



# **THE HARKER SCHOOL TRAVEL AND BUSINESS ENTERTAINMENT POLICY**

## **OVERVIEW**

Travel expenses are a growing part of the school's operating budget. As such, it is imperative that everyone who travels or entertains on school business have a thorough knowledge of Harker's policies.

Employees and Trustees who are expected to travel on school business must review the Travel Policy and be aware of all of its provisions. It is management's responsibility to ensure that employees are familiar with these policies and that the policies are adhered to.

This document provides policies and guidelines for travel and other expenses incurred by an employee or Trustee while conducting school business such that the traveler does not suffer financial loss, or incur a personal gain as a result of traveling or otherwise conducting school business. If there is a question as to the appropriateness of a particular expense, the employee must seek prior approval from management before committing Harker funds. Deviations from these policies may result in non-reimbursement of expenses and/or revocation of Harker credit card privileges. Where this policy is silent, employees should use conservative judgment when incurring expenses.

The intent of this policy is to build positive and mutually beneficial relationships between Harker and those who travel on behalf of the school. Harker understands that employees are often asked to sacrifice their own time to travel on behalf of the school and therefore the school wants to make this policy as painless as possible. Therefore, this policy will continue to be modified as needed to achieve balance. Employees can and should feel free to provide their input in order to help shape this policy document.

## **SCOPE**

This policy applies to all employees, Trustees and job applicants of Harker.

## **RESPONSIBILITY**

It is the responsibility of all managers of employees who incur expenses on behalf of the School to monitor compliance with this policy.

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## 1.0 TRAVEL ARRANGEMENTS

### A. Egencia Travel Agency and Booking Engine

As a convenience for Harker employees the school has established a travel service relationship with Egencia. Booking travel through Harker's Corporate Egencia account is a service that Harker provides its employees so that costs do not need to be initially paid from personal funds. To book airfare and hotel and reserve rental cars through Egencia, contact Harker's Egencia liaison Tyeshia Brown at [Tyeshia.Brown@harker.org](mailto:Tyeshia.Brown@harker.org) or (408) 345-9685. Tyeshia will need the following information from you in order to assist you:

- Full name of traveler (names on DL/ passports)
- Birthdays (month, day, and year)
- Dates of travel
- Times they need to be at the location & times they need to leave the location
- Desired departing airport (default airport is San Jose airport) & arriving airport
- If hotel is needed, provide the number of rooms required & preferred hotel name (if no preferred hotel, provide the travel destination).
- If a car rental is needed, provide number of people and name of driver (note: car rentals will need to be paid for by the traveler. A reimbursement will be given upon return of trip. Receipt needed for reimbursements).
- Account codes, Cost Centers or Projects where the travel should be charged and name of approving manager. If multiple GL accounts are to be charged, provide a breakdown of dollars to be charged to each account
- Emergency Contact phone #
- Name of conference or reason for travel

Employees with existing Egencia travel profiles may continue to arrange their travel through Egencia. **A purchase order must be submitted to Accounts Payable for each booking through Egencia.** As an alternative, employees may arrange travel using other services such as Orbitz or Travelocity but this requires reimbursement requests to the school.

### B. Booking Travel

Travel should be booked online whenever possible to minimize travel agency booking fees.

Travelers will use electronic tickets; paper tickets are only issued when e-tickets are unavailable.

Group travel for students may be arranged through various agencies such as Academic Expeditions.

Travel arrangements for spouses or companions must be made and paid for separately by the employee.

## 2.0 ALLOWABLE TRAVEL EXPENSES

### A. Air Travel

#### **General**

- In general, all flights must be booked at the lowest logical fare available. Travelers are expected to take the lowest fare when savings are greater than \$150 when compared to a similar route. Employees may suggest a preferred carrier and Egencia will accommodate if possible, but primary consideration will be the cost to the school.
- The lowest logical domestic fare is defined as a flight option that is no more than one stop with that stop adding no more than 2 hours - one way – to the travel time and remaining on the same airline carrier.
- Alternate local airports should be considered if doing so (1) results in \$150 or more in cost savings, inclusive of ground transportation, and b) the alternate airport is not more than 50 miles from the preferred airport.
- Harker has no preferred discounted airline agreements with any of the carriers.
- It is also important that employees plan their travel well ahead of actual departure (at least 2 1/2 weeks in order to help reduce travel costs.
- No more than 70% of any business unit or department may fly on the same aircraft.

#### **International**

- When traveling internationally, the lowest logical airfare should be purchased. Business or first class is only permitted if you use your own miles or points to upgrade.
- Exceptions to this rule include employees with extenuating circumstances, such as specific health reasons, or if coach seating is unavailable. Otherwise, employees must obtain approval from the Head of School in order to fly business class.

#### **Saturday Stay-Over**

- Travel arrangements may include an overnight Saturday stay ONLY if it results in a cost benefit to the School (unless the travel necessitates a Saturday overnight stay).
- If an employee chooses a lower, round-trip airfare requiring Saturday stay-over, he/she will be reimbursed for or may charge to a Harker Visa the additional day's expense incurred in the original business destination. **The additional day's expense cannot exceed the cost savings realized for agreeing to delay your departure date.** Costs to be considered include, but are not limited to, lodging, rental car and meals for the extra day.
- The cost savings will be measured against the lowest available airfare for a direct round-trip flight to the business destination at the time the trip was booked.
- The stay-over may either precede or follow the business stay.

### ***Unused, Non-refundable and/or Lost ticket***

- Unused tickets must be returned to Egencia as soon as you know the ticket is not or will not be used. If the ticket is refundable, traveler will request a refund from the airline. If the ticket is non-refundable, it can be re-used by another traveler.
- Generally, non-refundable tickets are cheaper and we therefore encourage the use of these tickets; if your schedule changes, most tickets can be changed for a nominal fee.
- Travelers will not be reimbursed for lost airline tickets. Please alert the ticket seller if you have lost a ticket as a new ticket will need to be issued.

## **B. Car Rental**

### ***Preferred Carrier & Car Size***

- The School does not have a preferred carrier at the time.
- Compact size cars should generally be rented, unless there is a medical reason justifying a larger car requirement. If more than two employees are traveling together or special rates are being offered, employees may reserve mid-size cars.
- Vans may be rented for transportation of groups of people. Under no circumstances shall any individual rent a van that allows transportation of 12 or more individuals.

### ***Insurance***

- In the U.S. and Canada, **collision damage waivers (CDW) should not be accepted**, as the School maintains adequate coverage. Please note that our coverage only applies to cars with a current value of \$50,000 or less. When several employees are traveling together and a mid-size car is rented, the car's value must not exceed \$50,000 in any circumstance. If you are renting a vehicle outside the US or Canada, you should purchase insurance from the rental company. Coverage for travel in Mexico should be arranged prior to departure. Contact Aarthi Ragupathy at (408) 553-5769 or [Aarthi.Ragupathy@harker.org](mailto:Aarthi.Ragupathy@harker.org) and Yevgeniya Kushnerova at [Yevgeniya.Kushnerova@harker.org](mailto:Yevgeniya.Kushnerova@harker.org)

### ***Rental Car Return***

- Every reasonable effort must be made to return the rental car to the original rental city to avoid additional charges and with a **full tank of gas** to minimize the cost of refueling. **Do not pre-pay gas refueling charges** at the time of rental, unless circumstances mandate pre-payment. The School will not reimburse for re-fueling costs by the rental car company unless there is sufficient justification.

### ***Cancellations***

- Travelers are responsible for canceling rental car reservations to avoid no-show charges. Remember to request a cancellation number just in case billing disputes arise. The School will not reimburse "no-show" charges unless they were unavoidable and have approval of management.

## **C. Other Transportation**

### ***Mileage Reimbursement***

- Employees will be reimbursed at the current IRS rate for mileage incurred while using a personal vehicle to conduct School business. Employees must provide evidence to substantiate the business purpose and number of miles driven. Should an employee opt to drive their personal vehicle rather

than fly, amount paid for mileage will not exceed the prevailing rate for round trip airfare to the same destination. Harker will not reimburse for fuel purchase for personal vehicles (gas receipts).

#### ***Parking, Taxi, Tolls & Ground Transportation***

- Parking, bridge, tunnel and road tolls will also be reimbursed or may be charged to a Harker Visa. With respect to airport parking fees, employees should park in the airport's long-term parking lot or offsite lots when traveling for a period of 36 hours or more, as it is significantly cheaper than short-term parking. Valet parking should not be considered unless there is no reasonable alternative or self-parking is not available. Receipts are required for parking fees.

- Shuttles, taxis, etc. will also be reimbursed or charged to a Harker Visa if usage is reasonable. Limos and Town cars are reimbursable if rates are comparable with taxi fares.

Receipts are required for reimbursement of taxi or shuttle fees.

- Employees should always consider most effective and least costly method. If traveling for a long period of time, cab ride to and back is probably cheaper than parking at the airport.

#### **D. Lodging**

##### ***Reservations***

- It is the policy of Harker to use only moderately priced hotels. Examples of such hotels include Marriott Courtyard, Windham, Radisson, Embassy Suites, etc. Exceptions may be where a business event is based at a specific hotel that offers lodging at a discount if you attend the event they are hosting.

- Lodging should be booked prior to departure to ensure the best rate and availability. Contact Tyeshia Brown for assistance with lodging reservations that are pre-paid by Harker.

##### ***Cancellations***

- It is the responsibility of the employee to notify the hotel of any cancellation of hotel reservations prior to the cancellation time listed on the travel itinerary. Failure to do this will result in "no-show" charges. The School will not reimburse "no-show" charges unless they were unavoidable and approved by management in advance.

##### ***Communications (phone and Internet)***

- Reasonable telephone and internet access charges will be reimbursed while away from home. Employees should use cellular calls rather than making direct dialed calls from their hotel room as hotels add surcharges for the usage of telephones.

##### ***Other Hotel Charges***

- Harker will not reimburse employees and Harker Visa cards may not be used for hotel movie rentals, liquor cabinet charges, and/or other personal entertainment items incurred during business travel. Food and non-alcoholic beverages provided in room may be allowed depending on the availability of more affordable options.

## **E. Meals & Entertainment**

### ***Meals***

- Meals are reimbursable from the time the trip begins to the time the employee returns home. Only actual expenditures will be reimbursed (i.e., no per diem). Itemized receipts should be provided for all expenditures, regardless of cost. Maximum allowance for food and non-alcoholic beverages is \$ 75.00 per day. The school will not pay for liquor purchased during travel for personal consumption. In the event receipts are lost, no re-imburement will be made, so please make sure to retain all receipts.

- Exceptions to the reimbursement policy may be made where group travel is involved. Please check with the trip sponsor for specifics.

- Employees should always use good judgment and moderation when incurring expenses on behalf of The School.

### ***Entertainment & Business Entertainment***

- Entertainment expenses incurred by the employee solely for the entertainment of the employee will not be reimbursed and may not be charged to a Harker Visa.

- Business entertainment expenses, defined as direct costs incurred for a business related special event are reimbursable. This means that these expenses must directly precede or follow a bona fide business discussion and a business benefit is expected as a result of these discussions. Such expenses include client and/or potential client meal & entertainment where a business discussion took place. IRS regulations require the reporting of those in attendance (employees and guests) at entertainment events as well as the supporting business purpose. As such, itemized receipts are required.

- Alcoholic beverages, during the course of the business related entertainment, are acceptable within reason. Employees should use sound judgment as to volume and cost of alcoholic beverages consumed.

## **F. Miscellaneous Travel Costs**

- Laundry, dry cleaning and pressing will only be paid if the business trip exceeds five (5) full days and must be clearly noted on the expense report. Exceptions may be allowed for extenuating circumstances.

- Reasonable and customary gratuities for services (meals, hotel tips) will be reimbursed. Tips should not exceed 20%.

- Reasonable telephone charges will be reimbursed while away from home. Employees should use cellular phones rather than making direct dialed calls from their hotel rooms, as it is significantly cheaper to do so.

- Internet access charges will be reimbursed or may be charged to a Harker Visa. If travel is extended (see Saturday Stay-Over in Air Travel section above), internet access charges for the personal day must be paid by the employee.

### 3.0 NON-REIMBURSABLE EXPENSES

- Cost of canceling and rebooking flights is not reimbursable, unless it can be shown that it was necessary or required for legitimate business reasons (such as changed meeting dates, etc).
- Cost of upgrade certificates.
- Membership in airline flight clubs.
- Annual fees and any interest or late fees on credit cards.
- Personal sundries such as reading materials, medication, batteries and toiletries.
- Personal grooming services such as haircuts and manicures.
- Personal entertainment such as movies, videos, health club fees (in hotels or otherwise), alcoholic beverages, airline headphones and other expenses which cannot be defined as business entertainment.
- Costs associated with personal residence
- Travel accident insurance.
- Separate travel cost (air fare, etc.) associated with spouse or partner.
- Fines for traffic or parking violations
- Theft of personal property, including articles stolen from personal car or rental car.
- The above is not intended to be all-inclusive. Good judgment should be used when incurring any expense while conducting School business.

### 4.0 PERSONAL AND WEEKEND TRAVEL

- Personal travel taken in conjunction with a business trip must be paid for by the employee and is not reimbursable. If an employee obtains a more cost-effective airfare by staying over one weekend, for example, the School will pay reasonable hotel and car rental expenses. These additional expenses may not exceed the amount of savings realized from the discounted airfare. In addition, if an employee chooses to stay with a friend, reasonable meal expenditures for the employee and host will be reimburse or may be charged to a Harker Visa. A rough calculation showing the savings must be noted on the expense report.

### 5.0 OTHER EXPENSES

- Cellular phone charges, dues and subscriptions, on-line charges (MSN, AOL, etc.), meetings and conferences and any other non-travel related expenses must be approved by the departmental managers in advance. Office supplies and computer equipment should be purchased through School channels and should only be included in an expense report on an exception basis.
- International expenses should be documented on the expense report in the foreign currency and the exchange rate (see below). The traveler will calculate the dollar equivalent for reimbursement. All receipts in the foreign currency must be attached.
- School will reimburse international travel expenses using one of the following methods at the employee's election: for **personal credit card expenses** (1) wait for credit card statement and use the exchange rates listed for each expenditure, or (2) use the exchange rate as noted by OANDA at [www.oanda.com](http://www.oanda.com) on a per day basis according to the date on each receipt or the average rate for the total time in the foreign country. If the second (2) option is elected, no additional reimbursement will be made when the actual personal credit card statement is received (employee is risking losses due to exchange rate fluctuations). For **cash expenditures**, the rate listed on the exchange receipt(s) should be used.



- If charges are excessive or unusual, please explain in detail on the expense report. Verbal explanations alone are unacceptable as documented explanations are necessary for proper record keeping.

### ***Approvals Required***

- All travel must be pre-approved
- All expense reports must be signed by the employee and the appropriate budget manager.
- It is the employee's responsibility to obtain proper approval of his or her expense report. By signing the expense report, the employee is taking responsibility for the accuracy, propriety and completeness of the report. The approver is taking responsibility for the propriety of expenditures and inclusion of all necessary information upon signing the expense report.

## **6.0 TRAVEL EXPENSE REIMBURSEMENT REPORT FORMS**

- At the conclusion of a business trip, an employee or Trustee that has incurred business-related expenses should complete an Expense Reimbursement Report or Reimbursement and Advance forms in accordance with the following policies:
  1. Identify each separately incurred business expense (i.e. do not group all expenses associated with one trip together)
  2. With the exception of tips, tolls and reimbursed mileage, all business expenses must be supported with original itemized receipts/invoices
  3. Original itemized receipts/invoices must be submitted. Credit card slips do not represent adequate supporting documentation
  4. Travel arrangements including airlines, hotel and car rentals is encouraged to be set up and billed through Egencia Corporate
  5. Mileage may be reimbursed at the standard federal rates currently in effect, as published periodically by the IRS.
  6. The business purpose of each trip must be adequately explained on each report
  7. Budget (GL) account codes must be identified for all expenditures
  8. For all meals and other business expenditures, the following must be clearly identified:
    - a. Names, titles, organizations and business relationships of all persons entertained
    - b. The business purpose of the meal or other business event (topics discussed, etc.)
  9. All expense reports must be signed and dated by the employee
  10. Expense reports must be approved by the appropriate budget manager
  11. Only one expense report form should be prepared for each trip

## 7.0 TRAVEL ADVANCES

- Funds will be advanced for upcoming travel only upon receipt of a completed and properly approved request for travel advance. Advances may be transferred via ACH directly into an employee's checking account. Travel advances are to be used only for the purpose intended.
- Employees receiving travel advances are required to sign for the advance signifying their acknowledgement of, and agreement to, these policies. Employees receiving travel advances must submit an expense report within 10 days of returning from travel.
- An employee will not be reimbursed for expense reports not meeting the preceding criteria. If the Expense Report results in a balance due to The Harker School (as a result of receiving a travel advance greater than actual business expenditures), the employee must attach a check.
- No further travel advances will be issued to any employee who has an outstanding balance due to the school from previous expense advance.
- **Any funds outstanding at 30 days from the conclusion of the event can be withheld from the employee's paycheck.**

## 8.0 EMERGENCY CONTACTS

### Financial

- During regular work hours contact Accounts Payable Supervisor Kim Benge at 408.553.5760 or [Kim.Benge@harker.org](mailto:Kim.Benge@harker.org) and Yevgeniya Kushnerova at [Yevgeniya.Kushnerova@harker.org](mailto:Yevgeniya.Kushnerova@harker.org)
- After hours or on weekends contact Assistant Head of School for Academics Jennifer Gargano at 408.460.7837 or Head of School Brian Yager at 408.234.7533

### Other

- For group trips involving student travel contact Assistant Head of School for Non-Academics Greg Lawson at 408.639.0074 or 408.908.3452

- For professional development travel contact your approving Department Chair/Manager or Division Head