

Travel Policy

EFFECTIVE DATE: October 1, 2018

It is the policy of Traders Point Christian Church to reimburse employees for actual, reasonable, and necessary expenses incurred while traveling to conduct business for TPCC. Travel Expenses are defined as expenses incurred while temporarily traveling away from the general area of your regular campus substantially longer than an ordinary day's work, requiring an overnight stay.

When incurring travel expenses, employees are expected to spend funds with the same degree of care that a sensible person would exercise when spending personal funds. All travel for ministry related business must be included in the budget, pre-approved by the staff member's Department Director and must comply with this policy. All travel related expenses must be reported and approved by the appropriate manager. TPCC travelers must make all travel reservations through preferred vendors and follow general travel guidelines as covered in this policy.

- Reimbursement/payment of travel expenses is not a part of an employee's compensation.
- This policy is designed to comply with IRS requirements regarding reimbursable, tax-exempt, travel-type expenses.
- Lack of sound judgment or repeated failure to observe policy results in non-reimbursement of expenses if personal card is used and required reimbursement to TPCC if church card is used.

Employee Responsibilities:

1. Comply with the provisions of this policy
2. Spend travel funds prudently and sensibly as if it were personal funds.
3. Use TPCC's tax-exempt ID number (0002023253) for all expenses in the state of Indiana except hotel/motel occupancy tax (state tax on housing is exempt) and gasoline. For extensive travel or significant events in the states of Ohio, Florida, Illinois, and Michigan, exemption forms are available from the Finance department.
4. Closely scrutinize all charges for reasonableness and erroneous items prior to paying.
5. Submit expense reports that are timely, complete, and accurate. This includes routing required documentation to Department Director or, if so instructed by manager, directly to Accounts Payable, and detailing date, amount, and nature of the business involved.
6. Include Purchase Order number on all documentation for traveling in association with Staff Development Policy.
7. Submit Expense Reimbursements by 15th of every month for previous month's expenses.

Department Director Responsibilities:

1. Review all Expense Reports to ensure that reports are complete (with documentation and explanations), mathematically correct, reasonable, and in compliance with this policy and established budgets.
2. Approve Expense Reports on a timely basis and route documentation to Accounts Payable.
3. Provide feedback on corrections and counsel employees if TPCC policy was not followed.
4. Educate employees on travel policy before travel occurs.

Accounts Payable Responsibilities:

1. Ensure that all required documentation and explanations are included.
2. Check amounts for reasonableness and policy adherence.
3. Compare account codes to approved budgets.
4. Verify and track Purchase Order information in association to Staff Development Policy.
5. Electronically return Expense Reports to employee if problems exist.
6. Report to direct report when problems persist.

Approval Authority:

- All travel for ministry related business must be included in the budget and pre-approved by the staff member's appropriate department leader. If traveling is related to Staff Development, Purchase Order number is required on all documentation.
- TPCC requires appropriate approval on all Expense Reports. Employees must submit all Expense Reports to his/her Department Director for approval. (Exceptions regarding Executive Team members are noted below.)
- No employee or manager is authorized to approve his/her own Expense Report.
- The Executive Team direct report is authorized to approve Department Directors' Expense Reports.
- The Executive Pastor is authorized to approve Executive Assistant, Central Operations Executive, Central Ministries Executive, and Campus Ministries Pastor's Expense Reports.
- The Lead Pastor is authorized to approve the Executive Pastor's Expense Report.
- The Elders are authorized to approve the Lead Pastor's Expense Report.

Guidelines:

➤ Reimbursable and Nonreimbursable Expenses

- TPCC reimburses employees for actual and reasonable expenses for:
 - Air, rail, and bus fares
 - Operating and maintaining your car
 - Taxi fares or other costs of transportation between the airport or station and your hotel, or from one work site to another
 - Meals and lodging while you are away from home on business. (See Meal and Entertainment Allowance Policy for meal allowance)
 - Business related telephone expenses (such as business communication by fax machine or other communication devices)
 - Tips you pay for any expenses listed above
- TPCC does not reimburse for certain types of expenses associated with travel such as:
 - Seat upgrades
 - In-room movies
 - Airline internet access fees (unless access is required for management approval of TPCC applications)
 - Hotel internet access fees (unless access is required for management approval of TPCC applications)
 - Shoe shines or valet service for clothing
 - Additional insurance
 - Traffic and parking tickets
 - Luggage
 - Beauty care or health spas
 - Child care
 - Clothing
 - Family or spousal travel/meals/entertainment
 - Laundry and dry cleaning
 - Extravagant meals
 - Toiletries
 - Personal reading material or personal entertainment, or any other item of a personal nature or deemed exorbitant or inappropriate.

Any of these items charges to a TPCC credit card will be the responsibility of the staff member.

- Any expenses incurred by a spouse or family member traveling with the staff member will be paid in full by the staff member, unless some “ministry value” can be demonstrated to warrant payment of expenses for one’s spouse and are approved by an Executive Team Member before traveling.

➤ Personal Automobiles

- TPCC reimburses for personal automobile mileage while on a business trip at the IRS allowable mileage rate. However, if airfare plus ground transportation at the destination is less than the mileage reimbursement amount, TPCC reimburses the employee the amount of the lowest logical airfare rate plus the anticipated rental car expenses including fuel and the cost of long term airport parking, instead of the mileage amount. Likewise, if the expense of a rental

car plus fuel is less than the mileage rate, TPCC reimburses the amount of a rental car. (NOTE: Employees must attach this calculation in the documentation.)

- Church vehicles may be made available at certain times for business travel. Use of these vehicles is limited to church business only by those who are authorized drivers according to state law and church policy.
- Personal automobile mileage to and from the airport or any local business meeting outside the employee's designated office is reimbursable to the extent mileage is in excess of normal commuting miles.
- TPCC reimburses employees for the cost of long-term airport parking for the duration of the employee's business trip. If it is more economical for TPCC, the employee may choose reimbursement for mileage of two round trips from home to the airport to avoid long term parking.
- Motorcycles may not be used for TPCC travel.

➤ Safety While Driving a Vehicle

Due to safety concerns, employees must not use cellular telephones or other communications equipment without the use of a hands-free device while driving on TPCC business. Employees who use such equipment should either use a hands-free device or safely pull off the road to an appropriate place and stop the vehicle before using any communications equipment. Employees must always comply with any laws related to the use of cellular telephones within the area of travel. At no time should employees use a mobile device to send or read a text message while driving.

➤ Nonemployees (contractors, guest speakers, recruit visits, etc.)

- For reimbursement, nonemployees must book vehicles through TPCC's preferred vendor in the nonemployee's name and charge to our account.
- Damage to a rental vehicle is the responsibility of the nonemployee. It is the nonemployee's choice to accept or decline insurance coverage offered by the rental company. If coverage is elected, the nonemployee will be responsible for the charges.

➤ Employees traveling for TPCC may retain award points and utilize the rewards for personal purposes. However, participation in these programs may not result in any additional cost to TPCC. Participation in award point programs may result in additional IRS reporting requirements. It is the responsibility of the individual traveler to maintain required documentation for tax purposes.

➤ Foreign Travel

If any part of your business travel is outside of the United States, some of your reimbursement may be limited.

- Foreign travel *entirely* for business – all travel expenses are reimbursed (as detailed throughout this policy. Your travel is considered entirely for business if it meets any of these four exceptions:
 - **No substantial control** – If you do not have substantial control over arranging the trip, it is considered entirely for business. You do not have substantial control over a trip if you: (a) are an employee who was reimbursed or paid a travel expense allowance or (b) are not a managing executive (an employee who has the authority and

responsibility, without being subject to the veto of another, to decide on the need for the business travel).

- **Outside the United States no more than one week** – A trip that is less than seven consecutive days (not counting the day of departure) and combines business and nonbusiness activities is considered entirely for business.
 - **Less than 25 percent of time spent on personal activities** – counting both the departure date and ending date, if you were outside the US for more than a week, but spent less than 25 percent of the total time on nonbusiness activities, it is considered entirely for business.
 - **Vacation not a major consideration** – If you can establish that personal vacation was not a major consideration, even if you have substantial control over arranging the trip, it is considered entirely for business.
- Foreign travel *primarily* for business – if you travel outside the United States for business but spend some of your time on nonbusiness activities, you generally cannot deduct all your travel expenses unless you qualify for one of the four exceptions summarized above.

To figure reimbursable amount of round-trip travel expenses, multiply your expenses by the following fraction: the numerator (top number) is the total number of business days outside the US; the denominator (bottom number) is the total number of travel days outside the United States. Business days include transportation days, days your presence was required, days you spent on business, and certain weekends and holidays if they fall between business days, but not if they follow your business day and you remain at your destination for nonbusiness or personal reasons.

Travel Arrangements:

➤ Air Travel

- All employees traveling on TPCC business must travel in coach class unless using a free upgrade or have prior approval from the Executive Pastor.
- All airline tickets must be booked at the lowest available airfare. The following criteria will be utilized to determine lowest available airfare:
 - The flight's departure or arrival time is within two hours before the requested departure or arrival time.
 - One stop or connecting flights must be booked if savings of \$200 or more can be achieved.
 - Travelers may not specify a preferred carrier if a \$100 or more lower cost fare is available.
 - Use of alternative airports where applicable (i.e. Midway vs. O'Hare in Chicago)
- Baggage fees will be reimbursed as follows:
 - Up to 4 nights travel per trip – 1 bag
 - 5 nights or more per trip – 2 bags
 - If traveling with extra equipment, approval from Department Director will be required.
- Upgrades for early check-in or seat preference will not be reimbursed and will be the responsibility of the employee. *Special considerations can be

made for medical needs, duration of the flight, frequency of flying, etc. Executive/Elder approval is required.

- Rebooking or change fees will be reimbursed for emergency situations only, as approved by the Executive Pastor. If incurred for non-emergency, employee will be responsible for the charges.
- If traveling as a group for business, employees must be booked on different flights so as no more than 4 employees from a department, or 50% whereas department is comprised of 4 or less individuals, are on one flight at a time.

➤ Lodging

- If the difference between a discount booking site that has a no cancellation policy and booking a hotel directly with the hotel is within \$50 per night, book directly with hotel to give best option for cancellation/rescheduling without incurring charges. If your savings is more than \$50 per night, discount booking sites may be utilized for booking lodging.
- Maximum rates (before taxes):
 - United States:
 - \$350 New York City
 - \$300 Washington D.C.
 - \$250 All other U.S. Locations
 - International:
 - \$350 Johannesburg, London, Nairobi, Paris, Rome
 - \$300 All other international locations
- Individuals are responsible for cancellation/rescheduling of any necessary rooms by the required deadline if they will not need the room, to avoid a “no-show” charge.
- If the hotel rate includes breakfast, additional allowance for purchasing breakfast will not be approved.

➤ Car Rentals

- All rentals should be booked through our EHI Direct account using our Vehicle Rental Request Form. For reservation process, see Addendum 1.
- Cars should be rented by staff traveling on TPCC business only when other means of transportation are unavailable, more costly, or impractical.
- All rentals should be intermediate size cars or smaller unless 3 or more people are traveling together or if an upgrade is provided by the rental company at no cost. . *Special considerations can be made for medical needs, duration of travel, frequency, etc. Executive/Elder approval is required.
- Individuals should decline all additional options (insurance, fuel, etc.) when renting a vehicle.
- When renting cars, individuals are required to refuel cars prior to returning them to the rental company. If costs are incurred due to failure to refuel or if the option for the rental company to refuel is selected, the individual will be responsible for the difference between actual fuel cost and charges incurred from the rental company.