



California State Horsemen's Association, Incorporated

ACCOUNTABLE PLAN FOR TRAVEL AND OTHER EXPENSE REIMBURSEMENT POLICY

CSHA is committed to maintaining a workplace where members are fairly reimbursed for travel and other expenses required in executing CSHA business. The following accountable plan will be enforced to insure this occurs.

1. Purpose.

The Board of Directors of the California State Horsemen's Association ("CSHA") recognizes that board members, Region officers, and program chairmen ("Personnel") of CSHA may be required to travel or incur other expenses from time to time to conduct Company business and to further the mission of this non-profit corporation. 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 CSHA to reimburse only reasonable and necessary expenses actually incurred by Personnel.

When incurring business expenses, CSHA expects Personnel to:

- Exercise discretion and good business judgment with respect to those expenses.
- Be cost conscious and spend CSHA's money carefully and judiciously
- Report expenses, supported by required documentation, as they were actually spent.

2. Funding Sources

- Elected State Officers and the State Treasurer will be reimbursed from the State Administration account
- Elected Region officers and program chairmen will be reimbursed from the Region's bank account
- State program chairmen will be reimbursed from the program's account.

3. Submission

A. State Meetings

Reimbursement to board members and state program chairmen who travel to the following State meetings may be submitted.

- Board of Directors
- Annual Convention

B. Travel Reimbursements

- Each Region Council and/or State program that desires to reimburse or pay a stipend to individuals must provide minutes from their meeting wherein the body approved the reimbursement policy.
- The minutes must state the reimbursement limit, if any, and which officer(s)/ committee members are included.

State Officer or State Chairman

- The Expense Report form and supporting documentation will be submitted to the Chief Financial Officer.
- The State Treasurer will issue the reimbursement.

Region Officer or Program Chairman

- The Expense Report and supporting documentation will be submitted to the Region's President for approval
- The Region Treasurer will issue the reimbursement
- A copy of each Reimbursement Request form and its supporting documents will be submitted monthly to the State CFO with the Region's banking reports.
- Travel reimbursements/stipends will be listed on a separate line and so identified on the Region's Financial Report.

4. Expense Report

Expenses will not be reimbursed unless the individual requesting reimbursement submits a written Expense Report form and supporting documentation. **The documents, shall be submitted within two weeks of being incurred and must include:**

- The individual's name.
- If reimbursement for travel is requested, the date, destination and purpose of the trip, including a description of each Company-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 CSHA's business).
- An itemized list of all expenses for which reimbursement is requested.
- A mileage print out from a mapping program showing point of origin, and destination.
- If applicable, the original receipt from the lodging establishment.

5. Receipts

Receipts are required for all expenditures. No expense will be reimbursed to Personnel unless the individual requesting reimbursement submits with the Expense Report form written receipts from each vendor (**not a credit card receipt or statement**) showing the vendor's name, a description of the services provided (if not otherwise obvious), the date, and the total expenses, not including tips.

6. General Travel Requirements.

A. Advance Approval

All trips involving air travel must be approved in advance by the State President; however, **any** out-of-state travel must be approved by the Board of Directors.

B. Necessity of Travel

In determining the reasonableness and necessity of travel expenses, Personnel and the person authorizing the travel shall consider the ways in which CSHA 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 CSHA outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing shall be considered.

C. Personal and Spousal Travel Expenses

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

7. Air Travel

Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. CSHA 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.

8. Lodging.

Personnel traveling on behalf of CSHA may be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Personnel shall make use of available corporate and discount rates for hotels. "Deluxe" or "luxury" hotel rates will not be reimbursed.

9. Out-Of-Town Meals

Personnel traveling on behalf of CSHA are reimbursed for the reasonable and actual cost of meals (including tips) subject to the per diem meal allowance as posted on the California EDD web site.

10. Personal Cars

Personnel are compensated for use of their personal cars when used for Company business. When individuals use their personal car for such travel mileage will be allowed at the currently approved IRS rate per mile. The 2015 IRS rate for nonprofit volunteers is 14 cents per mile. (Although the mileage rate for business purposes is updated annually the charitable rate is not. It has not varied in years. When it is the reimbursement rate will be updated.)

11. Parking/Tolls.

Parking and toll expenses, including charges for hotel parking, incurred by Personnel traveling on Company 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.

12. Business Meetings and Entertainment

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 CSHA State President 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, a description of the services provided, the date, and the total expenses, including tips (if applicable).

13. Other Expenses

Reasonable CSHA-related telephone and fax charges due to absence of Personnel from the individual's place of business are reimbursable. Postal charges incurred are reimbursable for the purpose of work on behalf of CSHA.

14. Non-Reimbursable Expenditures

CSHA 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.
- When lodging accommodations have been arranged by CSHA and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by CSHA. 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 equine events, without the advance approval of the State President of CSHA.
- Purchase of equine equipment.
- Spa or exercise charges.
- Clothing purchases.
- Business conferences and entertainment which are not approved by the State President of CSHA.
- 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 State President.

*CSHA offers this list of non-reimbursable expenses by way of example only, and in no way means to imply that categories of expenses not included on this list should automatically be eligible for reimbursement. This list is meant to be a guide.

15. Violations

Reports of suspected violations will be reported to the State President. The State President will execute an investigation, prepare a report of the findings of the investigation, and submit such report to the Board of Directors.

In the event that a report concerns the State President, he or she shall recuse himself or herself from the proceedings, and the Board of Directors shall select an appropriate officer to continue the investigation.