



**STRS Ohio**  
**Travel and Expense**  
**POLICY**  
for Associates



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# TRAVEL AND EXPENSE POLICY FOR ASSOCIATES

## PURPOSE AND SCOPE

This document provides policy and guidelines for associates incurring business travel and expenses on STRS Ohio's behalf.

Objectives:

- Ensure all associates have a clear and consistent understanding of STRS Ohio's policy for business travel and expenses.
- Maximize STRS Ohio's ability to ensure accurate, timely and cost-effective handling of travel and business-related expenses.

This policy applies to all associates of STRS Ohio. "In-state travel" refers to travel within Ohio for associates who work at the Columbus headquarters and to travel within your state for associates who work in other states.

In addition, candidates for STRS Ohio positions must comply with the expenditure limits contained within this document (whether recruited by STRS Ohio or an outside entity), as well as outside consultants and vendors whose contract provides for travel reimbursement from STRS Ohio.

STRS Ohio is committed to providing its associates with the opportunity to be reimbursed for travel related to the performance of our duties to the retirement system's members.

Since it is impossible for any policy to address every possible scenario, associates are reminded that all expenditures of STRS Ohio funds should be made prudently and in the best interest of our members. For this reason any *Authorization for Travel* form or request for reimbursement may be denied if it is determined to be imprudent by the supervisor approving travel, STRS Ohio's travel coordinator, the Accounts Payable Department or the Executive Director.

## RESPONSIBILITY AND ACCOUNTABILITY

The associate is responsible for complying with this policy. **Any exceptions must be requested in writing with appropriate documentation and approved by the appropriate deputy executive director and executive director.**

STRS Ohio will reimburse associates for reasonable and customary expenses incurred while traveling on authorized company business as explained in this document. STRS Ohio assumes no obligation to reimburse associates for expenses not in compliance with the STRS Ohio Travel and Expense Policy.

**Associates who do not comply may be subject to:**

- **Delay in reimbursement or non-reimbursement**
- **Disciplinary action up to and including termination**

The executive director shall review and distribute this policy to the Retirement Board no less than annually.

### Who to Call With Travel and Expense Questions

Any questions, concerns or suggestions regarding this policy may be directed to the STRS Ohio travel coordinator or your department travel arranger.

### Adherence to Ohio Ethics Laws

Ohio ethics laws prohibit any associate from soliciting or accepting any items of value from anyone who is conducting business with STRS Ohio, who is seeking to do business with STRS Ohio, or is a company in which STRS Ohio may invest. This includes meals, entertainment or travel. Additionally, no state retirement system investment officer or associate whose position involves substantial and material exercise of discretion in the investment of STRS Ohio funds may accept payment of travel expenses, including lodging, meals, food or beverages, from any source other than STRS Ohio.

STRS Ohio's complete ethics policy is contained in *Associate Guidelines* posted on webSTRS. Any questions should be directed to STRS Ohio's Legal Department.

## OBTAINING TRAVEL AUTHORIZATION

Travelers must submit an *Authorization for Travel* form for approval by their administrative manager and deputy executive director *before* travel arrangements are made for them by their department's designated travel arranger. The *Authorization for Travel* form should explain the traveler's purpose and that the potential benefits of the trip justify the expense. The form should also include the traveler's mode of travel and approximate total cost of trip.

The levels of authority required for approving travel-related expenses are the administrative manager and deputy executive director. If the traveler is an administrative manager or a deputy, approval by one level above is required. The executive director also must sign the *Authorization for Travel* form if:

- It is for out-of-state, and/or
- The total cost of the trip is estimated to exceed \$5,000.

All associates must obtain authorization for STRS Ohio-related travel except for the executive director, whose travel is acknowledged by the Retirement Board chair. After applicable approval is received, travel arrangements can be made using the STRS Ohio travel agency.

### Authorization Requirements for In-City and In-State Travel

Preauthorization is required for in-city and in-state travel if STRS Ohio expenses will be incurred, unless the associate is representing STRS Ohio at a meeting.

### Authorization Requirements for Out-of-State and International Travel

Out-of-state travel requires completion of an *Authorization for Travel* form. After approval by the administrative manager and/ or deputy executive director, the *Authorization for Travel* form should be given to the STRS Ohio travel coordinator for review, who will confirm policy compliance and then forward the form to the executive director. Out-of-state travel expenses are limited to those incurred during the event, and not more than one day before or one day after, unless approved by the appropriate deputy executive director and executive director.

### Companion Travel

STRS Ohio will not reimburse **any** expenses incurred by an individual(s) accompanying an associate on business.

### Use of Teleconferencing

Before making travel arrangements, associates should first consider if a conference call or videoconference could satisfy the objectives of an off-site meeting.

## DOMESTIC AIR TRAVEL

### Air Travel Reservations

Air travel reservation requests must be included on the *Authorization for Travel* form and made through the designated STRS Ohio travel agent.

STRS Ohio benefits when air travel reservations are made through the designated STRS Ohio travel agent. All travel information is reviewed by administrative management in regular travel reports and used to negotiate volume or restricted travel discounts.

### Airline Class of Service

All domestic air travel must be reserved in the lowest price coach class seating available.

### Upgrades for Domestic Air Travel

Upgrades at the expense of STRS Ohio are **not** permitted.

Upgrades may not be charged on the central airline billing account.

## Lowest Airfare Definition

Travel arrangers are expected to book the lowest logical airfare as determined by the STRS Ohio travel agent based on the following parameters:

- Routing does **not** increase the one-way total elapsed trip time (origin to destination) by more than two hours; and
- Departure/arrival is no more than two hours before or after requested time; and
- Routing results in a savings to STRS Ohio of at least \$100 each way or \$200 per trip to offset schedule inconvenience.

## Airline Frequent Flyer Programs

Traveling associates may accrue frequent flyer mileage. However, the frequent flyer benefits may only be used in conjunction with STRS Ohio business travel or upgrades associated with STRS Ohio business travel. Participation in a frequent flyer program must not influence flight selection that would result in incremental cost to STRS Ohio beyond the lowest available airfare, as defined in this policy.

## Lost or Excess Baggage

The ultimate responsibility for retrieving or compensating travelers for lost baggage lies with the airlines. STRS Ohio will not reimburse travelers for personal items lost while traveling on business. STRS Ohio will not reimburse travelers for charges for more than two bags, unless preapproved by a deputy executive director or the executive director.

## Overnight Delays

Should an airline delay necessitate an unscheduled overnight stay, the traveler should first attempt to secure complimentary lodging from the airline.

## Cancellations/Unused Airline Tickets

Any change in travel plans or any cancellation must be approved by the appropriate deputy executive director or executive director. When a trip is canceled after the ticket has been issued, the traveler should inquire about using the same ticket for future travel with the STRS Ohio travel agent within 12 months. STRS Ohio will not pay any additional fees charged by airline companies when ticket reservations are changed by an associate due to personal reasons unless approved by the appropriate deputy executive director and executive director.

## Air Travel Payment Procedures

Air travel costs will be paid using the central airline billing account.

## Airport Parking

Maximum airport parking reimbursement will be the daily rate charged at the Port Columbus Blue Long-Term Shuttle Covered Lot.

# INTERNATIONAL AIR TRAVEL

## Airline Class of Service

Business class air travel may be used for international travel (except to Canada and Mexico). First class air travel is not a permitted expense. International travelers should work with their travel arranger to explore options such as “preferred seating” that may be less costly than business class.

## Upgrades for International Air Travel

Upgrades at the expense of STRS Ohio are **not** permitted.

Upgrades may not be charged on the central airline billing account.

All other domestic air travel guidelines from the STRS Ohio Travel and Expense Policy shall apply.

## LODGING

### Hotel Reservations

Hotel reservation requests must be included on the *Authorization for Travel* form. Hotel reservations may be made by the traveler, the department's travel arranger or through the STRS Ohio travel agent. The travel agent must have a personal credit card number issued to the traveler to guarantee hotel reservations. Hotel reservations may not be guaranteed to the central airline billing account number or purchasing cards.

### Long-Term Hotel Stays

Travelers staying a week or longer should request weekly/long-term discounts.

### Hotel Spending Reimbursements

Travelers shall attempt to secure the government, negotiated and preferred rates. The STRS Ohio travel agent has specific negotiated rates that may be less than the hotel's government rate. Travelers should take their STRS Ohio identification card to verify government status if offered a government rate by the hotel. Your department travel arranger can request an STRS Ohio identification card from the Communication Services Department.

#### In-State Travel (Ohio)

Travelers will be reimbursed for actual hotel room costs up to \$125 plus applicable taxes per night, unless preapproved by a deputy executive director or the executive director. In the Cincinnati, Cleveland and Columbus metropolitan areas travelers will be reimbursed for actual hotel room costs up to \$180 plus applicable taxes per night.

Lodging at a conference site or lodging at a hotel identified in the conference registration materials as one of the conference hotels will be reimbursed at actual costs.

#### Out-of-State Travel

Travelers will be reimbursed for actual hotel room costs according to the following guidelines plus applicable taxes per night, unless preapproved by a deputy executive director or the executive director:

In these major metropolitan areas — Atlanta; Boston; Chicago; Dallas; Los Angeles; Minneapolis; New York City; Phoenix; San Diego; San Francisco; Seattle and Washington, D.C. — under \$300 per night.

All other cities — under \$180 per night.

Lodging at a conference site or lodging at a hotel identified in the conference registration materials as one of the conference hotels will be reimbursed at actual costs with prior approval.

#### International Travel

The nature of international travel makes it impossible to establish a guideline for hotel rates in any individual city. Safety and ordinary conveniences can be a serious issue in some of the countries to which STRS Ohio associates travel. International travelers should make every effort to ensure that they are considerate of the cost of lodging given the above constraints. Every effort must be made to book rooms at competitively priced lodging. If attending a conference or traveling with a group, the associate may stay at the hotel where the conference is being held or the rest of the group is staying.

### Gratuities

Reasonable tips for hotel staff are reimbursable. For example, \$3 per night maximum for cleaning staff.

### Hotel Payment Procedures

Hotel costs should be paid using the traveler's personal credit card.

## RENTAL CAR

### Rental Car Guidelines

Travelers may rent a car at their destination when it is less expensive or more practical than other ground transportation, such as taxis, airport limousines and airport shuttles. Parking costs should be considered when determining whether to rent a car or use ground transportation.

### Rental Car Reservations

Rental car requests must be included on the *Authorization for Travel* form.

For out-of-state travel, rental car reservations should be made through the STRS Ohio travel agent. STRS Ohio and the STRS Ohio travel agent have negotiated rates with preferred car rental companies.

For in-state travel originating in Columbus, rental car reservations may be made by the department's travel arranger.

### Rental Car Categories

Travelers should book the following rental car categories based on the number of STRS Ohio travelers:

- Mid-size/Intermediate — one STRS Ohio traveler
- Full-size/Standard — two or more STRS Ohio travelers

### Rental Car Insurance — Domestic

STRS Ohio has made provisions for insuring rental cars against damage. Travelers should decline all coverage and add “**On behalf of the State Teachers Retirement System of Ohio**” after their signature.

Drivers under age 25 should verify before the trip that they will be able to rent a vehicle at their ultimate destination.

### Rental Car Cancellation Procedures

Travelers are responsible for canceling unneeded rental cars and must contact the STRS Ohio travel agent to cancel the reservation. For reservations made in Columbus, cancellations can be handled by the department's travel arranger.

### Rental Car Payment Procedures

Rental cars must be paid using the traveler's personal credit card.

### Rental Car Accidents

Should a rental car accident occur, travelers should immediately contact:

- The car rental company;
- Local authorities, as required, and
- The STRS Ohio travel coordinator or department travel arranger.

## OTHER TRANSPORTATION

### Personal Car Usage Guidelines

Frequent use of personal vehicles for business is not encouraged. It is the personal responsibility of the owner of a vehicle being used for business to carry adequate insurance coverage for his/her protection and for the protection of any passengers.

### Reimbursement for Personal Car Usage

Travelers will be reimbursed for business usage of personal cars based on the IRS reimbursement rate in effect at the time the travel occurs.

Associates will not be reimbursed for the cost of any repairs to their personal car even if these costs result from damage during business use.

To be reimbursed for use of their personal car for business, travelers must provide on their expense report:

- Purpose of the trip
- Date and location
- Mileage traveled

Expenses in connection with use of a personal automobile in lieu of air transportation will be reimbursed at not more than the cost of the lowest cost coach class airfare based on price at the time the travel is approved, plus all reasonable ground transportation expenses saved by use of a personal automobile will be reimbursed. Any expenses incurred beyond mileage must be explained on the *Staff Business/Travel Expense Report*.

In all states, mileage to the airport will be reimbursed only in excess of the associate's normal daily commute.

### **Ground Transportation to and From Terminals**

Associates traveling together are encouraged to share ground transportation to and from the airport.

### **Rail Travel**

All intercity rail must be booked through the STRS Ohio travel agent.

### **Class of Service — Rail Travel**

Domestic rail travel will be in coach class.

## **PERSONAL/VACATION TRAVEL**

### **Combining Personal With Business Travel**

Personal/vacation travel may be combined with business travel provided there is no additional cost to STRS Ohio. Any and all personal travel combined with business travel will be the sole cost and responsibility of the associate.

### **Personal/Vacation Travel Billing Procedures**

Personal/vacation travel billing should be separated from business travel expenses. Request two separate bills from your hotel, one for your business lodging and another for your personal lodging. When separation is not possible, business expenses and personal expenses should be clearly delineated.

## **TRAVEL INSURANCE**

### **Accidental Death and Dismemberment Insurance While Traveling on STRS Ohio Business**

STRS Ohio provides accidental death and dismemberment insurance while an associate or board member is traveling on STRS Ohio business. This policy provides an additional life insurance benefit of ten times your annual salary with a minimum benefit of \$500,000 and a maximum of \$2 million per person, per accident. There is an aggregate limit of insurance of \$10 million if more than one person suffers a loss in the same accident. Life insurance benefits are reduced for associates and board members over the age of 70. Additional benefits are available for accidental dismemberment as defined in the policy. For questions, contact your travel arranger or the travel coordinator.

### **Additional Travel Insurance Purchased by Travelers**

Expenses for additional travel insurance coverage will **not** be reimbursed by STRS Ohio.

## **MEALS**

### **Personal and Business Meal Expenses**

**Personal meals** are defined as meal expenses incurred by the traveler when dining on an out-of-town business trip or during in-town training.

**Business meals** are meals taken with business clients during which a specific business discussion takes place. Associates will be reimbursed for business meals (not associated with an approved business trip) taken with other STRS Ohio associates only when a business client is present.

## Spending Guidelines

Associates will be reimbursed for actual and reasonable personal or business meal expenses that are accompanied by itemized receipts up to a maximum rate of \$50 exclusive of tax and tips per day, per person in Ohio, and \$60 exclusive of tax and tips per day, per person for all other travel. The amount may be allocated among breakfast, lunch, dinner and snacks. The per diem maximum can be exceeded for international travel or for business meals that expand the workday.

## Gratuities

Reimbursement of tips for meals is authorized for the amount paid, not to exceed 20% of the bill.

## Conference Meals

If meals are provided by the conference as part of the registration fee, the traveler will not be reimbursed for those same meals if purchased elsewhere, unless it is a business meal.

## Documentation and IRS Requirements

An itemized receipt must be submitted with the expense report for any personal meal expense.

In addition, for business meal expenses, the following documentation is required by the IRS and must be recorded on the expense report:

- Names of individuals or firm name;
- Name and location of where the meal or event took place (typically part of receipt); and
- Date and exact amount of the expense.

## Taxation of Meal Reimbursements

According to IRS requirements, cash reimbursements for personal meal expenses must be included in taxable income unless the STRS Ohio associate is traveling away from home overnight. The amount of reimbursement will be included on the associate's W-2 for federal and state income taxes.

Reimbursement for business meals taken with business clients during which a specific business discussion takes place will not be included in taxable income, whether or not in conjunction with an overnight stay.

The STRS Ohio Finance Department will monitor travel expense reports for meal reimbursements that must be included in taxable income. If there are no reimbursable hotel expenses while traveling overnight for business, the associate should attach a statement to the expense report.

# EXPENSE REPORTING

## Timing for Expense Report Completion and Submission

Travelers must file expense reports within 45 days of the conclusion of the trip. Generally, if the expense was incurred during business travel, an approved *Authorization for Travel* form must be attached to the *Staff Business/Travel Expense Report* form.

## Authorization Process

The levels of authority required for approving travel-related expenses are the administrative manager and department's senior staff member or direct report to the executive director. If the traveler is a deputy or reports directly to the executive director, approval by the executive director is required.

## Documentation Requirements

Travelers must submit the following documentation with their expense report:

- Hotel folio with \$0 balance.
- Rental car receipt with \$0 balance.
- Itemized receipts for all meals.
- Itemized receipts for all non-meal expenditures exceeding \$15.
- Travel itinerary issued by Traveline.
- Approved *Authorization for Travel* form.

When a receipt is unavailable, not itemized or lost, an explanation of the expense and the traveler's signature is required, along with the approval of the deputy executive director and/or executive director.

The applicable foreign exchange (currency) documentation to translate international expenditures into U.S. dollars are as follows: (a) credit card statements where applicable; (b) receipts for foreign exchange transactions for cash for other expenditures; or (c) in the absence of these, a Bloomberg or Maximis printout showing the appropriate exchange rate for that day.

### **Reimbursement of Expenses**

Reimbursement for approved expenses will be sent directly to the associate.

### **Travel Report**

Travelers must complete the section titled “Information Gained/Business Conducted/Value of Trip” on the back of the expense report before turning it in to their administrative manager.

### **Incorrect or Incomplete Expense Reports**

Expense reports that are incorrect or incomplete:

- Will be returned to the traveler for corrective action, and
- May result in delay or nonreimbursement of specific items.

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