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**REIMBURSEMENT AND TRAVEL EXPENSES**

Approval Date: 06/2009

Revision Date(s): 03/2010

**POLICY****Expense Reimbursement**

Members of the organization's Board of Directors will serve without compensation other than reimbursement for expenses incurred to fulfill their board duties. The Executive Director may request reimbursement of any expenses from an officer of the Board of Directors.

Purchases of routine operating supplies and equipment will be made in the most cost-effective manner and will not exceed budgeted allowances for such items. Accounts payable (invoices) containing proper documentation of supplies or services will be paid within 30 days.

No person, including the Executive Director and members of the Board of Directors, shall approve their own request(s) for reimbursement.

**Travel Expenses**

The organization will provide reimbursement for necessary and reasonable travel expenses incurred by the Board of Directors, Executive Director, or affiliated parties. Any travel advances are deducted from the subsequent reimbursement to the party. It is the policy of the organization to establish travel expense limitations and guidelines as follows:

1. Authorizations
  - a. All travel requests must be for budgeted travel and approved at least 30 days in advance by the Board of Directors.
2. Travel Advances
  - a. Travel advances will be issued if requested at least 30 days prior to the trip. The advance will not exceed 25% of the estimated costs.
3. Personal Mileage
  - a. Use of a personal vehicle for business purposes supporting the organization will be reimbursed at the IRS mileage rate. Commuting mileage will not be reimbursed.
4. Public Carrier
  - a. The most cost-effective means of travel, such as coach airfare, must be used. Travel may be arranged through a travel agency or an on-line discount provider. Receipts are required for reimbursement.
5. Lodging
  - a. Lodging expenses will be reimbursed for the basic room charge and applicable taxes. Incidental expenses charges to the room will not be reimbursed unless they are reasonable and necessary for business purposes. Receipts are required for reimbursement.
6. Meals
  - a. Reasonable and necessary meal expenses will be reimbursed at a rate not to exceed rates that are reasonable and necessary in the location of the travel including applicable taxes. Receipts are required for reimbursement. Tips should be noted on meal receipts. Reimburse for purchases of alcohol requires the prior approval by the Board of Directors.
7. Taxi or Vehicle Rental
  - a. Actual taxi fares, including tips, will be reimbursed entirely. Tips must be noted on taxi receipts. Receipts are required for reimbursement.
  - b. Reasonable and necessary vehicle rentals will be reimbursed. Receipts are required for reimbursement.
  - c. Parking and toll expenses will be reimbursed. Receipts are required for

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reimbursement.

**Companion Travel**

Companion travel or travel expenses will **not** be routinely reimbursed by the organization. A quorum of the Board of Directors may approve companion travel or travel expenses when the travel would clearly be in the interest of the Rotary Club of Des Moines. Any expenses allocated to companion travel or travel expenses will be considered income to the Board Member and reflected in an annual IRS Form 1099 to the Board Member unless they are deemed to be reasonable and necessary to the business interests of Rotary International or the Rotary Club of Des Moines.

**Prohibited Reimbursements**

The organization does not routinely provide reimbursement for the following types of expenditures:

- First-class or charter travel;
- Tax indemnification and gross-up payments;
- Discretionary spending accounts;
- Housing allowance or use of residence for personal use;
- Payments for business use of personal residence;
- Health or social club dues or initiation fees;
- Personal services (e.g., maid, chauffeur, chef)

Any reimbursement of such expenses would require substantiation and approval of the full Board of Directors prior to reimbursement.

**PROCEDURE**

1. During the annual budget preparation process, the Executive Director will project the administrative expenses required for the upcoming year with an approximate monthly cost. Upon final approval of the budget the Board of Directors, the Executive Director will be authorized to purchase budget approved items in the amounts and at the cost indicated.
2. The Board of Directors must approve items not included in the original budget but subsequently identified as necessary to the operation of the organization.