

1.1 PURPOSE AND SCOPE

To establish policies and procedures relating to the submission of requests for reimbursement of out-of-pocket expenses incurred as the result of performing, conducting or engaging in business activities authorized by NETRAC.

1.2 POLICY

It is the policy of NETRAC to reimburse members in a timely manner for expenses incurred as a result of performing duties for the RAC. No reimbursement for such expenses will be authorized without appropriate documentation in accordance with the procedures prescribed by this policy. The Expense report form and other required documentation are designed to comply with the IRS regulations and NETRAC Policies. Falsification of Expense reports, including but not limited to receipts, invoices and other documentation attached thereto, and/or willful violations of the provisions of this policy shall be grounds for disciplinary action up to and including dismissal from NETRAC.

1.3 PROCEDURES

- 1.3.1** Expense reports should be utilized for reimbursement of all authorized business expenses including travel, seminars, business meetings, workshops, and other out-of-pocket business expenses.
- 1.3.2** Members are responsible for completing and submitting accurate expense reports utilizing the prescribed forms.
- 1.3.3** The Executive Director and/or an Executive Board Member is responsible for reviewing all expense report forms to ensure that expenses are reasonable; supported by proper documentation, i.e., receipts, invoices, credit card vouchers, airline tickets, etc.; and in accordance with the applicable policy before approving the Expense report.
- 1.3.4** Expense reports must be submitted and approved by the Executive Director and/or an Executive Board Member. In no case may a member approve his or her own Expense report.
- 1.3.5** Expense reports that lack approval and/or proper documentation will be returned to the member without being processed.
- 1.3.6** Members will receive reimbursement for allowable business expenses within thirty (30) working days following receipt by the Executive Director of a properly completed expense report.
- 1.3.7** Expenses incurred as a result of spouses accompanying members on business are not reimbursable unless the business reason is indicated and approved by the RAC Board of Directors.

1.4 INSTRUCTIONS FOR SUBMITTING REPORTS

Instructions for the preparation of the expense report form and required supporting documentation must be strictly followed as noted below.

- 1.4.1** The form is to be prepared using the computer file (Excel/Lotus spreadsheet) or manually completed legibly in ink.
- 1.4.2** The form is to be entirely completed with all columns added across and down.
- 1.4.3** Expense reports should be submitted to the Executive Director within thirty (30) days following the end of the expense report period. The expense report period may be as little as one day but should not exceed one month.
- 1.4.4** Expense reports must be accompanied by, but not limited to, the following supporting documentation:
 - All expenditures are to be supported by detailed receipts with the receipts taped or stapled to an 8-1/2" x 11" sheet (in the order they appear on the expense report) which is then stapled to the expense report.

1.5 REQUIRED APPROVALS

- 1.5.1** Expense reports are to be reviewed for propriety and approved by the Executive Director and/or an Executive Board Member.
- 1.5.2** A full signature is required by the member. Initials of the Executive Director and/or an Executive Board Member are acceptable to indicate approval. All corrections on the expense report made by the member are to be initialed by the member and the Executive Director and/or an Executive Board Member. Corrections or changes are to be clearly marked through. No "Liquid Paper" or similar products may be used for making corrections.
- 1.5.3** Under no circumstances may a member approve his or her own expense report.

1.6 RESPONSIBLE PARTIES

- 1.6.1** Members who incur business-related expenses are responsible for familiarizing themselves with the provisions of this policy **prior** to incurring any expenses. Members are also responsible for using the most cost-efficient alternative and for ensuring that all incurred expenses are reasonable. The member should contact the Executive Director and/or an Executive Board Member when there is a question regarding the "reasonableness" of an expense.
- 1.6.2** When approving expense reports the Executive Director and/or an Executive Board Member is responsible for reviewing the report and supporting documentation for reasonableness and making sure that the reported expenses are appropriate and justified.

1.7 TRAVEL AUTHORIZATION

- 1.7.1** Business trips are to be made as requested by the board of directors and/or DSHS.
- 1.7.3** With the exception of designated NETRAC members traveling to routinely scheduled meetings, travel should be pre-authorized by the executive director or a member of the board.

1.8 ALLOWABLE BUSINESS EXPENSES

Following is a list of business-related expenses that will be reimbursed by NETRAC for members carrying out authorized RAC assignments.

- 1.8.1 Travel meals:** The RAC will reimburse members for the cost of personal meals necessitated by travel on approved RAC business.
- 1.8.2 Meal Rates:** The RAC will reimburse members up to \$60.00 per day for the cost of personal meals necessitated by travel on approved RAC business. NETRAC requires all members to submit receipts for the cost of these meals.
- 1.8.3 Lodging/Hotel:** Single accommodations in a hotel or motel is the NETRAC standard for lodging. "Corporate Commercial" or "State" rates are to be obtained when available, however NETRAC members are allowed up to \$160.00 for accommodations when "Corporate Commercial" or "State" rates are not available. Members pay all lodging expenses and are reimbursed by NETRAC. Members may not arrange for NETRAC to be billed. Movies and personal telephone calls charged to hotel/motel bills are considered a personal expense except as provided under 1.8.6 Telephone.

If the room reservation is guaranteed, it is the employee/members responsibility to use best efforts to cancel prior to expiration time, if the room will not be used. Hotel/Lodging accommodations must be reported by day rather than as a total at date of check out. Daily charge should include all taxes and fees related to the nights stay. Lodging expenses must be supported with a detailed billing statement from the hotel.

1.8.5 Transportation: Members are normally permitted to select the method of transportation they desire to use as long as the cost and time involved are reasonable.

1.8.5.1 Personal Car: Use of personal cars for NETRAC business will be reimbursed at the current IRS standard mileage rate. Mileage reimbursement for the use of a personal car should be documented on the Business Mileage Reimbursement Form when there is more than one destination on any given day and indicate for such trip:

- Date of trip
- Destination
- Mileage
- Business purpose

Parking charges and toll expenses related to approved business travel will be reimbursed in addition to mileage reimbursement.

No reimbursement shall be allowed for the following while the employee is on RAC business:

- damage to employee/members car
- parking tickets
- traffic tickets

1.8.5.2 Rental Car:

Reimbursement: Actual cost of a rental car will be reimbursed to the employees/members. A car appropriate to the business being conducted should be selected.

It is incumbent upon the member to be as careful as possible whenever renting a car. In addition, the following steps must be taken by the member:

Be sure to carefully inspect the car **before** leaving the rental agency. Any damage discovered should be noted on the rental agreement. Be sure to carefully inspect the car when returning to the rental agency. Anyone who damages a rental car should complete the “**accident packet**” which is generally located in the glove compartment of the car. Great care should be exercised in complying with all instructions contained in that packet.

1.8.5.3 Airlines:

- Charter planes are not to be utilized for NETRAC business travel without the prior consent of the Board of Directors.
- The lowest possible airfare should be obtained, not to exceed coach or equivalent airfare. Full fare airfare is permitted when flexibility is needed for meetings with variable schedules.
- Costs incurred in obtaining and/or using frequent flier programs are not reimbursable. This includes using an airline that does not offer the lowest possible airfare.
- Unused airline tickets should be returned for a credit to the employee/members credit card.
- Under no circumstances will members be entitled to a cash refund for the difference between the cost of a ticket they are entitled to and the use of a lower fare ticket.
- Members willing to utilize an airfare requiring a Saturday night stay over because the airfare cost savings is substantial, will be reimbursed for the stay over **only** if the cost to the RAC (for the stay over) is less than the airfare cost had the employees/members elected not to stay over. These arrangements must be approved in advance by the Executive Director and/or an Executive Board Member.
- Members will be reimbursed for any excess baggage charges incurred for carrying necessary business materials.
- Airline ticket vouchers must be attached to the expense report.

1.8.6 Telephone: Telephone calls for business purposes are reimbursed. One call per day to family members when out of town on NETRAC business is reimbursable as long as the charges are reasonable. Due to the premium rate charges for hotel long distance phone calls, members are encouraged to use personal calling cards. Calls for dial-up Internet access will be reimbursed. Highspeed/wireless connection charges are also reimbursable.

1.9 MISCELLANEOUS

1.9.1 Memberships: Membership fees related to technical/professional organizations are reimbursable with signature approval of the RAC BOARD for RAC Board members. Supporting documentation with appropriate signature approval must be submitted with the expense report or paid directly by the Executive Director.

1.9.2 Professional Seminars: Fees and related expense incurred for development courses and continuing education courses (if certification is necessary to satisfy job requirements of RAC) are reimbursable with signature approval of the RAC BOARD.

1.9.3 Personal Insurance: Any form of personal insurance purchased by an employees/members in conjunction with travel is **not** a reimbursable item.

1.9.4 Other: Costs for tobacco, magazines, newspapers, toiletries, clothing articles, batteries, haircuts, travel clocks or alarms, movies and items of a purely personal nature and/or for the personal comfort or convenience of members are non-reimbursable expenses.

1.9.5 Tips: Tips will be reimbursed for reasonable expenses generally not to exceed the following: 15% for meals or taxi-cabs; \$1.50 per item of luggage checked; \$1.50 for doorman assistance in arranging transportation or baggage movement/storage.

1.9.6 Personal Losses: The NETRAC will not be responsible for losses of employee/members personal funds or other property on NETRAC premises or while traveling on NETRAC business.

1.9.7 TRAVEL ADVANCES:

Travel advances should be discouraged but may be approved by the NETRAC BOARD for anticipated allowable expenses when traveling on NETRAC business and will be reviewed on a case by case basis. The advance, if made, must be appropriately indicated on the related expense report. Refunds must be submitted with the expense report when the advance exceeds actual related expenses.