



TRAVEL POLICY

I. Objective

As an organization dedicated to finding ways to strengthen governance, transparency and ethical standards within the charitable community, Independent Sector has a responsibility to be an effective steward of charitable assets. The objective of this Travel Policy is to further Independent Sector's mission by ensuring that those who travel on behalf of Independent Sector act responsibly in incurring expenses and that Independent Sector complies with all applicable laws and regulations governing travel expenses.

Pursuant to the United States Internal Revenue Code (the "Code"), travel expenses are not treated as income to the traveler only if the expenses are "ordinary" (common and accepted in your field of business), "necessary" (helpful and appropriate to your business) and not "lavish or extravagant" (reasonable under the circumstances). Consistent with the requirements under the Code, Independent Sector will reimburse only those travel expenses incurred for an approved business purpose that are ordinary, necessary and reasonable.

The safety of individuals traveling on behalf of Independent Sector is of paramount importance. In the event of an emergency or in other situations where safety is a concern, higher travel costs may be justified.

II. Persons Covered

This policy covers any individual who travels on behalf of Independent Sector, regardless of whether the person is a director, officer, employee, candidate for employment, volunteer, consultant, independent contractor or other party.

III. Process

A. Prior Approval

All travel must be approved in advance by the appropriate Reviewing Party, unless advance approval is impractical under the circumstances. For purposes of this Travel Policy, the Reviewing Party shall mean, unless otherwise indicated, the following:

- For the Chief Executive Officer, the Treasurer or his or her designee;
- For Independent Sector employees, the traveler's supervisor;
- For Independent Sector directors or officers, the Chief Executive Officer or his or her designee;
- For consultants, independent contractors or speakers at Independent Sector events, the Senior Leadership Team member overseeing the work;
- For candidates for employment, the Chief Financial Officer;
- For volunteers or any other traveler, the Senior Leadership Team member overseeing the work in consultation with the Chief Executive Officer.

B. Proofs of Approval

It is the responsibility of the individual planning to travel and seeking reimbursement to obtain any necessary approval prior to travel.

- As proof of approval of travel, Independent Sector employees prior to travel are required to either:
 - submit a Travel Request Form (TRF) to their supervisors for signature; or
 - seek travel authorization from their supervisor by email or other forms of electronic exchange.
- As a requisite for reimbursement, employees should attach the TRF or printed email to their request for reimbursement.
- Volunteers or any other traveler are required to submit a TRF when travel is estimated to cost \$600 or more.

C. Documentation

- Expenses will not be reimbursed unless the individual requesting reimbursement submits an Expense Reimbursement Form (ERF).
- Each individual trip should have its own individual reimbursement form. Multiple trips cannot be processed on one expense reimbursement form.
- The ERF must be submitted within sixty days after completing a business trip. Requests for reimbursements submitted later than sixty days will be declined unless there is justifiable reason for the delay and/or approved by the Chief Financial Officer.
- Each traveler is responsible for preparing and submitting his or her own expense report, which must include sufficient detail to identify the purpose of the expense and the services provided. An itemized original receipt must be submitted for each expense.

- If an original receipt is not available, the traveler may submit alternative written proof of the expense, such as a bill, canceled check, copy of bank/credit card statement or, if nothing else is reasonably available, a written statement detailing the expense and the reason no receipt is available.
- Personal travel points (airline miles, hotels or credit cards) cannot be used for business travel and then reimbursed by Independent Sector for actual funds.

D. Expense Report Approval

Independent Sector will reimburse travel expenses only if a traveler's Expense Reimbursement Form (ERF) is approved by the Reviewing Party. The Reviewing Party is responsible for checking the expense report to ensure that only ordinary, necessary and reasonable expenses are reimbursed. It is the traveler's responsibility to submit the approved expense report to Accounts Payable.

E. Arranging Travel

- Each traveler is responsible for booking all business-related air and train travel, and lodging. In order to keep costs low, all travelers are required to book air or train travel at least three weeks prior to the date of travel. Pre-approval from the CFO is necessary for travels that:
 - come up with less than three weeks' notice;
 - will be booked through a travel agency.
- There could be occasions when a pre-negotiated rate has been arranged with a travel agency, airline or hotel; if this is the case, travelers are required to book their travels as per direction from an Independent Sector representative.
- Travelers will not receive a financial reimbursement for the use of personal airline points and/or miles for business travel.

F. Use of Corporate Charge Card

Independent Sector provides a limited number of employees with a corporate charge card to facilitate business travel expenses. The corporate charge card may be used as detailed in the corporate cardholder agreement for approved business travel expenses, not for personal expenses or cash withdrawals. The traveler must document expenses paid for using the corporate charge card in the same manner as any other expense.

G. Travel Advances

If so requested by the traveler, Independent Sector will advance a traveler up to \$300 for the reasonably anticipated amount of travel expenses, provided that the traveler submits a Travel Advance Request Form (TARF) approved by the Reviewing Party at least fourteen business days prior to travel. In addition, the traveler must submit an expense report for advanced travel expenses in the same manner as for expenses for which reimbursement is requested. If the amount of a travel advance exceeds the amount of expenses approved for reimbursement, the traveler must reimburse Independent Sector in an amount equal to such excess at the time the expense report is submitted.

IV. **Types of Expenses**

A. Air and Train Travel

In general, Independent Sector will reimburse for the actual, reasonable cost of standard coach (not basic economy) travel only, not any premium or first-class travel. For an overnight international flight, an individual may upgrade to business class if it enables the individual to sleep during the flight and thereby save the time and cost of an overnight stay and the upgrade is approved in advance by the Chief Financial Officer or his or her designee.

Travelers are required to select the lowest reasonable air or train fare available for a reasonably convenient, comfortable and safe itinerary. Whenever possible, air travel reservations should be booked round-trip and as far in advance as possible to maximize savings and any trips book less than three weeks in advance or costing more than \$600 must be approved by the Chief Financial Officer.

B. Hotel

Independent Sector will reimburse at the single room rate for the actual, reasonable cost of hotel accommodations of standard convenience, comfort and safety, not deluxe or luxury hotel accommodations. Travelers are required to select the lowest reasonable rate for a base hotel room. The federal per diem rate authorized for lodging at that location should be used as a benchmark for what constitutes reasonable costs.¹ However, Independent Sector is aware that, as a charitable organization, reduced government rates are not always available. If a hotel room rate per night is above \$350, then approval is needed by the Chief Financial Officer.

Independent Sector does not reimburse for in-room movies, laundry (except on trips over seven days long) or personal phone calls. Whenever possible, travelers should use a cell phone or calling card rather than the hotel billing for long-distance calls.

¹ Copies of the federal per diem lodging rates are available at www.gsa.gov/travel-resources.

Independent Sector will reimburse for the actual, reasonable cost of internet access in a traveler's hotel room or through the hotel's business center, if such service is used for business purposes.

C. Meals

Independent Sector will reimburse for the actual, reasonable cost of meals. The federal per diem rate authorized for meals at that location should be used as a benchmark for what constitutes reasonable costs.² Allotment is per meal and cannot be carried over to the next meal. (Example, skipping breakfast and adding that amount to your dinner allotment.)

D. Local Ground Transportation

Independent Sector will reimburse for the actual, reasonable cost of local ground transportation. Travelers are required to use the most economical ground transportation appropriate under the circumstances and should use hotel courtesy shuttles or public transportation, whenever it is deemed safe, convenient and cost-effective. If hotel courtesy shuttles or public transportation are not safe, convenient or cost-effective, travelers may use shared-ride services - ubers, lyfts or taxis - or, if less expensive, private automobile services. For trips in which several travelers are attending the same event and live within a reasonable proximity to one another, or are at the destination airport or train station within an hour of one another, good faith efforts should be made to share local ground transportation services to and from the airport or train station.

Car rentals are generally expensive and, therefore, should only be used when they make logistical and economic sense, taking into account the safety, convenience and cost-effectiveness of other methods of transportation. Size and type of rental cars should be appropriate to the number of people in the car and the road conditions on which it will be used. In addition to the cost of the car rental, Independent Sector will also reimburse the traveler for the actual, reasonable cost of tolls, gas and parking.

E. Personal Automobile

Independent Sector will reimburse for use of a personal automobile for business travel (which does not include transportation to and from the office) at the mileage rate allowed by the United States Internal Revenue Service, plus the actual, reasonable cost of tolls and parking. However, in the case of a traveler who uses his or her personal automobile to take a trip that would normally be made by air, the total reimbursement for use of a personal automobile will not exceed the cost of the lowest available round-trip coach airfare for a reasonably convenient, comfortable and safe itinerary.

² Copies of the federal per diem meal rates are available at www.gsa.gov/travel-resources.

F. Other Expenses

Independent Sector will reimburse for actual, reasonable incidental costs associated with business travel, including without limitation business phone calls, internet access on flights when business is being conducted, faxes, photocopies, computer supplies and tips. Tips, where customary and expected, should be between fifteen and twenty percent, except that porter tips, where necessary, customary and expected, should be at the average of what is reasonably expected.

V. **Non-Business Travel**

A. Expenses of Traveling Companion

Independent Sector will not reimburse for expenses that are attributable to a traveler's spouse, partner, child or any other traveling companion, unless the companion is also conducting business on behalf of Independent Sector and the companion's travel is approved in advance by the Chief Executive Officer or the Chief Executive Officer's designee.

B. Personal Travel

Travelers may incorporate personal travel with business trips, if the personal travel is approved in advance by the Reviewing Party, and the travel is arranged at a time that is acceptable to Independent Sector and the business travel expenses are not greater as a result of combining the business trip with personal travel. The traveler is responsible for demonstrating the cost difference between the two itineraries and reimbursing any additional cost of the personal travel.

VI. **Third Party Reimbursement of Travel Expenses**

If the Reviewing Party of an Independent Sector employee approves in advance the employee's participation in an outside event as part of his or her official duties, then offers by a third party to reimburse Independent Sector for related reasonable travel expenses may be accepted. Any travel expenses that a third party has not agreed to reimburse will be reimbursed by Independent Sector to the extent such expenses are consistent with this Travel Policy.

Adopted December 5, 2006

Amended June 20, 2019

Annex A: Safety Guidelines When Traveling

Employees safety during business travel is a top priority for Independent Sector. As you make travel arrangements, due diligence is mandated. For purposes of this Travel Policy, the following guidelines are essential:

A. Locale

- Check for travel advisories.
- Respect all laws and cultural norms.

B. Health & Safety

- Check to see if there are health risks at your destination and get the recommended vaccinations.
- For medical emergencies, accidents, if your safety is threatened, or if you become a victim of a crime, call 911 (or other emergency number) before anyone else.
- Know your points of contact during medical emergencies.
- Have telephone numbers of your family member and supervisor handy for emergencies.
- Make sure you carry your medical insurance card when traveling.
- Carry an emergency card reflecting allergies (medical or any other) and phone numbers of emergency contacts.

C. Lodging

- Thoroughly research hotel locations prior to making arrangements and secure reputable lodging.
- Book your own private sleeping room (with a door).
- Only ask for one room key when traveling alone.
- Familiarize yourself with the nearest emergency exits to your room.

D. Air and Ground Travel

- If possible, book flights that arrive at your destination no later than 9 pm.
- There should be no more than 6 travelers on the same flight; the CEO and CFO should never be together on a flight.
- Use of personal auto coverage is prohibited for business car rentals.
- Secondary or additional authorized drivers on business travel car rentals is prohibited unless the additional driver is also on business travel paid by IS.