

# TRAVELGROUP

## COMPANY TRAVEL POLICY FOR ASSOCIATES

January 1, 2010



TravelDiscounts, DBA  PANORAMA TRAVEL, LTD.

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## 1.0 TRAVELFOCUS BUSINESS TRAVEL POLICY

This document insures that associates have a clear understanding of the travel policy and expense reporting procedures for business travel and entertainment expenses incurred on behalf of TravelFocus:

### 1.1 Statement of General Policy and Enforcement

The company strives to provide adequate levels of transportation, lodging, meals and other services necessary to conduct company business for traveling staff. Associates must handle company funds in a responsible, prudent manner as you would with your own funds.

- TravelFocus will reimburse associates for all reasonable / necessary expenses while traveling on authorized company business that follows policy. TravelFocus assumes no obligation to reimburse associates for expenses NOT in compliance with this policy or necessary business expenses.
- Travelers who do not comply with this travel policy may be subject to delay or withholding of reimbursement. Travelers who have not purchased the lowest available airfare, hotel rate or car rental rate should be prepared to support their decision when questioned and be responsible for the amount outside of policy.
- In general, all supervisors/managers are responsible for overseeing the travel schedule of their subordinates, and ensuring that all travel is reasonable and necessary.

### 1.2 Travel Arrangements

TravelFocus requires associates to make travel arrangements via Cliqbook with email and phone as the backup and for complicated reservations, ([Employeeetravel@TravelFocus.com](mailto:Employeeetravel@TravelFocus.com) or phone, ext 19235 or 888-244-3558 to the Employee Travel department). Hotel, Car or land transportation will be arrangements at the same time as the airfare to generate only one travel record. Travel consultant rates/discounts should be booked/used when available.

Another option is to send your request to your Manager first for approval and your manager will then forward your request with their authorization to Employee Travel at [Employeeetravel@TravelFocus.com](mailto:Employeeetravel@TravelFocus.com).

Turnaround time for requests made via e-mail is two hours. All ticket requests go through the TravelFocus approval process before being ticketed.

**Credit Cards:** Certain positions will have the option for a corporate credit card. This card is to be used for business expenses only. Individuals will be responsible for all charges to their cards and must sign the credit card agreement. Normal expense reporting procedures must be followed to be reimbursed.

### 1.3 Traveler Profiles

All travelers are expected to have a current travel profile on file. Travelers must update their profile whenever changes occur, e.g., credit card, travel preference, and at least once a year. Update the traveler profile directly through the online booking tool. Traveler profiles contain

- Personal Info: Name, title, address, phone numbers, etc.
- Credit Card Numbers for air, hotel, car and miscellaneous charges.
- Travel Preferences: special meals, seat preferences and car and hotel preferences
- Membership Numbers: frequent traveler numbers for airlines, hotels, cars, etc.

#### **1.4 Emergency Travel Procedures**

TravelFocus Employee Travel business hours are 8:00 a.m. to 5:00 p.m. CST. Travelers should call the 24-hour Emergency Travel Hotline only after regular business hours. The after-hours emergency number is **800-987-9872**.

#### **1.5 Changes, Cancellations and Unused Tickets**

Should travel plans change, travelers need to contact Employee Travel at ext. 26400 or 888-244-2186 immediately to cancel / modify the reservation since tickets may be voided for a full refund depending on the airline's cancellation policy.

If the ticket is non-refundable or cannot be voided, the traveler should make every attempt to use this ticket toward future travel within the next six months.

#### **1.6 Air Travel**

The company prefers associates to book business travel at least two weeks in advance (when possible) to take advantage of less expensive processing of business tickets we receive from our industry partners. Last-minute trips should only be booked in emergency situations. If our client dictates travel sooner, attempt to plan the trip a minimum of one week in advance.

Travelers are expected to fly utilizing the lowest airfare based on the following criteria:

- Route has no more than one stop and the connection does not exceed 90 minutes
- Departure and/or arrival time is within two hours (before or after) of the original times requested
- Savings must be at least \$200 to offset scheduling inconvenience.

Travelers are to fly in coach class at all times. Upgrades to business / first class may be allowed in the following instances:

- When approved by the company CEO or COO.
- When required by a medical condition and documentation from the doctor is presented to management pre-approving the trip
- At the associate's personal expense or by redeeming frequent flyer mileage as long as a lower fare is not rejected and a full fare is taken in order to upgrade
- When first class fare is not more expensive than the lowest available coach fare

The ticketing consultant will determine if one of the company's airline passes (ticket letters) is available to use on the trip. You will be notified if this is the case and given any necessary instructions on what to do for that particular airline.

No one is permitted to issue his/her own airline ticket. A designated member of the Operations Department will issue all associates' tickets.

## 1.7 Lodging

Lodging costs represent a significant portion of our overall travel expense. **The travel industry discount should always be booked;** per diem is \$125 per night or less when appropriate, based on city and demographics; a few city exceptions are included below. Midpriced hotels must be booked when available. Check whether your client has a negotiated rate that may be less expensive than the consultant rate. Travel consultant rates may not be available through the online system (in this case, the ticketing consultant will contact the booked hotel to confirm the consultant rate).

Cities	Per Diem (Max.) *
New York	\$250
Washington D.C.	\$200
Boston	\$200
Chicago & Miami	\$175
Los Angeles & San Francisco	\$175
San Diego	\$200

*\*Based on IRS Per Diem Rates (Publication 1542)*

Hotel rooms should be guaranteed for late arrival. Hotel cancellations should be made before the time limit shown on the itinerary (usually between 4:00 p.m. – 6:00 p.m. local time of the property). Travelers should retain the cancellation number in case of billing disputes. Travelers will be held responsible and not be reimbursed for “no-show” charges.

The detailed hotel receipt is required to be submitted with the expense report. No addendum will be accepted for a hotel receipt, as the IRS requires an actual hotel receipt. If a receipt is lost or not available at the time of check out, the associate will have to contact the hotel to obtain an actual receipt.

Should you have the occasion to reside in a private home during a business trip, up to \$50 (per night) will be reimbursed should a gift to the host/hostess be appropriate.

## 1.8 Ground Transportation

You are encouraged to use the most economical method of transportation, with consideration of the following options:

### ***Complimentary Shuttle Service***

In many cases, hotels and convention centers offer complimentary shuttle service. Please weigh the benefits of this service in situations where you do not require a vehicle.

### ***Taxi Service***

Taxi service can be an excellent alternative for single day trips or when your meetings take place near the airport. Request a receipt from the driver and submit with your expense report.

### ***Rental Cars***

Travelers may rent either a compact or mid-size car. If the number of people using the car dictates a larger vehicle, request pre-approval from your Manager. **Always book the travel industry rate.** Any car rental rate over \$45 per day must be approved by your manager in advance. Take advantage and sign up for all the major car companies express renters programs to expedite your check-in process.

**Under no circumstances should you purchase optional insurance coverage when renting cars in the United States,** as coverage is provided using your TravelFocus Corporate Credit Card. These include deductible collision damage waivers or personal accident insurance. Such expenditures appearing on an expense report will be disallowed and charged back to you. This restriction does not

apply to vehicles rented outside the United States. (Should you not have personal auto liability insurance, please contact your manager for the proper procedure in renting cars.)

Renting GPS units must be pre-approved by your manager before your car request is submitted to Employee Travel.

### ***Personal Vehicle***

The expense allowance for use of your personal car for business purposes is at a designated rate per mile. Refer to the online expense reporting tool for mileage reimbursements allowance.

Only in situations where your personal vehicle is less expensive than other modes of transportation is use of a personal vehicle for a business trip authorized.

You must provide proof of personal automotive insurance to HR at the beginning of each year and each 6 month period thereafter.

Mileage is only reimbursed when you exceed your daily mileage to and from the office for your normal commute.

### ***Parking***

Many off-airport parking facilities offer discounted industry rates. We encourage this service for DFW, Chicago, New York and Los Angeles parking. All parking charges related to business travel are reimbursable up to \$17.00 for Dallas and Chicago and \$20 for New York and Los Angeles / 24-hour period for one-four business days. Off airport remote parking should be used for longer period and request the travel industry discount. Please request a receipt from the attendant and submit with your expense report. If possible, when multiple associates travel together, please ride share and limit parking to one vehicle. Another option is to consider airport shuttle service if the cost is less (roundtrip) than parking.

## **1.9 Telephone & Computer Internet Usage**

Use of hotel phones for long distance calls should be avoided when possible. Use of cell phones is encouraged.

Charges for communications made for business purposes will be reimbursed. Receipts for those charges must be attached with your expense report unless included on the hotel statement. If included on the hotel statement, detail the expense on your expense report. Please use your cell phone

Travelers should determine the hotel's added surcharges for local and long distance phone rates before making any calls. To avoid hotel phone surcharges, travelers should use the local TravelFocus office phone, a toll-free number, cell phone, charge card or calling card at a public phone when possible.

For VPN and Internet access on your laptop computers, use the company wireless access card. Cards are available and can be reserved through the IT Department. This card will allow you to avoid the hotel internet access fees.

## **1.10 Meals and Entertainment**

You are required always to always present yourself in a professional manner when with clients and suppliers. Inappropriate conduct (e.g. intoxication) is grounds for termination. When entertaining clients or when multiple associates are present at a business meal or function, the **most senior** level associate must pay and expense the bill.

The company will reimburse you for ordinary and necessary expenses incurred for business meals and/or entertaining, including expenses associated with sales promotion. To ensure expense deductibility according to IRS guidelines, report business meals and entertainment expenditures on your expense report, indicating for each expense:

1. Date and place of each business meal or entertainment expense
2. Business purpose and the purpose of the expense
3. Name, title and business affiliation of person(s) for whom the expenditure was incurred
4. Client entertainment for meals follows the same guidelines as meals for TravelFocus associates, noted below. Any exceptions must be approved by your manager in advance.

### ***Personal Meal Expenses***

Receipts for personal meals while on business trips must be attached unless included on your hotel statement. Meals included on hotel statements must be detailed individually on your expense report. Reimbursement is **limited to \$54 per day except in the following designated cities**, Boston, Chicago, Los Angeles, Miami, New York, San Francisco and Washington D.C, where the cap is \$70 per day. These cities are subject to change as needed. You will be reimbursed only for actual expenses supported by a receipt. **Meal reimbursement for yourself is only reimbursable when 100 miles or more from your home.**

<b>Meal</b>	<b>Explanation</b>	<b>Per Diem (Guideline)</b>
Breakfast	Allowed when out-of-town the night before or when your travel begins earlier than a normal breakfast hour and no meal is served on the transportation used.	\$11.00
Lunch	Reimbursed for all out-of-town trips, regardless of length of stay, unless provided by a supplier	\$15.00
Dinner	Reimbursement will be made when you are away from home / office for the evening meal or do not return home until after the normal dinner hour and no meal was provided by the transportation en route. <b>Alcoholic beverages will be reimbursed only when business entertainment is involved with a client and within reason and only if the client request alcohol.</b>	\$28.00

\* The above per diems do not include tax and gratuity.

In order for Company to deduct meal expenses (and reimburse the traveler), proper documentation must be provided with your expense report.

### ***Tipping Guidelines***

Tipping is reimbursable as follows:

1. Waiters: Not to exceed 20 percent of the check; include with the meal expense on expense account
2. Taxis: Not to exceed 20 percent of the fare; include with fare expense on expense account
3. Bellhop/Porters: Not to exceed \$2.00 per bag or a maximum of \$5.00 per check-in/check-out
4. Airports: Not to exceed \$2.00 / bag tip for curbside check-in, no tip for counter check-in

### ***Laundry and Valet***

Hotel laundry expenses will be reimbursed when you are away from home on business for more than four business days.

### ***Miscellaneous Expenses***

Expenditures not discussed in this policy should be pre-approved to ensure reimbursement.

### **1.11 Non-Reimbursable Expenses**

Any miscellaneous expenses not detailed in this policy must have advance written approval of your Manager. Most expenses of a personal nature are not reimbursed, even if incurred on a business trip. Non-reimbursable items include, but are not limited to:

- Upgrades to first-class air travel, hotel suites or luxury vehicles
- Cocktails or social events with members of the company
- Airline club memberships, frequent car, and hotel renter programs
- Articles of clothing or other personal items used for business purposes
- Fines for parking, speeding, other violations
- Grooming expenses: barbers, stylists, manicurist, masseur, shoe shines, etc.
- Personal entertainment expenses: theater tickets, in-room, or other movies, sporting events, massage, and fitness center privileges, etc.
- Personal international calls and cell phone usage
- Other personal expenses such as health club, personal reading material, or other items that you would customarily purchase for your own use
- Charitable contributions or sponsorships of any kind – submit a check request or invoice
- Relocation expenses are either handled by payroll or check request to HR
- Supplemental air travel insurance or any other trip insurance
- Replacement or reimbursement of personal property lost, stolen or damaged (sun glasses, briefcase, cell phone, gold clubs, etc.). This is covered by most homeowner's policies.
- Annual fees or any other costs/fees for personal credit cards
- Charges resulting from misuse or lost/stolen credit cards
- Costs associated with side trips for personal reasons or expenses incurred for a trip extension due to personal reasons

*Note: All business travel expenses are subject to Manager's discretion.*

### **1.12 Expense Reporting**

Submit your monthly expense summary with all back-up travel / entertainment / other receipts to your Manager for approval signature prior to forwarding to Accounting. The following guidelines govern this process:

1. Your approved expenses must be submitted to your Manager by the third business day of the following month.
2. The company will reimburse your expenses within 10 days of receipt. Your Manager must approve the expense report form.
3. All expenses must be submitted within 30 days of the end of the month to be eligible for reimbursement?

## Approval/Authorization Process

Associate's immediate manager or next higher authority must approve his/her expense report. Associates are **NOT** authorized to approve their own, a peer's or a superior's travel expense. Each Manager must review each associate's expense report for calculation accuracy, approval signatures, policy compliance, business purpose and proper supporting documents and receipts. All non-compliant expense reports will be returned to the associate.

## Documentation Requirements

- **Reason for Expenditure** – Each expense report must contain a detailed explanation for making the trip or incurring the expenses.
- **Report Period** – Expense reports should cover a period of no longer than one month or per trip and must be submitted by the third business day of the following month.
- **Receipts** – Company policy requires receipts for ALL meals, regardless of amount, ALL hotel stays and ALL expenditures.
- **Airfare/Rail** – Ticket number (s) and amount (s) must be documented on the expense report. Attach a copy of the itinerary showing the ticket number and total charge.
- **Hotel** – Detailed hotel folio/receipt must be attached.
- **Rental Car** – A detailed charge card receipt and receipt from the car vendor.
- **Meals/Entertainment** – Charge card receipt or cash register receipt (no restaurant tear tabs). All meals or entertainment involving clients or associates must include explanation of business purpose (what was discussed) **including names of everyone in attendance, their titles and company name.** “Business meal or entertainment” is not an appropriate description. The receipt must include the name and location of the restaurant / event, live item detail of all purchases, exact amount including tip, and date of expense. Tear tabs are not acceptable. Hotel room service needs to be treated as a meal and coded appropriately. Snacks are treated the same as meals.
- **Mileage Detail** – Where the business travel started (city, exact location, e.g. client name), where the business travel ended and for what purpose. Normal commute miles (what you normally drive to and from work) must be deducted as the IRS does not allow for commute miles to be reimbursed. Enter the net miles for reimbursement on the expense report (\$.50 per mile for 2010).
- **Miscellaneous** – Receipts for all miscellaneous expenses.

*The Controller and/or HR will have final approval of all questionable expenses.*

## Acceptable Receipts

Receipts must include the name of the vendor, location, date and dollar amount. The following receipts are acceptable for expense report documentation:

- Original receipt completed by the vendor – hotel receipts must be the detailed folio.
- Client's copy of charge card slip.
- Charge card billing statement when accompanied by an addendum explaining why no individual receipt was available.
- Original phone bill.
- IRS-approved e-ticket receipt or itinerary that shows the ticket number (s).



### **Unacceptable Receipts**

Restaurant tear tabs, credit card statements and personal check carbons are not acceptable as receipts unless accompanied by an addendum that provides a full explanation.

### **Expense Report Preparation**

- Expense reports must be submitted to your manager for approval and forwarded to Accounting by the 5 of each month.
- Expense report receipts need to be securely taped (not stapled) on all edges on letter size (8-1/2 x 11) paper in the order they appear on the expense report. If a phone bill is submitted, copy of both the front and back of the bill and submit instead of original.
- Make sure information on the expense support documents is legible before submitting.
- Do not submit any unnecessary backup, such as multiple copies of the travel itinerary, multiple copies of the hotel receipt, etc.