

**UPMC
POLICY AND PROCEDURE MANUAL**

POLICY: **HS-AC0500 ***
INDEX TITLE: **Accounting**

SUBJECT: **Travel and Business Expenses**
DATE: **May 29, 2024**

I. POLICY

It is the policy of UPMC to reimburse all employees and, in some cases, non-employees with business relationships to UPMC, for substantiated business-related expenditures. This includes expenses incurred while traveling on approved UPMC business or educational trips.

Links to policies referenced within this policy can be found in [Section XII](#).

II. PURPOSE

The purpose of this policy is to document the expenses that UPMC will reimburse. In all cases, governing tax authority guidance will be followed to determine if any tax ramifications to the employee exist. An individual cannot take a personal deduction for unreimbursed business expenses if the person is entitled to reimbursement by UPMC.

III. SCOPE

This policy applies to all employees of United States based, fully integrated, owned or controlled entities of UPMC. This policy also applies to employees of entities in which UPMC holds a non-controlling interest, but only to the extent specifically adopted by such entities. The Insurance Services Division and the following UPMC hospitals are specifically included within this policy's scope:

[Check all that apply]

<input checked="" type="checkbox"/> UPMC Children's Hospital of Pittsburgh	<input checked="" type="checkbox"/> UPMC Pinnacle Hospitals
<input checked="" type="checkbox"/> UPMC Magee-Womens Hospital	<input checked="" type="checkbox"/> Harrisburg Campus
<input checked="" type="checkbox"/> UPMC Altoona	<input checked="" type="checkbox"/> West Shore Campus
<input checked="" type="checkbox"/> UPMC Bedford	<input checked="" type="checkbox"/> Community Osteopathic Campus
<input checked="" type="checkbox"/> UPMC Chautauqua	<input checked="" type="checkbox"/> UPMC Carlisle
<input checked="" type="checkbox"/> UPMC East	<input checked="" type="checkbox"/> UPMC Memorial
<input checked="" type="checkbox"/> UPMC Hamot	<input checked="" type="checkbox"/> UPMC Lititz
<input checked="" type="checkbox"/> UPMC Horizon	<input checked="" type="checkbox"/> UPMC Hanover
<input checked="" type="checkbox"/> Shenango Campus	<input checked="" type="checkbox"/> UPMC Muncy

<input checked="" type="checkbox"/> Greenville Campus	<input checked="" type="checkbox"/> UPMC Wellsboro
<input checked="" type="checkbox"/> UPMC Jameson	<input checked="" type="checkbox"/> UPMC Williamsport
<input checked="" type="checkbox"/> UPMC Kane	<input checked="" type="checkbox"/> Williamsport Campus
<input checked="" type="checkbox"/> UPMC McKeesport	<input checked="" type="checkbox"/> Divine Providence Campus
<input checked="" type="checkbox"/> UPMC Mercy	<input checked="" type="checkbox"/> UPMC Cole
<input checked="" type="checkbox"/> UPMC Northwest	<input checked="" type="checkbox"/> UPMC Somerset
<input checked="" type="checkbox"/> UPMC Passavant	<input checked="" type="checkbox"/> UPMC Western Maryland
<input checked="" type="checkbox"/> Main Campus	
<input checked="" type="checkbox"/> Cranberry	
<input checked="" type="checkbox"/> UPMC Presbyterian Shadyside	
<input checked="" type="checkbox"/> Presbyterian Campus	
<input checked="" type="checkbox"/> Shadyside Campus	
<input checked="" type="checkbox"/> UPMC Western Psychiatric Hospital	
<input checked="" type="checkbox"/> UPMC St. Margaret	

Provider-based Ambulatory Surgery Centers	Free-Standing Ambulatory Surgery Facilities:
<input checked="" type="checkbox"/> UPMC Altoona Surgery Center	<input checked="" type="checkbox"/> UPMC Hamot Surgery Center (JV)
<input checked="" type="checkbox"/> UPMC Children's Hospital of Pittsburgh North	<input checked="" type="checkbox"/> Hanover Surgicenter
<input checked="" type="checkbox"/> UPMC St. Margaret Harmar Surgery Center	<input checked="" type="checkbox"/> UPMC Specialty Care York Endoscopy
<input checked="" type="checkbox"/> UPMC South Surgery Center	<input checked="" type="checkbox"/> Susquehanna Valley Surgery Center
<input checked="" type="checkbox"/> UPMC Center for Reproductive Endocrinology and Infertility	<input type="checkbox"/> West Shore Surgery Center (JV)
<input checked="" type="checkbox"/> UPMC Digestive Health and Endoscopy Center	
<input checked="" type="checkbox"/> UPMC Surgery Center – Carlisle	
<input checked="" type="checkbox"/> UPMC Surgery Center Lewisburg	
<input checked="" type="checkbox"/> UPMC Pinnacle Procedure Center	
<input checked="" type="checkbox"/> UPMC West Mifflin Ambulatory Surgery Center	
<input checked="" type="checkbox"/> UPMC Community Surgery Center	
<input checked="" type="checkbox"/> UPMC Leader Surgery Center	

All UPMC employees, unless governed otherwise, e.g., foreign government regulation, are required to comply with this policy. If an employee violates this policy, UPMC may take one or more of the following actions:

- Delay or deny reimbursement.
- Require the employee to issue a full refund, immediately.
- Impose corrective action or terminate employment based on management discretion and applicable laws. In cases of fraud, the employee will be terminated and may be prosecuted.
- Facilitate taxation on reimbursements (treat as additional compensation to the employee and deduct appropriate taxes from the employee's pay).

To comply with governing tax authorities, UPMC requires documentation sufficient to substantiate the amount paid, date/time, location, and business purpose of the expense.

Travel advances will not be issued to employees, and all employees shall incur travel and business expense on a UPMC issued Travel and Business Expense (TBE) card and/or a Declining Balance (DBC) card. Personal cash, checks, charge and/or debit cards are not to be used to incur any UPMC travel and business expense.

IV. TRAVEL & BUSINESS EXPENSE POLICY TERMINOLOGY

- A. Balboa Travel : Refers to the travel agency contracted by UPMC, both domestic and foreign locations, to arrange travel under negotiated corporate rates for hotel, airfare, and rental cars. *Travel UPMC*, an on-line booking tool, is the selected method for arranging all U.S. originating travel or the cost of a conference registration.
- B. Employee/Staff Recognition Expenses: Refers to costs incurred to recognize employees, individuals, or teams, when exceptional behaviors, actions, and/or skills are demonstrated which exceed normal expectations and which support the vision, mission, and goals of UPMC.
- C. Expenses Tool: Refers to the on-line tool used to create a Travel and Business Expense Report. The Expenses Tool is available by searching “Expenses” on Infonet. The employees of entities without access to the Expenses Tool should refer to their entity’s procedures for requesting reimbursement of travel and business expenses.
- D. Hotel Wizard: Refers to a function within the Expenses Tool which easily itemizes the hotel’s invoice.
- E. My Wallet: MY WALLET refers to a link located in the Quick Start section of the Expenses Tool where all Travel and Expense Card transactions are posted. Cardholders can access MY WALLET by selecting “My Wallet” from the drop- down box and clicking the “Go” button. All Travel and Business Expenses paid for using the Travel and Expense Card must be pulled from MY WALLET when preparing the expense report.
- F. Personal Expense: Refers to costs incurred on the Travel and Expense Card that are of a personal nature, i.e., spa treatment included in the hotel bill. Personal expenses on the Travel and Expense Card should be avoided to every extent possible. Employees are encouraged to pay for personal expenses with cash or a personal credit card. **The personal expense flag in the Expenses Tool should be used solely to flag personal expenses when**

circumstances do not permit the segregation of personal and business expenses charged to the Travel and Expense Card. Employees who have a second personal expense within 6 months, are subject to having their UPMC Corporate Credit Card revoked, without notice.

To reimburse UPMC for the personal expense, the employee should make a check payable to UPMC and mail it to: UPMC Procure to Pay, ATTN: TBE Analyst, Floor 59, 600 Grant Street, Pittsburgh, PA 15219.

- G. Reimbursable Expense: Refers to travel and business-related costs paid by the EMPLOYEE using a personal credit card or cash, or for mileage incurred. The employee must record these costs in the Expenses Tool, as payment type CASH, in order to receive reimbursement for these costs.
- H. Travel and Business Expense Report: Refers to the report created through the Expenses Tool to capture all travel and business-related expenses. Entities without access to the Expenses Tool may have a similar document for their employees to complete for requesting reimbursement.
- I. Travel and Expense Card or TBE Card or Corporate Credit Card: Refers to the charge card issued by UPMC to the employee to pay for business and travel expenses. UPMC pays the card company directly. The employee is required to substantiate all charges through the Expenses Tool. The manager must request the card for the employee through UPMC's Identity Management System (IMS). This card is available to all employees and shall be issued to those who incur travel and business expense.

Exclusions to the required use of the TBE card are limited to employees having professional development accounts, as defined in Policy PS-PHY-011, Continuing Medical Education Funding. These employees may incur travel and business expense, permissive applicable Business Unit Professional Development and/or Continuing Medical Education Policy(s), via their UPMC issued Declining Balanced (DBC) card.
- J. Travel UPMC: Refers to the on-line travel booking tool available through UPMC's Infonet.
- K. Business-related Meals: Business-related meals refer to meals purchased and consumed by the traveler while attending out-of-town business meetings, conferences and presentations which require an overnight stay.
- L. Declining Balance Card (DBC or CME Card): Refers to the charge card issued by UPMC to the employee to pay for contracted continuing medical education (CME) expenditures. UPMC pays the card company directly. The employee is required to substantiate all charges through the Expenses Tool. The manager must

request the card for the employee through UPMC's Identity Management System (IMS). This card is available to all employees who have contractual CME, which is not funded through payroll.

- M. **Employee Uniform Allowance Card:** Refers to the charge card issued by UPMC to the employee to pay for required UPMC uniforms and shoes/boots, such as those worn by UPMC Police. The employee is required to substantiate all charges through the Expenses Tool. The manager must request the card for the employee through UPMC's Identity Management Systems (IMS).

V. **APPROVAL – TRAVEL**

No one is permitted under any circumstances to approve his or her own travel and/or related expenditures; approval from an appropriate next higher level of authority, or greater if required by UPMC Leadership, must be obtained.

In cases of employees incurring a business or travel expense together, and it is not practical to pay individually (i.e., restaurant will not prepare separate checks), the most senior level employee should pay for all group expenses (e.g., meals, taxis), especially in cases where the employees have a direct reporting relationship.

VI. **EMPLOYEE RESPONSIBILITY**

Each employee is responsible for the following:

- Reviewing the [Supply Chain Management Buying Matrix](#) to ensure the Travel and Business Expense Card is the appropriate method to procure the item(s) being purchased.
- The UPMC TBE Cardholder is responsible for the security of the Travel and Expense Card as well as all transactions made with the card. If the Cardholder does not comply with the standards set out in the guidelines outlined in [Travel UPMC Overview](#) or the business guidelines outlined in this policy, privileges will be suspended.
- **Determining if there is an alternative means of meeting business objectives without traveling. Teleconferencing or videoconferencing may meet business needs and result in less cost and less time away from home and work.**
- **Using Travel UPMC and/or Balboa Travel to make business travel arrangements. Any travel arrangements not made using Travel UPMC are subject to reimbursement denial.**
- Keeping costs reasonable and providing details as to the business reasons for the expenses through the submission process.
- Ensuring that all expenses incurred are in compliance with the standards of business conduct set forth in all other UPMC policies and other company guidelines regarding ethical conduct. Refer to [Ethics and Compliance](#).

[Plan.](#)

- Taking proper precautions to ensure personal safety and to prevent theft or loss of UPMC property (e.g., tickets, computers) by keeping valuable property close at hand or locked in a secure location.
- Using the Expenses tool to record travel and business expenses.
- **All expenses must be submitted for reimbursement within 14 days of incurring the business expense.**
- Accumulating small dollar expense items into one expense report.
- Making sure each individual expense has its own line.
- Reviewing the Travel and Business Expense Report for accuracy before submittal, whether self-prepared or prepared by an assistant.
- Ensuring all appropriate receipt documentation is scanned and attached to the Travel and Expense Report prior to submittal.
- Do not give your UPMC Corporate Card to anyone to make a purchase on your behalf. Do not accept a card from someone to make a purchase on their behalf.
- It is prohibited to use your Corporate Credit Card to pay a person or supplier using Venmo, or similar third-party payment transfer app.

Note: Checks to reimburse UPMC for expenses paid with the Travel & Expense Card, which are of a personal nature, or which are over the allowable limits, should be made payable to UPMC and UPMC Procure to Pay, ATTN: TBE Analyst, Floor 59, 600 Grant Street, Pittsburgh, PA 15219.

VII. MANAGEMENT'S RESPONSIBILITY

Each **approver** is responsible for the following:

- Ensuring that employees understand this policy, including the requirements for supporting expenses with proper and adequate documentation.
- Reviewing and validating the employee's expenses, including a review of the receipts, to ensure they are reasonable and consistent with requirements herein, and are in compliance with the policy, prior to approving the expense report.
- Ensuring that all receipts and other supporting documents are scanned and attached BEFORE approving the expense report.
- Taking necessary steps to investigate all suspected violations of this policy and taking appropriate action when those violations have been confirmed ([See Section III – Scope](#)).
- Ensuring that the employee submits a check, payable to UPMC, for any expenses paid using the Travel and Expense Card, which is of a personal nature, or which is over the allowable limits described or referenced herein.
- Approving or denying the employee's expense report timely to remain compliant with the 14 day and before the 90-day rule for approving

expenses.

- Once notice of resignation is provided, an employee is no longer able to purchase licenses, book conferences, pay for memberships, or to purchase other items of benefit to the employee and not to UPMC.

Supply Chain Management, Internal Audit and/or the Office of the Chief Accounting Officer will be responsible for the following:

- Conducting audits of employee expense reports.
- Investigating and disputing questionable charges, even those which have been approved by management.
- Any non-compliant charges and/or threshold violations identified through an audit may result in corrective action.

VIII. TRAVEL AND BUSINESS EXPENSE REPORT

The Travel and Business Expense Report, accessible via the Expenses Tool and hereafter, Expense Report, is used to capture all expenses incurred and related to UPMC business.

The Expense Report is to be completed by the employee within 14 days of the travel or business expense being incurred. The approver is expected to review the Expense Report soon thereafter so as not to delay the employee's reimbursement of out-of-pocket costs. Expense Report submissions and approvals that are 90 days after the date in which the expense occurred will not be processed. **The employee and his/her manager must work together to ensure that the expense is submitted and approved in a timely manner..**

In compliance with governing tax authorities, employees must document the business purpose of the expense and have documentary evidence, such as receipts, canceled checks, bills, for any and all meals, hotel stays, automobile rentals, parking, tolls, and other business expenses. Procedures relating to the submission of documentary evidence are as follows:

- Documentary evidence must be scanned and attached to the Expense Report before electronically submitting the Expense Report for review and approval.
- Expenses for which receipts are not available may not aggregate more than \$75 per trip. Routinely missing receipts (e.g., meals) will likely be referred to Internal Audit or the Office of the Chief Accounting Officer for review.
- A credit card statement alone is not acceptable documentary evidence – the itemized receipt must be included.
- Documentary evidence will be considered adequate to meet requirements if it shows the amount, date, location, and nature of the expense.

For costs that are NOT reimbursable - [See section IX, sub-section W.](#)

IX. EXPENDITURE CATEGORIES

Expenditures must be reported in the appropriate categories using the Expenses Tool.

A. Ground Transportation

The means of transportation should be governed by the distance to be traveled, the city or area being visited (e.g., it is typically more feasible to take a cab in New York City than to rent a car), availability of public transportation, and the number of persons traveling together on the trip. If a personal vehicle is being used, please note that the combined costs for mileage, meals, incidental expenses, and hotels necessary during the drive may not exceed the cost of coach class commercial airline transportation.

UPMC will reimburse employees for normal, business-related expenses for ground transportation: taxi, ride share (i.e., Uber, Lyft) shuttle, train, bus, trolley, etc. Employees using personal ride share accounts should track their business travel separately from their personal ride share use. Additionally, employees must choose standard, or economical ride share vehicles for travel (i.e., no luxury cars or XL vehicles unless the situation warrants). Along with the receipts required for reimbursement, employees should also include a map (e.g., Google maps) showing starting and ending destinations that support each trip's mileage (as it relates to cost), and business purpose. Car service expenses (when economically justified) should also be categorized as "Ground Transport – Taxi, etc.". When choosing a mode of transportation, employees are strongly encouraged to choose the most economical alternative relative to the distance traveled.

B. Privately-Owned Automobiles and Mileage

UPMC reimburses employees for any reasonable and necessary work-related miles driven using their personal vehicles. Work-related mileage excludes mileage related to the employee's commute. Mileage or other transportation expenses that are incurred for travel between an employee's home and their recurring work location is a personal commuting expense, regardless of when the trip occurs (scheduled work hours or other times).

The employee is reimbursed at the IRS Business Standard mileage rate at the time the mileage is incurred. The rate is intended to be inclusive of insurance, maintenance, fuel, etc. The current domestic rate is automatically populated in the Expenses tool.

The employee must provide supporting evidence of the mileage submitted for reimbursement. A detailed [mileage log](#), which includes [the date of travel, business purpose](#) full street addresses and towns, must be completed and submitted for all mileage. This log must be attached to the expense report and approved by the supervisor, within 90 days of when the mileage was first incurred. For employees participating in hybrid or flexible work arrangements¹, mileage is not reimbursable for the employee's normal commute to their recurring workspace.

The employee must have a valid driver's license and automobile insurance when using their personal vehicle for business travel.

Any disputes concerning the interpretation or application of the mileage reimbursement policy shall be referred to the Office of the Chief Accounting Officer whose decision shall be final.

Example 1 – Employee has a temporary work assignment (most common):

Employee's normal, round-trip commute to the recurring workspace is 20 miles. The employee travels from her residence and back on a temporary work assignment. The total miles driven on the trip are 300. The employee's business mileage subject to reimbursement is 280 (300 total miles less 20 commuting miles).

Example 2 – Employee works at more than one location: Employee is regularly assigned to workspace A on Monday, Wednesday, Friday, and at workspace B on Tuesday, Thursday. Workspace A and Workspace B are the employee's recurring workspaces given their weekly job responsibilities. Employee's normal, round-trip commute to Location A is 6 miles and to Location B is 8 miles. The employee drives from their residence to a temporary work location on Monday and returns to the residence at the end of the day for a total of 20 miles. The employee's business mileage subject to reimbursement is 14 (20 total miles less 6 commute miles). If the employee traveled on Tuesday, the eligible mileage would be 12 (20 total miles less 8 commute miles).

Example 3 – Employee has a hybrid or flexible work arrangement:

Employee typically works in the recurring workspace 2 days a week and works from his/her residence 3 days per week. The employee's normal, round-trip commute is 10 miles. The employee is required to come into the recurring workspace for a third day. The employee is not able to request

¹ A hybrid or flexible work arrangement is one where the employees split their work hours between their home and their recurring UPMC workspace. For example, an employee that works three or four days from home and one or two days at their UPMC recurring workspace is deemed to be participating in a hybrid or flexible work arrangement.

mileage reimbursement as their work schedule is flexible and going into the office is considered commute mileage. Commute mileage is not reimbursable.

Example 4 – Employee designated as Full-time Work from Home by HR:

Employee does not have commute mileage since the employee's residence is considered their recurring work location. All travel for business is considered to be to a temporary work location and the total mileage traveled is eligible for reimbursement. If unsure if employee is designated as full-time work from home by human resources, then contact your manager or human resources representative for a confirmation.

Example 5 – Employee attends employee engagement event: Employee attends an offsite department pizza party to celebrate a big project successfully implemented. The employee would not be eligible for mileage reimbursement to the offsite meeting as it is not deemed to be business related.

Business related mileage reimbursed at the IRS Business Standard mileage rate is NOT applicable in the following circumstances:

- Mileage associated with relocation activities. It is reimbursed in accordance with IRS Publication 521, *Moving Expenses*.
- Employee freely volunteers to work a shift on a non-scheduled workday.
- Mileage incurred by UPMC Travel Nurses on a work assignment.

Specific guidance on Parking is provided in [sub-section L](#).

C. Rental Vehicles

Rental cars should be used when the nature of the trip is such that the use of local transportation, such as hotel shuttles and taxis, is not cost-effective or practical. Travel UPMC and/or Balboa Travel must be utilized to obtain the best pricing. .

Rental car size must either be midsize, if no more than two are traveling to the same destination, or full-size if three or more are traveling. Weather conditions may dictate the use of a 4WD vehicle for personal safety, but this should only be utilized in limited circumstances.

UPMC's U.S. auto policy provides liability and property damage (collision) coverage while renting a vehicle for UPMC business purposes. UPMC employees renting vehicles in the U.S. should NOT purchase additional

insurance. UPMC domestic employees renting vehicles outside of the U.S. for business purposes should purchase liability, collision, theft protection and other insurance offered by the rental company. Accident reports should be filed directly with the car rental company. For business rentals, the renter is required to advise UPMC's Corporate and Captive Insurance department of the accident by calling (412) 432-7696.

Generally, the fuel pre-purchase option should be declined, and all rental cars should be returned with a full tank of gas. The refueling fee charged by the car rental company can be substantially higher than the gas station price. However, travelers expecting to use a full tank of gas may utilize the fuel pre-purchase option if the per gallon rate is lower than posted local rates.

If travel plans change, the traveler is required to notify either the UPMC authorized travel agency or the car rental company directly if they do not intend to rent the car. Travelers may be held personally responsible for any no show fees assessed by the car rental company.

D. Air Transportation

Airline reservations must be made through Travel UPMC and/or Balboa Travel. Travelers must choose the lowest available fare, including non-refundable fares, but may choose a shorter, higher priced flight if the time savings to the employee is at least two hours. For purposes of clarification, a traveler should look for all flight options – regardless of carrier - within a 2-hour departure window to find a comparable lower cost flight option. The staff member should notify the UPMC authorized travel agency immediately in the event of cancellation.

Employees may participate in airline mileage programs, but he/she must select low-cost flights regardless of such programs. Mileage program numbers may be provided to the UPMC authorized travel agency and kept in the traveler's profile to assure proper credit.

Airline ticket savings can sometimes be realized by staying over the weekend. See [sub-section P](#), "Travel Extensions and Travel with Other Parties".

Airline Fees: Flight change fees are reimbursable if the change is supported by a valid business purpose. Fees charged by an airline to check one (1) standard bag are reimbursable. Extra bag fees, oversize and/or overweight bag fees are not reimbursable unless incurred for a valid business purpose. Refer to [sub-section W](#), "Non-Reimbursable Expenses", for additional exclusions.

Class of Service: The purchase of Coach, Economy, and Premium Economy seating (but not first class or business class seating) class is permitted for all domestic flights. Business class, but not first class, is permitted for international flights. Employees should use discretion in choosing premium seating. The purchase of in-flight or airport terminal Wi-Fi is also permitted if used for a business purpose. Other discretionary purchases, such as fees charged for early boarding, are not reimbursable.

Unused airline tickets, expensed to UPMC, must only be applied to a future UPMC business trip.

E. Meals

In general, Travel, and Business meals are reimbursable.

A Travel Meal is defined as a meal purchased by a UPMC employee (individual or group) who is traveling on behalf of UPMC and has an overnight stay. Reimbursement for Travel Meals is limited to the lesser of the actual expenses incurred, including tax, gratuity, and other fees, or **\$70 per person, per day**. Employees are expected to be reasonable when purchasing meals on the first and last day of the business trip.

Occasionally, it is necessary to the interests of UPMC to host or provide meals to business guests (“Guest Meals”) such as job candidates, visiting scholars, benefactors, or business associates. Guest Meals deemed excessive may not be reimbursed or may require repayment to UPMC.

Meals that do not include overnight travel or include business guests are not permitted and will not be reimbursed.

Individual or small group meals (i.e. not for the entire department) should not be purchased using employee recognition funds. Employee recognition funds should only be used to purchase meals as part of a department wide event such as a holiday party.

Any disputes concerning the interpretation or application of the Meals reimbursement policy shall be referred to the Office of the Chief Accounting Officer whose decision shall be final.

UPMC’s policy of paying or reimbursing for Travel, and Business is subject to the following general rules:

- Both the itemized receipt and the payment receipt must be submitted with the Expense Report.
- Regardless of the type of meal, all attendees must be listed in the

Expense Report. The attendee list must include the name, company or entity, and title or description, i.e., UPMC employee, donor or recruit, of each person.

- Business Meals documentation submitted with the Expense Report must include a description of the reason of the meal expense.
- UPMC will not reimburse the employee for a meal when the cost of a meal is included as part of a conference or seminar fee.

How to Report the Meals in the Expenses Tool

Selecting the correct expense type in the Expenses Tool will help to assure that employees provide the required information, obtain the correct reimbursement, and prevent delays in the payment of the reimbursement.

- 1) **Meals Individual Traveler**: This is the default expense type for meals purchased with a Corporate Credit Card and must be changed to the appropriate Expense Type if for other than an individual traveler. An **overnight** stay is required for an individual traveler. Reimbursement is limited to the lesser of the actual expenses incurred, (including tax, gratuity, and other fees), or \$70 per day.
- 2) **Meals Group Travelers**: This expense type should be used when meals are purchased for a group of UPMC employees, during an **overnight** business trip, when it is impractical to pay individually. Managers should never effectively approve their own expenses by having their subordinate pay for and submit the expense for reimbursement where the manager then approves the reimbursement. Reimbursement is limited to the lesser of the actual expenses incurred, (including tax, gratuity, and other fees), or \$70 per day per person. The attendees must be listed by name, entity, and title.
- 3) **Meals Guests**: Meals purchased for UPMC events, recruitment, sales, scholar or VIP visits and/or benefactor or business associate relations are defined as Guest Meals and includes at least one non-UPMC employee. The business purpose must be clearly noted, and all attendees must be listed by name, company or entity, and title or description, in the Expense Report.
- 4) **Meals International Travel**: This expense type should be used for meals purchased during international business travel. Refer to [sub-section K](#), Foreign Travel, for additional information on meals in foreign countries.

F. Gratuity

Gratuities should be reasonable. The following are guidelines:

- Meals: 15% - 20% of the bill unless a gratuity or service charge is included in the bill. The meal gratuity must be reported as part of the meal allowance, subject to the meal reimbursement thresholds.
- Taxi/Car Service: 15% of the bill.
- Parking valets: \$1- \$2.
- Bell hop: \$1 per bag.
- Room service: 15% of the bill, unless a gratuity or service charge is included.
- Housekeepers: \$1 - \$2 per day.

Gratuities in excess of the guidelines may be subject to denied reimbursement.

G. Accommodations

Reservations for employee hotel accommodations must be made through Travel UPMC and/or Balboa Travel to obtain corporate negotiated discounts and best available rates. Employees should, however, take advantage of any discounts available with specific programs or seminars. **The use of lodging services such as Airbnb and VRBO is not acceptable and will not be reimbursed.** Only hotel accommodations made through Travel UPMC, Balboa Travel or included as part of a conference package are reimbursable.

Reimbursement is generally limited to the amounts set forth for the applicable city in the U.S. GSA publication per the link below. The GSA limits are shown with the hotel rates in Travel UPMC and/or Balboa Travel. Refer to [sub-section K](#), International Travel, for lodging in foreign countries. Exceptions to these rates must be supported by a valid business purpose and approved by the traveler's supervisor. The per-night lodging amounts shown exclude taxes, which are reimbursable.

<http://www.gsa.gov/perdiem>

Only single-standard room rates will be reimbursed.

An itemized hotel receipt/folio must be submitted with the employee's expense report for reimbursement. The receipt should show separately: room rate, all applicable taxes, meals/room service, additional charges (e.g., phone calls, internet fees, in-room movies). Refer to [sub-section W](#), "Non-Reimbursable Expenses."

Hotel room cancellation charges are the responsibility of the traveler unless approved by an appropriate level of authority or supported by valid business purpose. The traveler is required to contact the UPMC authorized travel agency or the hotel directly to make the cancellation.

H. Conferences

Employees may, with valid, documented, business purpose and management's approval, travel to conferences for continuing education purposes. Conference or registration fees for an individual should be paid via a personal credit card or the Travel and Expense Card and processed through the Expenses tool. Conference or registration fees for multiple employees should be paid via the Travel and Expense card and processed through the Expenses tool or via Payment Request if a registration discount can be obtained.

In addition to the supporting documents for expenses listed in the applicable sections of this policy, the employee must include the conference agenda (meeting schedule) or the registration form to support the business purpose and timing of the trip.

Employees should take advantage of discounted room rates for hotel stays which are available by booking through the conference host.

In the event that Meals are included as part of the conference fee, no additional Meal charges should be expensed by the employee.

I. Memberships and Dues

An employee may be a member of an organization if the membership is directly related to the goals and mission of UPMC and will materially benefit UPMC in the following ways:

- Required to conduct business operations.
- Provides access to industry data (i.e., benchmarking information) through publications and websites.
- Provides research and education opportunities for employees.
- Promotes networking with other industry members.
- Promotes community relationships, involvement and initiatives.

UPMC will reimburse 50% of the cost of membership, limited to annual dues, of an individual if pre-approved by the employee's supervisor. Donations or other discretionary amounts which may be paid in conjunction with annual dues are not reimbursable. Supervisors are responsible for ensuring that memberships paid fall within the departmental budget.

UPMC will pay 100% of an individual's membership under the following circumstances:

- is part of a documented employment agreement or
 - a predetermined, documented compensation package
- Memberships in civic associations or social clubs are not reimbursable.

Medical Staff dues are excluded from this policy.

The Expenses tool is to be used for reimbursement of memberships and dues. A receipt or other acceptable documentation must be submitted when requesting reimbursement. In the comment section for this cost, include whether the reimbursement is 50% or 100% and include the full amount of the fee in this comment section. For example, if the annual dues are \$200 and are 50% reimbursable, then enter \$100 for the amount to be reimbursed. In the comment section for this cost, enter "50% of \$200 cost". This will facilitate the proper reimbursement.

J. Licensure and Certification

Professional licensure and certifications are governed by policy HS-HR0706 "Licensure, Certification, Registration of Staff Members", and in some cases, may be reimbursed at 100% if supported by appropriate documentation, required, or preferred as a condition of employment and supported by the individual's business unit/division. Further, such expenses should be approved by the employee's department head.

Courses from a post-secondary institution, for credit, may be deemed compensation and subject to Federal income tax. Such expenses should be submitted for approval and reimbursement under the Tuition Assistance Program. If the course is not considered tuition by the UPMC Human Resources, then the Expenses tool may be used for reimbursement to the employee with documentation that it does not fall under the Tuition Assistance program.

K. International Travel

For employees traveling on behalf of the International Division, all travel will need to be **pre-approved** by UPMC Global Mobility prior to booking. All international travel not on behalf of the International Division must be **pre-approved** by the traveler's manager prior to booking. All travel bookings must be made with Travel UPMC.

Passports may be reimbursable for required international business travel. Such expenses must be pre-approved by Financial Compliance for reimbursement.

All expenses incurred in a foreign currency must be converted to the currency used by the entity reimbursing the employee, e.g., U.S. based employees incurring business related costs in Euros would request reimbursement from their entity in US dollars. Employees requesting reimbursement for expenses incurred in a foreign currency should provide the appropriate documentation to support the conversion rate. If documentation is not available, employees may convert the foreign currency using the Oanda Currency Converter at <https://www.oanda.com/us-en/trading/> or the preferred government rate identified by the non-US entity for the date the expense was incurred. Support for conversion rates and the reimbursement amount requested must be submitted with the receipts.

Employees are encouraged to convert currency at currency exchange stations in airports, at banks, or at ATMs in the foreign country. Exchanging currency at a hotel usually results in unfavorable rates to the traveler.

Vaccinations required for travel to a foreign country will be reimbursed with appropriate documentation, e.g., Centers for Disease Control advisory, destination country advisory, and proof of payment. Refer to UPMC's [International Travel web page](#) for more information.

General guidelines for local meals and lodging are set forth for the applicable geographic area by the [US Department of Defense](#). Receipts are required for reimbursement. The reimbursement is limited to the lesser of actual expenses or the applicable limits.

Refer to [sub-section E](#), Meals, for information on selecting an expense type for international meals.

L. Parking

For employees traveling between UPMC locations, the use of low-cost transportation options, such as public transportation and off-site parking lots, is strongly encouraged. However, parking expenses incurred may be fully reimbursable but should not include the employee's normal, routine daily parking fee.

The reimbursement applies to all parking situations where employees must travel between UPMC locations.

Validated parking may be available at the discretion of individual departments, who are responsible for the cost of parking validation stickers. To the fullest extent possible, employees should request parking be validated when parking at UPMC facilities.

Additionally, to the extent possible, employees should make every attempt to minimize parking costs by choosing the lowest cost option when deciding where to park.

Parking expenses incurred when traveling to non-UPMC sites is reimbursable in full. For example, parking charged by the hotel where the employee is staying or is attending a conference is reimbursable in full. However, the parking and rental car costs should be considered together when determining transportation costs and alternatives to renting a vehicle. It may be less expensive to take a shuttle or taxi from the airport to the hotel.

When parking at the Pittsburgh International Airport, reimbursement is limited to the current daily Long-Term parking rate. Use of Extended parking or offsite parking (Charlie Brown or Global Airport Parking), if less expensive, is encouraged to contain costs. Additionally, it may also be more cost effective and convenient if the total travel period is greater than 7 days to consider a car service for pickup and drop-off at the airport in lieu of paying for parking.

M. Employee/Staff/ Recognition Activities

It is the policy of UPMC to provide guidelines related to management and oversight of Employee/Staff Recognition Expenses. UPMC believes that individuals or teams should be recognized when they demonstrate exceptional behaviors, actions and/or skills that exceed their normal job expectations and that support the mission, vision, and goals for the health system. The objective is to establish an equitable, flexible, and cost-effective process to recognize and reward individual or team behaviors that promote exceptional service to our customers, patients, co-workers, visitors, etc.

The Employee/Staff Recognition Expenses will be the responsibility of each operational business unit leader (department head level and above) in managing their departmental budget(s). This provides each leader the ability to manage employee recognition activities in line with UPMC policies while being accountable to the annual budget parameters set by Finance. These expenses, such as service milestones or annual team events², are budgeted by the operational business unit leader or budget owner. It is the responsibility of the operational business unit leader or budget owner to develop an approval process for employee recognition expenses within their department. **Staff Recognition should not be used for meals with individual employees or small groups of employees. Staff Recognition**

² For insurance and liability reasons, activities held at personal residences require prior approval from management.

should be utilized uniformly across the department (i.e. summer picnic, holiday party, etc.).

All Employee/Staff Recognition Expenses submitted for reimbursement must be compliant with W of the Travel and Business Expense Policy. Employee/Staff Recognition Expenses submitted for reimbursement in contradiction of the Travel and Business Expenses Policy will not be paid by nor reimbursed by UPMC and may be subject to disciplinary action. Additionally, the operational business unit leader or budget owner has the discretion to deny reimbursement of any non-compliant purchase or purchases that exceed the amount allotted to the department for employee recognition. As such, it is recommended as a best practice that all Employee/Staff Recognition Expenses are pre-approved to ensure compliance with the Travel and Business Policy and that the purchase is within the established budget parameters.

Expenses for each event or token gift **MUST BE** reasonable and in accordance with [Section W](#) of this policy. A key factor in making this determination is how often such events are held and how many times any individual employee attends the event. For example, it would be reasonable to spend more for an annual holiday party than it would be for a team-building event attended by the same employees four times a year. Tax rules require employees to be taxed if the value of these events is more than de minimis.

All awards require review for taxability to the recipient. Gift cards (no matter what the value) are not permissible for Employee Recognition Expense reimbursement at UPMC, unless approved as part of a formal business unit program approved and managed by the business unit's HR Leader. There is no de minimis threshold for gift cards. For all tangible goods, an annual de minimis threshold of \$100 for tangible goods given as gifts/awards to employees has been established. Based on the fair market value of any tangible good award, managers should notify payroll of any award/gift given to an employee that is in excess of the annual de minimis threshold established so that the entire value, not just the value over the threshold, can be appropriately taxed in the employee's next pay.

Reimbursement of Employee Recognition Expenses must include a full attendee list, description of the event and receipts must be submitted for reimbursement.

Helpful Information – Staff Recognition Expense Type in the Expenses Tool

Selecting the correct expense type in the Expenses Tool will help to assure that employees provide the required information, obtain the correct reimbursement, and prevent delays in the payment of the reimbursement.

The Employee/Staff Recognition Expense Type should be selected in the Expenses Tool and the items should be noted as Employee/Staff Recognition Expense in the description field along with a clear explanation of the reason.

N. Community Outreach and Fundraising Events

For foundation, outreach, fundraising, or other events held for external purposes, expenses must be reasonable, in accordance with UPMC guidelines, and approved by a Vice President or higher authority level. Funding for such events must be pre-approved and expenses must be supported by itemized receipts upon submission of the expense report. The most appropriate Expense Type(s) should be selected when completing the Expense Report.

O. Alcohol

The purchase of alcohol for business entertainment purposes with dinner or as necessary for business partner/customer interactions is at the discretion of the most senior individual and must comply with UPMC policy HS-HR0743 - *Use of Alcoholic Beverages on UPMC Premises*. The purchase of a glass or two of alcohol with dinner (after work) while out of town for business is reimbursable. No reimbursement should be sought by the individual for the purchase and consumption of any form of alcohol except within the meal allowances previously stated.

P. Travel Extensions and Travel with Other Parties

It will be the responsibility of the employee who submits his/her expense report to track personal expenses separately from business expenses associated with such modified travel arrangements (e.g., double room occupancy, meals). It is the responsibility of the manager to verify the business expenses for such situations.

Q. Contractual Continuing Medical Education Funding

To the extent professional development funds are available, this policy shall be followed in the absence of conflicting contractual obligations.

R. Travel Insurance

UPMC has a travel accident insurance policy that covers all U.S. personnel traveling on UPMC business. The maximum benefit amount is \$100,000 and is for accidental death and dismemberment only. Premiums for additional travel insurance are not reimbursable by UPMC.

S. U.S. Government Unallowable Expenses / Gifts Provided to Government Employees

Government Contracts/Grants – Expenses incurred for meals and accommodations which will be billed to the Government, or a grant department will be reimbursed consistently with UPMC policy, outlined herein, and with the terms of the contract, if applicable.

Further, certain expenses are not recoverable under U.S. Government contracts or grants and must be withdrawn from the costs that UPMC bills directly to the Government or to a grant department. These costs are identified as “unallowable” by Government regulations and are frequently referred to as “Costs Voluntarily Withdrawn (CVW)”. Classification of expenses as unallowable or CVW is not an indication of whether or not UPMC will reimburse the employee for such expenses.

Common CVW or unallowable expenses include:

- Alcohol
- Premium air fare
- Spousal / family expenses
- Social and entertainment expense
- Gifts
- All other costs associated with personal use.

Gifts to officials and employees of any level of governmental unit of the U.S. and other countries are subject to a variety of laws and regulations, including the Foreign Corrupt Practices Act, which limit the amount and type of such gifts. It is the policy of UPMC to comply strictly with these laws and regulations. UPMC employees and agents should not give any gifts to, or accept any gifts from, any government employee or official unless there is specific knowledge that they are permissible under UPMC policies and applicable laws and regulations. Further, these gifts should be approved by the employee’s department head or equivalent authority. Refer to UPMC policy HS-EC1806 - *The Foreign Corrupt Practices Act (“FCPA”) and Other Anti-Bribery Statutes*.

T. Electronic Communications - Telephone, Wireless Devices and Data Services

Communication expenses are reimbursable when they are incurred for a legitimate business purpose. This includes:

- Business-related telephone calls made while away from the home office.

- Business use of a personal pager/two-way radio or PDA/Blackberry /Wireless PC, which does not fall under one of the UPMC provided plans.
- Charges to access the internet, when used for business purposes, including in-flight and airport terminal Wi-Fi connection fees.

Travelers are encouraged to use their personal phone, UPMC provided phone, or a prepaid calling card to reduce the telephone fees typically charged by hotels. For business related telephone calls made from a hotel or other offsite location, a bill supporting the charges should be submitted for reimbursement.

Similarly, an invoice or bill should be submitted to document fees paid to access the internet when access is used for business while traveling.

UPMC will not reimburse for data charges on a personal electronic device when the device is not mandatory for the employee's job responsibilities. For example, an employee has a personal iPad that he/she uses to take to meetings in place of his UPMC provided laptop because the iPad is lighter and easier to carry. The data charges for the iPad would not be reimbursable to the employee since the use of the iPad is not compulsory.

In cases where an employee exceeds their allotted monthly minutes and incurs minute charges, business use of a personal device is reimbursable through the Expenses tool. Supporting documentation should consist of a copy of the employee's bill with business calls identified and subtotaled. Calls are reimbursed by multiplying the minutes used times the actual rate charged by the employee's plan, not to exceed \$0.45/minute and ONLY when the employee exceeds the allotted monthly minutes and incurs minute charges.

Example 1: The employee has an unlimited phone plan. This employee would not be able to request reimbursement for business phone calls on his/her personal cell phone when the business calls did not cause the employee to incur a higher out of pocket cost.

Example 2: The employee has a 500 minute/month plan. This employee used 505 minutes and incurred additional minute charges. The business calls for the month totaled 20 minutes. The employee is eligible for reimbursement for the cost of 5 minutes (505 per bill less 500 allotted) up to \$0.45 per minute.

Full phone expenses/charges are not reimbursable through the Expenses tool. These services must be obtained through ECG Communications and

expenses approved/paid through the respective processes aligned with corporate contracts.

Employees must also comply with all related corporate policies, including HS- FM0210 - *Use of Wireless Communication Transmitting Devices*.

U. Charitable Giving

Expenditures relating to charitable giving must be submitted for approval through Payment Request and paid directly to the charity. Such expenditures are not reimbursable through the Expenses tool.

V. Relocation/Moving Expenses

Certain relocation expenses are reimbursable and should be addressed through Human Resources. Typically, these expenses are not reimbursed through the Expenses tool.

W. Non-Reimbursable Expenses

Non-reimbursable expenses include, but are not limited to the following:

- Purchase of a cell phone, Smartphone, iPad, tablet, or other electronic devices and accessories (use the IT Portal or eProcurement)
- Airline upgrades (first class and business class seating and priority boarding fees), unless otherwise allowed for by [sub-section D](#) – Air Transportation of this policy.
- Airline baggage fees after the first standard bag fee, oversize bag fees, or overweight bag fees unless supported by a valid business purpose.
- Lost, stolen, or damaged bags/luggage.
- **Hotel, airfare (or other transportation) and rental cars not procured through Travel UPMC and/or Balboa Travel.**
- Hotel room upgrades from the standard single rate.
- Hotel or car rental charges associated with cancellation, where reasonably prudent actions were not taken to avoid such charges.
- Hotel laundry charges, except for trips over seven business/work days domestically. For international trips, this time period may be shortened based on pre-approval.
- Hotel in-room mini-bar and in-room movies
- Incremental expenses incurred for spousal or guest accompaniment.
- Membership fees for airline, hotel, rental vehicle and frequent flyer clubs

- Dry-cleaning (employees should use UPMC contracted vendors to launder lab coats, etc.)
- Health club/gym fees
- Barber and/or beauty parlor expenses
- Spa treatments
- Travel related child or pet care.
- Parking tickets/traffic citations
- Personal credit card fees (unless pertaining to FX conversion costs)
- Personal entertainment or recreation items (e.g., magazines, books, movies)
- Personal expenses incurred in employee's absence (e.g., lawn care, snow removal)
- Personal subscription services such as streaming entertainment (i.e., Netflix, Spotify, etc.) or delivery services (i.e., Amazon Prime). Employees should consult Supply Chain for enterprise memberships when procuring these services.
- Sports and casino betting (gambling)
- Payments to research participants. These must be processed via the Vincent Payment Solutions system, where available.
- Gift cards to employees, unless approved as part of a formal business unit program approved and managed by the business unit's HR Leader. Gift cards are not otherwise allowable for Employee Recognition.
- Gifts to an employee or an employee's family members (cards, flowers, candy, gift baskets, gift cards, balloons, or other related personal items)
- Computers, software, and other equipment purchases, including accessories (hands free Blue Tooth, flash drives, etc.) (use eProcurement)
- Office furniture and room décor (lamps, rugs, artwork, etc.) (must use eProcurement)
- Office and medical supplies, except in emergencies (use eProcurement)
- Driver's Licenses/Real IDs
- Telecommunication services, office supplies, computer hardware and office furniture for work from home use for employees participating in a hybrid work arrangement.

X. PAYMENTS

All expense-related disbursements issued through the Expenses Tool will be direct deposited or reimbursed via check if the employee is paid by payroll via check.

Any questions concerning the status of payments or requests for changes should be directed to [Supply Chain Help Center](#).

XI. SPECIAL CONSIDERATIONS

This policy attempts to address all travel and business-related occurrences. Occasionally, situations arise that are not specifically covered within the policy. These situations should be addressed on an individual basis by submitting a ticket to the [Supply Chain Help Center](#) prior to incurring the expense, with final approval or denial by the policy owner.

Should a Travel and Business transaction result in a personal gain that is material (in excess of \$25) and specifically identifiable (i.e., itemized on a receipt), the Cardholder must reimburse UPMC for the value of the item received. For example, if a Cardholder purchases admission to a conference for \$2,000 that includes a gift card and the receipt for the transaction itemizes the value of the conference at \$1,000 and the gift card at \$1,000, the Cardholder is required to reimburse UPMC for the value of the gift card. If you have question on if a travel and business transaction includes an item that may result in personal gain, please reach out to the Office of the Chief Accounting Officer.

The Office of the Chief Accounting Officer should be contacted regarding requests for exceptions to any section of this policy. The Office of the Chief Accounting Officer will evaluate the request and if approved, will notify the requestor and the Director, Procure to Pay.

XII. POLICIES REFERENCED WITHIN THIS POLICY

[HS-HR0706 Licensure, Certification, Registration of Staff Members](#)

[HS-HR0743 Use of Alcoholic Beverages on UPMC Premises](#)

[HS-HR0747 Employee Recognition Expenses](#)

[HS-EC1806 The Foreign Corrupt Practices Act \("FCPA"\) and Other Anti-Bribery Statutes](#)

[HS-FM0210 Use of Wireless Communication Transmitting Devices](#)

[PS-PHY-011 Continuing Medical Education Funding](#)

[HS-AD0801 Catering Services](#)

[HS-EC1700 Conflicts of Interest and Commitment - General Obligations](#)

[HS-EC1900 Code of Conduct](#)

SIGNED: Frederick Hargett
Executive Vice President and Chief Financial Officer

ORIGINAL: October 1, 1999

APPROVALS:

Policy Review Subcommittee: May 9, 2024

Executive Staff: May 29, 2024

PRECEDE: May 24, 2023

SPONSOR: Chief Accounting Officer, UPMC

*** With respect to UPMC business units described in the Scope section, this policy is intended to replace individual business unit policies covering the same subject matter. In-Scope business unit policies covering the same subject matter should be pulled from all manuals.**