



Accountable Plan and Credit Card Policy

Approved by Executive Board 3 November 2009

This document establishes a policy governing the reimbursement of business expenses (travel, meals and other expenses) incurred while conducting association business, as well as a policy for the appropriate utilization and accountability of the use of the association corporate credit card. It is our local's policy to comply with the Internal Revenue Service regulations by requiring the accounting for ordinary, necessary and reasonable expenses on a timely basis in accordance with an "Accountable Plan."

An "Accountable Plan" is a system in which charged or reimbursed expenses are accounted for on a timely basis and includes the following requirements:

- A valid business connection.
- Substantiation in the form of a receipt and/or invoice.
- Substantiation submitted within sixty (60) days of the charge.

Requests for reimbursement of business expenses and/or the accounting of charged expenses on the association's corporate credit card must be submitted on the association's Business Expense Report. Original receipts are recommended for all expenses submitted and required for all expenses in accordance with contractual amounts. To maintain an "Accountable Plan" as defined by IRS regulations, the business purpose of the expenditure and the names and business relationships of guests must be included as part of the substantiation and be accounted for within sixty (60) days of incurring the expense. If required information is missing, the expense statement will be returned to the originator.

The association's Business Expense Reimbursement form, together with the required documentation, must be submitted for review and signature approval before payment is made and/or charged expenses are cleared. The reviewer is responsible for validating that the expenses are reimbursable under this policy; that the expense report has been filled out properly; that the required documentation and receipts are included; and that the expenses are reasonable and necessary.

The following are common reimbursable expenses allowable under this policy:

- Lodging (itemized receipt required)
- Travel expenses including airfare, train fare, bus, taxi and related tips
- Reasonable meal costs necessitated by travel
- Business telephone calls
- Car rental, parking, tolls

Expenses that are generally not reimbursable include:

- Personal expenses
- Airline club dues
- Traffic fines
- In-flight movies
- Hotel room movies
- Reimbursement for business miles in excess of the cost of airfare to the same destination.
- First class airfare

Business travel will be reimbursed at the per mile rate established by the IRS rates or at actual costs, whichever is lower. The Treasurer will make the IRS standard business mileage rate available.

No policy can anticipate every situation that might give rise to legitimate business expenses. Each individual must use his/her best professional judgment in determining if an expenditure is reimbursable under this policy.

Credit cards represent an extension of credit to the union and may only be issued with the approval of the President and Treasurer. Corporate cards issued are not to be used for personal expenses. The card may not be used to obtain cash advances or for expenses other than those incurred by the cardholder. Charges incurred on the corporate card should only be made by the person whose name is on the card. Charging personal transactions is not acceptable. Infractions of the conditions of this policy may result in cancellation of the card and withdrawal of credit card privileges. Breach of this policy may lead to action against the cardholder concerned. In all cases of misuse, the association reserves the right to recover any monies from the cardholder. The association may recover from reimbursable expenses any unauthorized amount claimed.

Credit card expenditures must be reconciled and submitted within 60 days of the close of the month the charge was incurred. Those who do not submit the required monthly expenditure report may or may not be sent a written reminder. At the end of 60 days the card may be canceled if no report has been submitted. At the end of 120 days, the amount charged will be added to compensation with the appropriate taxes withheld.

Cardholders are expected to exercise prudent business judgment with regard to expenses covered by this policy. The business activity or connection must be necessary in the performance of the cardholder's duties or responsibilities, and there must be a clear business purpose for the expense.

Cardholders not in compliance with this policy risk suspension of the card and potential employment and legal ramifications.

Washington Teachers' Association
Business Expenses and Credit Card Policy

Lost or stolen cards must be reported immediately to the Treasurer or President.

Prior to departure or termination of duties, the cardholder must ensure his/her account is settled prior to departure. The card must be surrendered upon request by the Treasurer or President.

Date: _____
To: _____
From: Regina Jarrott-Briggs, President
Donald Stauffer, Treasurer
Subject: Association Corporate Credit Card

Enclosed, please find the Washington Teachers' Association's Corporate Credit Card issued in your name. Please sign your name, date and return this form to the WTA office. Your signature will serve as an acknowledgement that you are in receipt of the Corporate Credit Card, that you agree to adhere with Business Expenses and Credit Card Policy and that the Corporate Credit Card is to be used only for association related business purposes. If you have any questions in regard to the Corporate Card, please contact Don Stauffer, Treasurer.

Please note that your expenses charged on the Corporate Credit Card should be included on the association's Business Expense Report along with the appropriate supporting documentation, and should be submitted within sixty (60) days of the incurred expenses.

RECEIVED WASHINGTON TEACHERS' ASSOCIATION CORPORATE CARD:

Signature

Credit Card Number

Date

Credit Card Expiration Date