

TRAVEL AND RELATED EXPENSES POLICY

STOVETEAM INTERNATIONAL

1. Purpose. The following policy sets the limits on what kinds of travel related expenses can be paid or reimbursed by the organization, as well as expenses that can be used as a basis for a tax deductible donation receipt, for its employees, Directors, Officers and volunteers. The Board of Directors of StoveTeam International recognizes that Board members, Officers, employees, and volunteers (“Personnel”) 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 nonprofit organization. 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 Personnel. It is the policy of StoveTeam International to reimburse only reasonable and necessary expenses actually incurred by Personnel.

When incurring business expenses, the organization expects Personnel to:

- Exercise discretion and good business judgment with respect to those expenses.
- Be cost conscious and spend the organization’s money as carefully and judiciously as the individual would spend his or her own funds.
- Report expenses, supported by required documentation, as they were actually spent, in an accurate and timely manner.

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 at least monthly or within two weeks of the completion of travel if travel expense reimbursement is requested, must include:

- The individual’s name.
- If reimbursement for travel is requested, the date, origin, destination and purpose of the trip, including a description of each organization related activity during the trip.
- The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct the organization’s business).
- An itemized list of all expenses for which reimbursement is requested.

The organization may produce a form to allow for consistent reporting.

3. Receipts. Receipts are required for all expenditures billed directly to the organization, such as airfare and hotel charges.

Receipts are also required for any amount in excess of \$25.00 to be reimbursed. The individual requesting reimbursement must submit with the Expense Report written receipts, which must be from each vendor (not a credit card receipt or statement) and must show the vendor's name, a description of the services provided, the date, and the total expenses, including tips (if applicable).

4. General Travel Requirements.

A. Advance Approval. All trips involving air travel or at least one overnight stay must be approved in advance by the individual's supervisor; **however**, any out-of-state travel must be approved by the organization's Board of Directors or Executive Director, as determined by the Board, and must be in accordance with the approved budget.

B. Necessity of Travel. In determining the reasonableness and necessity of travel expenses, Personnel and the person or people authorizing the travel shall consider the ways in which the corporation 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 organization 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 StoveTeam International may incorporate personal travel or business with their organization related trips; **however**, Personnel shall not arrange organizational travel at a time that is less advantageous to the organization or involving greater expense to the organization 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 organization.

Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed by StoveTeam International.

5. 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 organization will reimburse or pay only the cost of the lowest coach class 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. Saturday Stays. Personnel traveling on behalf of StoveTeam International are not required to stay over Saturday nights in order to reduce the price of an airline ticket. An individual who chooses to stay over a Saturday night shall be reimbursed for reasonable lodging and meal expenses incurred over the weekend to the extent the expenses incurred do not exceed the difference between the price of the Saturday night stay and ticket and the lowest price available ticket that would not include a Saturday night stay. To receive reimbursement for such lodging and meal expenses, the individual must supply, along with the Expense Report, documentation of the amount of the difference between the price of the Saturday stay and non-Saturday stay for airline tickets.

C. Frequent Flyer Miles, Free Upgrades and Compensation for Denied Boarding. Personnel traveling on behalf of StoveTeam International may accept and retain frequent flyer miles and compensation for denied boarding for their personal use. Personnel may also accept upgrades to business or first class if provided by the airline at no additional cost to the organization. Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles, compensation or upgrades if less expensive comparable tickets are available on another airline.

6. Lodging. Personnel traveling on behalf of StoveTeam International may be reimbursed at the single room rate for the cost of hotel accommodations. Reimbursements may not exceed the maximum federal rate for that locality as published in IRS Publication 1542. Personnel shall make use of available corporate and discount rates for hotels and should choose the lodging that is the most cost-effective for the organization within the published maximum rates. "Deluxe" or "luxury" hotel rates will not be reimbursed. Personnel may stay at conference hotels which offer discounts for conference participants even though the rates may exceed the federal per diem rate.

7. Out-Of-Town Meals. Personnel traveling on behalf of StoveTeam International are reimbursed for the reasonable and actual cost of meals (including tips) subject to a maximum per diem meal allowance published in IRS Publication 1542 and the terms and conditions established by the organization relating to the per diem meal allowance.

8. Ground Transportation while traveling on behalf of StoveTeam International. All personnel are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability:

- Free Courtesy Car
- Public Transportation
- Airport Shuttle or Bus
- Taxi

- Rental Car

9. Personal Cars. Personnel are compensated for use of their personal car when used for organization business. When individuals use their personal car for such travel, including travel to and from the airport, mileage reimbursement will be allowed at the currently approved IRS rate per mile.

In the case of individuals using their personal car to take a trip that would normally be made by air as determined by the Board, mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available round trip coach airfare.

10. Parking/Tolls. Parking and toll expenses, including charges for hotel parking, incurred by Personnel traveling on organization business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the employee and will not be reimbursed. On-airport parking is permitted for short business trips. For extended trips, Personnel should use the most cost-effective option possible considering on-airport parking, off-airport parking and transportation between the airport and the parking location.

11. Entertainment and Business Meetings. Reasonable expenses incurred for business meetings or other types of business-related entertainment will be reimbursed only if the expenditures are approved in advance by the Board of Directors or Executive Director, as determined by the Board, and qualify as tax deductible expenses. Detailed documentation for any such expense must be provided, including:

- date and place of entertainment,
- nature of expense,
- names, titles and corporate affiliation of those entertained,
- a complete description of the business purpose for the activity including the specific business matter discussed,
- vendor receipts (not credit card receipts or statements) showing the vendor's name, and
- a description of the services provided, the date, and the total expenses, including tips (if applicable).

12. Other Expenses. Reasonable organization related telephone and fax charges due to absence of Personnel from the individual's place of business are reimbursable. In addition, reasonable and necessary gratuities that are not covered under meals may be reimbursed. Finally, emergency clerical work and/or postal charges incurred are reimbursable for the purpose of work on behalf of the organization.

13. Non-Reimbursable Expenditures. StoveTeam International 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, charitable organization. Expenses that are not reimbursable include, but are not limited to:

- Travel insurance.
- First class tickets or upgrades (unless provided free of charge by the airline and in accordance with section 5, C of this policy).
- When lodging accommodations have been arranged by the organization and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by the organization.
- Reimbursement shall not be made for transportation between the alternate lodging and the 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 Board of Directors or Executive Director, as determined by the Board.
- 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 Board of Directors or Executive Director, as determined by the Board.
- Valet service.
- Car washes.
- Toiletry articles.
- Expenses for spouses, friends or relatives. If a spouse, friend or relative accompanies Personnel on a trip, it is the responsibility of the Personnel to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.
- Overnight retreats without the prior approval of the Board of Directors or Executive Director, as determined by the Board.