

FAR WESTERN DISTRICT

ARTICLE X: FINANCES

PROPOSED SECTION 10.4 — TRAVEL AND EXPENSE REIMBURSEMENT

10.4 TRAVEL AND EXPENSE REIMBURSEMENT

Members of the Far Western District Board of Directors (FWD BOD), committee chairmen and committee leaders, officers, and other volunteers who travel or incur expenses in the conduct of authorized District business shall be eligible for reimbursement of actual and necessary expenses in accordance with this Section. Reimbursement shall be limited to expenses directly connected with District operations, conventions, contests, or other authorized activities in furtherance of the District mission.

10.4.1 PURPOSE AND SCOPE

This Section establishes the rules and procedures governing official travel and expense reimbursement by the Far Western District of the Barbershop Harmony Society. The District shall administer reimbursements under this Section in a manner intended to satisfy the requirements of an accountable plan under Internal Revenue Code Section 62(a)(2)(A).

10.4.2 IRS FWD ACCOUNTABLE PLAN (IRS REQUIREMENTS)

To qualify for reimbursement and to remain excludable from the traveler's taxable income, each payment made under this Section shall satisfy all of the following requirements:

- a) BUSINESS CONNECTION. The expense shall be directly related to District operations, conventions, contests, or another authorized District mission activity.
- b) TIMELY SUBSTANTIATION. The traveler shall submit an expense report and the required receipts not later than sixty days after completion of the travel or incurrence of the expense, **unless needed by the Treasurer or President approval.**

10.4.3 GROUND TRANSPORTATION, RENTAL AUTOMOBILES AND FUEL

- a) PERSONAL AUTOMOBILE. When a personal automobile is used for authorized District travel, the District shall reimburse the traveler for actual out-of-pocket fuel costs, together with authorized parking and toll charges. The traveler shall submit itemized receipts from the fuel vendor and receipts or other itemized documentation for parking and toll charges.
- b) RENTAL AUTOMOBILE. When an automobile rental is used for authorized District travel, the District shall reimburse one hundred percent of the rental fee for a compact, mid-size, or standard automobile, together with actual fuel costs. The traveler shall submit the itemized rental agreement or final rental receipt and itemized fuel receipts. **Insurance fees may be included, if appropriate. Taxi service and rideshare services, including Uber and Lyft, used for authorized District travel shall likewise be reimbursed at the actual fare charged, including a reasonable tip. The traveler shall submit the itemized receipt for each such fare.**

c) **VOLUNTEER MILEAGE LIMIT.** The statutory charitable mileage rate applicable to volunteer use of a personal automobile is fourteen cents per mile under Internal Revenue Code Section 170(i). A flat mileage reimbursement above fourteen cents per mile may constitute taxable income to the volunteer and may create information-reporting obligations for the District. Accordingly, reimbursement under this Section shall be based on documented actual fuel expenses rather than a flat mileage rate above the statutory charitable rate.

d) **ACTUAL COST REIMBURSEMENT.** When properly substantiated under this Section, reimbursement of actual out-of-pocket fuel costs and authorized rental automobile costs shall be treated as reimbursement under the District's Accountable Plan and shall be intended to remain excludable from the traveler's taxable income. Use of a rental automobile may also avoid the wear and tear associated with use of a volunteer's personal automobile.

e) **UNREIMBURSED VOLUNTEER TRAVEL.** A volunteer who uses a personal automobile may claim uncompensated mileage or expenses at the statutory rate of fourteen cents per mile as a charitable deduction on Schedule A of the volunteer's personal income tax return, subject to applicable law and the volunteer's individual eligibility.

10.4.4 MEALS AND INCIDENTAL EXPENSES

The District shall reimburse actual, out-of-pocket meal and incidental expenses incurred during authorized overnight travel, subject to the maximum daily allowance for the travel location published on the official United States General Services Administration (GSA) Per Diem Rates website. Reimbursement shall be limited to the actual amount spent each day and shall not exceed the applicable daily cap.

a) **RECEIPTS.** The traveler shall submit an itemized receipt for every meal, regardless of the amount claimed.

b) **LOCATION-SPECIFIC CAP.** The maximum daily meal and incidental expense reimbursement shall be determined from the GSA rate schedule applicable to the destination. The standard Continental United States maximum daily cap shall be up to sixty-eight dollars. The maximum daily cap for a high-cost locality shall be up to ninety-two dollars, depending upon the city or county classification published by the GSA. The District Treasurer shall look up and establish the applicable GSA rate for each District convention. **For example, under the fiscal year 2027 GSA rate schedule, the maximum daily meal and incidental expense cap is eighty-six dollars for Fresno, California, eighty-six dollars for Riverside, California, and eighty-six dollars for Phoenix, Arizona, and eighty dollars for Visalia, California.**

c) **TRAVEL DAYS.** The traveler shall be eligible for reimbursement up to the full location-specific daily GSA cap for each authorized day of travel, including the departure day and the return day.

d) **ALCOHOL WITH A MEAL.** An alcoholic beverage consumed with a meal shall be eligible for reimbursement, provided that the total meal and incidental expense claim for that day does not exceed the applicable location-specific daily GSA cap.

10.4.5 LODGING

Lodging for authorized District travel shall be booked at a standard, non-luxury room rate that is aligned with the applicable GSA recommended lodging rate or with an official District convention room-block rate. The traveler shall submit an itemized lodging statement or hotel folio as required by Section 10.4.6. A traveler may elect lodging above the standard rate, provided that the traveler shall bear any cost in excess of the reimbursable rate.

10.4.6 DOCUMENTATION AND APPROVAL

a) **EXPENSE REPORT.** A traveler seeking reimbursement shall submit a completed expense report identifying the District business purpose, travel dates, destination, and each expense claimed. The report and required supporting documentation shall be submitted within the sixty-day period as stated in Section 10.4.2.b.

b) **ITEMIZED RECEIPTS.** An itemized receipt shall be required for each expense. Rental automobile, fuel, parking, toll, and lodging documentation shall be provided as required by this Section.

c) **GENERAL APPROVAL.** All expense reimbursements submitted by volunteers, officers, committee leaders, committee chairmen, and other District officials shall be reviewed and approved by the District President.

d) **PRESIDENT'S TRAVEL.** Travel expenses incurred by the District President shall be reviewed and approved by the District Treasurer.

10.4.7 OFFICE AND ADMINISTRATIVE EXPENSES

District officers, committee chairmen, and other persons authorized to incur office or administrative expenses in the conduct of District business shall be eligible for reimbursement of the actual and necessary expenses described in this subsection, subject to the documentation and approval requirements of Section 10.4.6.

a) **COMMUNICATION, MAILING AND REPRODUCTION.** The District shall reimburse authorized postage, mailing, telephone, photocopy, and facsimile charges incurred in the conduct of District business.

b) **FORMS, STATIONERY AND SUPPLIES.** District and officer report forms, expense vouchers, stationery, and other supplies available from the District office shall be obtained through the District Secretary.

c) **DISTRICT OFFICER BUSINESS CARDS.** The District shall provide or reimburse the reasonable cost of personalized business cards for District officers when required for the conduct of District business.

d) SOCIETY STATIONERY. Standard Society stationery shall be available for use by District officers and committee chairmen. Any personalization of such stationery shall be made at the individual's own expense.

10.4.8 AIR TRAVEL

a) AUTHORIZATION THRESHOLD. Air travel shall be authorized when the one-way distance to the authorized destination exceeds three hundred (300) miles, or when the cost of airfare is less than the reimbursable cost of ground transportation. Air travel for a shorter distance requires the prior written approval of the District President.

b) CLASS OF SERVICE. All air travel reimbursed under this Section shall be booked at the lowest available economy or coach-class fare offering reasonable routing and scheduling. A business or first-class fare shall not be reimbursed without the prior written approval of the District President.

c) ADVANCE PURCHASE. The traveler shall book airfare as far in advance as practicable, and not less than twenty-one (21) days prior to departure when the travel dates are known, in order to secure the lowest available fare.

d) BAGGAGE AND ANCILLARY FEES. One (1) checked bag per traveler shall be reimbursable. Fees for additional checked bags, seat upgrades, priority boarding, and in-flight amenities shall not be reimbursed unless approved in advance.

e) CHANGES AND CANCELLATIONS. Ticket change or cancellation fees shall be reimbursed only when the change results from District business requirements or circumstances beyond the traveler's control.

f) SUBSTANTIATION AND LOYALTY BENEFITS. The traveler shall submit the airline itinerary and proof of payment with the expense report. Frequent flyer miles or other loyalty benefits earned on District-reimbursed travel shall accrue to the traveler.

SUBMITTED BY

Adam Kaufman

PRESENTATION

District Board Meeting — October 7, 2026
— Honolulu, Hawaii

STATUS

Proposed amendment for Board
consideration