



# TRAVEL & MEAL EXPENSE POLICY FOR CONTRACTORS (Direct Charitable Activity Service and Administrative Contracts)

Subject to change by TCE

## **PURPOSE:**

The California Endowment (“TCE”) will pay for necessary and reasonable out-of-pocket expenses, at cost, in connection with the provision of services under the terms of the Agreement for Direct Charitable Activity or the Agreement for Administrative Services. Out-of-pocket expenses may include airfare, lodging, ground transportation, business meals and other such costs that are necessary in conducting TCE business within the agreed upon scope of work. **Note: Copies of receipts for purchases over \$25 detailing the expense are required for reimbursement requests.**

This document outlines policies and procedures in general terms to allow reasonable discretion. The policy is not expected to cover every possible situation. Items of an unusual nature should be discussed with the Program Manager so that any necessary approvals may be obtained in advance.

## **TRAVEL**

TCE’s policy is to have all travelers book travel within fourteen (14) days to take advantage of the best rates available. Under limited circumstances travel may be booked less than 14-days in advance, provided such travel is (1) pre-approved by TCE and (2) the explanation as to why travel was booked outside of policy guidelines is provided on the travel receipt. It is TCE’s option to enforce the 14-days advance booking requirement, which if exercised could lead to a lower reimbursed travel amount, for traveler who fail to book travel within fourteen (14) days of departure or obtain pre-approval.

Note: Return flights should be to the original city of departure, unless otherwise pre-approved by TCE.

## **AIR**

The most economical nonstop coach class airfare available should be booked. Coach class is the normal mode of domestic air travel. Business Class may be used on flights over five (5) hours in duration if pre-approved by the TCE’s CEO, CFO or EVP. International travel requires pre-approval by TCE’s CEO, CFO or EVP. The use of chartered flights is prohibited.

Individual dues paid for membership in an airline club are not covered. Personal side trips or layovers solely for the convenience of the traveling Contractor are not covered.

## *ITINERARY*

In order for a flight to be reimbursed, a receipt or itinerary must be submitted that includes the name of the traveler, flight dates and times, flight to and from locations, airline name, date the flight was booked and method of payment.

## *FREQUENT FLYER AWARDS*

TCE will not reimburse Contractor for tickets purchased with frequent flyer miles. Accumulated awards remain the property of the Contractor. The Contractor should book the most economical non-stop coach class airfare available, and should not alter this practice to accommodate mileage benefits.

## *CHANGE IN FLIGHT*



Costs incurred from revised itineraries, in the form of increased ticket price or airline change fees, are covered when the itinerary change is required for TCE business, and these requirements are supported by a written document. Expenses not meeting these requirements are the responsibility of the Contractor and are not covered.

#### ***FLIGHTS PAID WITH REFUNDED FLIGHT DOLLARS***

If flights are booked with flight refunds, the receipt or itinerary for the original flight and any additional changes leading up to the final flight are required to be submitted.

#### ***ANCILLARY FEES***

Contractors who are on a flight for more than five (5) hours may request additional services while travelling and incur fees from airlines for more leg room, early check in, or in-flight internet access. TCE will reimburse these charges as necessary up to a maximum combined total of \$75.00 per flight. To be reimbursed for these ancillary fees, Contractors must be on a flight for more than five (5) hours and are required to submit detailed receipts that clearly identify the nature and reason for the fee. Vague or general descriptions such as "airline change fee" may not be accepted.

#### **CAR RENTAL/TAXIS/RIDESHARING**

The use of a rental car should be justified as an economical, business necessity and should be returned with a full tank of gas to avoid higher gasoline charges for refueling added to the rental costs. All rentals should be at the Corporate Rate or the lowest possible rate per day. Sharing of rental cars is encouraged to reduce costs when traveling in groups. When sharing rental cars, the names of the travelers who shared the car should be listed on the receipt. Extras, such as GPS navigation, tow bars, ski/bicycle racks, or car seats are considered personal in nature and will not be covered. Fuel costs will be covered based upon actual fuel purchased, not mileage. In urban areas taxis, shuttle, rail services or ride sharing (e.g., Uber, Lyft, etc.) may be a more economical and convenient choice. If, ride sharing is selected, the most economical options should be selected. Use of car services should be limited to only those circumstances when it is cost justified and alternative means of transportation are not available.

#### **MILEAGE**

Mileage for use of the Contractor's personal automobile will be reimbursed at the current effective IRS mileage rate (which is designed to cover gas, oil, and fixed costs such as insurance and depreciation). Mileage is reimbursed up to a 300-mile radius per round trip. Trips exceeding this distance must be pre-approved in order to be reimbursed for miles driven beyond 300-miles. If travel by train or air is available and less expensive than the costs associated with travel by car (rental, mileage and/or travel time), Contractor's reimbursement may be offset by the savings that would have been realized had Contractor decided to travel using the less expensive means. Requests for mileage must be supported with details regarding the miles driven, purpose of the trip and driver name. A copy of a map showing the mileage from the starting and ending points must be submitted.

#### **TRAVEL TIME**

With pre-approval and under limited circumstances, if TCE requests the Contractor to travel out of town, he/she may bill for the travel time at one half (½) of his/her hourly rate.

#### **LODGING**

Hotel bookings should be made by the Contractor. TCE will not reimburse for rentals of personal residences or vacation homes (examples of these types of rentals can be found at the following sites: [www.Airbnb.com](http://www.Airbnb.com) and [www.VRBO.com](http://www.VRBO.com)). The minimum Corporate Rate or the most economical rate should be requested. Accommodations should be made for a single room unless justified by business needs and pre-approved. Room upgrades are not permitted unless charged at the single room rate.



Because of seasonal and geographic variability, TCE does not have specific reimbursement limits for lodging, but Finance will track and report lodging expenditures that appear lavish, extravagant or not in keeping with normal TCE business practices. Rates exceeding the amounts in the table below should be explained by the Contractor:

City	Maximum Expected Rate <sup>1</sup>
New York, Boston, D.C., San Francisco, International	\$400
All Other	\$250

Overnight stays requiring a hotel expense should only be made when a meeting begins or ends too late to catch a return flight or to use ground transportation at a reasonable hour.

To avoid a “no show” billing, Contractors must cancel guaranteed reservations before the hotel’s cancellation date. “No show” charges will not be covered.

## MEALS

Meal expense while on TCE business should be limited to moderately priced meals. Meal receipts listing the diners and purpose of the meal is required for reimbursement. For purposes of this policy, reasonable meal expenses, inclusive of snacks and beverages, are defined as follows and subject to the per person limits per the table below:

BREAKFAST	\$30
LUNCH	\$35
DINNER	\$45

***Use of alcohol is discouraged.***

One alcoholic beverage up to \$15 per person is allowed when consumed with dinner only. The \$15 maximum for an alcoholic beverage is NOT in addition to the \$45 dinner limit.

The above per person meal limits also applies to hosted events at a TCE office, hotel or other location and are inclusive of all taxes, gratuities and service fees.

## TIPS

Tips are covered for normal services associated with business travel such as food services, porters, housekeeping, taxis, etc. Tips will be reimbursed to the extent they are reasonable and customary. Tips in excess of 20% will not be reimbursed.

## EXCEPTIONS

Unless otherwise noted, the Finance Department has the authority to use its discretion in approving items that are beyond expected guidelines outlined in this policy. For instance a meal charge that exceeds the suggested limit, when it is reasonable and necessary, may be approved.

---

<sup>1</sup> These maximum expected rates represent 115% to 200% of the GSA Per Diem Rates for 2018.



**NON-COMPLIANCE**

Failure to comply with any or all provisions of this policy, altering of receipts, or submission of fraudulent expenses may result in termination of the Contractor’s Agreement for Direct Charitable Activity or Administrative Services. The CEO, CFO or EVP may grant exceptions with any provision of this Policy when any such exception is deemed in the best interest of TCE.