

Cornerstone University
TRAVEL EXPENSE POLICY
Revised 6/1/2007

POLICY PURPOSE

The travel policy document exists for primarily two reasons. The first is to ensure that Cornerstone University's travel dollars are spent as effectively as possible. To accomplish this end, various procedures are prescribed in this document through which Cornerstone can utilize its buying power to secure preferred rates and optimal arrangements. Cornerstone's policy to use just one or two travel agencies, for example, enables those agencies to compile Cornerstone's travel statistics and use that information to secure for us preferred status with various travel service providers. Our policies also equip our travel agencies with parameters they need to ensure that Cornerstone's travel dollars are spent consistently campus-wide.

A second important purpose is to ensure institutional compliance with federal regulations. In Publication 463, Chapter 6, the IRS prescribes that reimbursable business expenses must have the three following elements to be reimbursable:

- expenses must have a business connection;
- there must be an adequate accounting by the employee to the employer for these expenses;
- excess money from cash advances or reimbursements must be returned within a reasonable period of time (i.e. 30 days).

Failure to comply with these requirements would result in an employee having to claim as personal income the costs incurred by the university for his or her business-related travel.

These policies and guidelines are applicable to the business-related travel of all Cornerstone University faculty and staff and all others traveling on behalf of or as a guest of Cornerstone University. While the information in this document should be sufficient to cover the vast majority of travel scenarios, it is inevitable that certain instances and issues are not addressed in this document. If you find an instance where such is the case, please contact the Controller or the Vice President for Operations/CFO.

EMPLOYEE RESPONSIBILITIES
TRAVEL ADVANCE PROCEDURE

If a travel advance is needed, please submit a Check Request form, signed by your supervisor and yourself (and if over \$5,000 signed by the CFO), to Accounts Payable. Requests submitted by Tuesday at 4:30pm will normally receive a check on Friday. Upon returning, the Expense Reimbursement form must be fully completed and returned to Accounts Payable, with all original receipts, within 30 days. Any remaining cash from the advance must be turned in and receipted immediately at the Business Office. If the employee does not submit an expense reimbursement form or return the cash within 150 days, then Cornerstone University must withhold employment taxes on that amount.

EXPENSE REIMBURSEMENT PROCEDURE

Please complete the Expense Reimbursement form in a manner that properly substantiates each expense item as to its "business connection." The form must be submitted in a reasonable time period from the date of the expense (i.e. 30 days). According to IRS regulations, the expense becomes non-reimbursable after 150 days. The Expense Reimbursement form can be found on the CU Portal under "University Forms"/"Business Office". For travelers who spend their own funds for legitimate

business-related expenses, fill out the Expense Reimbursement form and turn it in to the Business Office with all original receipts to Accounts Payable for a prompt reimbursement. Requests submitted by Tuesday at 4:30pm will normally receive a check on Friday.

TRAVEL ARRANGEMENTS

Cornerstone University has selected Activa Travel Agency as our preferred vendor to provide services to those who travel on behalf of the university. Activa Travel has the latest in technology to service all of your travel needs.

Activa Travel has a very user-friendly on-line booking tool, “Travelport”, for air fare, hotels, and car rentals. The Travelport website is www.travelport.net. (If it is your first time using Travelport, you will need to register at www.travelport.net/registration) At the login page, enter the company name: Cornerstone University, PIN number: PSOGRS94 and click “go.” The agency fee for using “Travelport” is only \$10 per ticket.

You will be taken to a registration form to sign-up for system access. All required fields on the form must be completed before you click “Submit”. Name fields should include your legal name as noted on your photo identification and/or frequent flyer memberships that you use for travel. *The email address you enter on this registration form MUST be your company email address..* If you have questions about the Travelport feature, please contact the Business Office Manager (ext. 1943).

For an additional fee, you can call a travel agent. The Activa Travel office can be reached by dialing 616.588.5500 or toll-free 1.800.555.2184. The after-hours emergency number is 1.800.358.1805. Your emergency access code is Apollo 1P7F. There is a call charge for after-hours emergency calls of \$18 per call.

It may be possible that you would find a less expensive air fare at a different travel site. If this is the case, please contact the Business Office Manager or the Controller right away to get authorization to purchase the less expensive airline tickets. Authorization may be given if the employee purchasing the tickets uses a Cornerstone University corporate credit card.

Air Travel – Airline tickets should be purchased at the lowest fare available.

- Only coach class may be used and the lowest reasonable fare should be sought, regardless of carrier. You can use your frequent flyer carrier as long as the fare is one of the lowest priced options.
- Tickets should be purchased as early (14 day advance is preferable) as possible to ensure cost savings and seat availability.
- There is a Cornerstone University American Express (Amex) account number set up at Activa Travel for billing purposes. This Amex payment system benefits the university by reducing cash, extending cash float, improving documentation, streamlining administration, and providing reports to help manage travel expenses.
- Airline transportation should be used for long-distance travel, except when suitable arrangements cannot be made or there is a substantial cost savings or the traveler wishes to drive. If a traveler elects to drive, the mileage/car rental reimbursement will not exceed the average cost of an airline ticket to that destination.

Airport Parking – The most economical parking facilities should be used, which is normally the airport long-term lot.

Traveler’s Clubs – Membership in a travel club may be purchased at the personal expense of the traveler and is NOT reimbursable by the university.

Lodging – Please use the above travel agency to assist you in selecting the best lodging options. A single room with a private bath in a suitable, moderately priced hotel is the standard. Examples are Marriott Courtyard, Fairfield Inn, Holiday Inn, Ramada Inn or Hampton Inn. In-room movies, room service, health club, and other personal entertainment charges are NOT reimbursable. All hotel reservations should be guaranteed to your personal credit card or Cornerstone University issued credit card. It is the employee’s responsibility to cancel hotel reservations within the hotel cancellation policy time frame. Please obtain a cancellation number when canceling a hotel reservation. The university will not reimburse hotel “no-show” fees, unless approved by the Vice President for Operations/CFO.

Car rentals – If a rental car is needed, please secure a reservation at the lowest possible rate. The travel agency listed above will assist you in selecting a rental car agency if you are traveling out of town. Do not pay additional fees for any type of insurance coverage on vehicles rented in the United States because Cornerstone’s vehicle fleet insurance will cover what you need. Physical damage coverage should be purchased for vehicles outside of the United States. A mid-size vehicle is standard; a full-size vehicle is booked only when three or more travelers are traveling together in the same vehicle. Larger vehicles, such as vans, are booked only when there is a specific need. Please refuel the vehicle before returning to the rental agency.

Cornerstone University’s preferred local rental car agency is

Enterprise Rent-A-Car: Please make your reservations using Cornerstone University’s corporate account number **D06332**. The local agencies will bill the university directly. You must also use this corporate number when renting cars at other cities in order to get the university discount, but you will need to pay with a credit card. Please keep in mind that when cars are rented at an airport agency, an airport tax will be added to the bill. Below are the phone numbers for the local agencies:

616.363.8400 – Plainfield Ave.
616.285.3370 – Breton Rd.
616.285.2755 – G.R. Airport
616.530.9944 - Grandville

Cornerstone University also has a corporate account with **Hertz Rental** for your car rental needs out of town. Please use the travel agency listed above to assist you in rental car reservations. Cornerstone University’s corporate account number with Hertz is **1472020**.

Taxi/Bus/Shuttle Service – The cost of taxis, buses, or airport shuttles incurred by travelers is reimbursable. Travelers are expected to choose the most cost-effective mode of transportation available. Receipts should be obtained if possible. Tips are reimbursable up to 15%. Please record the amount of the tip on the receipt.

Personal Car – Employees are encouraged to use one of the Cornerstone University pooled vehicles when available. However, if using your personal vehicle, mileage will be reimbursed according to the following schedule:

- Up to 150 round trip (same day) miles at the prevailing IRS rate.
- 150 to 500 round trip miles at the lesser of the prevailing IRS rate or the cost of a rental car for the same period of time.
- > 500 miles at the lesser of the prevailing IRS rate or the cost of a rental car or the lowest airline ticket price for the same period of time.

Please submit the mileage on the Expense Reimbursement form. A place is provided at the top of the form to record the mileage by the day. IRS regulations indicate that you need to list the beginning and ending odometer reading for each trip.

Anyone using a personal vehicle at any time for university-related travel must carry the following as minimum insurance coverage on their personal vehicles:

Liability: \$100,000 per person; \$300,000 per occurrence, and
Collision: Standard, with \$500 deductible liability insurance on their personal vehicle.
Cornerstone University maintains secondary liability only to protect the university in case of accidents involving faculty and staff traveling for the university.

Note: Car repairs, parking tickets, traffic violations or insurance claims are not reimbursable.

Spouse/Family Travel – Spouses or family members may accompany faculty or staff. However, any costs incurred because of the additional travelers are NOT reimbursable expenses. The only exceptions to this rule will be made by the Provost and/or Vice President for Operations if the spouse or family member is traveling with a bona fide Cornerstone University business purpose. When personal travel is combined with university business travel, Cornerstone University will not assume any additional costs associated with the non-business portion of the trip. Additional expenses should be paid directly by the employee or by the individual(s) accompanying them on the trip and not charged to the university.

Telephone Expenses: Reasonable costs of long distance telephone calls and messages while traveling are reimbursable. Allowable calls include those that are necessary for university-related business and one personal call, of reasonable length, per day. Please do not use the hotel room telephone for making direct long distance calls. Calls from hotel rooms are overpriced. Airtime and roaming charges for business related cell phone calls are reimbursable when other options are unavailable.

Meals – Meals while traveling “away from home” are reimbursable, but should, if possible, be kept to a maximum of **\$38** per day per traveler. The U.S. Supreme Court has interpreted the “away from home” guideline as the employee being required to travel overnight in order for travel meals to be non-taxable reimbursable expenses. Alcoholic beverages, tobacco, and illegal drugs are not reimbursable. IRS codes require specific business purpose details on meals and entertainment. The following details **MUST** be documented in order to be a viable business expense:

Amount
Date
Name and location of establishment
Purpose, including nature of discussion

Names, titles and business relationships of all persons attending
Receipts listing the items purchased are required for reimbursement

Tips are reimbursable up to 20%. Please indicate this amount on the receipt. There are places to document all meal information on the Expense Reimbursement form. Please give as much information as possible. If the appropriate information is not listed, the Expense Reimbursement form may be returned to you.

Miscellaneous Travel Expenses – Parking fees, tolls and any other expenses directly related to the trip are reimbursable. Please obtain receipts if at all possible. When a receipt is not available, please write the expense on a separate sheet of paper and include the date, who was paid, amount and type of expense. Personal entertainment expenses, especially those that do not agree with the Cornerstone University Lifestyle Statement, are not reimbursable.

REPORTING REQUIREMENTS

All travel expenses eligible for reimbursement (see IRS Publications 463 and 535) must be on a Cornerstone University Expense Reimbursement form filled out in as much detail as possible. These forms are located on the CU Portal under “University Forms”/”Business Office”. All receipts must be originals with the name/address of the business, dated, itemized and properly signed to indicate that payment was made and the receipt is not an estimate of expenses.

It is Cornerstone’s policy to reimburse the traveler for all reasonable and necessary college business expenses. Expenses specifically non-reimbursable are those which:

- Lack required documentation;
- Are mileage reimbursement requests which do not document the starting and ending locations;
- Demonstrate no clear university business purpose;
- Are unreasonable as to the amount;
- Are not actually incurred;
- Are incremental expenses associated with spouse/family travel unrelated to business, or are personal expenses such as:
 - Personal services and entertainment,
 - Travel risk insurance,
 - Parking tickets and traffic violations,
 - Personal vehicle repairs, or
 - Personal credit card membership fees and charges.

QUESTIONS

Any questions regarding the viability of an expense or any other policy related questions should be directed to the Controller (#1446) or the Vice President for Operations/CFO (#1443).