

BOARD OF DIRECTORS EXPENSE REIMBURSEMENT POLICY

Board Approved: 12/16/2019

Purpose

The Board of Directors of the Bainum Family Foundation (“the Foundation”) recognizes that Board members (“Directors”) of the Foundation will incur expenses for travel to the Foundation’s regularly scheduled Board of Directors and Board Committee meetings and for other meetings or events as necessary to carry out their duties as Board or committee members. The purpose of this Policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Directors. It is the policy of the Foundation to reimburse only reasonable and necessary expenses actually incurred by Directors (please use the government travel guidelines with respect to cost and reimbursements as a reference point). When incurring business expenses, the Foundation expects Directors to:

- Exercise discretion and good business judgment with respect to those expenses
- Be cost conscious and spend the Foundation’s money as carefully and judiciously as the individual would spend his or her own funds
- Report expenses, supported by required documentation, as they were actually spent.

Request, Review and Approval of Director Reimbursement

The following process shall be followed for reimbursement:

- A Director seeking reimbursement for business expenses shall complete and submit an Expense Reimbursement Form, including required receipts, within 30 days of the expense, final invoice or completion of travel.
- All Director expense reimbursements shall be reviewed for approval by any of the following Directors, with no Director permitted to review or approve their own request: the Chair of the Audit Committee, the Board Chair, the Board Vice-Chair and the Board Secretary (“Approving Directors”). When any Approving Directors approve the expenses, reimbursements shall be paid through the Foundation’s Accounts Payable.
- Reimbursement requests shall identify the following information:
 - If reimbursement for travel: the date, origin, destination and purpose of the trip, including a description of each Foundation-related activity during the trip
 - The starting and ending points of travel for any personal automobile mileage reimbursement
 - The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct the Foundation’s business)
 - Receipts are required for items exceeding \$75.00. If a receipt is lost, the Director shall certify the expenditure and provide a detailed explanation of the expense.

BOARD OF DIRECTORS

EXPENSE REIMBURSEMENT POLICY

Travel Requirements

Air Travel

- Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares.
- Economy or Coach class travel is reimbursable.
- Other expenses such as upgrades, priority Boarding, preferred seating, or excess baggage are the responsibility of the Director and are not eligible for reimbursement.
- Tips for reasonable and necessary expenses shall be reimbursed.

Lodging

- In most cases, room rates for Board and other special meetings would be pre-arranged by the Foundation. When lodging is not pre-arranged, Directors shall seek good accommodations at reasonable rates. Room rates over \$200 must be approved by the Board Chair in advance of the stay.
- Lodging expenses shall be reimbursed for the basic room charge, internet connection fees and applicable taxes.
- Incidental expenses charged to the room such as room service, movies and other additional services, shall not be reimbursed.
- Tips for reasonable and necessary expenses shall be reimbursed.

Out-Of-Town Meals and Business Meals

- Directors traveling on behalf of the Foundation are reimbursed for the reasonable and actual cost of meals (including tips). Itemized receipts must be provided for meal expense reimbursement. In the absence of receipts, Directors will be subject to the GSA Per Diem rate (<https://www.gsa.gov/>) covering meals and incidental costs incurred during travel days.
- Directors may, on occasion, pay for business meals that benefit the Foundation. Examples include, but are not limited to, hosting candidates or nominees for potential incoming Directors or networking to establish or improve the relationship with another organization. In such cases the expense reimbursement must contain a complete description of the business purpose for the activity, including the specific business matter discussed.

Ground Transportation

- Directors are expected to use economical ground transportation appropriate under the circumstances such as public transportation, hotel shuttle vans, airport shuttles to the hotel, taxis and ride-hailing apps such as Uber or Lyft. Actual fares, including tips, are reimbursable.
- Parking and toll expenses are reimbursable.
- Use of personal vehicles for business purposes shall be reimbursed at the published standard rate per mile according to the IRS guidelines.

Incoming Directors Travel Expenses

For purposes of assisting with transition-related activities, travel and expense reimbursements shall be available to Board of Director designees and nominees for meetings attended prior to the commencement of their terms of office. The Board Chair shall be responsible for determining

BOARD OF DIRECTORS

EXPENSE REIMBURSEMENT POLICY

those meetings for which transition-related expense reimbursement will apply. Reimbursement will be made in accordance with the provisions and procedures included in this policy.

Non-Reimbursable Expenditures

The Foundation maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such expenses are inappropriate for reimbursement by a nonprofit, charitable organization. Expenses that are presumed not to be reasonable or necessary and not reimbursable include, but are not limited to:

- Travel insurance
- First class tickets or upgrades
- Parking or traffic fines
- Liquor or bar costs
- Tips or service gratuities in excess of 20%
- Spa or exercise charges
- Business entertainment which is not approved by the Board Chair of the Foundation
- Valet service
- Toiletry articles
- Expenses for spouses, friends or relatives. If a spouse, friend or relative accompanies Directors on a trip, it is the responsibility of the Director to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.

Review of Policy

This policy will be reviewed periodically and recommendations for amendments will be approved by the Board. Any exceptions to this policy must be approved by the Board Chair.