



## American Institute of Chemical Engineers, Northern California Local Section (AIChE NorCal) Reimbursement Policy

### Overview

Reasonable and necessary expenses incurred by the Representative of AIChE NorCal during travel on authorized local section business for authorized meeting expenses, administrative expenses, and for purchasing business related items, will be reimbursed by the local section. Timely reporting for reimbursement of organization related expenses is most important to ensure proper recording and reporting of AIChE NorCal's finances.

To qualify as an authorized expense, the expense incurred by the Representative must:

- Be properly approved and documented by the AIChE Northern California Local Section Board of Directors.
- Provide a reasonable expectation of benefit for the Organization.
- Be reasonable and necessary.
- Be commensurate in amount with the Representative's duties with the local section and the situation involved.
- Not include expenses considered an item of the Representative's personal, living, or family expense.
- Take place in an environment and be of a nature that would be consistent with AIChE's policies, including the Code of Ethics and Code of Conduct.

### Receipts

Receipts are required for all expenses regardless of amount related to purchases, transportation and lodging. Representatives submitting expense reports bear full responsibility for the completeness and accuracy of the receipts necessary to support the expenses submitted. Receipts will be subject to audit, and failure to include all receipts and supporting information may create tax issues for the organization. Representatives should use best efforts to include all scanned or photographed receipts when submitting an expense report.

### Filing an Expense Report

The following represents AIChE NorCal's policy for submitting expense reimbursement requests. The first section describes the method of recording expenses in the expense report form and detailed policies related to specific expense items.

1. **Expense Report** – AIChE NorCal provides an Excel expense reporting spreadsheet. The representative can complete the report and submit it for processing to the AIChE NorCal Treasurer. Expense reports can be either emailed or mailed to the AIChE NorCal's Treasurer. A complete expense report must include:
  - a. **Payee Name** – First and Last name of the representative of AIChE NorCal who incurred the expense on the behalf of the local organization that will be reimbursed.
  - b. **Payee Address** – Full address of the representative of AIChE NorCal who incurred the expense on the behalf of the local organization that will be reimbursed. Including the

street address, state, city, and zip code of where the representative wants the reimbursement check to be mailed.

- c. **Description of the Expense** – An itemized description and amount of each expense that will be reimbursed by the organization.
- d. **Description of the Business Purpose** – A detailed description of the purpose of why the expense was incurred.
- e. **Expense Category** – A checked box for which expense category was approved for the incurred expense.
- f. **Signatures and Approval** – A signature by the payee who shall be reimbursed and the AIChE Northern California local section board member who approved the expense.

After the expense report is submitted, a check will be mailed to the representative from the AIChE NorCal Treasurer for deposit into the representative's checking account.

2. **Expense Report Timing** – Expense reports should be submitted within two weeks of the expense being incurred by the individual to the AIChE Northern California local section Treasurer for processing and reimbursement.
3. **Policies For Specific Expense Items** – To comply with IRS requirements, meeting, travel, business, and entertainment expenses require thorough documentation prior to payment. In addition to reporting the amount of the expenditure, the representative must provide information regarding the time, place, purpose, business relationship, and description of the expenditure. Receipts or paid invoices are required for all expenses including all meeting expenses, event meals, lodging, and any other expenditures. When a representative requires travels for approved organization events, AIChE NorCal will reimburse the representative for reasonable and customary food and lodging expenses.

Policies and receipt requirements related to specific expense items are provided below:

- a. **Organization Meal Expenses** – In the following circumstances, meals purchased by an representative are qualified for reimbursement if the meal or event is authorized by the AIChE NorCal Board. Such meals are related to the fulfilment of AIChE NorCal's objectives and at least one of the following conditions is met:
  - i. At least one AIChE NorCal Representative is present and/or
  - ii. For AIChE Member reward, recognition, retirement, mentoring or other appropriate business purpose; and/or
  - iii. Onsite meals in a conference room or other group location as long as the beneficial nature of the discussion is provided.

Neither the "cash tear tab" from the bottom of a restaurant check, nor the credit card receipt showing the total plus tip, is an acceptable receipt.

- b. **Monthly Meetings (with no Meals)** – These expenses would include room and equipment rental, meeting room supplies such as markers, tablets, as well as bulk consumable items such as bottled water, soda or snacks.
- c. **Other Expenses and Miscellaneous Expense Categories** – Personal expenses incurred as a result of business demands may be authorized depending on individual circumstances. These should be reviewed with the appropriate by AIChE NorCal Board to ensure they are appropriate. Representatives must make every effort to minimize such expenses when they cannot be avoided entirely. Documentation of approval from the board member must be scanned and uploaded with the expense report.

- d. **Prizes, Awards, and Gift Cards** – Prizes and awards can be purchased by the organization and can be reimbursed. Examples include plaques, merchant stored value cards, items of apparel, etc.
- e. **Internal Events, Board Meetings, and Member Appreciation** – Expenses for internal events such as member appreciation, organization board meetings, or recognition events, group meals or entertainment are authorized and may be held at an approved public facility or private residence.
- f. **Seminars, Association Dues, and Subscriptions** – These expenses must be approved in advance by the AIChE NorCal Board and must include a receipt from the company indicating that payment was received.
- g. **Mileage Reimbursement for Personnel Vehicles** – Representatives are reimbursed at the maximum rate allowed for business deduction by the Internal Revenue Service (“IRS”) for business usage of personal vehicles. This rate covers all costs of operating a Representative’s personal vehicle, including gasoline. The representative should not submit a separate expense for purchasing gasoline for their personal vehicle. It is the responsibility of the representative operating the personal vehicle being used for business to carry adequate insurance coverage for their protection and for the protection of any passengers and to ensure the vehicle is in a safe and legal operating condition.

To obtain reimbursement for business use of their personal vehicle, Representative must provide the following information on the expense report:

- i. Purpose of the trip
  - ii. Date and destination(s)
  - iii. Total mileage
- h. **Parking** – Travelers are expected to select the most cost-beneficial parking alternative.
- i. **Air Travel** – Air travel should be booked at the most cost-effective fare basis. Travel should be booked as far in advance as possible, since discount air fares are sometimes available if booked early. Tickets will only be reimbursed if the itinerary, along with the dollar amount paid is attached to the expense report.
- j. **Rental Cars** – The major firm offering the greatest discount should be routinely selected. Regardless of the company selected.
- k. **Hotels** – Travelers are asked to maintain reasonable living standards during out-of-town travel, while maintaining the budgetary expectations of the organization.
- l. **Personal Meal Expenses** – “Personal Meals” are defined as meal expenses, including tips, incurred by a Representative when dining alone on an out-of-town trip with AIChE Board approval. Therefore, as an example, representatives based in the San Francisco area cannot include meals eaten within the San Francisco area as Personal Meals. Neither the “cash tear tab” from the bottom of a restaurant check, nor the credit card receipt showing the total plus tip, is an acceptable receipt.