personally Owned – Domestic Travel) – A valid driver's license issued within the United States and personal automobile insurance are required for expenses to be reimbursed. Drivers should be aware of the extent of coverage (if any) provided by his/her automobile insurance company for travel that is business or not personal in nature.

Reimbursement for usage of a personal automobile is based on Maintenance Connection Mileage Rate.

Mileage Rate – Staff Travel Reimbursement form is required. As of January 1, 2013, the rate is \$0.56 per mile. This represents reimbursement for all vehicle related expenses including, but not limited to, gasoline, wear and tear, and personal auto insurance.

Gasoline – Travelers using a personally owned vehicle may opt to request reimbursement for gasoline in lieu of Maintenance Connection mileage rate. If vehicle is rented, traveler should request reimbursement for cost of gasoline. In these instances original, itemized receipts are required.

Reimbursement for a commercial rental vehicle as a primary mode of transportation is authorized only if the rental vehicle is more economical than any other type of public transportation, or if the destination is not otherwise accessible. Vehicle rental at a destination city is reimbursable. Original receipts are required.

Maintenance Connection authorizes reimbursement for entry-level or the most economic vehicle available. In certain circumstances larger vehicles may be rented, with supervisory approval. The rental agreement must clearly show the date, the points of departure/arrival, as well as the total cost. Drivers must adhere to the rental requirements and restrictions must be followed. Original receipts are required.

When vehicle rentals are necessary, Maintenance Connection encourages travelers to purchase CDW and LDW coverage. Maintenance Connection will reimburse the cost of CDW and LDW coverage – all other insurance reimbursements will be denied.

Drivers should be aware of the extent of a coverage (if any) provided by his/her automobile insurance company for travel that is business or not personal in nature.

Travelers are strongly encouraged to fill the gas tank before returning the vehicle to the rental agency to avoid service fees and more expensive fuel rates.

5. Lodging (commercial) – The cost of overnight lodging (room rate and tax only) will be reimbursed to the traveler if the authorized travel is 45 miles or more from the traveler's home or primary work site. Exceptions to this restriction may be approved in writing by direct supervisor.

Maintenance Connection will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate.

Only single room rates are authorized for payment or reimbursement unless the second party is representing the agency in an authorized capacity. If the lodging receipt shows more than a single occupancy, the single room rate must be noted. If reimbursement for more than the single room rate is requested, the name of the second person must be included.

In most US cities, a per night hotel rate of \$100-150 is reasonable, however some cities are much higher (New York, Boston, etc). It is up to the traveler's discretion to locate a hotel priced close to the average of the area's going rate.

6. Meals & Incidentals (Per Diem) – Per diem allowances are reimbursable for in state overnight travel that is 45 miles or more from the traveler's home or primary work site.

Per diem allowances are applicable for all out-of-state travel that is 45 miles or more from the traveler's home or primary work site.

Maintenance Connection per diem rate is an average based on the U.S. General Services Administration Guidelines, that vary by city location. As of January 1, 2013, the flat per diem rate is \$60 per day.

Per diem reimbursements are based on departure and return times over the entire 24-hour day and prorated accordingly. Listed below is the per diem allowance based on departure and arrival time from and to the traveler's home or primary work site.

In addition to meals these rates include incidental expenses such as laundry, dry cleaning and service tips (i.e. meal, housekeeping, porters, etc.) Business expenses such as faxes, photocopies, Internet charges, data ports, and business telephone calls incurred while on travel status will be consider incidental expenses within the Per diem amount. Incidental expenses, unless specifically cited in this policy, will not be reimbursed.

Receipts are not required for per diem allowances. Per diem allowances are reimbursed after the trip is completed.

7. Customer Business Meals – Separate written approval from direct supervisor is required before paying for customer-related business meal. Original itemized receipts are required.

8. Parking – Original receipts are required for parking fees (including airport parking) totaling \$25.00 or more. The lodging bill can be used as a receipt when charges are included as part of the overnight stay.

9. Telephone Calls – The costs of personal telephone calls are the responsibility of the individual.

10. Tolls – Original receipts are required for tolls totaling \$25.00 or more.

11. Miscellaneous Transportation – Original receipts are required for taxi, bus, subway, metro, ferry, and other modes of transportation if costs are \$25.00 or more for each occurrence.

12. Visa, Passport Fees and Immunizations – If required for international travel, reimbursement for these items is left to the discretion of your supervisor. If approved by the designated authority, original itemized receipts are required.

SECTION III: Travel Expenses Not Reimbursable

The following items that may be associated with business travel that will not be reimbursed by Maintenance Connection:

- Airline club memberships
- Airline upgrades
- Business class for domestic flights/first class for all flights
- Child-care, babysitting, house-sitting, pet-sitting/kennel charges
- Commuting between home and company office
- Costs incurred by traveler's failure to cancel travel or hotel reservations in a timely fashion
- Evening or formal wear expenses
- Haircuts and personal grooming
- Laundry and dry cleaning
- Passports, vaccinations, and visas when not required as a specific and necessary condition of the travel assignment
- Personal entertainment expenses including in-flight movies, headsets, health club facilities, hotel pay-per-view movies, in-theatre movies, social activities and related incidental costs
- Travel accident insurance premiums and/or purchase of additional travel insurance
- Other expenses not directly related to the business travel

SECTION IV – Travel for Non Company Employees

SPOUSE OR OTHER DEPENDENT EXPENSES

Incremental costs for travel, lodging, meal or other travel expenses for spouses or other family members will not be reimbursed unless the individual has a bona fide company purpose for engaging in the travel or attending the event.