Policy Title: Travel and Business Expense Reimbursement Policy
Effective Date: 11-01-2012, updated 5-6-2016
Responsible Offices: Vice President for Administrative and Financial Services, Business Office and Purchasing

TRAVEL POLICY

General
The Otis College Travel and Business Expense Reimbursement Policy provide guidelines and procedures for employees who travel on behalf of the College. The basic intent of the policy is to ensure that individuals traveling on College business neither gain nor lose personal funds as a result of that travel. Travel costs are to be allocated and expended within established budgetary limitations and as funds to support travel are limited, travelers are not to make commitments to travel or to incur travel expenses without first obtaining approvals from the department supervisor via the Travel Authorization Process. (see below)

The following travel and business expense reimbursement policies and procedural guidelines are for all Otis personnel.

Travel Authorization
The President or Division Head (Provost, VPAFS, VPIA) has ultimate responsibility for advance authorization of College business travel. This authority can be delegated to those with subordinate budget responsibility. That responsibility includes assurance that a Travel Authorization and Advance form is submitted to the Business Office for that traveler. This individual is responsible for assuring that budgeted funds are available to meet all travel commitments.

Expense Reimbursement Limitations and Receipt Requirements
General College travel is reimbursed only on the basis of actual and reasonable expenses incurred, subject to the limitations set forth in this policy. Requests for reimbursement are to be submitted on an Otis College Travel and Entertainment Expense Report form (see Travel Reports and Payments below).

Original detailed itemized receipts are required for travel expenses, including airfare, hotel, car rentals, etc.

Non-Employee Travel
The provisions of this policy apply to all non-Otis College employees (e.g., prospective employees, speakers, consultants) when traveling at the College’s expense.

Transportation and Related Expenses
Travelers are to choose the most practical and economical mode of transportation, and are generally to travel the most direct route. Consideration is to be given to the total cost to the College, including the cost of employee subsistence and lost work time. All travelers are to comply with the following guidelines for actual and reasonable transportation expenditures.
Commercial Transportation
The College reimburses commercial air, rail, and bus transportation fares for economy/coach accommodations. Whenever possible, discounted or reduced round-trip rates should be purchased well in advance of travel.

Insurance for travel by air or train is not a reimbursable expense.

Booking Air Travel & Lodging
Each traveler is responsible for arranging, confirming and canceling reservations and for obtaining refunds in the case of cancellations. Employees may arrange for and pay personally for airfare, or engage Otis’ travel agency. See below for further details on both options.

Travel and Lodging arranged by Employee
Employees paying for airfare out-of-pocket may request a travel advance to cover the cost after the ticket is purchased. (See Procedures for obtaining Travel Authorization and Advance on page 7) Flight arrangements should be made at least 21 days prior to your trip to ensure reasonable pricing.

Airfare must be reported on the Otis College Travel and Entertainment Expense Report. Advances for airfare are to be shown as a travel advance on the Otis College Travel and Entertainment Expense Report and reduces the final reimbursement request.

Travel and Lodging arranged by Travel Agency
Alternatively, arrangements for air or rail travel and lodging may be made through Otis’ travel agency, European Travel. A Travel Authorization and Advance form (see following for instructions) needs to be completed no less than 4 weeks in advance of travel and must be received by the Business Office prior to any travel reservations booked by the travel agency or individually. The traveler must retain all transportation receipts for purposes of documenting Otis College Travel and Entertainment Expense Report reconciliations.

Travelers are responsible for any costs incurred to replace lost tickets and for costs associated with changing tickets for personal convenience. With supervisor approval, the College may reimburse the change fee if made for demonstrated business reasons.

Unused Tickets
The traveler will not be reimbursed for cost of unused tickets. Airlines generally provide unused ticket credit for one year from the date of scheduled travel that can be used for alternate travel. Exceptions, including penalties and charges may be reimbursed with appropriate justification approved by the traveler’s supervisor.

Private Automobile
Individuals are expected to use a personal automobile when traveling within 150 miles (one way) of the individual’s residence. If an individual does not own an automobile and/or chooses to rent a car for this travel, the individual will assume the cost of the car rental and will be reimbursed at the current policy mileage rate for miles travelled. Current rates are included on the most current Otis College Travel and Entertainment Expense Report.
Personal cars may also be used if the travel exceeds 150 miles one way but, when primarily for the convenience of the traveler, reimbursement is not to exceed the cost (or the sum of the costs for more than one college business traveler) of round-trip air travel (to include cost of economy/coach airfare and incidental expenses to and from airports) between the nearest commercial airports serving the cities of origin and destination.

Mileage rates are periodically revised in accordance with IRS guidelines. Mileage is reimbursed on the most direct route as defined by Mapquest or Google maps, etc. It is designed to reimburse, wear and tear, repairs and maintenance, etc. and, as such, these are not reimbursable expenses even if incurred on College business.

The College does not reimburse for travel between the employee’s residence and the place of work. Only authorized business mileage in excess of the distance between an individual’s residence and his or her regular place of work will be reimbursed.

An accurate daily record of miles traveled is to be maintained. Upon completion of travel, mileage and expenses are to be submitted on an Otis College Travel and Entertainment Expense Report form by listing the destination address and providing either Mapquest or Google Maps documentation. Individuals traveling to the same destination at the same time should arrange transportation together to share expenses.

Use of personal vehicles to transport students is prohibited because it exposes the owner to serious financial loss in the event of an accident. If a personal vehicle is used for College business the driver’s personal auto insurance is primary in the event of an accident (i.e. claims filed are first the responsibility of the driver’s policy). In the event of an accident involving passengers who are College employees or students, a copy of the accident report (or other notification) should be submitted to the Vice President for Administrative and Financial Services and direct supervisor immediately upon return to the College.

Automobile Rental
Use of rental cars is authorized when their use results in savings of cost or time or when other modes of transportation are not available (subject to the conditions noted above). The rental car receipt must accompany the Otis College Travel and Entertainment Expense Report form.

Individuals are required to refuel the rental car before returning it to the rental agency and will be reimbursed based on original receipts. Gasoline refueling charges in excess of “market” charged by rental agencies are the responsibility of the individual.

Rental Car Insurance
If involved in an accident while on Otis College business, the primary liability insurance carrier is the driver’s automobile insurance carrier. All deductibles are the responsibility of the driver.

The College maintains insurance that covers automobile rental; it is not necessary to purchase additional insurance from the automobile rental agency on the Colleges behalf.

Otis College does not reimburse for payment of Collision (CDW) or Loss Damage Waiver (LDW) insurance costs charged on automobile rental agreements.

Miscellaneous Transportation-Related Expenses Tolls
Necessary, reasonable tolls are reimbursed.
Parking
Individuals traveling on College business should find the least expensive parking available at any hotel, airport or destination. Valet parking is not permitted unless needed for physical or safety reasons, which must be documented on the Otis College Travel and Entertainment Expense report, or self-parking is not available or the cost of self-parking exceeds the cost to valet park.

Parking for trips originating from LAX will be provided free within the Otis parking structure. Travelers wishing to park in the Otis parking structure should fill out the Long Term / Overnight Parking Agreement and submit it to Facilities Management for approval.

Alternative LAX or other proximate airport parking is reimbursable up to the cost of a round trip Super Shuttle shared shuttle using a 25 mile radius to a maximum of $60. Parking receipts are necessary for reimbursement.

Traffic Violations
Traffic and parking violations received while driving rental, personal, or College-owned vehicles are a personal, non-reimbursable expense.

Public Transportation
Public transportation is to be used whenever cost effective and practical.

Shuttle Service
The cost of shared shuttle service to and from airports and railroad stations, plus reasonable tips, is reimbursed to the extent that such service is not included in air or rail fares. The College will reimburse for the transportation cost to and from LAX at a rate less than or equal to $30 each way. Overnight parking in the Otis parking structure requires a Long Term/Overnight Parking Agreement form available from the Facilities Department or on the Otis website.

Taxi Service
Taxi fares, including reasonable tips not exceeding 20%, are reimbursed when public transportation or shuttle service is not practical. The maximum reimbursement rate in Los Angeles will be equal to the one-way reimbursement rate ($30) for a shuttle as outlined above.

Lodging, Meals, and Related Expenses
Travelers are expected to use prudence in the selection of hotels and restaurants while traveling on official college business. Travelers are to use standard accommodations in hotels and motels and dine in restaurants of equivalent quality. Expenses for lodging and meals are reimbursed, as explained below, on an actual, reasonable expense basis.

Personal expenses, such as guest accommodations, travel, and other non-business charges, are the responsibility of the traveler and are non-reimbursable.
Lodging
Overnight lodging approvals and reimbursements are limited to travel points more than 75 miles from the College. The traveler is to make lodging reservations in advance. The maximum amount allowable for lodging will be based on rates published in IRS publication 1542. Lodging reimbursement is limited to single occupancy, single rooms only unless more than one authorized traveler shares rental accommodations. To secure reimbursement following completion of travel, an itemized hotel bill must accompany a properly completed Otis College Travel and Entertainment Expense report form.

Personal extras such as movies, health club fees, laundry, mini bar, or room service are personal, non-reimbursable expenses. Individuals traveling to a conference or business meeting, which has provided a special rate, should utilize that room rate.

Reimbursements are limited to the approved College employee’s expenses only; expenses for spouses or other travelers accompanying an employee are personal, non-reimbursable expenses.

Travelers who lodge in a private residence with family or friends while traveling on College business must obtain prior approval from the respective Vice President or Provost in order to receive reimbursement for expenses in lieu of normal hotel costs. Non-cash hospitality gifts with detailed receipts of up to $50 per day in lieu of lodging will be reimbursed with supervisor approval.

Travel Meals
For trips in excess of 75 miles one way, the College provides a per diem meal allowance for travel related expenses. The limit is $50 per day with the exception of specific cities that have been deemed “high cost” by the IRS (Publication 1542), in which case the maximum is $60 per day. If reimbursement is for persons other than the traveler, IRS regulations require that the names, titles, and company affiliations of the individuals involved and specific business purpose of the expense be provided.

Per Diem Limits
The following table shows the breakdown of breakfast, lunch, and dinner components of the maximum daily reimbursement rates each meal while on travel.

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<th>“high cost”</th>
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<tr>
<td>Breakfast</td>
<td>$10</td>
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| Lunch    | $10         *
| Dinner   | $30         |

Per Diem Limits for Meals at Conferences
When attending a conference, the traveler will not be reimbursed for the meals provided as a part of the registration fee. A copy of the conference/seminar agenda and registration form is required for any travel advance or reimbursement request.
**Business Expenses**

Other expenses normally associated with travel that are reimbursable include conference registration fees, official business telephone calls and miscellaneous expenses clearly related to the purpose of the travel and fully documented as such.

**Registration Fees**

Travelers must often pay registration fees for conferences, conventions, meetings of professional or learned societies, or community organizations. Receipts and a completed copy of the meeting registration form provided by the conference sponsor are required for all registration fee payments, regardless of the amount. Acceptable registration receipts must clearly document the form of payment used for the expense. A copy of the conference/seminar agenda and registration form is required for any direct payment or reimbursement.

Any expenses appearing on the registration form that are not business related must be deducted from the total payment.

College employees are encouraged to pre-register for conferences and workshops. To secure reimbursement following completion of travel for registration fees that are paid for the conference or workshop, the proper documentation must accompany a completed *Otis College Travel and Entertainment Expense* report form.

To secure prepayment for registration fees, the registration form and/or conference brochure must accompany a properly completed *Travel Authorization and Advance* form. These forms must be submitted to the Business Office with sufficient lead time (at least four weeks) to allow for prepayment, processing and mailing. Pre-payment for a conference or workshop is considered a Travel Advance and is to be included in the Otis College Travel and Entertainment Expense Form submitted after the trip.

Auxiliary conference activities such as sightseeing trips, museum tours, golf, and local travel costs are not reimbursable.

**Telephone Calls**

Charges for all business related telephone calls made while on official business are reimbursed. Employees should use the least expensive method to make calls (a personal cell phone is usually considerably less expensive than hotel telephone rates).

**Business Entertainment Expenses**

When justified by a business purpose, certain entertainment expenses may be considered an appropriate expenditure of College funds. The propriety of such expenses is to be determined only by the President or the employee’s Division Head (Provost, VPAFS, VPIA).

In general, alcoholic beverages are not a reimbursable business entertainment expense and must be deducted from the total bill along with related tax and gratuity. In limited instances and upon advance approval from the President or the employee’s Division Head (Provost, VPAFS, VPIA), alcoholic beverages purchased at a business entertainment meal are reimbursable. Any such reimbursement must have signed approval by the President or the employee’s Division Head (Provost, VPAFS, VPIA) on the *Otis College Travel and Entertainment Expense* report form.
Business entertainment expenses require detailed restaurant receipts (i.e. not only the credit card slip). The College will reimburse for the actual, reasonable cost, including tax and gratuity not to exceed eighteen percent (20%), of the meal. To secure reimbursement, a detailed itemized receipt for all meals must accompany a properly completed Otis College Travel and Entertainment Expense report form. A business purpose as well as the names of all attendees must be documented on the expense report.

Additional Personal, Non-reimbursable expenses
In addition to the expenses noted above as personal, non-reimbursable expenses, the following are also personal, non-reimbursable expenses:

1) Costs incurred by unreasonable failure to cancel transportation or lodging reservations,
2) Fines for automobile violations,
3) Lost or stolen tickets, cash, or property,
4) Damage to property,
5) Additional travel expenses incurred when an itinerary is altered to accommodate personal affairs (e.g., airline change fee),
6) Child care expenses,
7) Other expenses not directly related to the performance of the travel assignment (e.g., in room movies, personal items), and
8) Alcohol (except as noted in the Business Entertainment Expense section).

Travel Reports and Payments
Travel Advances
Advances may be obtained for airfare, conference registration and other required advance fees.

Procedures for Obtaining a Travel Authorization and/or Advance
A Travel Authorization and Advance form, signed by the organizational unit head and approved by the respective Vice President or Provost must be submitted to the Business Office no less than two weeks prior to the date the advance is needed. Typically, travel advances are not issued more than thirty (30) days in advance of departure dates and are for no more than 75% of the cost of the trip. Advances for airfare, hotel, and conference fees must be requested via the Travel Authorization and Advance form. Advances are not issued to employees who have yet to reconcile previously issued advances.

A travel advance is a loan. As such, each advance must be settled within 45 days of an employee's return from travel. To reconcile an advance it must be reported on the Otis College Travel and Entertainment Expense report form before another travel advance is issued. The Travel Expense Report form documents the trip, and any unused portion must be deducted from the report's final balance due and reimbursed to the College. If the report is not turned in within 45 days, the College will record the amount as compensation and withhold payroll taxes. Please note that a travel advance with no net reimbursement back to the employee will also be considered a taxable reimbursement expense.
Travel Expense Reports

Otis College Travel and Entertainment Expense reports must be properly completed and submitted to the Accounts Payable department within forty five (45) days after completion of travel. Original receipts must support expenses claimed on the reports.

If the travel was arranged through the travel agency and no other expenses are to be reimbursed, an Otis College Travel and Entertainment Expense report is still required to be submitted along with the invoice from the Travel Agency.

A properly completed Travel Expense Report includes:

1) Name and campus address of the College employee requesting reimbursement,
2) Banner ID of the traveler,
3) Purpose of the activity,
4) Travel destination,
5) Departure and return dates and times (including A.M. and P.M.),
6) Expenses incurred, itemized by day and supported by attached, original itemized receipts, including copies of conference schedules, registrations and mileage documentation. Receipts should be submitted attached to 8 ½ x 11” sheet of paper, preferably in date order. Please be sure not to use tape or use highlighters on receipts as the ink deteriorates overtime and the information will eventually disappear.
7) Reconciliation of any travel advance, including prepayments for airfare, hotel and conference registration,
8) Signature of the employee being reimbursed, to certify the expenses claimed, and
9) Names, title and company of all entertainment expense attendees and the nature of the business purpose. Each Otis College Travel and Entertainment Expense Report must be signed by the traveler as well as the traveler’s direct supervisor, (the respective Vice President, Dean, Department Chair, etc.). Individuals responsible for certifying Otis College Travel and Entertainment Expense Reports are to ensure that expenses are appropriate and that all required original itemized receipts are attached.

Following the submission to the Accounts Payable department of a properly completed Travel Expense Report, the traveler will be reimbursed for approved expenses not covered by a travel advance. Complete reports will be processed promptly. All reimbursements are made payable to the traveler, and not to others or credit card companies.

Travel Advances are to be reconciled on the Otis College Travel and Entertainment Expense report form. If the amount of a Travel Advance exceeds travel expenditures, the unused portion of the advance is to be returned to the College with the Otis College Travel and Entertainment Expense report. Such settlements are to be made by personal check, traveler’s check, or registered check, made payable to Otis College of Art and Design, and are to be submitted with the Otis College Travel and Entertainment Expense Report form.

The Accounts Payable department will make every effort to reconcile outstanding travel advances. If, after repeated notices to an employee, an advance remains outstanding, the responsible Vice President or Provost will be notified and appropriate action taken.
Non-Employee Travel Expenses
The travel expenses of non-employees (e.g., prospective employees, speakers, consultants) are reimbursed when required by authorized Contractual Agreement or when approved in advance in writing by the responsible organizational unit head. Reimbursement is made in accordance with the Policies and Procedures stated herein.

The College does not reimburse travel expenses incurred by a spouse or significant other. Any employee who travels with a spouse or significant other is expected to pay for all incremental costs associated with additional travel, including transportation costs, additional lodging expenses, meal expenses, and registration fees.

Foreign Travel
Foreign travel expenses are reimbursed. All claims for foreign travel expenses must be converted to U.S. Dollars. The conversion rate on the first day of travel and computation, as well as the source used to verify the rate (e.g., WALL STREET JOURNAL), must be used. Foreign travel expenses charged to credit cards are converted by the card holding company and will be listed in U.S. Dollars on the monthly statement. Authorized expenses will be reimbursed as they appear on the credit card bills.