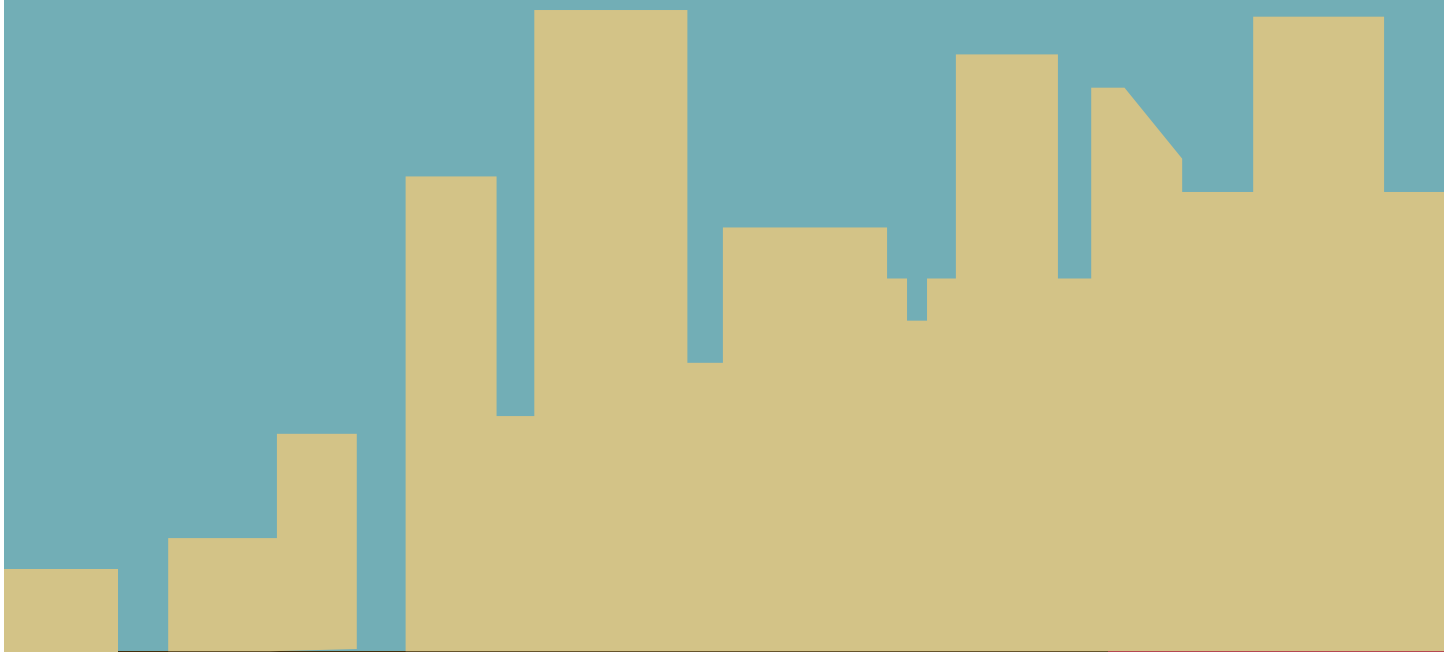


travel and expense policy



2008

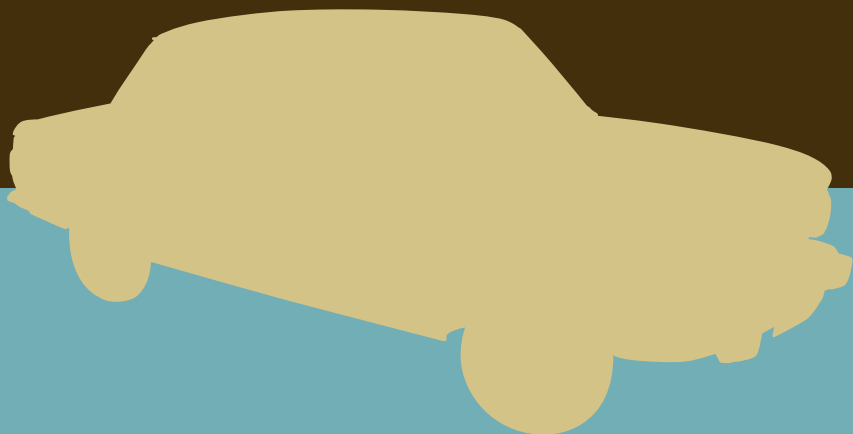
BILL & MELINDA
GATES foundation

OBJECTIVES:

Ensure our policies support employees in performing at their best in the office and while traveling on business.

Mitigate the impacts of travel on our employees, and support them in integrating and managing their work and personal lives.

Ensure that our policies are appropriate relative to the sectors in which we work, including grantees, other foundations, and non-profit organizations.



**THE FOUNDATION
ASSUMES THAT
EMPLOYEES WILL
USE THEIR BEST JUDGMENT
WHEN TRAVELING OR
SPENDING MONEY
IN SUPPORT OF
FOUNDATION-RELATED
BUSINESS.**



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A private foundation is prohibited from entering into any financial transaction with certain related parties defined in the law as ‘disqualified persons’.

Such transactions are defined under the IRS rules as ‘self-dealing’.

1. SELF DEALING WITH DISQUALIFIED PERSONS

A private foundation is prohibited from entering into any financial transaction with certain related parties defined in the law as ‘disqualified persons’. Such transactions are defined under the IRS rules as ‘self-dealing’.

A foundation employee who makes a payment that qualifies as ‘self-dealing’ will be personally responsible for paying the expenditure.

Please read the [Government Officials Memo](#) and other related self-dealing documents posted on the Commons. For further information, please contact the foundation’s [Legal](#) department.

2. SPECIFIC EMPLOYEE RESPONSIBILITIES

2.1 Travel Arrangements

Arrange all travel (airfare, lodging, and ground transportation) through the foundation [Travel](#) department or [ResX](#) online booking tool.

Any employee business travel not booked through the travel department requires prior approval from the travel department. An example of this would be if an employee was traveling with a group of grantees and the grantee’s travel department was making all the logistical arrangements. It would make sense for the grantee to also make travel arrangements for the foundation employee.

2.2 Expense Reconciliation

Each traveler is solely responsible for the timely reconciliation of his or her expense report and providing full documentation as verification of each expense.

The IRS requires that expense documentation provide a clear explanation of the business purpose. Please contact the [Finance](#) department with questions about expense documentation. For an easy way to remember the elements needed to describe your expenses, think ‘**BOND**’:

B USINESS PURPOSE OF THE MEETING:	State the reason for meeting or expense
O RGANIZATION:	Name the organization
N AME:	Name the person(s) and their affiliation
D ATE AND LOCATION:	Date and location of expense

2.3 Receipts

Original receipts must be submitted for expenses of \$75 or more. If you are missing a required receipt please call the merchant to obtain a copy. No expenses submitted more than 90 days after they were incurred are reimbursable.

Some merchants in developing countries do not provide receipts. In this circumstance, please maintain an expense log that includes the merchant’s name, date, location, amount, and type of expense; this log will serve as your receipt. [Expense Log](#).

Air transportation guidelines apply to all foundation employees and non-employees, including guests of the foundation (participants) and consultants traveling on the foundation's behalf.

3. AIR TRANSPORTATION

Air transportation guidelines apply to all foundation employees and non-employees, including guests of the foundation (participants) and consultants traveling on the foundation's behalf.

There are specific and separate Travel and Expense Policy documents for [participants](#) and [consultants](#) listed on the [Finance](#) site on The Commons.

3.1 Reservations

For stewardship reasons, travelers should make every effort to make travel arrangements **seven or more days in advance** of travel.

Itineraries are based on, and in order of: non-stop routes, the foundation's preferred carriers, lowest possible fare available at time of booking, and flights available two hours before and two hours after the requested flight time.

Personal preferences are accommodated when possible; however they are secondary to the foundation's travel guidelines.

Air Mileage Programs

Frequent flyer upgrades are facilitated by the Travel department. Any associated costs are at the traveler's expense.

Managing the traveler's air miles accounts is the responsibility of the traveler. Airline miles earned while traveling on foundation business are retained by the traveler. Frequent flyer miles or benefits are not reimbursable by the foundation, even if they are used on foundation business.

Memberships

Airline club memberships are not reimbursable by the foundation.

3.2 Domestic Flights

Coach Class

Flying coach class is the standard for all domestic flights unless a medical condition necessitates upgraded travel (physician's note required).

Personal Upgrades

Personal miles or coupons can be used to upgrade to first class, or a traveler may opt to pay personally for the price difference between coach and first class. The entire ticket may be charged to the foundation credit card, and it is the responsibility of the traveler to enter that cost differential as a personal expense in the electronic expense reimbursement tool.

The Travel department will advise via email what the fare differential is at time of booking. Documentation of the fare differentials must be clear, specific, maintained by the employee, and included with your receipts.

The most cost-effective, safe, and efficient ground transportation is to be used.

3. AIR TRANSPORTATION (CONT'D)

3.2 Domestic Flights (con't)

First Class

Upon request, Travel will book a red-eye flight in first class if the departure is after 10 p.m. This applies to domestic flights only.

3.3 International Flights

Business class may be booked for international flights of more than five (5) hours actual airtime, including the domestic connecting flights.

If business class is not offered for any leg of the trip, then first class may be used for that portion of travel.

3.4 Charter Flights

Charter flights are not approved within our travel policy and are to be considered only under exceptional circumstances, such as when security risks or the absence of commercial flights make commercial travel nonviable.

Charter air requires the prior approval of the Chief Financial Officer.

4. GROUND TRANSPORTATION

The most cost-effective, safe, and efficient ground transportation is to be used.

4.1 Town car

Outside of the U.S., the use of a town car is allowed. Inside the U.S., town cars may be used in certain circumstances. Detailed explanation of appropriate town car use can be found on the [Travel & Expense FAQ](#).

Town cars should only be used for point-to-point transportation and not reserved for blocked periods of time for transportation to multiple meeting sites.

The tip is included in the final billing; therefore tipping the driver is not necessary.

4.2 Taxi

In the United States, taxis should be used when available.

Detailed explanation of appropriate taxi use can be found on the [Travel & Expense FAQ](#).

In cities where the foundation has contracted with a specific hotel, the Travel department will book a room at the preferred hotel.

4. GROUND TRANSPORTATION (CONT'D)

4.3 Rental Car

Rental cars are reserved by the Travel department with our preferred vendors.

In general, a midsize car is the preferred car type; however, the size and type of the rental car should be appropriate for the number of people in the car and the road conditions on which it will be used.

Hybrid rentals are allowed.

See Section 16 for rental car insurance information.

4.5 Rail

Business class may be reserved for rail travel.

5. LODGING

5.1 Contracted Hotels

In cities where the foundation has contracted with a specific hotel, the Travel department will book a room at the preferred hotel.

In cities where there is more than one contracted hotel, the traveler may choose among contracted hotels. A list of [*contracted hotels*](#) appears on Travel's site posted on the commons.

5.2 Maximum Rates

The Travel department monitors and updates the maximum lodging rates periodically. (See 5.5, *next page*.)

In cities where the foundation does not have a contracted hotel, or all contracted hotels are sold out, the lodging selected must not exceed the maximum rates listed below.

If a traveler chooses to stay in a location that costs more than the maximum rate for that city, only the maximum rate will be reimbursed by the foundation. The traveler will be responsible for entering the cost differential as a personal expense in the electronic expense reporting tool and for supplying the supporting documentation.

At times, the hotel rooms available are priced higher than the foundations stated maximum rate. In this case, travel will book the most reasonable option and retain a record why the maximum rate was exceeded.

The Travel department will not make reservations, and the Finance department cannot reimburse staff, consultants, or participants for lodging, meals, or other services at any Four Seasons properties.

5. LODGING (CONT'D)

5.3 Conference Rates

The Travel department does not have access to the reserved block of rooms for a conference. Travelers should book their own conference hotel room as part of the conference registration process.

5.4 Cancellation Policy

If you need to cancel a hotel reservation, you should do so through the Travel department. Travelers should be mindful to send a notification early enough to avoid a cancellation fee.

5.5 Maximum Lodging Rates

United States	City
\$400	New York City
\$350	Washington DC
\$300	Chicago
\$250	All other US Cities
International	City
\$400	Bangalore, Davos, Geneva, London, Paris
\$300	All other International Cities

5.6 Four Seasons Hotels and Resorts Properties is a 'Disqualified Person'

The Travel department will not make reservations, and the *Finance* department cannot reimburse staff, consultants, or participants for lodging, meals, or other services at any Four Seasons properties.

The Four Seasons Hotels and Resort properties include:

- Four Seasons Hotel
- Chicago Ritz
- Regent Kuala Lumpur
- Regent Singapore
- Grand Formosa Regent Taipei

For further information related to the rules surrounding disqualified persons, please contact the *Legal* department.

Employees may add a personal leg to a business itinerary, while clearly drawing the line between foundation and personal expenses.

6. COMBINING BUSINESS AND PERSONAL TRAVEL

Personal-only travel can be booked via [*Carlson Travel's Leisure Travel*](#). To respect vendor agreements as well as the capacity of the foundation's in-house Travel department, personal-only travel should not be booked through the Travel department.

Accompanying travelers (such as a spouse or child) can be booked via the Carlson Travel leisure agent. The Carlson leisure agent can access an employee's business itinerary that was booked via the foundation's in-house Travel department for coordination purposes.

6.1 Airfare

Recognizing the active travel schedules of foundation staff, employees may add a personal leg to a business itinerary, while clearly drawing the line between foundation and personal expenses. Travel will accommodate the request provided it is sent to them at the same time as the original travel request and is 7 or more days in advance of the departure date.

If a combined business/personal itinerary is equal to or less than the cost of a business-only airfare, there is no cost to the employee and the foundation credit card may be used.

If a combined business/personal itinerary is greater than the cost of a business-only airfare, the entire ticket may be charged to the foundation credit card, but it is the responsibility of the traveler to enter that cost differential as a personal expense in the electronic expense reimbursement tool.

The travel department will advise the traveler via e-mail of the fare differential at time of booking. E-mail documentation of the fare differential must be clear, specific, maintained by the employee, and included with your receipts.

6.2 Lodging

Lodging may be shared with non-business guests. To respect the capacity of the foundation's in-house travel department, accommodations for personal guests such as different room types, extra rooms, and other special amenities should be arranged by the employee.

6.3 Transportation

Transportation costs of non-business guests are not reimbursable and may not be paid with the foundation credit card. To respect the capacity of the foundation's in-house travel department, accommodations for personal guests (such as a child car seat) should be arranged by the employee.

While traveling and dining alone or with other foundation employees, total meal costs, which include beverages and tip, should not exceed \$100 per day, per employee.

7. MEALS

7.1 Meal limits

\$100

While traveling and dining alone or with other foundation employees, total meal costs, which include beverages and tip, should not exceed \$100 per day, per employee. This is a maximum, not a per diem.

\$150

The daily meal limit is increased when traveling in these locations: Geneva and Davos, Switzerland; London, England; Paris, France; Tokyo, Japan

\$75

If you are conducting a business meeting over a dinner in your home city, the allowance is \$75 per person, which includes beverages and tip.

Avahan and China offices

Meal expenses will likely be well under the \$100 per day limit due to lower local costs. (See local office for additional guidelines.)

Exceeding the daily meal limits

Meal limits may be exceeded with approval from an Operations Manager or Director. Please cite the approval when documenting the business purpose for the expense.

7.2 Best practices

Who pays

When more than one foundation employee is present at a meal, the most senior staff member should pay the bill.

Who should not pay

In order to avoid a conflict of interest, grantees and potential grantees should not host foundation employees. Further explanation can be found in the [*Travel & Expense FAQ*](#).

Non-Business Meals

Meals for non-business guests are not reimbursable and may not be charged to the foundation credit card.

7.3 Employee Recognition Meals

Annual budget allocations are available each year for employee recognition activities. Detailed information can be found on the [*Human Resources*](#) site on the Commons.

As a general rule, employees should not tip more than 20% for meals.

8. TIPS

As a general rule, employees should not tip more than 20 percent for meals.

Tips for hotel housekeeping, bellmen, etc., should be noted in a log containing the date, time, and purpose of the tip, and the log should be included with the expense statement form.

9. OTHER TRAVEL AND EXPENSE POLICY INFORMATION

9.1 Cost Savings

In general, the foundation does not support a substitution or exchange philosophy with regard to travel expenditures. If an employee chooses a less expensive option, it would not be appropriate to utilize this 'cost savings' somewhere else, particularly if it is personal in nature.

Example: If you choose to stay at a friend's house while traveling on behalf of the foundation, thus saving the foundation lodging costs, you may not reallocate this cost savings to cover your meals while staying extra days for personal reasons, or to thank your host.

An employee may opt for a weekend or extended stay between two business trips, provided the costs for lodging, transportation, and meals for the days in between the two business trips does not exceed the air savings. Documentation of the fare differentials must be clear, specific, and accompany the expense report.

9.2 Cash Advances

Cash advances are available upon approval from your manager (see Finance for a check request form). Upon return from the trip, your expense report form must have all required receipts for the amount advanced, with any remaining amount returned to the foundation's Finance department, in USD, within 60 days of incurrence of the associated expenses.

9.3 Foreign Currency

If you have more than the equivalent of US\$20 in foreign currency, please exchange it prior to leaving the foreign country if the currency is not internationally traded. Otherwise, currency can be exchanged at major airports.

9.4 Phone Policy

Employees should use their best judgment in limiting personal calls while traveling. They should use the foundation-issued phone whenever possible; a hotel phone should be used only when a foundation issued phone or phone card is not serviceable. The *IT Service Desk* can best advise if your foundation-issued phone will operate as issued or will need modification prior to travel in order to work in your country of travel.

Laundry and dry-cleaning are reimbursable when business-related travel is longer than four consecutive nights.

10. MISCELLANEOUS AND REIMBURSABLE EXPENSES

Laundry and dry-cleaning are reimbursable when business-related travel is longer than four consecutive nights.

Health club fees incurred while on business travel are reimbursable.

Internet connectivity in hotel, airplanes, and other public places while traveling on behalf of the foundation is reimbursable. Employees should be mindful of security issues surrounding wireless connectivity. Please contact the [IT Service Desk](#) for more information.

For expedited security check-in, an annual base level subscription to a Registered Traveler Program is reimbursable.

ATM fees are reimbursable while traveling.

11. NON-REIMBURSABLE EXPENSES

Below are non-reimbursable expenses. There may be additional non-reimbursable expenses that are not listed; please check with the [Finance](#) department if you have questions.

The following expenses are not reimbursable:

- Lost or delayed luggage and contents. (Employees are asked to work directly with the airline and credit card insurance carrier to recover damages.).
- Fees or dues for airline VIP clubs and hotel frequent-stayer clubs
- Air travel insurance
- Airline upgrades
- Air or personal cell phone charges, except in emergencies
- Personal travel expenses, including sundries or recreational reading
- Movies (in-room and in-flight movies)
- Costs for personal guests
- Costs of commuting to/from work/home
- Parking citations
- Cost of business clothing
- Personal gifts
- Donations to a charity in lieu of flowers.

Example: A donation to a charity or a table sponsorship; these are grants and must go through the foundations formal grant process.

Giving 'gifts' to consultants, vendors and participants is not allowed and does not comply with the IRS rules required for a non-profit 501c3 organization to meet its tax-exempt purpose.

12. TEAM BUILDING AND STAFF RECOGNITION

Annual budget allocations are available each year for Team Building and Employee Recognition activities. Detailed information can be found on the [Human Resources](#) site on the Commons.

13. NON-STAFF RECOGNITION

Giving 'gifts' to consultants, vendors and participants is not allowed and does not comply with the IRS rules required for a non-profit 501c3 organization to meet its tax-exempt purpose.

For practical purposes, only an occasional *de minimis* (minimal) meal expense, provided foundation business is discussed would be allowed.

Please contact the Finance department with questions regarding allowable non-staff recognition expenses.

Gifts to grantees should be *de minimis* (minimal), and not exceed \$100 in value. Exceptions to this policy must be approved by the Legal department.

14. FOUNDATION CREDIT CARD & EXPENSE REIMBURSEMENT

If you travel or incur foundation expenses as a normal part of business, you will be issued a foundation credit card.

The timely reconciliation of the monthly credit card charges and out-of-pocket expenses is required with supporting documentation.

Credit card expense reviewers are responsible for the timely approval of staff expenses

15. TRAVEL VISAS AND PASSPORTS

When traveling on foundation business, employees must obtain a business visa rather than tourist visa.

The [Travel](#) department will offer advice on the visa application process for those traveling internationally.

Employees traveling internationally should check that their passport is current with at least 6 months validity and at least 3 blank visa pages. Should travelers need more passport pages or to renew a passport, Travel can assist with the application process.

When renting a car domestically, you **should not** purchase rental car insurance.

When renting a car internationally, you **should** purchase the insurance.

16. INSURANCE

15.1 Rental Car Insurance

When renting cars domestically you should not purchase rental car insurance as the foundation maintains rental car coverage. If renting a car internationally, you should purchase insurance at the time of the rental. In the event of an accident, please contact the Finance department.

15.2 International SOS Travel Assistance Insurance

Employees, their spouse or domestic partner, and children are covered for certain travel assistance services while on business and 100 miles or more away from home or outside the country. Detailed information can be found on the [Human Resources](#) site of the commons.

15.3 Wells Fargo Visa Insurance

Travel for employees on a major common carrier, that is booked with a foundation credit card comes with accidental death and dismemberment coverage of \$500,000 paid to your estate. Detailed information regarding the coverage is included with your foundation credit card documents.

15.4 Lost or delayed luggage- \$300 maximum

The traveler is personally reimbursed by the insurance carrier, therefore the expenses related to the loss or delay must be treated as a personal expense.

To submit a claim, please refer to [information](#) posted on the Finance SharePoint site.

17. EXTENDED BUSINESS ASSIGNMENTS

From time to time, it may be necessary for an employee to go on an extended business assignment away from the primary office. To address the unique travel and expense issues surrounding an extended business assignment, a separate policy and guideline is available upon request from [Finance](#) or [Human Resources](#).