

---

**Lifespan System-Wide Policy**

**Subject:**  
Travel

**File Under:**  
Finance

**Latest Revision Date:**  
7/1/13

**Issuing Department:**  
Finance

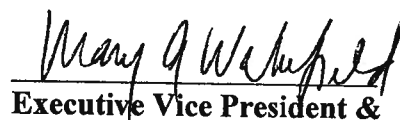
**Original Policy Date**  
12/1/90

Page 1 of 11

**Approved by:**

**Policy Number:**  
LS-17

  
Vice President, Finance -  
Corporate Services

  
Executive Vice President &  
Chief Financial Officer

---

**I. Purpose:**

To define the policy and procedure relating to travel and related business expense reimbursement.

**II. Eligibility:**

This policy shall apply to expenses authorized by Lifespan or any of its affiliates and incurred by Lifespan employees (or representatives) while traveling on Lifespan business. If expenses are not fully documented, the Internal Revenue Service (IRS) can, upon audit, require Lifespan to treat the reimbursement of such expenses as additional employee compensation subject to Federal and State income taxes.

Travel related to candidates being recruited should generally follow the guidelines outlined in this policy.

**III. Policy:**

**Air Travel:**

1. Air travel may be booked through a Lifespan-approved travel agency. Air travel booked through an alternate travel agency (including any internet travel source) must

## Travel – July 1, 2013

### Air Travel: (cont.)

be prepaid by the traveler, with an Employee Expense Reimbursement Voucher (Form A-92) submitted to Lifespan Accounts Payable for reimbursement.

- a. Paper tickets – retain and submit “passenger receipt”.
  - b. E-tickets – print and submit flight itinerary/confirmation reflecting purchase and form of payment.
2. The traveler must use the lowest fare available for the necessary departure time and the dates of travel. The following guidelines will apply:
- a. Air travel will be reimbursed for coach rates only.
  - b. Flights should be booked as far in advance as possible to assure the lowest fare.
  - c. When applicable, convention and meeting fares negotiated by sponsoring organizations should be utilized (travelers should advise the travel agency if such a fare exists). In this case, the traveler must present the "customer receipt" copy of the airline ticket (not valid for transportation) with the expense reimbursement request. The traveler's itinerary is not an acceptable receipt.
  - d. Traveler should be open to a 2-hour window to obtain the lowest fare (one hour before and one hour after preferred departure time).
3. Procedure for traveler to obtain airline tickets:
- a. Traveler should contact a Lifespan-approved travel agency to inquire about making reservations.
  - b. Travel agency will fax to traveler the itinerary/approval signature form, which needs to be filled out with the following information:
    - Authorized signature
    - International travel approval: signature of Senior Vice President only
    - Traveler's name (please print)
    - Corporation code & responsibility center
    - Department name
    - Telephone number
  - c. Traveler must fax back to the travel agency the completed itinerary/approval form. Travel agency will then be authorized to proceed with booking and ticketing reservation. All airline tickets will be billed using the purchase order number on file with the Lifespan-approved travel agency.
  - d. The travel agency will deliver invoices weekly to the Lifespan Accounts Payable department. The invoices will have copies of the Ticket Delivery Log and itinerary/approval form attached.

Air Travel: (cont.)

- e. The travel agency will deliver airline tickets to the requesting department. An individual in the department will be required to sign the Ticket Delivery Log acknowledging receipt of the tickets, after which that individual will be responsible for the distribution of the tickets. The log that will be accompanying each ticket delivery will list:
- (1) Name of the ticketed traveler
  - (2) Ticket number
  - (3) Amount of the ticket
  - (4) Invoice number
  - (5) Corporation code, responsibility center, and account code
- f. Last minute tickets (when inadequate time is available for delivery of tickets) - If prepaid tickets are picked up at the airport, an additional charge is incurred. The travel agency will make all reservations and advise airline of payment. Traveler will be requested to prove identity at airport, but will **not** have to pay for ticket.
- g. Accounts Payable will then post payment to the appropriate purchase order, resulting in an expense charge to the responsibility center listed on the itinerary/approval form.

Return of Unused Airline Tickets:

1. All Lifespan employees will return unused tickets by calling the travel agency, which will then send its driver to pick up the tickets from the department requesting the pick up. The unused tickets should not be mailed to the travel agency.
2. A log will be completed by the travel agency for all returned tickets listing the same information as that which appears on the Ticket Delivery Log.
3. Credits for all returned tickets, less any applicable airline-imposed penalties, will be processed by the travel agency on a weekly basis.

Business Travel Insurance:

Lifespan purchases business travel insurance for its employees while they are traveling on Lifespan business. A \$100,000 life benefit is part of the coverage. This insurance is subject to change and restrictions do apply. For specific details regarding coverage and eligibility, please contact Lifespan Risk Services at 401-444-8273.

Rail Travel:

1. Employees traveling on Lifespan business via train are authorized a coach seat for daytime travel. However, use of a parlor car seat may be allowed when the duration of the train travel exceeds four hours.
2. When overnight travel is involved, employees are allowed the lowest-cost first-class sleeping accommodations. Higher-cost accommodations may be approved upon certification on the travel voucher that neither a lower berth nor a roomette was available at the time the reservation was made, and that the accommodation used was the next-to-lowest cost, first-class sleeping accommodation available.

Lodging Accommodations:

1. Hotel/motel expenses are reimbursed for the employee on an authorized trip when they are reasonable and appropriate. The itemized hotel bill must accompany the reimbursement request. The name and location of the hotel and dates of the stay must be documented. Expedia or other internet sources used to book accommodations do not provide itemized hotel receipts; however, the print screen documenting the cost of the room, form of payment and duration of stay must be provided.

The number of days reimbursed will not exceed the number of days of the related meeting or seminar unless documentation is provided indicating that the savings in the cost of airfare is equal to or greater than the additional hotel and meal expense resulting from the employee's arriving earlier or departing later.

If applicable, a copy of the program schedule/agenda for the seminar or meeting should be provided as an attachment to the Employee Expense Reimbursement Voucher. This will confirm the duration of the trip and will list any meals included in the program.

2. Lifespan will not reimburse the room and board expenses of a spouse or other person.
3. Reservations for hotel/motel stays may be booked through the travel agency at the discretion of the traveler. The agency will confirm the lowest rate available for the particular hotel/motel and dates of stay.
4. Payment for hotel/motel reservations, unless a deposit is required, will be made by the traveler directly to the hotel upon check out.
5. For late arrivals (after 6 PM), a guarantee of payment will be necessary.
  - a. This guarantee will be the responsibility of each traveler by either: (1) the traveler requesting that Lifespan prepay a deposit, or (2) the traveler directly prepaying the deposit by check or securing the room using his/her personal credit card.

Lodging Accommodations: (cont.)

- b. When a late arrival guarantee is given, it is the traveler's responsibility to cancel the reservation if it will not be used, to avoid a no-show bill.

Out-of-Town Meal Expenditures While Traveling on Lifespan Business:

Meal costs will be reimbursed at actual costs that include a gratuity not to exceed 20% and applicable tax. The maximum amount for reimbursement of meal expenditures is equal to the duration of the trip in days multiplied by \$90 per day. For each individual meal greater than \$25, an original itemized receipt is required.

In situations involving extenuating circumstances, meal reimbursement may exceed the above limit if approved in writing by the employee's immediate superior.

Itemized restaurant receipts must identify the name and location of the restaurant, the number of people served, the date and amount of the expense and the associated business purpose. **(NOTE: The above meal reimbursement limit should be reduced by an estimate of the value of meals provided by a conference).**

Expenses re: alcoholic beverages are not allowable as charges to research grants, per OMB A-122, "Cost Principles for Non-Profit Organizations". With respect to Non-Research Responsibility Centers/Cost Centers, such expenses are refundable to the employee if they are ordinary, necessary and reasonable expenses incurred by an employee in connection with the performance of services as an employee.

(See also the "Reimbursement" section of this policy).

Ground Transportation:

Travel to and from air terminals on an authorized trip will be reimbursed based upon the least expensive means, which usually is by scheduled hotel/city bus, taxi, or limousine. Lifespan will generally not reimburse employees for an automobile rental. Automobile rental will be reimbursed only when it is the only available mode of transportation, or if it results in documented airfare savings (i.e., written confirmation by travel agent).

However, if there are extenuating circumstances such as traveling to cities distant from major airports that may lack economical and convenient ground transportation (i.e., bus, taxi, limousine, or hotel shuttle service) or the time of arrival/departure is not conducive to obtaining transportation, auto rental will be permissible, with written explanation required.

Automobile Travel:

1. Travel by automobile, when authorized, will be reimbursed by the rate per mile established by IRS guidelines. If the employee's own automobile is used, a schedule must be prepared listing the starting point and destination of travel, the number of

Automobile Travel: (cont.)

miles traveled, and the reimbursable expenses calculated using the mileage rate then in effect. The Lifespan affiliate location or the employee's home, whichever is closer to the destination, should be used as the starting point when measuring reimbursable travel distance. Parking fees and tolls incurred by employees while on Lifespan business will also be reimbursed.

2. On certain trips, the cost of air travel will be less than that of automobile travel due to the distance involved. In these cases the air travel rate will be reimbursed rather than the above automobile mileage rate.
3. Insurance for using private vehicles on Lifespan business is not available. Individuals are advised that the vehicle owner provides that coverage. With respect to automobile rentals, the employee must purchase the insurance coverage offered by the rental agency.
4. When automobile rental reservations are required, the travel agency can confirm the lowest rate to meet the traveler's needs.

Automobile Rental:

1. If the traveler deems that a car rental is a necessity and/or more economical than available ground transportation, auto rental may be permissible. Refer to section entitled "Ground Transportation" on Page 5 above for allowable exceptions. A written explanation is required.
2. Any traveler authorized to rent an automobile must purchase a Bodily Injury and Physical Damage Comprehensive and Collision insurance policy with the car rental agency. Fees for insurance premiums paid will be reimbursed.

Telephone:

Telephone calls necessary to continue professional and/or managerial activities while away will be reimbursed. An original itemized bill displaying individual calls must be presented to facilitate identification of business-related calls. Personal telephone calls will not be reimbursed. Requests for reimbursement of individual business calls placed on personal phones need to include an explanation to the employee's immediate supervisor or designee of the party being called and business purpose in order for reimbursement to be granted. Regarding cell phones and Blackberries provided to employees by Lifespan affiliates, such employer-provided equipment should generally be used for business-related purposes. Reference is also made to Lifespan Finance Policy #26 re: Telephone Charge Reimbursements.

International Travel:

1. International travel (construed as being outside the contiguous 48 states and Canada) will be allowed only in the case of persons presenting papers at conferences or for officers of professional organizations traveling to conferences of the organization.
2. Travelers must use the lowest fare available for the necessary departure time and dates of travel consistent with the guidelines delineated in the section of this policy entitled “Air Travel”.
3. International travel must be approved in advance by a Senior Vice President. Employee Expense Reimbursement Vouchers for international travel should be converted to U.S. dollars prior to submission to Finance. The currency exchange conversion documents should also be attached to the voucher. A copy of the employee’s credit card statement indicating the conversion amount and applicable fee may also be submitted.
4. Assistance provided by the travel agency for international travelers includes:
  - a. Passport applications and renewal forms
  - b. Visa information and assistance
  - c. International driver’s license

Travel Advance:

As a general rule, Lifespan will not provide cash advances for expenditures during an authorized business trip. However, in cases where an outlay of cash may be a financial hardship or where there are other extenuating circumstances, the respective Vice President or the department director, as applicable, may authorize an advance up to \$200 per day, with a maximum aggregate amount for the trip of \$2,000, by sending a *Request For Check Form* (Form A-11) to the Accounts Payable Department (General Ledger account number 0000-0208 should be entered in the appropriate box on the form). The Request for Check Form should contain a description of the business expenditures that the advance is to be used for, along with copies of supporting documentation. Cash advances will not be provided for meal expenditures.

Travel advances should be settled by the employee within 60 days from date of return from the trip via submission of an *Employee Expense Reimbursement Voucher* (Form A-92) to the Accounts Payable Department. Future advances or reimbursements will not be processed until outstanding advances are cleared by the employee.

Travel Advance: (cont.)

This 60-day period will allow ample time for the employee to submit all travel receipts, proof of payment in the form of a copy of a check image, credit card statement, or to obtain data from on-line banking. It will also allow for the recovery of receipts that may have been misplaced or lost, as well as obtaining original hotel/motel bills, seminar and conference agenda information. If the travel advance is not settled within the 60-day time frame, the Lifespan Payroll Department will be notified of the amount of the advance, where it will be treated as taxable income and added to the employee's W-2 earnings.

A check payable to the appropriate Lifespan affiliate should be attached to Form A-92 by the employee in settlement of any unused advance; if actual business expenses exceed the advance, the employee will be reimbursed for the additional expenses by the appropriate Lifespan affiliate.

Reimbursement:

1. Request for reimbursement of business travel expenses will be initiated by completion and submission of an Employee Expense Reimbursement Voucher (Form A-92), which should generally be submitted within a one-year period. Form A-92 requires the employee's signature and the approval of the employee's immediate supervisor or designee. The employee's responsibility center should be clearly indicated on Form A-92.

Employee Expense Reimbursement Vouchers must have original receipts attached supporting travel and other business expenses; these receipts should be itemized, if available. Internal Revenue Service (IRS) regulations require that local travel, meals and entertainment expense reimbursement claims include documentation of the date, place and business purpose; the reason for entertaining or nature of the business benefit derived; the nature of the business discussion or activity; and the identity and business relationship of those entertained. If the expenses are not fully documented, IRS regulations may require Lifespan to treat the reimbursement of such expenses to the employee as additional compensation subject to Federal and State income taxes.

When seeking reimbursement for attending a conference or seminar, the employee must submit a copy of the program, schedule or agenda with the Employee Expense Reimbursement Voucher.

All of the above information must be present on the Employee Expense Reimbursement Voucher prior to the processing of reimbursement to the employee.

Expenses re: alcoholic beverages are not allowable as charges to research grants, per 45 CFR Part 74, Appendix E, "Cost Principles for Hospitals," or other sponsors' requirements.



Reimbursement: (cont.)

With respect to Non-Grant Research Restricted Funds and Non-Research Responsibility Centers/Cost Centers, expenses re: alcoholic beverages are refundable to the employee if they are ordinary, necessary and reasonable expenses incurred by an employee in connection with the performance of services as an employee, for example, attendance at a conference, recruitment, entertainment of guest speakers, etc. The cost of alcoholic beverages, if any, should be identified on the Employee Expense Reimbursement Voucher so that such cost can be charged to a Medicare non-reimbursable account code, enabling proper classification in the respective Lifespan affiliate's Medicare Cost Report.

Regarding credit card purchases by employees using the internet, including conference/seminar registrations, employee reimbursement on Form A-92 must be supported by a printed copy of the computer screen documenting the purchase along with a copy of the employee's credit card statement if the form of payment is not shown on the document.

2. Original receipts for travel, lodging and all other business travel expenses greater than \$25 are required. If original receipts are not presented, copies of the front and back of cancelled checks/check images, on-line bank documents, or copies of credit card statements must be submitted in order for employee reimbursement to occur.
3. The Employee Expense Reimbursement Voucher must carry on the appropriate line the legible signatures of the employee seeking reimbursement and the employee's immediate supervisor or designee. Senior executives should obtain secondary written approval from a superior or peer. All travel reimbursements in excess of \$1,000 within research responsibility centers require one signature from the investigator responsible for a grant or an approved designee; in addition, signature authorization is needed from the Director of Research Administration or the Director's designee (The respective Principal Investigators and the Director will update the list of designees for Accounts Payable annually or more frequently as necessary. These designees must be approved by the Director).
4. Lifespan will not pay for expenses unrelated to the business purpose for travel including, but not limited to, the following:
  - a. Expenses incurred by guests of Lifespan employees
  - b. Entertainment including music, spectator and sporting event costs
  - c. Parking violations
  - d. In-flight and in-room movies
  - e. Laundry and personal convenience items
  - f. Air club memberships
  - g. Seat upgrades from coach class\*
  - h. Spa/health club fees\*
  - i. Late check-out charges

Reimbursement: (cont.)

- \* Will be reimbursed if medically necessary and pre-approved by the respective Vice President

5. All reimbursement checks will be mailed to the employee's home address.

**IV. Procedure:**

Responsibility/Action:

The employee submitting an Employee Expense Reimbursement Voucher in order to be reimbursed for business travel expenses is responsible for adhering to all applicable Lifespan policies.

Department directors are responsible for assuring that the expenses are within the department budget and that the detail amounts are appropriately documented, acceptable, reasonable and moderate in conformity with the provisions of this policy. For example, department directors should evaluate/determine:

- a. Whether the least expensive means of travel to and from air terminals was used by the employee; and
- b. That meals provided by conferences, meetings and air travel reduce the number of meals otherwise reimbursed to the employee that day.

Lifespan Finance personnel will review travel expenses for supporting documentation, arithmetic accuracy, propriety of expenditures, and approval signatures before accepting for payment processing. Discrepancies from this policy will result in the return of the reimbursement voucher to the initiating department for appropriate action/followup.

Employees who submit Employee Expense Reimbursement Vouchers to the Lifespan Finance Department for payment which do not have the required documentation support will be given a 60-day period (from the date of receipt of the voucher by Finance) within which to fulfill Lifespan's policy regarding proper support for Employee Expense Reimbursements.

This 60-day period will allow ample time for the employee to submit proof of payment in the form of a copy of a check image, credit card statement, or to obtain data from on-line banking. It will also allow for the recovery of receipts that may have been misplaced or lost, as well as obtaining original hotel/motel bills, seminar and conference agenda information, packing slips/proof-of-delivery receipts and other requested information/documentation.

Reimbursement: (cont.)

At the end of the 60-day period, employees who fail to respond to requests for required documentation will be reimbursed only for those expenses which have been substantiated. Should the employee obtain proper supporting documentation at a later date, the related expenses may then be resubmitted to Finance using a new Employee Expense Reimbursement Voucher.