

**PIEDMONT HEALTH SERVICES, INC.
STANDARD PROCEDURES**

Title: Travel Policy and Procedures

Revised Date: August 1, 2008

Purpose:

The purpose of this procedure is to explain the guidelines for business travel and travel reimbursement.

Policy:

Travel by Piedmont Health Services, Inc. (PHS) employee/Board when transacting official business for the Organization is permissible at the discretion of the Board, Chief Executive Officer(CEO), or their designee.

It is the policy of PHS to provide adequate reimbursement to cover the cost of essential transportation, as well as the costs of necessary related goods and services (described herein) incurred while traveling.

All official travel by a PHS employee is under the authority of the CEO. All official travel by the PHS Board is under the authority and approval of the Board of Directors.

Out-of-Area travel (defined herein) must be approved in advance by the employee's supervisor, then by either the CEO or the Chief Financial Officer (CFO).

Local travel (defined herein) must be approved by the Supervisor, then by the CFO.

Unauthorized travel will not be reimbursed.

Fraudulent requests for travel reimbursement subjects the employee to disciplinary action.

Travelers on official PHS business are expected to exercise the same care in incurring expense that a prudent person would exercise if traveling on personal business.

Traveling expenses, which are to be reimbursed, are confined to those expenditures essential for transacting PHS official business.

Travelers shall use that method of transportation, which will result in the greatest advantage to PHS, taking into consideration travel costs, and lost work time. Travel may be by a personal vehicle, taxi/shuttle, a rented vehicle, or by common carrier, (bus, train, airplane, etc), dependent upon the circumstances. All travel will be by a usually traveled route. Indirect routes should be avoided except under extenuating circumstances (such as weather or traffic conditions).

Transportation costs reimbursable by PHS include fares, mileage payments, rental fees, and expenses incident to transportation such as baggage transfer, official telegraphs, cables, or telephone messages in connection with items claimed as transportation. Such transportation may include travel from a PHS Facility (or from the employee's home, if more feasible) to a common carrier terminal, or a place of lodging, or a location where official PHS business is being transacted.

The reasonable costs of hotel accommodations, meals, necessary rental of meeting space, and registration fees (with prior approval by either the CEO or CFO) incurred while traveling are reimbursable by PHS, via the Out-of-Area protocols, prescribed herein.

TRAVEL PROTOCOLS

Travel By PHS-owned Vehicles:

There will be no reimbursement to an employee for travel in a PHS-owned vehicle, unless it is necessary for the employee to purchase fuel, oil, or other essential products to insure that the vehicle runs properly. Reimbursement must then be requested on the "Check Request" form with any pertinent receipts attached. All expenditures will be reimbursed at cost. Use of PHS owned vehicles for transportation must be coordinated with other staff to assure priorities that best benefit PHS.

Travel By Personal Vehicle:

Authorized travel in a personal vehicle will be reimbursed at a rate determined periodically by the PHS Senior Management.

Travel By Taxi or Shuttles:

Necessary travel by taxi or shuttle will be reimbursed at cost. Receipts must be submitted for reimbursement.

Travel By Rented Vehicle:

Necessary travel by rented vehicle will be reimbursed at the cost of renting the vehicle, and the cost of fuel. It must be proven that a rented vehicle was the least expensive mode of travel or that other modes of travel were unavailable or were unusually inconvenient to the purpose of conducting PHS business.

Travel By Common Carrier:

Travel by common carrier (bus, plane, train, steamer, etc.) will be either paid for by PHS or reimbursed at cost. Travel by common carrier should be arranged such that it is at the least cost possible for the Organization, but with due regard given to the employee's convenience, safety, and comfort. Less than first class accommodations shall be used in all instances except the following, which requires prior approval of the CEO:

- a. When less than first class accommodations do not exist or are not available within a reasonable time.
- b. When less than first class would result in higher overall costs, because of required routing, time urgency, baggage differential, or other factors.
- c. When the physical condition of the traveler, or other extenuating circumstances dictate the use of first class accommodations.

PROTOCOLS FOR AUXILIARY TRANSPORTATION EXPENSES:

Costs related to transportation, which are reimbursable, include: baggage transfer, necessary communication costs, tolls, parking fees, necessary vehicle storage (must be approved prior to traveling), and tips. There will be no reimbursement provided for fines, parking tickets, tickets for traffic violations, damage to personal or rented vehicles, or any expenses incurred due to the negligence or unlawful activities of the employees. There is no reimbursement for the cost of collision damage waiver or collision damage insurance available in commercial rental contracts for an extra fee.

Reimbursement for the reasonable cost of renting meeting space, if necessary, is allowable with the prior approval of the CEO. The necessity for such space must be substantiated, and approval for the use of rented space will come only in the rare circumstances when space is not otherwise available, or cannot be acquired without cost.

Reimbursement for lodging, meals, and other related expenses, such as tips and necessary phone calls is allowable. Reimbursement may be made at a per diem rate or at actual subsistence. Reimbursement at a per diem rate will automatically be given unless actual subsistence is requested. One reimbursement method will be used for the entire trip and it must be made on the Request for Official Travel Form. Employees being reimbursed at the per diem rate must submit receipts for lodging, limousine service, taxi/shuttle rides, and parking. Those employees being reimbursed at subsistence rates must retain all receipts.

Per Diem reimbursement at PHS is calculated per overnight stay. The per diem rate for areas inside the continental United States is currently \$50.00 per overnight stay. Per Diem rates are periodically reviewed and updated by the PHS CEO.

PROCEDURE FOR LOCAL TRAVEL

Local travel is travel within the PHS service area and one-day trips without overnight lodging. Employees must track their mileage if it is not one of the standard routes on the mileage grid (See Attachment #1). They must also, retain actual receipts for other incidentals (i.e. parking, meals, etc.). These expenses must be recorded on the Local Travel Expense Report with attached receipts (See Attachment #2). The employee submits form to their supervisor for approval. The supervisor will forward the approved forms to the CFO, or designee, for approval. All travel forms should be submitted within 90 days of occurrence.

Mileage reimbursement for travel between PHS facilities is allowable, except in cases where travel is to a "regular scheduled" workplace or meeting. A "Regularly scheduled" workplace can include multiple facilities during a workweek (i.e., Working at Prospect Hill on Monday and Tuesday, and at Carrboro on Wednesday, Thursday, and Friday).

If official PHS travel is not between PHS facilities (i.e. an employee needs to travel from home to a non - PHS facility or a PHS facility other than their "regularly scheduled" workplace), they need to track their miles and record the actual miles driven. When mileage is not in accordance with the mileage grid, the supervisor may request documentation of miles driven.

PROCEDURES FOR OUT-OF-AREA TRAVEL:

Out-of-Area travel includes travel outside of the organization's service area. It requires advance approval by utilizing a Request for Official Travel Form (See Attachment #3). The Requestor has the option of choosing their basis of reimbursement, per diem or actual subsistence. If the Requestor so desires, a Travel Advance can be provided based on reasonable estimates of shuttle or taxi expenses anticipated for the travel. This Travel Advance is a loan and must be reconciled to actual expenditures at the end of the trip.

Once actual travel is completed, the Requestor should submit reimbursement within 60 days using an Out-of-Area Travel Report form (See Attachment #4). This form shows all expenses incurred including per diem, then deducts any travel advances (which includes per diem). All required receipts must be attached to the form.

PROTOCOL FOR APPROVAL OF OUT-OF-AREA TRAVEL REQUEST

REQUESTOR

1. On a "Request for Official Travel" form, enter your Name, Department and today's date. State the purpose of your travel and the estimated travel length. If applicable in the purpose, indicate the name of the conference or training.
2. Check the mode of travel being used.
3. Indicate if you are requesting an advance.
4. If you are requesting an advance, select your reimbursement preference, per diem or actual subsistence by using one of the two columns to estimate your advance.
5. Sign and date the form above "Requested By", then submit it to your supervisor for approval.

SUPERVISOR

1. Receive and review the request for Official Travel Form and:
 - A. If approved, sign and date the form above "Manager/Supervisor", then forward it to the CFO or designee.
 - B. If not approved, indicate in writing on the form the reason for denial, initial and date by the reason and return the form to the Requestor.
 - C. If the CFO or designee denies a travel request and returns it to you, forward it to the Requestor.

CFO or Designee

1. Receive and review the travel advance form and:
 - A. If approved, sign and date the form, then forward it to the Accounts Payable.
 - B. If not approved, indicate on the form the reason for the denial, initial and date by the reason and return the form to the Requestor's supervisor.

ACCOUNTS PAYABLE

1. Receive and review the approved travel advance form.
2. If requested, enter the travel advance amount in Accounts Payable.
3. Assure that the advance check is generated in the week prior to departure.
4. File a copy of the request and checkstub in a Holding file until the Travel Report has been processed.

PROTOCOL FOR REPORTING OUT-OF-AREA TRAVEL

REQUESTOR

1. On an "Out-of-Area Travel Report" form, enter your Name and Department. State the purpose of your trip. If applicable in the purpose, indicate the name of the conference or training.
2. Enter the "From" and "To" location with the departure and arrival dates (the time is optional). This is for the per diem calculation on the overnight stay days.
3. Indicate the total of all expenses per travel period, except travel by Common Carrier or Personal Vehicle. If you used the per diem method of travel, you are not required to fill in the "Meals" and "Tips" columns. Any amounts that are reported in the "Other" column require an explanation.
4. Total each row across placing the sum in the "TOTALS" column, then total the "TOTALS" column and place the sum in the "SUBTOTAL" box.
5. If you arranged and paid for your own transportation by common carrier, place the cost of your fare in the second box. Paid receipts must be attached.
6. If you traveled using your personnel car, enter the round trip mileage. Multiply those miles by the current mileage rate and place that amount in the third box.
7. If you chose the per diem method of travel, calculate the per diem days. Multiply those days by the current per diem rate and place that amount in the fourth box.
8. If you requested an advance, place the amount received in the fifth.
9. Add boxes 1 through 4 together, then subtract box 5, and put the result in box 6. If box 6 is a positive number, you are entitled to an additional reimbursement. If box 6 is a negative, you owe PHS this amount and you must include a check payable to PHS with your report.
10. Sign and date the form. Attach a receipt for each reported expense. Only expenses with an attached receipt are eligible for reimbursement.
11. Submit the completed form to your supervisor for approval.
12. This form should be submitted within 60 days following the end of your travel.

SUPERVISOR

1. Receive and review the Travel Report and:
 - A. If approved, sign and forward to the CFO or designee;
 - B. If not approved for any reason, resolve with the requestor any problem preventing approval, then forward to CFO.

CFO or Designee

1. Receive and review the Travel Report and:
 - A. If approved, sign and forward to Accounts Payable,
 - B. If not approved, note the reason why and return to the requestor's supervisor for a resolution of any problem preventing approval.
2. Any reports submitted to you that were denied by the supervisor should be reviewed and given a final ruling. After that ruling, the report should either be submitted to Accounts Payable for processing or returned to the submitter.

ACCOUNTS PAYABLE

1. Receive and review the Travel Report.
2. If approved,
 - a. Code and process the report, adjusting the Travel Advance receivable when necessary.
 - b. With a check attached, copy the report and the check. Forward a copy of the report with the check to Finance Administrative Assistant for processing.
 - c. Staple the copy of the "Request for Official Travel" form to the "Out-of-Area Travel Report" form and file by requestor's name once the check has been cut and processed.
3. If not approved,
 - a. Staple the copy of the "Request for Official Travel" form to the "Out-of-Area Travel Report" form and file by requestor's name.
 - b. With a check attached, copy the report and the check. Forward a copy of the report with the check to Finance Administrative Assistant for processing.

PROTOCOL FOR REPORTING AND PAYMENT OF LOCAL TRAVEL

REQUESTOR

1. On a "Local Travel Expense Report" form, enter your Name and time period covered by the report.
2. Indicate each date of travel separately, listing the location travel "From" and "To" (if it was a round trip journey put "R/T" after the "to" location.
3. State the purpose of the trip, the amount spent on meals, and other expenses related to the trip.
4. Indicate the total number of miles traveled. (Whenever applicable, use the "One-Way Mileage Grid" to determine the miles traveled.) Multiply the miles traveled by the current reimbursement rate and place that in the mileage allowance column.
5. Total the expenses (other and mileage) per travel date and place the sum for that row in the "DAILY TOTAL" column.
6. Any amounts that are reported in the "Other" column require an explanation.
7. Sign and date the form. Attach a receipt for each reported expense. Only expenses with an attached receipt are eligible for reimbursement.
8. Submit the completed form to your supervisor for approval.
9. This form should be submitted at least quarterly.

SUPERVISOR

1. Receive and review the Travel Report and:
 - A. If approved, sign and forward to the CFO; or
 - B. If not approved, indicate in writing on the form the reason for denial, initial and date by the reason and return the form to the Requestor.
 - C. If the CFO or designee denies a travel request and returns it to you, forward to the Requestor.

CFO or DESIGNEE

1. Receive and review the Travel Report and:
 - A. If approved, sign and date the form, then forward it to the Accounts Payable.
 - B. If not approved, note the reason why and return to the requestor's supervisor for a resolution of any problem preventing approval.

ACCOUNTS PAYABLE

1. Receive and review the Travel Report.
2. Code and process the request.
3. File by requestor name once the check has been cut and processed.