

CNGA Expense Reimbursement Policy

Approved April 23, 2021 by the CNGA Board of Directors

Statement of Purpose and Responsibilities

This document establishes policies governing the reimbursement of travel, entertainment, and other business expenses incurred during the conduct of California Native Grasslands Association (CNGA) business, as well as the issuance and use of credit cards. It is CNGA's policy to reimburse Contractors, Employees, and Board Members for ordinary, necessary, and reasonable expenses when directly related to the transaction of CNGA business.

Directly related expenses are those in which there is the expectation of deriving some current or future benefit for CNGA, the Contractor/Employee or Board Member is actively engaged in a business meeting or activity necessary to the performance of the his/her job duties, or, in the case of entertainment, there is a clear business purpose.

Contractors/Employees and Board Members are expected to exercise prudent business judgment regarding expenses covered by this Policy.

Reimbursement for expenses that are not in compliance with this Policy requires the prior written approval of the CNGA's Chief Financial Officer (CFO), the treasurer, or the Board of Directors.

CNGA Contractors/Employees and Board Members are responsible for complying with this Policy. Contractors, Employees, and Board Members submitting expenses that are not in compliance with this policy risk delayed, partial, or forfeited reimbursement.

Documentation

Requests for reimbursement of business expenses must be submitted in writing and must contain all information necessary for substantiation. Each expense shall be separately identified. Requests shall be dated and signed by the Contractor, Employee, or Board Member.

While original receipts are recommended for all expenses submitted for reimbursement, they are required for all expenses greater than \$25. Requests for exceptions to this policy should document extenuating circumstances and be approved by the treasurer, CFO, or the Board of Directors.

CNGA complies with IRS regulations, which require that all business expenses be substantiated with adequate records. This substantiation must include information relating to:

1. the amount of the expenditure;
2. the time and place of the expenditure;
3. the business purpose of the expenditure; and
4. the names and the business relationships of individuals other than the Contractor, Employee, or Board Member for whom the expenditures were made.

Requests for reimbursement lacking complete information will be returned to the requesting Employee/Contractor or Board Member.

Reimbursement requests shall be promptly submitted, and in no event more than thirty (30) days after the expense. Reimbursement requests more than thirty (30) days old may be rejected.

Approvals

Expense reimbursement forms, together with required documentation, must be submitted to the Administrative Director for review and signature approval. The CFO may approve expense reimbursement in the absence of the Administrative Director.

When approving expense reports, the Administrative Director is responsible for ensuring that the expenses reported are proper and reimbursable under this Policy, the expense report has been filled out accurately and has the required documentation; and the expenses are reasonable and necessary.

Reimbursable Expenses

The following are reimbursable expenses, as long as they are in compliance with the applicable provisions of this Policy, and are for business purposes:

- Hotel or motel charges and related tips
- Airfare, train fare, bus fare, taxicabs, and related tips
- Meals, including tips between 15 and 20%
- Business telephone calls
- Charges for internet connectivity at the hotel or motel
- If the Employee/Contractor does not have a mobile phone, once daily calls home of a reasonable length while travelling on CNGA business
- Car rental expenses
- Personal mileage, if using own vehicle
- Toll and parking charges
- Conference and convention fees
- Business center costs (i.e., copying, faxing, etc.)
- Reasonable business entertainment expenses
- Laundry and/or dry cleaning expenses during trips in excess of five days
- Other reasonable and necessary business expenses, not specifically excluded by this section

The following expenses are **not** reimbursable:

- Airline club dues
- First class airfare
- In-flight movies/refreshments
- Hotel room movies and other forms of personal entertainment
- Child care costs
- Barbers/hairstylists
- Traffic fines
- Tips in excess of 20% and/or tips in addition to pre-applied gratuity

- Luggage or briefcases
- Alcohol, unless consumed during legitimate business-related entertainment activities
- Meals including only CNGA Employees/Contractors, unless travelling on company business or approved in advance by the treasurer or CFO
- Parties and gifts for CNGA Employees/Contractors
- Reimbursement for personal miles in excess of the cost of airfare to the same destination

No policy can anticipate every situation that might give rise to legitimate business expenses. Reasonable and necessary expenses, which are not listed above, may be incurred. Each Employee/Contractor and the CNGA Board of Directors must use his/her best professional judgment in determining if an unlisted expense is reimbursable under this Policy.

Air Travel

All Employees/Contractors are expected to travel coach class and are encouraged to search for the lowest available restricted but changeable fare, rather than the fully-refundable fare. Personal frequent flyer credits may be used to upgrade travel class; however, no reimbursement will be made, and no contribution recorded on behalf of the Employee/Contractor for the business use of frequent flyer credits.

The cost of cancelling and/or rebooking of flights is not reimbursable, unless it can be shown that it was necessary or required for legitimate business reasons (such as a changed meeting date). All unused airline tickets are to be returned to the Administrative Director, treasurer, or CFO promptly. Employees/Contractors must identify and pay for all personal flights, even if such flights are incorporated into a flight schedule that serves business purposes.

Lodging

Prudent judgment should be used when selecting a hotel or motel. A single room with a private bath in a moderately priced business class hotel or motel is CNGA's standard.

For all lodging expenditures, hotel receipts must be submitted; credit card charge slips do not represent adequate supporting documentation.

CNGA will not reimburse an Employee/Contractor for separate travel costs associated with his/her spouse or partner. However, the cost of a shared hotel room need not be allocated between an Employee/Contractor and his/her spouse or partner for purposes of this Policy.

Rental Cars

It is expected that reservations will be made for a compact vehicle, depending on the type of travel. Occasionally a mid-size vehicle may be appropriate when more than one Employee/Contractor will be using the vehicle. The cost of premium, luxury or four-wheel drive vehicles will be charged to the Employee/Contractor renting the vehicle, and reimbursement will be made at the compact or mid-sized rate as appropriate.

Employees/Contractors are expected to accept full coverage for driver and passengers and "Loss Damage Waiver" coverage so that any damage to the rental car is covered with no deductible.

Personal Vehicles

Employees/Contractors who utilize personal vehicles for business purposes are required to have a valid driver's license and at least the minimum insurance coverage required by law. Mileage will be reimbursed at the currently allowable IRS rate. Miles submitted for reimbursement should be net of any normal commuting miles.

Primary insurance for Employees/Contractors who use their personal vehicles for business purposes shall be through their own personal automobile insurance policy, and they will be responsible for any damage to the vehicle, as well as for liability.

The expenses related to gasoline consumed by personal vehicles are the responsibility of the driver of the vehicle. The driver of the vehicle is responsible for all parking fines and moving violation tickets.

Credit Cards

Credit cards issued in the name of CNGA may be provided, at the treasurer's or CFO's discretion, to those Employees/Contractors whose jobs require a significant amount of travel, entertainment, or business purchasing. Employees/Contractors requesting a credit card shall submit a written request to the treasurer or CFO, setting forth the necessity for the credit card. Credit cards issued in the name of CNGA are a privilege which may be revoked at any time. CNGA-issued credit cards shall not be used for personal expenses.

Employees/Contractors shall process credit card bills promptly and return them to the CFO a minimum of ten (10) days prior to the payment due date so as to avoid late fees and interest charges. Employees/Contractors will be responsible for any late fees and/or interest charges resulting from late submission of a credit card bill.

Policy Exceptions

Generally, any exception to this policy must have the prior written approval of the CNGA Executive Committee. Requests for exception should document extenuating circumstances or proposed overall savings to CNGA.