



WELS SYNODICAL COUNCIL
Approved Policies and Procedures

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SC0050	04/28/12, 05/16/2016, 02/29/20	Travel and Business Expense Reporting and Reimbursement	Synodical Council

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1. Purpose:

The Synodical Council (SC) recognizes that employees, members of boards, commissions and committee, and others (collectively referred to in this policy as Personnel) may be required to travel or incur other business expenses from time to time to conduct WELS business and to further the mission and ministry of WELS. The purpose of this Policy is to ensure that (a) adequate internal 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. It is the policy of WELS to reimburse only reasonable and necessary travel and other business expenses.

When incurring travel and other business expenses, Personnel are expected to:

- Exercise the good judgment abilities that our gracious Lord has granted you.
- Be faithful stewards of the money our gracious Lord has provided by being cost conscious and spending carefully and judiciously.
- Timely and accurately report expenses with supporting documentation as required by this and other WELS policies and procedures.
- Use a WELS Corporate Credit Card for travel and other business expenses to the maximum extent possible and practical. (Please refer to the Corporate Credit Card policy for additional information).

2. Expense Reimbursement Request:

Out-of-pocket expenses will not be reimbursed unless the individual requesting reimbursement utilizes the out-of-pocket reimbursement feature of the Corporate Credit Card electronic reporting system, or submits a written Expense Reimbursement Request. Personnel can and should be set-up to use the out-of-pocket feature of the Corporate Credit Card electronic reporting system even if they do not have a corporate credit card. Reimbursement requests in excess of \$500 shall be submitted within 30 days and all others at least quarterly. Reimbursement requests must include:

- The individual's name.
- If the reimbursement is for travel, the date, origin, destination and purpose of the trip.
- The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct WELS' business).
- An itemized list of all expenses for which reimbursement is requested.

3. Receipts:

Receipts are required for all expenditures in excess of \$15.00. The receipt must include the date, vendor, service/product provided, tips and total expenses. In the event that a receipt is lost, the cardholder should complete the Lost Receipt form via the online request form available on the [WELS Cloud Finance Home Page](#).

4. General Travel Requirements:

A. Advance Approval.

All trips involving air travel or at least one overnight stay must be approved in advance by the individual's supervisor; however, any international travel must be approved by the Area of Ministry Administrator or his designee, subject to country risk parameters. All air travel and hotel accommodations should be purchased with a Corporate Credit Card.

B. Necessity of Travel.

In determining the reasonableness and necessity of travel expenses, Personnel and the person authorizing the travel shall consider the ways in which WELS 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 WELS 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.

C. Personal and Spousal Travel Expenses.

Individuals traveling on behalf of WELS may incorporate personal travel with WELS-related travel; however, Personnel shall not arrange WELS travel at a time that is less advantageous to or involving greater expense to WELS in order to accommodate other travel plans. Any additional expenses incurred as a result of personal travel will not be reimbursed and should not be charged to a Corporate Credit Card.

Also, in special cases, reimbursement for expenses associated with travel of an individual's spouse, family or friends may be approved by the respective Area of Ministry Administrator and must be done prior to the scheduled travel. This approval by the Administrator must be appropriately documented, kept on file and submitted with each Expense Reimbursement Request and/or corporate credit card settlement. If the spouse or family members are conducting business for WELS the reimbursement is not taxable. However, if most of the spouse or family member's time is not spent conducting business for WELS the reimbursed expenses could be considered taxable income. Please consult with WELS Financial Services on the taxability of reimbursements prior to the travel occurring to ensure that tax liabilities are understood by the travelers.

5. International Travel and Approval:

This section of the policy regarding foreign travel spells out steps each Area of Ministry must take before travel is authorized outside of the U.S., and its territories for "Covered Persons" on WELS behalf. Covered Person(s) means all WELS missionaries, committee members, directors, officers, and other employees - and faculty, staff, students, and chaperones from WELS ministerial education schools and volunteers serving on behalf of a WELS ministry. The policy applies only to those traveling on WELS-related business, not for personal reasons.

The intent of the policy is not to prohibit travel to particular countries, rather to ensure that all involved in the decision to travel internationally are aware of any potential dangers and that reasonable steps are taken to reduce risk to both individuals and WELS assets. The policy also ensures that parties can be informed of personal security risks involved in traveling to their destinations.

Preferred Company. WELS has contracted with Fox World Travel (Fox) to be our international travel management company. Please consider using Fox for all international travel needs unless significant savings can be achieved through another travel coordinator. Partnering with Fox will help WELS obtain the best rates along with the ability to earn corporate travel points.

General Travel Requirements and Advanced Approval:

A. Once the trip or assignment has received preliminary approval from the supervising or sponsoring committee, commission or organization, the traveler must ensure that a Foreign Travel Insurance Request form is submitted to Risk Management via the online request form available on the [WELS Cloud Finance Home Page](#).

Upon request, Risk Management provides the following risk assessment to the AOM/PO based on information from reports from staff on the ground, U.S. State Department reports, Insurance carrier reports and other sources. Additionally, the World Risk Matrix report is sent at the beginning of each month to the Area of Ministries with frequent international travel. The World Risk Matrix is based on the same criteria listed below.

Low Risk - No restrictions on travel. No real security problems, generally, very safe, minimum restrictions are required for staff safety. After notifying Risk Management, the AOM/PO is free to authorize travel to any country designated 'low risk' without any further consultation.

Medium Risk - Generally no problems, but caution is advised to avoid occasional security incidents. Routine safety and security procedures are advised, but there is nothing to warrant seriously restricting activities. The AOM/PO makes final determination to authorize travel.

High Risk - There are regularly reported security incidents and problems, but a reasonable level of care is sufficient to avoid serious incidents. Security procedures and protocols must be enforced. Additional precautions may be needed. The AOM/PO makes final determination to authorize travel.

Extreme risk - Dangerous environment, significant security procedures and restrictions must be used to maintain an adequate level of safety for staff. Operations require restrictive controls on movement and operations. Additional precautions may be needed. Risk Management advises the AOM/PO which then coordinates consideration of the travel by the SC Executive Committee. After considering the above, the CC Executive Committee then makes the final determination to authorize travel and then notifies the AOM/PO and Risk Management..

B. In all cases, the AOM/PO notifies sponsoring organization and Risk Management of whether trip has been approved.

For approved trips, Risk Management provides the traveler with:

- Travel letter
- Medical insurance information
- Country specific security information

C. Traveler makes travel arrangements through Fox by using the online booking portal, <https://portals.foxworldtravel.com/wels/>, or calling Fox directly at 800-236-1456.

D. Traveler then registers trip with U.S. State Department for non US or US Territory destinations.

E. Trip takes place.

Regardless of an area's rating (which can change without notice), it is the individual traveler's responsibility to be/stay informed about inherent risks in international travel and to take appropriate precautions to avoid undue risks and dangers.

Country specific information is available on line at: <https://www.osac.gov>

If a country's risk rating changes to a higher risk level before departure, a reassessment may be required and travel could be denied.

6. Air Travel:

A. General.

WELS will reimburse or pay only the cost of the lowest coach class fare actually available from the airport nearest the individual's home or office to the airport nearest the destination. If the lowest available fare is inconsistent with reasonable business planning, the traveler must submit an explanation when submitting the request for reimbursement of the travel expenses incurred.

WELS is a member of the Delta Skypoints Rewards program. Any trip taken on Delta airlines is eligible to accrue points when the WELS Skypoints Rewards number is used when the airfare is purchased. Points may be available for use on flights on Delta airlines. See Appendix I for more information on the Delta Skypoints program and how to accrue and redeem points.

B. Extended/Saturday Stays.

Personnel are not required to travel earlier or extend a stay to reduce the price of an airline ticket. To receive reimbursement for additional lodging and meal expenses, the individual must supply documentation of the savings resulting from the extended stay.

C. Frequent Flyer Miles and Compensation for Denied Boarding.

Personnel may accept and retain for their personal use, frequent flyer miles and compensation for denied boarding if it does not create an impediment to accomplishing assigned duties. Any additional costs incurred due to acceptance of such compensation shall be the sole responsibility of the Personnel unless the compensation is donated to WELS.

D. Lost or Excess Baggage.

The airlines are responsible for compensating the owners of lost baggage. Personnel will not be reimbursed for personal items lost while traveling on WELS business.

Personnel will generally not be reimbursed for charges beyond normal baggage fees.

7. Lodging:

Personnel will be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness.

8. Out-Of-Town Meals:

Personnel will be reimbursed for the reasonable and actual cost of meals, snacks and non-alcoholic beverages (including tips) subject to a maximum of \$60.00 per day.

9. Ground Transportation:

Personnel are expected to use the most economical ground transportation appropriate under the circumstances.

Generally, rental cars are the most expensive form of ground transportation. All employee drivers must be listed on the rental agreement to ensure insurance coverage. Spouses, friends, etc., are not covered by WELS insurance and are thus not authorized to operate vehicles that have been rented for WELS business. However, in special cases, like missionaries on furlough and meetings of Personnel that include the participation of spouses, spouses or family members will be covered by WELS insurance and thus be able to operate the rented vehicle. To be eligible, the vehicle must be rented in the name of the Person that has been authorized to use the vehicle by the Area of

Ministry Administrator. The approval authorization must be appropriately documented, kept on file with a copy of the executed rental agreement, even if no charge, to provide a trail of the implied permission of WELS.

If travel will exceed 150 miles for a single day or an average of more than 100 miles per day on longer trips, use of a 'rental vehicle' is recommended. The recommended vehicle size that should be rented is "intermediate". Personnel are responsible for daily rental costs in excess of the approved car class, as stated above. Personnel may book a class of service above the recommended car class in the following cases:

- when cars in the recommended category are not available
- when additional space is required for transportation of a group of people or for transporting materials
- when the traveler can be upgraded at no extra cost
- for pre-approved medical reasons

If renting a vehicle is not practical, use of a personal vehicle should be approved in advance by the chairman if the traveler is a board, committee, or commission member or the renter's supervisor if an employee. The approval must be attached to the mileage reimbursement request.

If the traveler prefers to use their personal vehicle when it is practical to use a rental vehicle, reimbursement will be limited to the cost that would have been incurred had a vehicle been rented or the Internal Revenue Service rate for moving or medical purposes, less normal commuting mileage on the day they leave and return.

ALWAYS have a rental agreement executed for use of a rental vehicle even if there will or would be 'no charge'. Personnel must comply with all provisions of the vehicle rental agreement and should review it to understand his or her responsibilities, especially regarding accidents. Rentals should not exceed 30 consecutive days. If a vehicle will be rented for a period longer than 30 days, the vehicle should be returned by the 30th day and a new rental contract initiated. A rental contract of 30 days or less is required for supplemental insurance coverage provided by Visa.

ALWAYS use a WELS Corporate Credit Card when renting a vehicle. The corporate card has supplemental insurance coverage that only applies when the rental is paid with the corporate card. When traveling on WELS business, the optional /additional insurance (Collision Damage Waiver [CDW] and Personal Accident Insurance [PAI]) offered by the rental car agency, should "always be declined" within the United States and "always accepted" outside the United States. WELS has rental car insurance through its insurance program. If a WELS Corporate Credit Card is not available, a personal credit card may be used. If an accident occurs with a rental made with a personal credit card, the Area of Ministry responsible for the rental will be charged the insurance deductible. Personnel should request a copy of the private passenger rental car insurance card from their respective Area of Ministry or the Risk Management Department.

Preferred Companies. WELS has negotiated preferred corporate rates for rental cars, both in the Milwaukee area and nationally. Details of the WELS Car Rental Program are available on line at: <https://wels.net/enterprise-national/>. Please rent from Enterprise or National unless significant savings can be achieved from another rental car company or it is impractical to use Enterprise or National.

Personal use of a rental car during a business trip is not covered by WELS's insurance in most cases, nor will WELS bear any liability. The rental cost and coverage for personal use days is not reimbursable.

WELS requires that any accident involving any motor vehicles on company business, regardless of severity, location, or fault **must be reported immediately by the traveler or employee** driving the vehicle to each of the following:

- law enforcement authority within the jurisdiction where the accident occurred
- traveler's insurance company
- Area of Ministry Administrator or the employee's immediate supervisor
- Risk Management Department
- if damage has only been done to the rental car and car has been rented using the Corporate Credit Card the traveler should notify Visa at 1-800-VISA-911 or file the claim at www.visa.com/eclaims
- if damage has occurred to more than the rental car, notify Church Mutual Insurance at 1-800-554-2642

10. Personal Vehicles:

Personnel are only authorized to use their vehicle for WELS business if they have both a valid driver license and liability insurance coverage. If not, the individual is not authorized to use their personal vehicle for business travel.

Personnel are compensated for use of their personal cars when used for WELS business. Personnel must exclude from their reimbursement request their normal commuting mileage on days they leave and return. Mileage will be reimbursed at the WELS rate per mile which is periodically adjusted.

If a personal vehicle is used for WELS business, the personal automobile coverage of the owner is the 'primary insurance'. It is the responsibility of the owners of the vehicles being used for business to carry adequate insurance coverage for their protection and for the protection of any passengers. Employees using their personal vehicle on WELS business should carry at least \$100,000/\$300,000/\$50,000 liability and personal property coverage. If those limits are exhausted, WELS's hired and non-owned liability coverage will come into play and provide additional limits over the primary coverage. Any damage to a personal vehicle is the responsibility of the vehicle's owner.

In the case of individuals using their personal cars to take a trip that would normally be made by air, e.g., Minneapolis to Milwaukee, mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available coach airfare.

Driving Record Requirements:

Employees who are assigned a WELS owned vehicle, frequently use a WELS owned vehicle (more than 15 days a year), frequently rent a vehicle for WELS business or receive mileage reimbursement of greater than \$1,000 a year are expected to provide upon request their driver's license number and state, years of experience driving and a proof of insurance. WELS may at any time review the employee's motor vehicle record. To access MVR records, Church Mutual has partnered with Trusted Employee. More information on Trusted Employee can be found here: www.churchmutual.com.

11. Parking/Tolls:

Parking and toll expenses, including charges for hotel parking, incurred by Personnel will be reimbursed. The cost of parking tickets, fines, car washes, valet service, etc., are the responsibility of the employee and will not be reimbursed.

Off-site parking is strongly encouraged; however, on-airport parking is permitted for short business trips (2 days or less). For extended trips, Personnel must use off-airport facilities.

12. Entertainment and Business Meetings:

Reasonable expenses incurred for business meetings or other types of business-related entertainment will be reimbursed. Detailed documentation for any such expense must be provided, including:

- date and place of entertainment
- nature of expense
- names, titles and affiliation of those entertained
- a complete description of the business purpose for the activity including the specific business matter(s) discussed
- vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, the date, and the total expenses, including tips (if applicable)

13. Cell Phones:

Those employees who are required to use a cell phone for business reasons shall purchase their own cell phone and associated plan through a vendor/carrier of their choice. The employee may receive a cell phone stipend each month to reimburse for business-related costs for using their

personally-owned cell phone. The stipend will be considered a non-taxable fringe benefit to the employee.

- A dollar amount of up to \$85 shall be submitted by the employee through the regular WELLS FARGO out-of-pocket expense reporting tool connected with their credit card. A smaller amount should be requested if the actual cost of the phone and plan is less than the \$85 stipend.
- The employee will be wholly responsible for plan and equipment maintenance, including damage to the phone. They will also be responsible for the purchase of new equipment when necessary.
- Insurance for accidental damage is encouraged
- WELLS will not be responsible for any charges, additional features, or other expenses related to owning a phone and maintaining a plan. This includes termination clauses, and paying all charges associated with the cellular service and device.
- The employee assumes responsibility for vendor terms and conditions.
- The employee is responsible for plan choices, service features, and calling areas that meet the requirements of the job and the area of service the stipend is intended to cover.
- The employee is expected to keep (or have access to) two years of monthly invoices so they can be produced upon request by WELLS or the IRS.
- Should business circumstances require services beyond what a typical mobile plan provides (international travel roaming, extra data, etc.), the employee may request those charges be reimbursed upon prior approval by their manager.
- Those employees who currently are provided a WiFi hotspot in addition to a phone should consider using the phones Hotspot capabilities as a replacement
- These options will be examined on a case by case basis
- Significant savings could be realized if the elimination of the hotspots is possible
WELLS Technology policies that cover cell phone usage (including data sharing, security and privacy) are the WELLS Information Security Policy, WELLS End User Security Policy and the WELLS BYOD Policy.

14. Other Expenses:

Reasonable business related expenses not specifically provided for elsewhere in this document may be reimbursable. Personnel must consult their board, committee, or commission chairman or their supervisor in advance of incurring these expenses or they may not be reimbursed.

15. Non-Reimbursable Expenditures:

WELLS maintains a strict policy that expenses in any category that could be perceived as inappropriate, lavish or excessive will not be reimbursed. Expenses that are not reimbursable* include, but not limited to:

- Travel insurance
- First class tickets or upgrades
- When lodging accommodations have been arranged by WELLS and the individual elects to stay elsewhere, reimbursement is limited to the lesser of actual accommodation costs

or the arranged rate. Reimbursement shall not be made for transportation between the alternative lodging and the meeting site.

- Limousine travel
- Movies
- Alcohol
- Membership dues at any club or similar recreational organization
- Participation in or attendance at sporting events, without the advance approval of the president or his designee
- Purchase of any sporting equipment
- Spa or exercise charges
- Clothing purchases
- Business conferences and entertainment which are not approved in advance by the Personnel's supervisor
- Valet service
- Car washes
- Toiletry articles(Unless luggage has been lost)
- Expenses for spouses, friends or relatives. If a spouse, friend or relative accompanies Personnel on a trip, it is the responsibility of the Personnel to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.
- Overnight retreats without the prior approval of the WELS President or his designee.

* The above list of non-reimbursable expenses in no way implies that categories of expenses not included in this list should automatically be eligible for reimbursement. This list is meant to be an example or guide only.

16. Responsibility of Authorized Approver:

Personnel have primary responsibility for compliance with this policy. Authorized approvers also have responsibility for ensuring compliance with this policy and reviewing expense reports for reasonableness and compliance.

The authorized approver must verify that expenses and expense reports meet the following criteria:

- The expense was incurred while conducting WELS business
- The information contained on the expense report and in the attached documentation is accurate and in accordance with policy
- The expenditure is charged to the proper account(s)
- All required receipts are included

Documentation Requirements:

- Air Travel: original ticket receipt

- Hotel: original hotel receipt (must be detailed showing room rate, taxes, etc.)
- Car Rental: detailed car rental agreement receipt
- Meals and Entertainment: Receipts must be itemized and include detail of food, beverage and tax for food or detail of service, the name of the vendor/restaurant, location, date, and dollar amount

All expense reports are expected to be submitted timely. Expense reports that are incorrect or incomplete:

- Will be returned to the authorizer for corrective action.
- May result in delay of reimbursement.
- Reimbursement may be denied by WELS.

In this Travel and Business Expense Reporting and Reimbursement Policy, WELS has attempted to provide personnel maximum flexibility while keeping in compliance with IRS regulations and good internal business controls and practice. As with any policy, if there are questions or concerns, please contact your Area of Ministry Administrator or the Financial Services Department.

17. Exceptions:

The WELS President and Chief Financial Officer are authorized to grant exceptions to these appropriation rules and to report exceptions granted to the Synodical Council.

Appendix I

DELTA SKYBONUS REWARDS PROGRAM

SkyBonus turns travel into rewards by converting the dollars spent for travel on Delta, Air France, KLM Royal Dutch Airlines, Alitalia, Virgin Atlantic, Aeromexico, or any of Delta's codeshare partners into SkyBonus points. This program gives WELS skybonus points for each flight on Delta or it's affiliate airlines where the WELS SkyBouns ID has been used. These points are in addition to any personal sky miles points the traveler is already earning.

When flights are booked through the WELS partnership with Fox Travel, the WELS Skybonus program is automatically used. For any other Delta flight, the code should be entered when the flights are purchased following the below procedure. If the traveler is a SkyMiles member, the WELS code can be added to the members Delta profile and will be saved for all future trips.

For SkyMiles Members:

1. Log in to your SkyMiles profile on delta.com.
2. From the My Delta tab, Click Go to My Delta.
3. Click View My Profile.
4. Click Open in the Flight Preferences tab.
5. Scroll down and enter WELS SkyBonus ID (US0069340) and then Save Changes.

For non-SkyMiles Members:

1. When booking a ticket online, the Passenger Info page will appear.
2. Select "Delta Air Lines SkyBonus" in the drop-down menu.
3. Enter WELS SkyBonus ID (US0069340).

To qualify for the Delta SkyBouns Rewards program, WELS must have 5 unique travelers per year and a minimum spend of \$5,000.00 in eligible flights, and earn at least two million points each calendar year.

Earning Points

Points are earned on each flight where the WELS Skybonus code is used. Any trip booked through Fox Travel automatically will earn these points.

Points are earned based on the travel location and fare type per the chart below.

	Level 1	Level 2	Level 3
Travel to/from ATL, CVG, DTW, MSP, SLC	10	3	1
All other origins/destinations	30	6	3

SkyBonus points expire on December 31st, three years after the year of issuance

Redeeming Points

Skybouns points can be used for both flights and upgrades.

If booking the trip through Fox Travel, the agent can redeem the points and use them for the flights. If the trip is not booked through Fox, the points must be redeemed by the WELS Company Administrator (Beth Thornton) and the flight must be purchased from Delta.com or through SkyBonus reservations at 877-832-5211.

See the below rewards chart for points needed per destination.

Minimum rewards points needed for travel from the US to destinations are: US/Canada	90,000
Hawaii	170,000
Asia	180,000
Australia	200,000
Mexico/Europe	175,000
Middle East/India/Africa	210,000
Central America/Caribbean/Mexico	120,000
Northern South America (Colombia/Ecuador/Peru)	200,000
South America	230,000
Anywhere Delta Flies	400,000
Delta Sky Club Membership – One Year	145,000
Sky Club single use pass	85,000
Beverage/Headset Coupon	10,000

How Areas of Ministry can redeem Delta Points

Quarterly, risk management will send an email to the Areas of Ministry/Presidents Advisory Council detailing the available points. Each area of ministry can use points once per year as points are available on a first come/first serve basis by working with the Risk Management department.

Risk Management will monitor what departments are accruing and using the points.