

CHAPTER 8: Business Operations
ADMINISTRATIVE PROCEDURE NO. 8.55.2 (AP 7400)

ADMINISTRATIVE PROCEDURE
San Mateo County Community College District

Subject: AP 8.55.2 International Conference and Travel Expenses
Date: 1/16
References: Education Code Section 87032

This administrative procedure is an integral part of the District's Board Policy 8.55 and is subject to change when laws and regulations in the areas of conference attendance, travel and meals expenses change.

1. Purpose and Scope

It is the intent of the Board of Trustees that no employee suffer financial loss or produce personal gain as a result of being on district business. It is further intended by the Board that when an employee is away from home on district business, a standard of living be sustained comparable to what are normally maintained under conventional living conditions. Employees traveling on international business trips authorized by the colleges or the District must follow these procedures.

2. Approval of International Travel

All business-related travel should be pre-approved by the employee's immediate supervisor, the appropriate Business Officer and, if applicable, by the President. For Executives, business-related travel should be pre-approved by the Chancellor.

3. Transportation

Economy class or any discounted class airfare shall be used for all reservations. Upgrading to more expensive class is allowed but only at employee's expense except under special circumstances approved in advance by the Chancellor. Any special accommodations require pre-approval by the supervisor in order to be reimbursed by the District. In all cases, the decision to pay a higher fare must take into consideration the best interest of the College/District. A copy of the reservation should be provided along with the Conference Expense Reimbursement form. All transportation reservations should be made using a procurement card whenever possible.

4. Trip Cancellation

If a trip is canceled, every effort must be made to recover the credit. The following situations describe the factors to consider when reimbursing for cancellations:

- a. When the cancellation of the trip was within the traveler's control and:
 - i. No credit is issued – the traveler must reimburse the District for the cost of the ticket.
 - ii. A credit is issued – the credit must be used for SMCCCD business travel or the traveler must reimburse the District.

- b. When the cancellation of the trip was outside of the traveler’s control and:
 - i. No credit is issued – the District will cover the cost of the ticket.
 - ii. A credit is issued – the credit must be used for SMCCCD business travel or the traveler can “buy” the credit from the District for personal use. If the credit can’t be used, the District will absorb the cost of the ticket.

If expenses are incurred due to employee’s negligence when making travel reservations, they should be reimbursed to the District promptly. Any travel vouchers/credits earned due to changes in reservations remain the property of the District and should be used for future business flights within the same fiscal year whenever possible.

5. Lodging, Meals and Incidental Expenses

Employees traveling internationally on behalf of the District will be reimbursed for their reasonable lodging, meal and incidental expenses. These expenses should be charged to the employee’s District-issued Procurement Card. As a measure of what is a “reasonable expense”, employees should use the expense reimbursement guidelines established by the U.S. Department of State for foreign travel. Employees seeking reimbursement for expenses in excess of these guidelines may be asked to justify such reimbursement, which can be rejected in the sole discretion of the District.

Prior to international travel, the District employee may be given an advance, which should be documented on the appropriate forms when seeking reimbursement.

Any extra days prior or after the conference or scheduled events should be at the employee’s personal expense.

Charges for failure to cancel hotel reservations in a timely manner or for double bookings should not be reimbursed, or if paid on a procurement card should be reimbursed to the District promptly.

a. Meals

Meals that are incurred during business travel are reimbursed in accordance with the following time guidelines:

Flight time starts...employee can claim	Breakfast	Lunch	Dinner
Before 12 noon	X	X	X
Between 12 noon and 6pm		X	X
After 6pm			X

Return flight time starts... employee can claim at departure city rate	Breakfast	Lunch	Dinner
Before 12 noon	X		
Between 12 noon and 6pm	X	X	
After 6pm	X	X	X

For the departure day the employees will be reimbursed for **one meal** prior to boarding the international flight. Similarly, the employees will be reimbursed for **one meal** after the flight arrives in the US.

When a meal has been paid for as a part of a registration fee, reimbursement will not be provided for additional meals taken at the same time.

Business-related meals. Meals with existing or potential external business partners are considered **business-related meals** and a procurement card may be used to cover them. A detailed receipt including the names of the participants and the purpose of the meeting is required in order to be qualified as a District covered expense.

b. Incidentals

Below are examples of items considered to be **incidental** expenses that are reimbursable.

Fees and tips given to baggage carriers, bellhops, hotel maids, stewards or other personal services	Late Check-Out Fees
Telephone Calls (other than official business)	Foreign transaction fees (on personal credit cards)
Laundry (on trips of 5 days or more)	
Local Taxis	

Reimbursement Guidelines

1. Provide a detailed daily itinerary (see Appendix A) which notes the date(s), locations visited and the business purpose of the trip.

Deductions for Non-Business Days:

Any personal/non-business days should not be included. Weekends are allowable if the business spans Saturday and Sunday.

6. Insurance for travelers

Employees - District employees eligible for benefits are routinely covered 24 hours a day, worldwide, against accidental death or dismemberment and other accidents and incidents while on an official business trip. District provided medical insurance covers international traveling, therefore check with Human Resources prior to purchasing additional medical travel insurance. If coverage is provided through the District medical insurance, purchase of any additional travel and medical insurance coverage is considered an out-of-pocket, unreimbursable expense. If a procurement card is used for these expenses, the employee should reimburse the District promptly.

Vehicles - when private vehicles/rental cars are used on District business, the employees are responsible for maintaining adequate liability insurance coverage. Travelers using rental cars should include Supplemental Liability Insurance (SLI) and Loss Damage Waiver (LDW) when renting.

7. Traveler Tips and Miscellaneous Expenses

- Itemized Receipts **are** required.
- Room service should be avoided whenever possible due to the extra charges it incurs.
- The procurement cardholder is obligated to obtain a detailed receipt for all pro-card charges.
- Detailed receipts and proof of payment should be provided for all business related expenses in order to be reimbursed. An explanation/description of the expense should be included on all receipts. In case of missing receipts or proof of payment, detailed explanation should be provided and it is subject to District’s review for reimbursement approval. For example, a used pre-paid phone card is not considered sufficient proof of purchase and therefore is subject to District’s approval for payment.

- For any cash payments a detailed receipt with explanation must be provided. In case of missing receipts, the reimbursement amount limit and approval will be at District's discretion.
- All other reasonable miscellaneous expenses are reimbursable when they are ordinary and necessary to accomplish the official business purpose of a trip. For any out-of-ordinary miscellaneous expense prior to or during the trip, a detailed receipt and explanation should be provided and reimbursement is subject to District's review for reimbursement approval.
- As much as possible, the employee should only pay for their own travel expenses and avoid combining other employees' expenses with his/her own travel expenses.
- Whenever the employees use their procurement cards for personal service expenses, the employee should reimburse the District within 10 business days upon return from the trip.
- When advance reservations are made with procurement cards (registration, travel, etc.) for events happening in the following fiscal year, the information must be forwarded to Accounts Payable in a timely manner, so it can be set as a prepayment for the following fiscal year.
- If an employee receives a travel reimbursement by a third party for the travel expenses, the third party reimbursement should be deposited back to the District as a refund of expenditures in the appropriate travel expense account used for the trip. Consequently, the employee should complete the Conference Expense Reimbursement form to document all travel expenses and will be reimbursed according to these policies and procedures.

8. Reporting and Reimbursement Procedures

Compliance with IRS Rules:

The District's travel and conference procedures are designed to meet the Internal Revenue Services (IRS) definition of an "accountable plan". Reimbursements made in accordance with an accountable plan are not reported as taxable wages on the employee's Form W-2. Adherence to these policies and procedures ensures that business travel reimbursement will remain income tax free. Failure to follow these procedures may result in amounts being reported as taxable income to the traveler. Under the accountable plan, travel advances and reimbursement of expenses must meet three requirements:

1. Advances may only be made for approved business expenses, and provided to an employee within 30 days prior to the trip.
2. Travelers must provide an adequate accounting or substantiation of their actual travel related expenses within 30 days following the trip.
3. Employees must return any advance amounts in excess of substantiated expenses as soon as possible after the travel is completed.

Required Documentation:

Employees must keep a record of and substantiate their travel and entertainment expenses by submitting a completed Statement of Conference Expense form (along with all required documentation) to the Accounts Payable office within reasonable time after completing their travel.

The conference expense form should be supported by sufficient information to establish the business purpose of the travel, the dates and location of the travel as well as detailed, itemized, original receipts for all reimbursable expenses as well as any expenses charged to the purchasing card.

The following documentation should be provided along with the Statement of Conference Expense form:

- Itemized receipts for all travel related expenses (transportation, registration, etc.)
- Conference/event agenda/schedule
- Flight reservations
- Detailed Daily Trip Itinerary
- Travel Expense Detail spreadsheet

The complete package with all required approvals will be forwarded to Accounts Payable for review and processing. In case of any discrepancies or departures from the District International Travel and

8.55.2 International Conference and Travel Expenses (continued)

Conference Expense Procedures, the Accounts Payable staff is required to complete an Audit Findings form. The Audit Findings form requires the acknowledgment and approval of the employee and their supervisor prior to processing the reimbursement.

The District's International Travel and Conference Expense Procedures have been prepared using as reference the Internal Revenue Service and General Service Administration publications and have been adapted to reflect the District's specifics.

AP International Conference and Travel Expenses (Continued)

Appendix A – Example of Detailed Daily Trip Itinerary

ITINERARY

Business Purpose: Attend ISN Spring 2013 Asia Tour for International Student Recruitment

Dates of Travel: 3/07 – 30/13

DESTINATIONS

Date	Location	Organizer	Event	Transportation	Transport Info	Lodging	Notes	Check-in/out Dates
(Date)	(Name of Location)	(Name of Organizer - Third Party or Traveler's Initials)	(Enter Event Name)	(Mode of Transportation)	Airline Name and #. Depart (Airport Code) at (Time). Arrive at (Airport Code) at (Time)	(Hotel Name and address)		(Dates of Stay)
03/08-03/09	Bangkok, Thailand	International Student Network	ISN Spring 2013 Asia Tour	Air	United Airlines UA1234 Depart SFO at 10:00 AM Arrive BKK at 9:00 AM next day	Four Points Sheraton, Sukhumvit Soi 15, Bangkok Thailand Phone: (66) (2) 309 3000 • Fax: (66) (2) 309 3010 Cancel the day before, \$100/night! Reservation #: 825 520 024		3/8 - 3/10
03/10/13	Depart Bangkok, Thailand to Ho Chi Minh City, Vietnam	(Employee's Initials)	ISN Spring 2013 Asia Tour	Air	Lufthansa Airlines LH0772 Depart Bangkok (BKK) Thailand at 4:25 PM. Arrive at Ho Chi Minh (SGN) Vietnam at 6:05 PM			
03/10-03/12	Ho Chi Minh City, Vietnam	ISN	ISN Spring 2013 Asia Tour			Sheraton Towers 88 Dong Khoi Street, District 1, Ho Chi Minh City, Vietnam Phone: (84) (8) 38272828 Fax: (84) (8) 38272929 Prepaid. Res # 155 520008 \$199/night		3/10 - 3/12
03/12/13	Depart Ho Chi Minh City, Vietnam to Jakarta, Indonesia	(Employee's Initials)	ISN Spring 2013 Asia Tour	Air	Malaysia Airlines MH0751 via KUL Malaysia MH0723. Depart Ho Chi Minh (SGN) Vietnam at 11:00 AM. Arrive at Jakarta (CGK) Indonesia at 5:30 PM			
03/12-03/14	Jakarta, Indonesia	ISN	ISN Spring 2013 Asia Tour			Intercontinental Jakarta Midplaza JL. Jenderal Sudirman Kav. 10-11 Jakarta, Indonesia 10220 Tel: 011 62 21 251 0888 Fax: 011 62 21 251 2807 Email: melvalle@icmidplaza.com		3/12 - 3/14
	Depart Jakarta, Indonesia to Kuala Lumpur, Malaysia				Malaysia Airlines MH0716 Depart Jakarta (CGK) at 12:25 PM. Arrive at Kuala Lumpur (KUL) Malaysia at 2:00 PM			

AP International Conference and Travel Expenses (Continued)

Appendix B: Conference and Travel Federal Guidelines web links

- [IRS Pub 43](#) Travel, Entertainment, Gift, and Card Expenses
 - Travel outside the United States, see page 7.
- [IRS Pub 15](#) (Circular E) Employer's Tax Guide –
 - Per diem as accounted for expense definition, see Page 15 “Per diem or other fixed allowance”
- U.S. Department of State Per diem Rates:
 - [Foreign Per diem Rates by Location](#)
 - [FTR Appendix B \(Breakdown of Meals/Incidentals\)](#)
- Guidelines for incidentals adapted from GSA/Federal Travel Regulations –
 - Publications 300 & 301 <http://www.gsa.gov/portal/category/21222>
 - <http://www.irs.gov/pub/irs-regs/perdiemfaq%26a.prn.pdf>)