

## ARKANSAS ASSOCIATION OF DEFENSE COUNSEL

### TRAVEL AND OTHER EXPENSE REIMBURSEMENT POLICY

The policies and guidelines contained herein are intended to support the effective operation of the Arkansas Association of Defense Counsel and supplement the fundamental principles of the by-laws of the organization.

#### 1. Purpose.

The Officers of the Arkansas Association of Defense Counsel recognizes that officers, and the executive director of the organization may be required to travel or incur other expenses from time to time to conduct business and to further the mission of this organization. In addition, speakers for the associations' annual meeting will often be required to travel to the meeting location. The purpose of this Policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by the requesting party.

When incurring business expenses, the Arkansas Association of Defense Counsel expects the Officer, Executive Director, Speaker or other party to:

- Exercise discretion and good business judgment with respect to those expenses.
- Be cost conscious and spent the Arkansas Association of Defense Counsel's money as carefully and judiciously as the individual would spend his or her own money.
- Report expenses, supported by required documentation, as they were actually spent.

#### 2. Expense Report.

Expenses will not be reimbursed unless the individual requesting reimbursement submits a written Expense Report. The Expense Report, which shall be submitted within two weeks of the completion of travel if travel expense reimbursement is request and must include:

- The individual's name.
- If reimbursement for travel is requested, the date, origin, destination and purpose of the trip.
- An itemized list of all expenses for which reimbursement is requested.

#### 3. Meeting Registration Fees.

All meeting registration fees must be approved in advance by the Arkansas Association of Defense Counsel's President. In an effort to be fiscally responsible, reduced fees for early registration should be taken advantage of whenever possible.

4. Receipts.

Receipts are required for all expenditures billed directly to Arkansas Association of Defense Counsel, such as airfare and hotel charges. No expense in excess of \$25.00 will be reimbursed unless the individual requesting reimbursement submits with the Expense Report written receipts from each vendor showing the vendor's name, a description of the services provided, the date and total expenses, including tips (if applicable).

5. General Travel Requirements.

a. Advance Approval.

All trips involving air travel or at least one overnight stay must be approved in advance by the Arkansas Association of Defense Counsel's President.

b. Necessity of Travel.

In determining the reasonableness and necessity of travel expenses, the person authorizing the travel shall consider the ways in which the Arkansas Association of Defense Counsel will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether a particular individual's presence on a trip is necessary. In determining whether the benefits to the Arkansas Association of Defense Counsel outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered.

c. Personal and Spousal Travel Expenses.

Individuals traveling on behalf of the Arkansas Association of Defense Counsel may incorporate personal travel or business with their company-related trips; however, the individual shall not arrange company travel at a time that is less advantageous to the Arkansas Association of Defense Counsel or involving greater expense to the Arkansas Association of Defense Counsel in order to accommodate personal travel plans. Any additional expenses incurred as a result of personal travel, including but not limited to extra hotel nights, additional stopovers, meals or transportation, are the sole responsibility of the individual and will not be reimbursed by the Arkansas Association of Defense Counsel.

6. Air Travel.

a. General.

Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. The Arkansas Association of Defense Counsel will reimburse or pay only the cost of the lowest coach fare actually available for direct, non-

stop flights from the airport nearest the individual's home or office to the airport nearest the destination.

b. Frequent Flyer Miles and Compensation for Denied Boarding.

Travelers traveling on behalf of the Arkansas Association of Defense Counsel may accept and retain frequent flyer miles and compensation for denied boarding for their personal use. Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

7. Lodging.

Individuals traveling on behalf of the Arkansas Association of Defense Counsel may be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Personnel shall make use of available corporate and discount rates for hotels. "Deluxe" or "luxury" hotel rates will not be reimbursed.

8. Out-Of-Town Meals.

Individuals traveling on behalf of the Arkansas Association of Defense Counsel are reimbursed for the reasonable and actual cost of meals (including tips) subject to a maximum per diem meal allowance of \$50.00 per day and the terms and conditions established by the Arkansas Association of Defense Counsel relating to the per diem meal allowance.

9. Ground Transportation.

Individuals are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability:

Courtesy Cars

Many hotels have courtesy cars, which will take you to and from the airport at no charge. The hotel will generally have a well-marked courtesy phone at the airport if this service is available. Individuals should take advantage of this free service whenever possible.

Airport Shuttle or Bus

Airport shuttles or buses generally travel to and from all major hotels for a small fee. At major airports such services are quick as a taxi and considerably less expensive. Airport shuttle or bus services are generally located near the airport's baggage claim area.

Taxis

When courtesy cars and airport shuttles are not available, a taxi is often the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved. A taxi may also be the most economical mode of transportation between an individual's home and the airport.

### Rental Cars

Rental cars are expensive and so other forms of transportation should be considered when practical. Individuals will be allowed to rent a car while out of town provided that advance approval has been given by the Arkansas Association of Defense Counsel's President and that the cost is less than alternative methods of transportation.

### 10. Personal Cars.

Individuals are compensated for the use of their personal cars when used for Arkansas Association of Defense Counsel business. When individuals use their personal car for such travel, including travel to and from the airport, mileage will be allowed at the currently approved IRS rate per mile.

### 11. Parking/Tolls.

Parking and toll expenses, including charges for hotel parking, incurred by the individual traveling on company business will be reimbursed. The costs of parking tickets, fines, car washes, valet services, etc., are the responsibility of the individual and will not be reimbursed. On airport parking is permitted for short business trips. For extended trips, individuals should use off-airport facilities.

### 12. Other Expenses.

Reasonable Arkansas Association of Defense Counsel-related telephone and fax charges due to the absence of the individual from the individual's place of business are reimbursable.

### 13. Non-Reimbursable Expenditures:

The Arkansas Association of Defense Counsel maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such expenses are inappropriate for reimbursement by a nonprofit organization. Expenses that are not reimbursable include, but are not limited to:

- Travel insurance.
- First class tickets or upgrades.
- When lodging accommodations have been arranged by the Arkansas Association of Defense Counsel and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by the Arkansas Association of Defense Counsel. Reimbursement shall not be made for transportation between the alternate lodging and meeting site.
- Limousine travel.
- Movies, liquor or bar costs.
- Membership dues at any country club, private club, athletic club, golf club, tennis club or similar recreational organization.
- Participation in or attendance at golf, tennis or sporting events, without the advance approval of the President of the Arkansas Association of Defense Counsel.
- Purchase of golf clubs or any other sporting equipment.

- Spa or exercise charges.
- Clothing purchases.
- Business conferences and entertainment which are not approved by the President of the Arkansas Association of Defense Counsel.
- Valet service.
- Car washes.
- Toiletry articles.
- Expenses for spouses, friends, or relatives. If a spouse, friend or relative accompanies an individual on a trip it is the responsibility of the individual to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.