

CEO/ED Travel and Entertainment Policy (Revised 04/25/16/Approved 04/25/18)

CFA Society Chicago recognizes that Board members, Officers, and employees of CFA Society Chicago may be required to travel or incur other expenses from time to time to conduct CFA Society Chicago business. The purpose of this policy is to a) ensure that adequate cost controls are in place, b) ensure that travel and other expenditures are appropriate, and c) provide a consistent approach for the timely reimbursement of authorized expenses.

It is the policy of CFA Society Chicago to reimburse reasonable and necessary expenses incurred by travelers outside the Chicagoland area or as authorized by the Chair or CEO. When incurring business expenses, CFA Society Chicago expects travelers to:

- Exercise discretion and good business judgment with respect to those expenses;
- Be cost conscious and spend CFA Society Chicago money carefully, as the individual would spend his/her own funds;
- Report expenses, supported by required documentation, as they were incurred.

Necessity of Travel

In determining the reasonableness and necessity of travel expenses, the Executive Committee and the traveler shall consider the ways in which CFA Society Chicago will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether a particular individual's presence on a trip is necessary. In determining whether the benefits to CFA Society Chicago outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered. The CEO/ED will decide staff travel, and the Executive Committee will decide on Executive Director and Board Member travel.

Business Travel

At the conclusion of a CFA Society Chicago business trip, travelers who have incurred business-related expenses should complete a signed/dated expense report explaining the business purpose of the trip in accordance with the following policies:

- Identify each business expense;
- Expenses of less than \$25 (including tolls, tips, reimbursed mileage) may be reimbursed without receipts. All other expenses must be supported with invoices/receipts;
- For all lodging and any expenditure other than meals, detailed vendor receipts/invoices must be submitted. Credit card receipts or statements do not represent adequate supporting documentation for lodging and any expenditures exceeding \$25 other than meals;
- For airfare, airline-issued receipts should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that the trip was taken and the amount paid (for example: a combination of an itinerary, credit card receipt and boarding passes);

- Mileage shall be reimbursed at the standard federal rates currently in effect, as published by the IRS. Round trip mileage expenses will be reimbursed for travel to/from points of departure;
- Parking fees will be reimbursed. Receipt for parking must be provided;
- If traveler takes mass transit or taxi/car service to point of departure and/or to/from meeting site, fees will be reimbursed; Receipts for taxi/car service must be provided;
- For all meals and other business expenditures, the following must be identified:
 - Names, titles, organizations and business relationships of all persons entertained
 - Business purpose of the meal or event (topics discussed, etc.).

Reasonableness of Travel Costs

CFA Society Chicago shall reimburse travelers only for those business-related costs that are reasonably incurred. Accordingly, the following guideline shall apply:

- Suites and other upgraded rooms at hotels shall not be allowed at CFA Society Chicago expense. Travelers should stay in standard rooms;
- When utilizing rental cars, travelers should rent midsize or smaller vehicles and should aim to share rental cars when traveling with others on CFA Society Chicago business; Travelers are expected to refill the rental car with gas prior to drop-off; Cost of gas for rental cars will be reimbursed;
- Reasonable miscellaneous living expenses will be reimbursed:
 - Reasonable use of in-room snack bars
 - Gratuities, including baggage handling, housekeeping
 - Laundry/Dry Cleaning (if traveling 6 or more consecutive days)
 - Use of hotel fitness center
 - Reasonable personal and business calls.

Special Rules Pertaining to Air Travel

The following additional rules apply to air travel:

- North American air travel should be at coach class; Non-North American air travel times of more than 6 hours may be reimbursed at business class. First class travel requires Executive Committee approval before booking;
- Airline reservations should be made in advance to take advantage of reduced fares. Travelers should carefully consider all available options and select the most efficient method in terms of cost, time in transit, and required arrival times at destination;
- Any change to the ticket resulting in a higher price or any cancellation of a non-refundable ticket will require approval of the Executive Committee, CEO/ED or CFA Institute, as appropriate.
- Travelers are not required to stay over a Saturday night in order to obtain a lower airfare. However, if the traveler agrees and the cost savings exceed the cost of an additional night's stay, CFA Society Chicago will cover the additional hotel night's charge and meals.
- If a traveler chooses an itinerary that includes non- CFA Society Chicago business for personal reasons (i.e., such as including a stop in another city), travel costs

- will be covered for the lowest available airfare between the traveler's home city and the meeting site. Any additional charges will be the traveler's responsibility.
- Membership in airline flight clubs is not reimbursable;
 - Cost of flight insurance is not reimbursable;
 - Cost of same-day upgrade is not reimbursable unless there is an explanation (medical necessity, significant delays);
 - Cost of canceling and rebooking flights is not reimbursable unless it can be shown that it was necessary or required for legitimate business reasons;
 - CFA Society Chicago will not reimburse for segments of a trip that are for personal travel;
 - Travelers who are involuntarily bumped from a flight may keep the travel voucher for personal use; Travelers may only elect to be bumped when traveling for business if there is no impact on the traveler's business schedule or expenses by taking an alternate flight

Spouse/Partner Travel and Entertainment

CFA Society Chicago will not reimburse any traveler for separate travel and/or entertainment costs associated with a spouse/partner. The cost of a shared hotel room need not be allocated between business traveler and spouse/partner for purposes of this policy.

CFA Institute Travel

CFA Society Chicago will reimburse 1 additional Society leader (beyond the number of leaders covered by CFAI) to travel to CFAI meetings. CFA Society Chicago will cover hotel and travel costs as set forth in this policy not covered by CFAI for all leaders who attend.

If a Society leader attending a CFAI event that is reimbursed by CFAI extends their stay beyond what is covered by CFAI, the extension must be approved by the Executive Committee before arrangements are made. In determining the reasonableness and necessity of the extra travel expenses, the Executive Committee and the traveler shall consider the ways in which CFA Society Chicago will benefit from the travel and weigh those benefits against the anticipated costs of the travel.

Non-Reimbursable Expenditures

CFA Society Chicago, as a not-for-profit organization, maintains a strict policy that expenses that could be perceived as lavish or excessive are inappropriate and will not be reimbursed. Examples of such expenses include, but are not limited to:

- First class travel
- Luxury lodging
- Luxury limousine travel
- Movies
- Spa usage
- Floral services

Business Entertainment Guidelines

CFA Society Chicago recognizes that business entertainment is an important element to the operation of the Society. The purpose of these guidelines is to place this activity in proper focus, to prevent abuses, and to ensure control of these expenditures. Certain conditions which must be met are set forth as follows:

- “Entertainment Expenses” - Costs incurred in networking and socialization associated directly with the business, purpose and mandate of CFA Society Chicago, and not related to travel;
- Itemized receipts are required for all reimbursements;
- The purpose of the entertainment must be CFA Society Chicago business only;
- Identification of the persons or group being entertained;
- A statement as to the reason for such entertainment, indicating how the entertainment benefited the society
- The Executive Committee and Board of Directors total entertainment expenses will not exceed more than \$12,000 in any fiscal year, without prior approval from the Board of Directors and must not exceed applicable sub-budgets without prior approval of the Board of Directors.