

CIRM POLICY GOVERNING TRAVEL

I. PURPOSE

The CIRM Policy Governing Travel is based upon the University of California Business and Finance Bulletin G-28, with modifications as required to ensure that the California Institute for Regenerative Medicine (CIRM) satisfies its research mission. This policy provides for appropriate implementation and oversight required for reimbursement of travel claims.

II. DEFINITIONS

For the purposes of this Policy, the following definitions shall apply:

Business Purpose – the business purpose of a CIRM traveler may include activities that contribute to any one of CIRM’s major functions, including but not limited to, funding stem cell research, research facilities, and other vital research opportunities in California; supporting all stages of the process of developing cures; and establishing appropriate regulatory standards and oversight for research and facilities development in order to meet our mission of accelerating stem cell treatments to patients with unmet medical needs.

Headquarters – the place where the major portion of the traveler’s working time is spent, or the place to which the employee returns during working hours upon completion of special outside assignments.

Lodging – expenses for overnight sleeping facilities. Does not include accommodations on airplanes, trains, buses, or ships, which are included in the cost of transportation.

M&IE Reimbursement Cap – the maximum amount authorized for daily meal and incidental expenses established by CIRM for all travel of less than 30 days in the continental United States. The Cap amount is based on the highest domestic per diem rate published by the General Services Administration (GSA) for travel within CONUS. For purposes of the reimbursement cap, incidental expenses include tips and fees for services, e.g., for waiters, porters, baggage carriers, hotel staff, etc. *M&IE*.

Reimbursement Cap shall not be treated as a per diem. Only actual reasonable expenses incurred for M&IE may be claimed. (See Appendix A.)

Per Diem – The daily subsistence allowance authorized under the federal per diem rates for a location of travel. Per diems are authorized for all foreign travel; travel within Alaska, Hawaii, and United States possessions (OCONUS) The incidental expenses portion of the federal per diem rate includes fees and tips given to porters, baggage carriers, waiters, hotel staff, etc.

Reporting Period – the 31-day period within which a Travel Expense Claim must be submitted after the end of a trip, subject to availability of documentation and staff time. Refer to Section XI, Reporting Period, for more information.

Residence – the primary residence where the traveler lives, regardless of other legal or mailing addresses. However, when an employee is required to reside temporarily away from his or her permanent residence because of official travel away from headquarters, such residence may still be considered permanent if it is unreasonable to expect the employee to move his or her permanent residence to the temporary job location.

Travel Expenses – expenses that are ordinary and necessary to accomplish the official business purpose of a trip. Refer to the following sections for a description of travel expenses eligible for reimbursement: Transportation Expenses; Subsistence Expenses; and Miscellaneous Travel Expenses.

Travel Status – the period during which a traveler is traveling on official CIRM business outside the vicinity of his or her headquarters or residence.

Travel Authorization – the CIRM Employee Travel Authorization form shall be used to document and obtain, in advance, appropriate management approval authorizing official business travel on behalf of the CIRM.

Travel Agency – the statewide travel agency to be used by traveler on official CIRM business to reserve travel related needs (i.e. airlines, reservations, lodging, etc.)

Travel Expense Claim – the official Std. 262 form used by travelers to claim reimbursement for necessary expenses incurred while on official CIRM business travel.

III. CIRM TRAVEL POLICY

A. Scope

This Policy shall apply to all official CIRM travel.

- This Policy includes special rules for non-employees, such as working group members, scientific reviewers, visiting scholars, independent contractors, and candidates for employment at CIRM.

B. Policy

All official travel shall be properly authorized, reported, and reimbursed in accordance with this Policy. Under no circumstances shall expenses for personal travel be charged to, **or be temporarily funded by**, CIRM, unless otherwise noted in this Policy. When a CIRM employee travels under the sponsorship of a non-CIRM entity to conduct CIRM business, travel expenses may be charged to a CIRM account or billed to CIRM, subject to agreement of the sponsor to reimburse CIRM and subject to the **prior approval of CIRM’s Finance and Legal offices**. CIRM employees traveling on official business shall observe normally accepted standards of propriety in the type and manner of expenses they incur. *In addition, it is the traveler’s responsibility to report his or her actual travel expenses in a timely, responsible and ethical manner, in accordance with the regulations set forth in this Policy.*

The travel reimbursement procedures contained in this Policy are designed to conform to the “accountable plan” rules published by the Internal Revenue Service (IRS). Travel expenses considered by the IRS to be taxable income to the traveler are not reimbursable except

for subsistence payments for travel of less than 24 hours and certain travel expenses related to moving a new appointee or a current employee.

C. **Travel Management Services**

The statewide Travel Management Program is intended to generate maximum benefit and value for CIRM travelers. It is a one-stop travel shop that provides reservation services for airline tickets, cars, rail, shuttle and lodging. Concur is the state's only authorized travel agency. This program encompasses aspects of CIRM's travel, including policy development, processes, planning, data management, and preferred supplier services and contracts. Under this policy, all **CIRM travelers shall use Concur for travel related needs.**

D. **Exceptions**

Exceptions to this policy may be authorized by the President/CEO, the Chair, or the Finance Office, to the extent such authority has been delegated in writing and has been provided to the Finance Office. An exception may be granted when one is required for extenuating circumstances. **A request for an exception must be in writing (email acceptable) and must document the circumstances and need for the exception.** Exception requests must be **provided to the Finance Office for approval processing prior to incurring costs.** When an exception has been granted, the reimbursement of expenses claimed shall be limited to the actual costs incurred, provided such costs are deemed to be ordinary and necessary under the circumstances. The Finance Office shall maintain a record of all exceptions granted under this paragraph.

IV. **APPROVAL OF TRAVEL EXPENSES**

In order to ensure that travel expenses are approved in an impartial manner, travelers may not approve the reimbursement of their own travel expenses. CIRM employees are required to obtain prior approval, on CIRM's Employee Travel Authorization form, from their managers (or in the case of managers, the President/CEO or Chair depending upon to whom they report) for any travel that includes air travel and/or an overnight stay. An employee also may not approve the travel of a near relative, e.g., spouse or equivalent, child, parent, etc., nor their own travel. The travel shall not be approved by a person who reports directly or indirectly to the traveler. The Chair (or his or her designee) shall approve travel authorization and travel expense claims submitted by the President/CEO, and the President/CEO (or his or her designee) shall approve travel authorization and travel expense claims submitted by the Chair of the ICOC.

V. **PAYMENT OF TRAVEL EXPENSES**

A. **Direct Charges for Meals and Miscellaneous Expenses**

Travelers are prohibited from charging meals or miscellaneous expenses to CIRM. These expenses must be paid by the traveler when they are incurred, and a claim for reimbursement submitted at the conclusion of the trip.

B. Payment of Expenses on Behalf of Others

CIRM travelers shall not be reimbursed for expenses paid on behalf of other persons, except in the case of co-travelers who are sharing a room. Exceptions to this rule, such as supervised group trips, must be approved in advance through the Finance Office.

NOTE: CIRM's policy previously allowed a group leader to pay for all or a portion of a group's meal expenses while on travel status. This practice is now limited to those situations where an establishment will not separate checks for a large group. Other than in this situation, each traveler must pay for his/her portion of a meal and seek reimbursement through a Travel Expense Claim.

C. Cancellation of Reservations

Travelers who are unable to honor a reservation shall be responsible for canceling the reservation in compliance with the cancellation terms established by the hotel, airline, etc. Charges or lost refunds resulting from failure to cancel reservations shall not be reimbursed unless the traveler can show that such failure was the result of circumstances beyond the traveler's control.

VI. INSURANCE FOR TRAVELERS

A. ICOC Members, Employees and Working Group Members

All ICOC members and CIRM employees are routinely covered 24 hours a day, worldwide, against accidental death or dismemberment while on an official CIRM business trip or while engaged in designated extra hazardous activities on behalf of CIRM. In addition, all CIRM employees are provided with Workers' Compensation coverage for work-related injury that occurs during a CIRM-approved business trip. For insurance coverage purposes, an official CIRM business trip begins when the traveler leaves his or her residence or headquarters, whichever occurs last, and ends when the traveler returns to his or her residence or headquarters, whichever occurs first.

B. Vehicles

The Department of General Services, Office of Risk and Insurance Management administers the State Motor Vehicle Liability Self-Insurance Program (VELSIP), which provides unlimited self-insured liability coverage for the state, agencies, and employees who operate covered self-propelled land vehicles on state business (California Vehicle Code Sections 17000 and 17001). Effective January 1, 2004, liability coverage is limited to \$1 million per occurrence/accident when the state vehicle is operated by a non-salaried employee (i.e. student assistant, volunteer, etc.) on state business. The driver's employing department/agency will be financially responsible for the payment of any claims, settlements, judgments, or verdicts in excess of \$1 million. The VELSIP provides excess liability coverage for state employees on state business while driving non-state vehicles, but only after the vehicle owner's liability policy limits have been paid. The VELSIP does not provide coverage for injury to state employees nor for damage to state vehicles. Employee injuries are handled through Workers' Compensation coverage. Damage to state vehicles are handled through the budget of the owning state agency.

VII. TRANSPORTATION EXPENSES

Transportation expenses shall be reimbursed **based on the most reasonable economic mode of transportation** and the most commonly traveled direct, nonstop route consistent with the authorized purpose of the trip. Any exception must be approved in advance through the Finance Office.

A. General

1. Definition

Transportation expenses include the following: charges for commercial carrier fares; travel agency service fees; car rental charges; private car mileage allowances; overnight and day auto parking; bridge and road tolls; taxi and public transportation fares; and all other charges for transportation services necessary to accomplish the official business purpose of the trip.

2. Transportation Tickets

Transportation tickets should be procured in advance in order to obtain any discounts offered by the carrier or negotiated by the statewide travel management program for CIRM. Such tickets should be purchased through Concur, the statewide travel agent. Travelers will not be reimbursed for non-cash certificates used for the purchase of transportation tickets, e.g., frequent flyer miles.

3. Charges for Re-Ticketing

Charges for re-ticketing, schedule changes, etc. are reimbursable if incurred for a valid business reason. Approval from the Finance Office must be obtained prior to incurring these charges. The reason for the charge must be specified on the Travel Expense Claim.

4. Allowable Mileage Expense

Mileage shall ordinarily be computed between the traveler's headquarters and the common carrier or destination. Expenses for travel between the traveler's residence and headquarters (commuting expense) shall not be allowed, even when the traveler generally uses another mode of transportation to commute to work. However, mileage expenses may be allowed between the traveler's residence and the common carrier or destination if CIRM business travel originates or terminates **during a regularly scheduled day off**. When a traveler is authorized to drive a private vehicle to or from a common carrier terminal, mileage may be reimbursed as follows:

- One round trip, including parking for the duration of the trip; or
- Two round trips, including short-term parking expenses, when an employee is driven to a common carrier.

Also, if an employee who is not on travel status has a temporary assignment away from headquarters, reimbursement shall be made for mileage expenses incurred between headquarters and the assignment location, or home and the assignment location, whichever is less.

5. Surface Transportation Used in Lieu of Air Travel

If advance approval has been obtained, a traveler may use surface transportation for personal reasons even though air travel is the appropriate mode of transportation. The cost of meals and lodging, parking, mileage, tolls, taxis, and ferries incurred while in transit by surface transportation may be reimbursed. However, such costs shall not exceed the cost of airfare, based on the lower of the airfare at the state rate or the regular non-refundable coach fare available for the location of travel, plus transportation costs to and from the terminals, parking, tolls, lodging and meals.

6. Indirect or Interrupted Itineraries

When a traveler takes an indirect route or interrupts travel by a direct route, for other than CIRM business, any resulting additional expenses shall be borne by the traveler. The reimbursement of expenses shall be limited to the actual costs incurred or the charges that would have been incurred via a usually traveled route, whichever is less. The cost comparison should be based on what CIRM would have paid, which can be obtained through Concur, the state's authorized travel agency, prior to or at the time of booking the trip. Any resulting excess travel time will not be considered work time, and will be charged to the appropriate type of leave. The employee shall be responsible for accurate reporting of such leave time.

7. Travel Extended to Save Costs

Additional expenses associated with travel extended to save costs, e.g., a Saturday night stay for domestic travel, may be reimbursed when the cost of airfare would be less than the cost of airfare had the traveler not extended the trip (provided the expenses were incurred in compliance with this Policy). Such expenses, which include lodging, car rental, and M&IE incurred within the vicinity of the business destination, shall not exceed the amount CIRM would have paid had the traveler not extended the trip.

B. Air Travel

1. Coach Class

Coach class or any discounted class shall be used in the interest of economy, and where possible, nonrefundable tickets should be purchased. This policy applies to all travel (domestic or foreign, or any combination thereof) regardless of the purpose or fund source.

2. Business Class

Use of business or first-class or other higher-cost services may be authorized under the circumstances listed below. Documentation of such circumstances must be provided and approved in advance of the travel through the Finance Office.

- When a traveler prefers to use a higher class than the one authorized for reimbursement and pays the incremental cost of the airfare, the traveler shall be responsible for paying the higher class cost upfront and seeking reimbursement up to the authorized non-refundable coach fare (as documented by a quote from CIRM's authorized state travel agency);

- Business or first-class is the only service offered between two points;
- The use of coach class would be more expensive, e.g., when, because of scheduling difficulties, traveling by air coach would require an unnecessary hotel expense, circuitous routing, or an unduly long layover when making connections;
- The use of business or first-class travel is necessary to reasonably accommodate a disability or medical need of a traveler. A note from the traveler's doctor stating that business or first-class travel is necessary to reasonably accommodate the traveler's disability or medical need shall be provided to the Finance Office prior to incurring business or first-class travel. The medical documentation will be safeguarded and maintained in the Finance Office. The medical documentation must be updated each year, or if the disability or medical need changes.

C. Automobile

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation or if it saves time. Persons authorized to travel by automobile shall be reimbursed for actual M&IE incurred en route by the most efficient route, considering transportation time, weather conditions, safety, etc., plus any necessary cost of lodging, when appropriate. However, a minimum of 300 miles a day must be driven by the most direct route in order to obtain the M&IE and lodging reimbursement. An exception to the minimum miles per day requirement may be approved, however, if a delay is beyond the control of the individual, e.g., weather, traffic, or physical handicap of the traveler.

1. Private Vehicles

The following rules apply to all domestic travel.

a. Mileage Reimbursement Rates

When two or more persons on CIRM business share a private vehicle, *only the driver may claim reimbursement for mileage.*

(1) Standard Rate

CIRM will use the standard reimbursement rate per mile as set by the Federal government (See appendix A) and identified in the University of California Travel Policy. This rate takes into account all actual automobile expenses such as fuel and lubrication, towing charges, repairs, replacements, tires, depreciation, insurance, etc. Thus, under IRS regulations, travelers who claim this rate are not required to substantiate the actual costs of operating the vehicle.

(2) **Rate for Travelers With Physical Disabilities**

A traveler with a physical disability who must use a specially equipped or modified automobile may claim reimbursement at the standard rate per mile set forth in Appendix A. However, if the traveler incurred higher than standard operating costs, the traveler may seek reimbursement by submitting a statement with the Travel Expense Claim certifying that he or she incurred higher operating costs. The actual fixed and variable costs must be specified in the statement. The traveler should refer to IRS, [Form 2106](#) Employee Business Expenses.

The form is available from the following IRS website:

<https://www.irs.gov/pub/irs>

(3) When a private vehicle operated by an employee on official CIRM business is used, the minimum prescribed liability insurance coverage is as follows: \$50,000 for personal injury to, or death of, one person; \$100,000 for injury to, or death of, two or more persons in one accident; and \$50,000 for property damage.

(4) When a private vehicle operated by an employee on official CIRM business is damaged by collision or sustains other accidental damage, reimbursement for repairs borne by the employee may be authorized up to \$500 or the amount of the deductible (co-insurance), whichever is less. Expenses that can be recouped from insurance are not eligible for reimbursement. The amount reimbursed shall be based on receipts submitted by the employee to the individual who authorized the travel.

2. **Rental Cars**

a. **Authorization to Rent**

A vehicle may be rented when renting would be more advantageous to CIRM than other means of commercial transportation, such as using a taxi. Advance reservations should be made using CIRM's state travel agency, except in the case of an emergency. A compact or economy model must be requested, unless business needs dictate the use of a larger model (e.g., a reasonable accommodation; a large number of passengers traveling together on official CIRM business; the transportation of meeting materials, etc.). A note from the traveler's doctor stating it is necessary to reasonably accommodate the traveler's disability or medical need shall be provided in advance and maintained by the Finance Office. The medical documentation must be updated annually or if the disability or medical need changes. Except as provided above, a compact or economy model should be used unless a no-cost upgrade is provided. Vehicles should be returned with the same level of fuel it had when it was picked up. CIRM will not reimburse for the rental of a GPS device.

The State Controller's Office requires that travelers complete and submit an approved "Short-Term Vehicle Justification" form with their travel expense claim, for the following exceptions:

- When two or more employees are traveling together with luggage and require a larger vehicle;
- Medical Accommodation;
- Renting a vehicle from a non-contractor vendor; and
- Vehicle was not refueled prior to return, resulting in a refueling charge at the rental branch.

The traveler is responsible for obtaining the best available rate commensurate with the requirements of the trip. *The State discount rate shall be used when available.*

NOTE:

- Employee shall not rent state contracted vehicles for personal use.
- A vehicle that is rented from an agency with which the state has an agreement is not covered by insurance when it is being used for a personal day of travel.
- Charges for additional insurance are not allowable, including any charge for a collision damage waiver (CDW) for *contract rental vehicles used in the continental United States (CONUS)*.

b. Insurance Coverage

Travelers are expected to use the state travel agency to reserve rental cars with which the state has contracts that include insurance coverage. The following rules apply to insurance coverage for rental cars:

- The cost of full collision coverage for rental cars used in Alaska, Hawaii, U.S. possessions (OCOUS) and foreign countries, is allowable.
- Additional charges for insurance coverage will not be reimbursed if a non-contract agency is used, unless no car rental company in the area has an agreement with the state.

c. Damage to a Rental Vehicle

A CIRM traveler may be reimbursed for up to \$500 of property damage to a rental vehicle only if such expenses were incurred on days the vehicle was being used for CIRM business purposes. The traveler shall submit with the Travel Expense Claim a brief description of the damage to the vehicle, including an explanation of the cause of such damage, and either a police report or a report prepared by the rental company.

3. Miscellaneous Automobile-Related Expenses

Charges for ferries, bridges, tunnels, or toll roads may be claimed by the vehicle operator. Reasonable charges for parking while on travel status or on CIRM business away from regular duties also will be allowed for the following:

- a. Day parking on trips away from an employee's headquarters;
- b. Day and overnight parking on overnight trips away from an employee's headquarters or residence (a claim should not be made if free overnight parking is available); and

- c. Parking charges incurred when an employee without a location parking permit is occasionally required to drive to and from headquarters.

Travelers shall utilize long-term parking accommodations at airports or common carriers when travel is expected to exceed twenty-four hours.

Valet parking charges in excess of normal parking charges shall be borne by the traveler, unless valet parking is the only parking option available or business needs dictate the use of valet parking (e.g., the transportation of meeting materials, meeting and travel time requirements, etc.).

D. Rail or Bus

Rail or bus transportation may be used when required by the destination or by business necessity. If the traveler's destination is served by a regularly scheduled airline, however, the use of rail shall be reimbursed to the extent the cost is equal to or less than the available refundable coach fare. This rule does not apply to inter-city rail travel that is equivalent to air transportations in total travel time. Reimbursement for the cost of Pullman roomette accommodations is allowed. If more expensive accommodations are used, the traveler must justify the expense and secure written (email acceptable) approval prior to actual travel from the Finance Office. The justification/approval must be submitted with the Travel Expense Claim. If accommodations are included in the rail fare, e.g., Pullman roomette accommodations, lodging expenses shall not be reimbursed for each night that such accommodations are used.

E. Other Forms of Transportation

Local Public Transportation, Shuttle Service, and Taxis: Local public transportation fares (e.g., buses, subway, streetcars) shall be allowed. The cost of shuttle service (including airport sedan car service, if the cost is comparable to the cost of a taxi or business needs dictate the use of a sedan car service (e.g., no taxis available, weather conditions, peak travel time, time of day, traffic conditions, or tight scheduling would indicate possible delays in taxi service that could interfere with a scheduled business meeting, etc.) to and from an airport or railroad station, plus reasonable tips, is allowable to the extent such service is not included in air or rail fares. Taxi fares, including up to a **15% tip**, shall be allowed. The cost must be reasonable in relation to personal car use costs, including parking, tolls, etc.

Motorcycles shall not be authorized for use on official CIRM business, nor shall any reimbursement be made for the use of such vehicles.

VIII. SUBSISTENCE EXPENSES

A. General

1. Definition

Subsistence expenses incurred while on travel status consist of charges for lodging and meals and incidental expenses (M&IE). The state's definition of "incidental expense." has been changed to ensure that the State is in compliance with the recent standards set by the Internal Revenue (IRS), Publication 463. Pursuant to the new IRS definition, the term "incidental expenses" means fees and tips given to the porters, baggage carriers, hotel staff, and

staff on ships. Expenses reimbursed must be ordinary and necessary to accomplish the official business purpose of the trip.

Subsistence expenses incurred within the vicinity of an employee's headquarters or residence shall not be reimbursed.

To be eligible for reimbursement, actual expenses must be documented in accordance with Section XI.D.

Regardless of the length of time for business travel, the traveler **must be at least forty miles from the headquarter location or home, whichever is closer, to be reimbursed for an overnight stay.**

2. Business Meals

Expenses for meals incurred by employees who host business meetings while on travel status are reimbursable in accordance with CIRM Business Meeting Expenditure Policy.

B. Travel in Excess of 24 Hours

1. Domestic Travel – Travel Within the United States and Its Possessions

For purposes of determining the applicability of Sections a and b below, an official CIRM business trip begins when the traveler leaves his or her residence or headquarters, whichever occurs last, and ends when the traveler returns to his or her residence or headquarters, whichever occurs first.

a. CONUS Travel

For travel assignments within the continental United States (CONUS), the reimbursement of daily subsistence expenses shall be based on the actual amounts incurred for lodging and meals and incidental expenses. *The M&IE cap shall not be treated as a per diem.* M&IE shall be limited to the *actual reasonable costs incurred*, subject to the daily maximum reimbursement cap set forth in Appendix A. Lodging expenses must be supported by original itemized receipts, regardless of the amounts incurred and must be reasonable for the locality of travel.

For In-State and Out-of-State lodging rates, please use the following website:

- www.gsa.gov/portal/content
- Search specific lodging rates under “Per Diem”

Travelers may claim up to 125% of lodging rate for the locality of travel without prior approval from Finance Office.

Requests to exceed 125% of the allowable lodging rate for the locality of travel must be submitted to Finance Office for approval (e-mail acceptable) prior to travel **If prior approval is not received, travelers may not be allowed to exceed standard lodging rates.**

b. OCONUS Travel

Travel within Alaska, Hawaii and U.S. possessions (OCONUS) shall be reimbursed in accordance with the non-foreign locality per diem rates published by the Department of Defense (see Appendix A).

2. Foreign Travel

a. Foreign travel shall be reimbursed in accordance with the Federal Maximum Travel Per Diem Allowances for Foreign Areas published by the Department of State (see Appendix A). An official CIRM business trip begins when the traveler leaves his or her residence or headquarters, whichever occurs last, and ends when the traveler returns to his or her residence or headquarters, whichever occurs first.

b. If actual expenses are higher than the Federal allowance provides, the traveler must obtain, prior to travel, written (or email) approval to exceed the Federal allowance through the Finance Office, and the written approval must be submitted with the Travel Expense Claim. The amount reimbursed, however, may not exceed 300% of the applicable federal rate established for the location of travel. The reimbursement of actual expenses must be supported by receipts.

Following are some examples of special or unusual circumstances that warrant reimbursement of actual expenses:

- A traveler is required to attend a meeting or conference where meals and lodging must be obtained at a prearranged place, and lodging consumes all or most of the applicable maximum per diem allowance;
- The travel is to an area where the per diem is normally adequate, but subsistence costs have temporarily increased because of a special event or function, e.g., a national or international sports event; or
- Due to the situation described above, affordable lodging is not available within a reasonable commuting distance of the employee's meeting or conference and transportation costs to commute to and from the less expensive lodging facility consume most or all of the savings achieved from occupying less expensive lodging, or the commuting time would interfere with business meetings or other events critical to the mission of the agency.

3. Adjustment for Per Diem Rates

Travelers may not request reimbursement of actual expenses for one portion of a trip and per diem for the remainder. However, a per diem may be used for M&IE and actual costs used for lodging. The request for reimbursement of such lodging expenses must be supported by receipts. See Section VIII.B.2.b., above, if the traveler is claiming actual expenses due to special or unusual circumstances.

a. Adjustment for Multiple Locations

The method provided in University of California Business and Finance Bulletin G-28 Appendix B may be used to determine travel expenses when a trip is reimbursable under more than one per diem rate. This method may not be used if an alternative method is contractually mandated by the funding source.

b. Adjustment for Partial Days

The reimbursement of subsistence expenses shall be calculated in multiples of the applicable federal per diem rate based on the total number of hours between the time of arrival at the foreign or OCONUS location and the time of departure for the return trip to the traveler's headquarters or residence. (See Section VIII.B.1, above, for the definition of the beginning and end of a travel assignment.)

For partial days, hours should be rounded to the nearest quarter hour as follows: 3 hours up to 9 hours equals 1/4 day; 9 hours up to 15 hours equals 1/2 day; 15 hours up to 21 hours equals 3/4 day; and 21 hours up to 24 hours equals 1 day.

An alternative method of prorating partial days may be used provided the method is reasonable and consistently applied.

c. Adjustment for Subsistence or Lodging Provided Without Charge

When subsistence or lodging expenses are paid directly by CIRM, are reimbursed as business expenses, or are otherwise furnished to the traveler without charge, the per diem rate authorized for foreign (or for OCONUS) travel must be reduced correspondingly by the amounts specified in University of California Business and Finance Bulletin G-28 Appendix B (page 52). When lodging is provided without charge, only the M&IE portion of the per diem will be reimbursed. An alternative method may be used to reduce the M&IE rate provided the method is reasonable and consistently applied.

Situations that may require an adjustment include the following:

- Meals are furnished as part of official CIRM function,
- Meal or lodging expenses are included in the registration fees,
- Group expenses are billed directly to CIRM, or
- Complimentary accommodations are extended (generally to a conference leader-coordinator and assistants) by a hotel or motel complex for block patronage of guest rooms.

C. Travel of Less Than 24 Hours

When the entire length of a trip is *less than 24 hours*, meal and incidental expenses shall not be reimbursed unless the travel includes an "overnight stay" as supported by a lodging receipt. The overnight-stay requirement does not apply to meal reimbursement authorized under BUS-79, Expenditures for Business Meetings, Entertainment and Other

Occasions. An exception may be allowed when a traveler incurs a meal expense in connection with a business meeting (e.g., a working lunch scheduled as an integral part of a meeting or conference). The business purpose of the meal must be explained on the travel expense claim or substantiated by other documentation (e.g., an agenda) which should be attached to the claim.

For a trip of less than 24 hours that includes an overnight stay, reimbursement shall be authorized as follows:

1. Domestic (CONUS) Travel

Actual cost of lodging and/or M&IE, subject to the daily maximum amount set forth in Appendix A for M&IE. The traveler must be at least forty miles from the headquarter location or home, whichever is closer, to be reimbursed for an overnight stay.

2. Foreign and OCONUS Travel

Actual cost of lodging and/or M&IE, not to exceed the applicable federal per diem rate (see Appendix A). For continuous travel of 21 hours or more, one full per diem should be authorized instead. Reimbursement may be authorized only if the travel involves an overnight stay.

D. Payment of Group Subsistence Expenses

CIRM may negotiate agreements with, or make payments to, restaurants, hotels, and similar establishments to furnish subsistence to a group or groups of CIRM employees when it is to CIRM's advantage. Under these circumstances, the vendor may be paid either by a CIRM credit card or by billing CIRM.

NOTE: CIRM's policy previously allowed a group leader to pay for all or a portion of a group's meal expenses while on travel status. This practice is now limited to those situations where an establishment will not separate checks for a large group. Other than this exception, each traveler must pay for his/her portion of a meal and seek reimbursement through a Travel Expense Claim.

IX. MISCELLANEOUS TRAVEL EXPENSES

Miscellaneous expenses are reimbursable when they are ordinary and necessary to accomplish the official business purpose of a trip. The Travel Expense Claim must include an explanation of why such expenditures are being claimed. Allowable miscellaneous expenses include the following:

- Business office expenses such as word processing services; equipment rentals; fax and computer expenses; copy services; overnight delivery/postage; purchase of materials and supplies, when normal purchasing procedures cannot be followed; rental of a room or other facility for the transaction of official business; local and long distance telephone calls (including one reasonably brief, non-emergency, personal call home per day); and laundering, cleaning, or pressing of clothing, if a trip exceeds six days or if approved in advance through the Finance Office.

- Special fees for foreign travel, including the actual cost of obtaining a passport, visa, tourist card, and necessary photographs; cost of certificates of birth, health, identity, and related affidavits; charges for required inoculations and medical evacuation insurance; currency conversion and check cashing fees; the cost of traveler's checks; costs related to hiring guides, translators, and local labor; and the cost of full collision insurance on automobiles rented in foreign countries.
- Registration fees for attendance at conferences, conventions, or meetings of professional or learned societies.
- Actual costs for lodging taxes (not included in CONUS per diem rates).
- Charges for checking and storing up to two pieces of baggage necessary for the business purpose of a trip. Excess baggage charges are also allowable; however, justification for carrying excess (more than two pieces) baggage must be provided and approved prior to travel through the Finance Office.
- The occasional use of a one-day airline or airport membership may be approved, provided there is a significant business purpose for the use of the membership, e.g., a planned meeting or conference call. Approval prior to incurring this expense must be obtained through the Finance Office.
- Other ordinary and necessary expenses not included in the above categories.

X. NON-CIRM TRAVELERS

Travelers in this category include prospective employees, independent contractors and consultants, and inbound travelers hired by CIRM for a temporary assignment. Note: In order to reimburse travel expenses incurred, all non-CIRM travelers must complete either a Standard Form 204 Payee Data Record for in-state and out of state travelers or Form W-8BEN Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals) for all foreign travelers.

A. General Regulations

Allowable travel expenses for non-CIRM travelers are subject to the provisions of this Policy. A Travel Expense Claim must be submitted. Such reimbursements shall be tax-coded. Travel expenses incurred by non-CIRM travelers shall not be reimbursed from a state fund source unless the travel has been approved in advance.

B. Prospective Employees

1. Authorization

CIRM may reimburse the actual travel expenses related to interviewing prospective employees, when such expenses are necessary to acquire key personnel for employment at CIRM. Authorization shall be obtained before any commitment to reimburse

travel expenses is made to the prospective employee. Reimbursement of allowable expenses is not taxable if the expenses are properly substantiated. In addition, at the President/CEO's discretion, actual travel expenses may be reimbursed for spouses, including domestic partners, who accompany candidates for high-level positions on final interviews.

2. Allowable Expenses

Subsistence and *non-personal* miscellaneous expenses also may be reimbursed. Transportation and lodging expenses for such individuals may be paid directly by CIRM. Such travel arrangements should be made by the Human Resources Office through the designated CIRM state travel agency.

C. Independent Contractors and Consultants

Reasonable travel expenses incurred by CIRM-retained independent contractors or consultants are reimbursable in accordance with this policy. Such reimbursements are not taxable, provided the amounts claimed are properly substantiated

1. Documentation Requirements

The original of the following receipts must be submitted with the travel expense claim:

- Receipts for all airline expenses;
- Receipts for all lodging;
- Receipts for rental car expenses costing \$75 or more; and
- Receipts for transportation costing \$75 or more.

Note: Receipts for meals (up to the maximum allowances) and transportation under \$75 are no longer required for GWG members and CAP consultants.

XI. REPORTING TRAVEL EXPENSES

A. Travel Expense Claim

Travel Expense Claim (Form STD 262) shall be used to account for all travel expenses incurred in connection with official CIRM travel and shall be used as the basis for reimbursements. When properly completed and approved, this form is used to reimburse the traveler.

B. Reporting Period

The Travel Expense Claim must be submitted to the Finance Office within 31 days of the end of a trip unless there is recurrent local travel, in which case claims may be aggregated and submitted monthly, or unless documentation is not yet available or work demands prevent the form from being submitted during this time period.

C. Completion of a Travel Expense Claim

The total amount of all expenses and advances pertaining to a particular trip must be accounted for with receipts when submitting a Travel Expense Claim (STD Form 262).

1. Substantiation of Expenses

Substantiation must include the following:

- The date and time of departure from and return to the traveler's headquarters or residence;
- The origin and destination of the trip;
- Purpose for the travel; and
- The amount of each expense listed by date and location.

D. Documentation Requirements

1. **Receipts.** Original itemized receipts for all travel related expenses including but not limited to: airline; lodging; meal; rental car; local transportation (taxi, shuttle, etc.); registration fees, and any other miscellaneous expense allowable under CIRM travel policy. **Note:** This section does not apply to Non-CIRM travelers. For Non-CIRM travelers, see Section X.C.1 for documentation requirements.

Electronic Receipts. Electronic receipts are acceptable provided that the detail contained in an *electronic receipt* is equivalent to the level of detail contained in an acceptable paper record.

Missing Original Receipts. When original receipts are required but cannot be obtained or have been lost and all time-efficient measures to obtain a duplicate receipt have been exhausted, a statement should be provided explaining why such receipts are not being submitted with the Travel Expense Claim. This statement must include a certification that the amount shown is the amount actually paid and that the traveler has not and will not seek reimbursement from any other source.

Certification of Travel Expense. The traveler **must** sign the Travel Expense Claim certifying that the amounts claimed are a true statement of the expenses incurred on official CIRM business and that all required receipts has been submitted. **NOTE:** Travel expense claim do not require an original signature; a copy of the travel expense claim is sufficient.

APPENDIX A

MILEAGE REIMBURSEMENT RATES FOR PRIVATE VEHICLES

The following mileage reimbursement rates shall be used to reimburse travelers who use a private automobile on official CIRM business:

Per Mile:

- Automobiles – employee-owned/procured (including vans)
- Standard Rate .54*
- *Effective January 1, 2016

LODGING AND M&IE REIMBURSEMENT CAPS

The following chart summarizes the applicable reimbursement methods and the maximum rates authorized for lodging and meal and incidental expenses (M&IE) incurred while on travel status for less than 30 days:

CONUS

- Daily M&IE and lodging – Up to \$74* plus actual lodging supported by a receipt
- For In-state and Out-of-State lodging rates please use the following website:
 - www.gsa.gov/portal/content
 - Search specific lodging rates under “Per Diem”

OCONUS

- Daily M&IE and lodging – Per Diem
- Foreign
- Daily M&IE and lodging – Per Diem
- For federal guidelines for foreign travel, please use the following website:
 - www.aoprals.state.gov/web920/
 - Select “Foreign Per Diem Rates” in left column

NOTE: GENERALLY, THERE IS NO MEAL REIMBURSEMENT FOR ONE DAY TRIPS WITH NO OVERNIGHT STAY.

APPENDIX A (Continued)

MAXIMUM RATES FOR MEALS AND LIGHT REFRESHMENTS

The maximum per person expenditures for meals and light refreshments furnished by CIRM may not exceed the following amounts:

Breakfast*	\$27.00
Lunch*	\$47.00
Dinner *	\$81.00
Light refreshments*	\$19.00

The maximum per-person expenditures listed above include the cost of food and beverages, labor, sales tax, delivery charges, and other services fees.

*The rates in this Appendix shall be automatically adjusted based on changes to the UC rates.

The reimbursement for a buffet reception cannot exceed the applicable meal rate associated with the type of buffet, i.e., breakfast, lunch, or dinner. Reimbursement for a brunch may be made using the lunch rate.