

8.04 REIMBURSEMENT AND ADVANCE PROCEDURES

A. TRAVEL AND RELATED EXPENSES FOR BUSINESS TRAVEL

1. IN GENERAL

Employees required to travel must receive prior approval from their Director. All out-of-state travel requires the approval of the Chief Executive Officer and completion of the Travel Request form. The Board of Directors must approve the annual budget for travel, meal, and entertainment costs. They also must be provided periodic reports on actual costs paid directly on behalf of or reimbursed to employees.

All state and local motor vehicle laws are to be obeyed at all times, and the use of seat belts is required while on FAME business.

A Travel Request must include:

- ▶ Purpose for the trip
- ▶ Date of the trip
- ▶ Time of the trip
- ▶ Place that the trip will start and end and intermediate destinations.

Employees must submit a Check Request Form to the Finance Department at least six working days prior to travel to receive a cash advance. The request for cash advance must be accompanied by a completed Travel Request form and requires approval from the employee's Director.

To receive reimbursement for travel expenses, an employee must complete a Travel and Expense Reimbursement Form, which is approved by their supervisor. The Chief Executive Officer's business expenses must be approved by a FAME Board Officer. The Travel and Expense Reimbursement Form details the date of travel, the purpose of any expenses associated with the travel (mileage, tolls, meals, lodging, etc.). All reimbursable expenses must adhere to FAME's policies and include the appropriate documentation (receipts). Travel and Expense Reimbursement Forms must be submitted for reimbursement no later than 30 days after the travel expense incurred, unless a travel advance was requested. All employees who requested a travel advance must submit their Travel and Expense Reimbursement Form within 5 days upon return and return any unused portion of the advance with their detailed expense voucher.

Out-of-State travel should be reported on a separate expense voucher and not grouped with in-State travel.

2. TRAVEL RELATED TO FEDERAL PROGRAM

All travel related to Federal programs will follow reimbursement rates as outlined in the Prescribed Maximum Per Diem Rates for CONUS, which can be reviewed by clicking on the following link.

<http://www.gsa.gov/portal/category/21287>

3. TRAVEL BY COMMERCIAL CARRIER

Employees should arrange travel on excursion, economy or other discount fares. Government rates should be requested whenever available for travel or accommodations. Charges for first class transportation will not be allowed. Employees should use prudent judgment about additional fees (e.g., checking bags, extra leg room, Wi-Fi) for business travel, choosing the most economical and safe options that meet business needs while minimizing expense to FAME. To receive reimbursement, receipts must be submitted along with the employee's completed Travel and Expense Account Voucher.

4. MILEAGE REIMBURSEMENT

FAME will reimburse its employees at the FAME rate for the use of their personal motor vehicle on necessary business travel. FAME has one leased vehicle, which is available to employees traveling outside of the local area. The leased vehicles from the State should be the vehicles of first choice when traveling. The vehicle should be reserved in advance using Outlook. Insurance and a gas card are included in our rental agreement. The log for the vehicle leased through the State is maintained at the front desk.

Mileage reimbursement is based on actual miles traveled to the business destination and return. If travel originates or terminates at home, reimbursement will be provided for the lesser of actual miles traveled or mileage from FAME to the business destination and return.

To receive mileage reimbursement, employees must indicate on their travel voucher the location where the travel started and ended.

In the event of disputes, reimbursable mileage shall be determined by using the Maine State Highway Accumulative Mileage Table published by the Maine Department of Transportation.

All employees shall endeavor to keep reimbursable travel expenses as low as possible. When it is required that several employees of FAME travel to the same destination, carpooling is strongly encouraged.

5. AUTO RENTAL REIMBURSEMENT

In the event an auto rental is required, any rental anticipated to be in excess of \$200 must be approved by the employee's Director or Chief Executive Officer in advance of travel arrangements.

Receipts must be submitted for reimbursement.

Employees must attempt to obtain the most economical rental vehicle appropriate for the purpose of the travel. The leased vehicles from the State should be the vehicles of first choice when traveling. If both vehicles are in use, a vehicle may be rented, but must be the most economical rental vehicle appropriate for the purpose. Rental of state vehicles is encouraged if they are more economical than other rental sources. Optional additional insurance coverage may be elected unless coverage is otherwise available.

6. PARKING AND TOLL FEE REIMBURSEMENT

FAME employees shall be reimbursed for expenditures for parking meters, tolls and vehicle storage charges provided that such expenditures are directly related to official FAME business travel. FAME does have an EZPASS for the FAME vehicles.

Receipts are required for parking and toll fees in excess of \$3.

7. SPEEDING/ TOWING/ EMERGENCY/ SERVICE/ VEHICLE REPAIR

There will ordinarily be no reimbursement for speeding, parking tickets, overtime tow-away charges, emergency highway service, vehicle repairs or towing charges. However, in the event that an employee's vehicle is damaged while on FAME business for reasons not due to the employee's gross negligence or violation of law, FAME will reimburse the reasonable costs attributable to the damage, excluding amounts covered by insurance. Reimbursement for any insurance deductible shall not exceed \$500.

8. MEAL REIMBURSEMENT

FAME employees will be reimbursed for necessary expenditures for meals, including tips, taken during business travel subject to the following conditions:

Depart and return within the same business day:

No reimbursement for meals except for:

Breakfast, if the employee is required to depart home more than one hour earlier than normal.

Dinner, if the business event prevents the employee from returning home before 7:00 p.m.

A meal is associated with an official meeting or conference and is part of a scheduled formal program.

A meal including business customers of FAME as invited guests. Employees attending seminars or other official business outside of Augusta can submit for reasonable reimbursement of lunch.

In the case of business trips requiring overnight lodging accommodations, FAME will provide reimbursement for all meals except dinner if the employee is not prevented from returning home before 7:00 p.m.

All reimbursable meal expenses including tips must be reasonable. Alcoholic beverages are not eligible for reimbursement. FAME will reimburse employees for a customary tip of up to 20% for meals, cab fare, etc. Tips exceeding 20% will require the employee to personally pay the difference between 20% and the amount of tip given.

All meals require a receipt for reimbursement. Except as provided in Schedule B below, the daily maximum meal allowance for business travel is \$50 for travel within Maine and \$100 for out-of-state travel. Employees should abide by per meal maximums of \$20 for breakfast, \$30 for lunch and \$50 for dinner. Any amounts over the maximum per meal or per day allowance will not be reimbursed by FAME except upon specific approval by CEO, or by the designated Board member.

9. LODGING REIMBURSEMENT

FAME employees whose business travel requires an overnight stay will be reimbursed for reasonable costs of commercial lodging accommodations at the single occupancy room rate.

Where applicable the government rate should be requested for all lodging arrangements.

Receipts are required for reimbursement of all lodging expenses. Business telephone calls charged to the hotel bill are allowable. Hotel charges for in-room movies, laundry, entertainment or alcoholic beverages are not reimbursable.

B. OTHER BUSINESS EXPENSE REIMBURSEMENT

FAME will not reimburse an employee for any expenses, other than travel related expenses (described in Section A above), related to FAME business, other than those approved by the Chief Executive Officer. Approval should be sought prior to the expenditure.

Requests for approval for reimbursement must include:

- ▶ Nature of the activity and/or other expense.
- ▶ Date and place incurred or to be incurred.
- ▶ Names of person(s) included in the expense and their relation to FAME, if applicable.
- ▶ The business discussed or to be discussed (if meeting) or relation to business (if other expense).

- ▶ The actual or estimated total cost.
- ▶ The reason the expense/meeting is necessary.

Reimbursement requires itemized receipts.

To the extent business expenses involve meals, the per meal limits provided in §A(8) above apply unless incurred as part of a business meeting that includes participants who are not FAME employees or board members, whether or not related to travel. Nevertheless, employees should endeavor to observe such limits where possible, and in any event, all business expenses (including meal expenses) shall be reasonable and not include alcoholic beverages.

C. TELEPHONE CALL REIMBURSEMENT

FAME will reimburse the reasonable cost of all business telephone calls made by employees.

Employees are allowed one call home daily at FAME's expense. If an employee is detained by FAME business and unable to return home before 7:00 p.m. on any day, the employee will be allowed to call home at FAME's expense. An employee must use a personal credit card or other method of personal payment for all other personal long distance calls.

Cellular calls made for business purposes on personal accounts will be reimbursed at the cost to the employee based on the percentage of business calls divided by the total minutes used by the employee (not total minutes of a family plan), plus any applicable roaming charges.

If an employee is given a FAME cellular phone, that employee shall reimburse FAME for personal calls made at the incremental rate chargeable to FAME for calls in excess of the rate plan, plus applicable toll or roaming charges.

See Mobile Device Policy (8.09) for additional terms/conditions for FAME phones and reimbursement of employee expenses for business use of personal cell phones.

D. CONFERENCES, SEMINARS, EDUCATION AND TRAINING

FAME will reimburse employees for the expenses associated with attending scheduled professional conferences and seminars that relate to their work with FAME, subject to prior approval by the Chief Executive Officer, Director or Manager. Out of State travel must receive prior approval by the Chief Executive Officer.

E. EMPLOYEE RESPONSIBILITY

Employees are responsible for the accuracy of their expense reports. Any exceptions to this policy will be reported to the employee's Director or the CEO.