



Business Expense and Travel Reimbursement Policy

Purpose:

To give guidance in identifying legitimate business and travel related expenses.

Receipts:

Receipts are required for all expenditures.

Submission and Approvals:

All business and travel related expenses are to be submitted on an Expense/Travel Report and approved by an AIAG manager. The CEO's expenses will be reviewed and approved by the Finance Committee Chairman. Approvals for expenditures must follow the Expenditure Approval Policy.

Personal Automobile Use:

Reimbursements for business usage of personal cars will be based on the current fixed rate according to the IRS guidelines. This rate covers depreciation, maintenance, repairs, gasoline, oil, insurance and vehicle registration fees. Local travel is reimbursed only for mileage from AIAG to the destination and back, unless travel occurs on weekends or AIAG holidays. Parking, bridge and road toll costs will be reimbursed if properly substantiated by receipts. To be reimbursed for use of a personal car for business, travelers must provide the purpose of the trip, date and location on their expense report and submit a map printout showing the mileage. Individuals are responsible for payment of any parking fines or other vehicle related penalties imposed while using personal car for business use.

Telephone Usage:

Home or cellular phone usage for business calls that are reasonable and necessary for conducting business will be reimbursed. A complete itemized bill highlighting the calls for which reimbursement is being requested must be attached to the expense report.

Business Gifts:

An expense report reflecting a gift must show the name, title and business affiliation of the recipient, as well as the business purpose, date, amount of the expense and description of the gift. Any gift must be pre-approved by the CEO.

Travel:

It is AIAG's intent to reimburse actual "out-of-pocket" travel costs that are "reasonable and customary", and in accordance with IRS regulations. Individuals traveling on AIAG business should take care to spend money as if it were their own. All business travel must be approved in advance by the manager.

Lodging:

Only room charge and tax should be listed daily. All other hotel charges should be itemized separately. AIAG will pay for reasonable Internet access charges.

Meals:

The term "meals" includes food, beverage and reasonable tips. Include tips related to meals on the meal receipt.

Airfare:

AIAG only pays for coach class for either domestic or international travel – seat upgrades will not be reimbursed. Only the CEO or staff directors can approve exceptions. If departure time is known far enough in advance, all efforts should be made to secure the lowest possible fare.



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Rental Cars:

Automobiles should be rented only when necessary. The most economical rental rate for the class of automobile that is appropriate for the size of the group traveling on AIAG business will be required. Individuals are expected to use rental car privileges efficiently, ensuring that cars are shared with others traveling in the same location. In order to minimize refueling charges, self-service pumps should be used. Individuals should not elect additional insurance coverage. AIAG will not reimburse for the expense of "Collision Damage Waiver (CDW)" or other supplemental insurance coverage offered by car rental agencies. Individuals are responsible for payment of any parking fines or other vehicle related penalties imposed while in possession of the rental car.

Foreign Currency:

All expenses and totals on the expense report are to be recorded in U.S. Dollars. If foreign currency conversion is involved, document the currency type and exchange rate on the expense report. Also, compute conversion on the face of each receipt.

Frequent Flyer Benefits:

All employees can participate in frequent flyer programs and retain these for personal use so long as every effort is made to obtain the lowest fare available. Requests for airlines or routings to accumulate mileage in frequent flyer programs without regard to costs to AIAG are not allowed.

Business with Pleasure:

All employees can participate in frequent flyer programs and retain these for personal use so long as every effort is made to obtain the lowest fare available. Requests for airlines or routings to accumulate mileage in frequent flyer programs without regard to costs to AIAG are not allowed.

AIAG does not object to linking business with personal travel. AIAG will not reimburse any expenses associated with the personal travel. Pre-approval from management must be obtained prior to linking business and personal travel.

Business Meals and Entertainment:

Business meals are allowable if the individual establishes that the meal is directly related to the active conduct of AIAG business. All business meals and entertainment must have in writing the business purpose or discussion before, during and after each event.

Entertainment includes those activities generally considered to constitute entertainment or recreation, such as entertaining at restaurants, theaters, sporting events, etc., whereby a specific and meaningful business discussion takes place during, immediately before or immediately after the event. Individuals will be reimbursed for reasonable expenses when entertaining members/customers if the person entertained has a potential or actual business relationship with AIAG. Extreme discretion should be exercised when incurring entertainment expenses and approval by management in advance is required.

When part of a group dinner/meeting, the most senior member of AIAG management present should pay the bill and report the business expense.

Cash Advances:

Cash advances are approved by the Accounting Manager.

Corporate Credit Card:

Credit cards may be obtained for employees who consistently travel on AIAG business.

Visa, Passport Fees and Immunizations:

If these items are required for international travel, their reimbursement is left to the discretion of AIAG management.