

**HENNEPIN HEALTHCARE RESEARCH INSTITUTE (HHRI)  
NON-PAYROLL BUSINESS EXPENSE GUIDELINES**

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## Section 1 History

	<u>Effective Date</u>	<u>Revision Date(s)</u>
<b>1.00 Procurement Policy:</b>	December 31, 1994	
Purchase order required for purchases greater than \$2,500 (Note exceptions Sec. 2.10)		May 1, 2004
Sole source Justification Checklist		February 1, 2009
<b>1.05 Business Expenses:</b>	May 1, 2004	
Contributions(Chief authorization) (Sec. 3.23 & 3.24)		December 1, 2006
Employee Transportation/Moving Expenses (Sec. 3.32)		September 1, 2008
<b>1.10 Business Travel:</b>	October 1, 1999	
Alcohol policy changed(Sec. 4.23)		August 1, 2001
Saturday Night (Extended Stay-Sec. 4.24)		October 21, 2003
<b>1.15 Supplies, Equipment &amp; Furnishings:</b>	May 1, 2004	
(Sec. 5)		
<b>1.20 HHS Business Expense Policy Changes:</b>	March 4, 2013	March 8, 2013
	December 31, 2018- (Name Change)	December 31, 2018 - (Name Change)
<b>1.25 Updated micro-purchase, small purchase, and Simplified Acquisition Levels</b>	January 1, 2021	

## Section 2 Procurement Policy

### 2.00 Summary/Purpose

To provide a uniform and consistent policy for purchasing supplies, commodities, and services while complying with Office of Management and Budget's (OMB) Uniform Guidance at 2 CFR 200 and other Federal Award compliance regulations including Federal Acquisition Regulation (FAR) based contracts when applicable.

### Policy

2.01 It is the intent of the Hennepin Healthcare Research Institute (HHRI) to purchase, in the most efficient and cost-effective manner possible, those goods and services necessary to conduct and support its research activities. The policy and procedures are based on the following general provisions:

- A. Purchasing and budget control for each fund remains the responsibility of the Principal Investigator (PI), with oversight from Accounting/Finance and Grants Administration departments including the Vice President/COO and CFO.
- B. Operatives at every level making purchasing decisions shall attempt to identify and request products made in America.
- C. Individual PIs, their designees, and/or their department shall determine their process for implementation of the policy and procedures, within the guidelines described in this document.
- D. Personnel procuring goods and/or services with HHRI funds will assist in ensuring that goods and services which are ordered are received and necessary, and that no duplicate payments are made.
- E. Proposed purchasing actions will be reviewed and approved administratively, to avoid purchases of unnecessary or duplicate items.
- F. Purchasing procedures will not restrict or eliminate competition. Examples of restrictive practices include: 1) unreasonable requirements on potential bidders' firms in order for them to qualify for the contract award; 2) noncompetitive practices between bidders; 3) organizational conflicts of interest; and 4) unnecessary experience and bonding requirements.
- G. Technical requirements for the material, product or service to be purchased will be clearly and accurately described. The description will not contain features that unduly restrict competition.
- H. Contracts will be awarded only to responsible contractors that possess the potential to perform successfully under the terms and conditions of the proposed purchase. Consideration will be given to contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- I. Records sufficient to detail the history of purchasing transactions will be maintained for twenty years.
- J. Multi-year contracts will not:
  - 1. be entered into noncompetitively;
  - 2. be automatically renewed on a year-to-year basis without a specified date of termination.

- K. Where appropriate, the CFO will perform an analysis of lease and purchase alternatives to determine which would be the most economical, practical procurement. Such analysis will be documented and retained for a minimum of three years. All lease contracts must be submitted to the Vice President/COO for final approval and signature.
- L. A system for contract administration will be maintained to ensure contractors conform to terms, conditions and specifications of the contract, and to ensure adequate and timely follow-up of all purchases. The provisions listed below will be included in all contracts:
1. All contracts in excess of \$10,000 will contain provisions or conditions that allow for remedies in cases where contractors violate or breach terms.
  2. All contracts in excess of \$10,000 will contain suitable provisions for termination by HHRI and will describe conditions under which the contract may be terminated for default, as well as circumstances beyond the control of the contractor.
  3. All contracts for construction or facility improvement in excess of \$100,000 shall contain suitable provisions for bonding by the contractor.
  4. All contracts in excess of \$10,000 shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Opportunity Employment," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (29 CFR, Part 60).
  5. All contracts in excess of \$2,000 shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 USC 874) as supplemented in DOL regulations (29 CFR, Part 3). This Act provides that a contractor shall be prohibited from inducing any person to give up any part of the compensation to which he is otherwise entitled.
  6. All construction contracts in excess of \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) and as supplemented by DOL regulations (29 CFR, Part 5), that requires contractors to abide by the federal minimum wage laws and regulations.
  7. All contracts in excess of \$2,000 that involve the employment of mechanics or laborers, shall include a provision for compliance with the Contract Work Hours and Safety Standards Act. Wages for mechanics and laborers are to be computed on the basis of a standard workday of 8 hours, and a standard workweek of 40 hours. Work in excess of the standard work day or week is permissible provided that the worker is paid not less than 1 1/2 times the basic rate of pay for all hours in excess of 8 hours in any calendar day, or 40 hours in the work week. In addition, persons shall not be required to work in surroundings or under conditions that are unsanitary, hazardous, or dangerous to health and safety. These requirements do not apply to contracts for the purchase of supplies or materials, articles available on the open market, or contracts for transportation or transmission of data.
  8. All contracts in excess of \$10,000 shall include a provision that HHRI, the federal sponsoring agency, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of the contractor which are pertinent to the contract, for the purpose of making audits, examinations, excerpts and transcriptions.

9. Contracts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970, (42 USC 1857 et seq.) and the Federal Water Pollution Control Act (33 USC 1251 et seq.) as amended. Violations shall be reported to the federal sponsoring agency and the regional office of the Environmental Protection Agency.

## **2.05 Applicable Forms**

- Purchase request
- Check request
- HHRI Competitive Pricing Checklist  
*Required for purchases and check requests for \$10,000 or more*
- HHRI Sole Source Justification Checklist  
*Required for Sole Source purchases and check requests for \$10,000 or more*

## **2.10 No Purchase Order Required**

- A. On occasion, minor commodity purchases may be required immediately, from a source other than an established vendor, or from a vendor that does not accept an institutional purchase order. These items may be bought and documentation submitted for reimbursement in accordance with Section 3.01.  
NOTE: Item(s) must not be covered under an existing contract.
- B. Purchase orders are not required for business travel reimbursements (Section 4.00), expense reimbursements or invoices under \$10,000, and other items such as contract service payments, utility bills, subscriptions (Section 3.15), professional membership dues (Section 3.10), local mileage (Section 3.12), honorariums (Section 3.19), independent contractors (Section 3.20), local business conference expenses (Section 3.28), business meetings (Section 3.29), patient participation payments (Section 3.30), and subcontract payments (Section 3.31).
- C. Procedure
  1. Determine that an unusual situation preempts the normal procurement cycle and the use of a purchase order, that the item(s) required are not covered under an existing contract, and is not included in the list of exceptions in "B" above.
  2. Order the item or pick it up from the vendor. The EMPLOYEE must PAY FOR THE ITEM and request subsequent reimbursement. Vendors MAY NOT BILL HHRI for a transaction where no purchase order was obtained in advance.
  3. Prepare a Check Request form to reimburse the employee from the appropriate source of funds. Obtain necessary approvals, and forward to the Office of Grants and Contracts. Attach supporting documentation as outlined in Section 3.01.

## 2.15 Purchase Order Required

Purchase orders are required for all items not listed in section 2.10.

### A. Procedure

1. Ensure that specifications and descriptions are accurate, complete, and pertinent.
2. Complete the Purchase Request form as instructed, and route to the Purchasing Department.

## 2.20 Guidelines for Obtaining Quotations/Bids

These guidelines establishes uniform monetary thresholds on acquisitions that shall or may be entered into by HHRI on the basis of competitive bids, quotations, or purchase in the open market. Any deviations should be clearly explained in writing.

*NOTE: When permission is sought to use a "sole-source" vendor, the HHRI Sole Source Justification Checklist must be completed.*

Dollar Amount	Requirements
Over \$124,999	Requests for competitive bids are solicited and posted once, at least ten (10) days prior to the bid closing date. Purchasing will obtain three competitive written bids and will retain for 20 years. Vendors will be invited to submit a sealed bid. Vendors may be allowed to submit a phone or fax bid and then confirm it in writing. These bids will be publicly available to any interested parties.
\$25,000 - \$124,999	At least three documented quotations on specifications outlined are needed.
\$10,000 - \$24,999	Price or rate quotes must be obtained using the HHRI competitive pricing checklist <b>OR</b> sole source justification checklist and documented with every procurement action.
\$0 - \$9,999	Exempt, however when practical, distribute purchases equitably among qualified vendors.

### A. Bid Requirements

Competitive bidding must be used when the cost of a contract or acquisition is estimated to exceed \$124,999. Requests for competitive bids are required to be published once, at least ten (10) days before the last day for submission of bids. Either specifications on the equipment, or a memo listing where they can be found, shall be on file in the Purchasing Department. Copies of the specifications will be furnished on request to any prospective bidder. Bids shall be directed to the Purchasing Department, securely sealed and endorsed upon the outside wrapper with a brief statement describing the property on which the bid is being submitted. HHRI reserves the right to reject any and all bids.

### B. Quotation Requirements

Competitive quotations for the purchase or rental of supplies or materials must be used when the amount of a contract or purchase is estimated to be more than \$24,999 but less than \$125,000. At least three quotations must be received on specifications prepared by the individual departments. As long as three or more quotations are received, HHRI is not required



to advertise for bids or otherwise comply with the requirements of competitive bidding. Quotations received shall be kept on file for twenty years. HHRI reserves the right to reject any and all quotations. All proposals and specifications must be so written as to permit free and full competition and must be sufficiently definite and precise to afford a basis for comparable bids. Procurement decisions will be based on cost, quality, and the ability to perform. The basis for such decisions will be documented and retained for twenty years.

- C. Any program that receives federal funding as part of its revenue, must comply with the sponsoring agency's policies for all proposed sole source contracts, or where only one bid or proposal is received in which the aggregate is expected to exceed \$9,999.

## **2.25 Code of Conduct**

- A. This policy shall be in accordance with the HHRI Conflict of Interest Policy.

## **2.30 Affirmative Action**

Affirmative steps shall be taken to assure that small and minority businesses are utilized when possible as sources for materials and services. Such affirmative steps include the following:

1. Include qualified small and minority businesses on solicitation lists.
2. Assure that women-owned businesses are solicited whenever they are potential sources.
3. When economically feasible, divide total procurement requirements into smaller tasks or quantities to permit maximum participation of small, minority, and women-owned businesses.
4. Where possible, establish delivery schedules that encourage participation by small and minority businesses, including those owned primarily by women.
5. If any subcontracts are used, require the prime contractor to take the affirmative steps listed above.
6. Where appropriate, use the services and assistance of the Small Business Administration and the Office of Small and Disadvantaged Business Utilization of the Department of Commerce.

## **2.35 Related Policies**

- A. HHRI Conflict of Interest Policy
- B. HHRI Fixed Asset Policies
- C. HHRI Guidelines for Capitalization of Equipment and Leasehold Improvements
- D. Procedures for ordering radioactive materials under the HCMC Nuclear Regulatory Commission license

## Section 3 Business Expenses

### 3.00 Intent

The purpose of these guidelines is to facilitate payment of non-payroll business expenses while maintaining the controls necessary for accountability.

Every attempt has been made to establish fair and reasonable expense limitations. These will be reviewed and adjusted periodically.

In general, sponsored programs are more restrictive regarding the use of funds than is the HHRI. Likewise, program and administrative units may have limited resources, and therefore find it necessary to place more stringent controls on allowable expenses. It is the responsibility of HHRI employees or its' agents to be aware of any such limitations. In addition, those involved in charging costs to HHRI sponsored accounts must understand and comply with the applicable sponsoring agency policies and regulations and ensure that costs are allocated to accounts in a manner that is an accurate reflection of the expenses incurred.

At a minimum, HHRI non-payroll expenses must be in accordance with IRS tax code that describes such expenses as *ordinary and necessary* expenses incurred in carrying on a trade or business. **For the expenses addressed by these guidelines, an essential requirement of all expenditures is establishing and substantiating the business relationship to HHRI's mission.**

Since it is impractical to make a list of all transactions that are reimbursable, the following are general guidelines for non-payroll expense reimbursement. If you anticipate an expenditure that is not included, or if you have questions of interpretation, the HHRI accounting staff is available to assist you.

### 3.01 Documentation

In general, documentary evidence ordinarily will be considered adequate if it shows the amount, date, place, and essential character of the expense. *Please refer to the specific requirements noted for selected items of costs.*

Receipts must be itemized original vendor receipts rather than the less detailed charge card transaction slips. A canceled check, together with a bill from the payee, ordinarily establishes the cost. However, a canceled check by itself does not prove a business expense without other evidence to show that it was for a business purpose..

In addition to adequate documentary evidence it is necessary to establish the business purpose of the expenditure.

To comply with the IRS requirements for an accountable plan, expenses must adequately be accounted for within a reasonable period. The IRS defines a “reasonable period of time” to be within 60 days of the date the expense was incurred:

**SUBMISSION DEADLINES**

<b>EXPENDITURES</b>	<b>60 DAYS FROM</b>
Purchased items e.g. books, business meals, etc.	Date paid
Conferences	Last Date attended
Travel-related	Date returned
Tests and certifications	Notice of passing/completion
Mileage/parking	Date incurred

**3.02 Expenditures Requiring Prior Approval**

The following expenditures require prior approval from HHRI Administration:

- Lease and rental contracts, (Section 3.17 & 3.34).
- Independent Contractor agreements, (Section 3.20).
- Contributions to HHF (Section 3.25)
- Patient Participation Payments, (Section 3.30).
- Subcontract Payments, (Section 3.31).

**3.03 Contractual Authority**

In accordance with HHRI’s Bylaws and Board resolutions, the following individuals may execute contracts and other instruments in writing for the business of the HHRI; 1) President, 2) Vice President and 3) Vice President of Operations/Chief Operating Officer.

*Note: This does not apply to purchase orders and maintenance contracts that are authorized by HHS Supply Chain in accordance with HHRI’s Procurement policy.*

**3.04 Forms Required**

- Purchase request
- Check request
- HHRI Competitive Pricing Checklist  
*Required for purchases and check requests for \$10,000 or more*
- HHRI Sole Source Justification Checklist  
*Required for Sole Source purchases and check requests for \$10,000 or more*

**3.09 Selected Items of Cost**

The documentation described for the following cost items is required regardless of the funding source. Expenditures on sponsored accounts (grants and contracts) must be in accordance with the relative benefit to the sponsored project and are subject to contractual obligations and restrictions imposed by the funding agency or organization.

### 3.10 **Professional Membership Dues**

Membership dues to professional medical organizations that are formally registered as trade organizations are allowable. Any portion of a professional organization's dues related to supporting lobbying activities is not an allowable business expense. The lobbying portion of membership dues will be the responsibility of the physician.

(Examples include: American Medical Association, Minnesota Medical Association, American Academy of Family Physicians).

### 3.11 **Clubs and Associations**

**Membership dues of associations and clubs, which are social in nature, are not allowable.**

### 3.12 **Local Mileage**

Mileage reimbursement for use of a personal car for business activity is allowable. Eligible mileage is reimbursed at the government then-current rate for personal auto use for the number of miles over the typical commute to your work site. Mileage from your place of residence to and from your work location is not eligible.

**Documentation:** For each trip the following information is needed; dates, locations between which travel occurred, business purpose, and number of miles traveled.  
(See Mileage Reimbursement Form at: <https://www.hhrinstitute.org/researcher-resources/forms-policies/>)

### 3.14 **Computer Software**

Computer software that is used for research activities or education is an allowable expense. Expenses to join networks for access to medical libraries and research data banks are also allowable. Software must be approved and purchased through HHRI's IT and Purchasing Departments.

### 3.15 **Subscriptions**

Subscriptions to medical and scientific journals and reference materials are allowable. Subscriptions to non-medical journals, periodicals and magazines are not allowable if for personal use. Such subscriptions may be purchased for clinic or hospital waiting rooms provided they are **addressed directly to those locations'** and are only for research patient use.

### 3.16 **Books**

Medical books and journals are an allowable expense. This includes books to be placed in reference libraries for use by residents.

### 3.17 **Equipment Rental**

Costs incurred to rent equipment used in the conduct of research or education activities are allowable expenses. If a rental agreement is required, the agreement **must** be completed and signed by an authorized individual in accordance with Section 3.03.

**Documentation:** -Pay vendor-attach a completed HHRI Purchase Requisition and a copy of the rental agreement.

### **3.18 Mobile Phone Charges**

**Mobile Phone Charges** – It is established that wireless telephones are critical to certain HHRI personnel communicating with doctors, staff, and patients. Wireless phone carriers offer numerous plans and these varied plan structures complicate the process of allocating charges between business and personal usage. To simplify substantiating business eligibility, monthly plan charges up to \$50 will be reimbursable in full without designating between business and personal usage. Cell phone contracts are the responsibility of the individual. HHRI should not be named in the contract.

HHRI issued phones and related devices are the property of HHRI and need to be returned when an employee leaves the Organization.

**Documentation:** Attach completed HHRI Check Request and complete wireless/data plan invoice and cancelled check, credit card statement, or cash receipt supporting your payment.

### **3.19 Honorariums**

Honorariums paid to non-HHRI/HHS professional personnel for their participation in educational or research presentations are allowable expenses. Such services must be intermittent and not routine in nature and be in accordance with Section 3.20.

To be eligible for payment, a completed W-9 form (obtainable from HHRI Systems Accounting) must be furnished by each party to whom payments are made in order that IRS 1099 Miscellaneous Income reporting requirements can be met.

**Documentation:** Pay vendor of service, directly attach a completed HHRI Check Request form and a signed W-9 form and include the program announcement flyer, date, topic, and duration of the presentation.

### 3.20 Independent Contractors

Direct payment for business related services is allowable where such services are obtained from persons in business for themselves. It is important to **first** establish whether or not an individual is an **Employee** or an **Independent Contractor**. If unsure whether an individual should be classified as an Employee or Independent Contractor, contact the HHRI Accounting Department. In order for an Independent Contractor to be eligible for payment, a completed Independent Contractor form (obtainable at: <https://www.hhrinstitute.org/researcher-resources/forms-policies/>) must be furnished by each party to whom payments are made in order that IRS 1099 Miscellaneous Income reporting requirements can be met.

**Payments to individuals that are determined to be employees are subject to HHRI's payroll policies and procedures (see HHRI's Human Resources Policy and Procedure Manual).**

**Documentation:- Pay vendor of service directly-**attach a completed HHRI Check Request form and an invoice from the Independent Contractor that at a minimum details a brief description of services provided, the rate of pay, the basis of payment (per hour, per task, etc.) and a completed, signed Independent Contractor form and Questionnaire.

### 3.21 HHS Graduating Resident Awards

Awards to graduating residents are limited to tangible personal property of \$100 or less.

To be eligible for payment, a completed W-9 form (obtainable from HHRI Systems Accounting) must be furnished by each party to whom the awards are made in order that IRS 1099 Miscellaneous Income reporting requirements can be met.

**Documentation: -Pay vendor-**attach completed HHRI Check Request or Purchase Requisition, vendor invoice and a signed W-9 form(s).  
**-Reimburse HHRI employee or agent-**attach completed HHRI Check Request, a signed W-9 form(s), vendor invoice and cancelled check, credit card statement, or cash receipt supporting your payment.

### 3.22 Business Gifts

Individual gifts given for business related purposes are eligible for reimbursement on a limited basis. Please contact the HHRI CFO to determine eligibility.

Gifts to individuals employed by HHRI and HHS are not allowable (See exception in section 3.21 for HCMC resident recognition award).

**Documentation:** -**Pay vendor**-attach completed HHRI Check Request and sales invoice, list full name of recipients, employer, and business relationship.  
-**Reimburse HHRI employee or agent**-attach completed HHRI Check Request and sales invoice, list recipients, employer, and business relationship and cancelled check, credit card statement, or cash receipt supporting payment.

### 3.23 Charitable Contributions

Charitable contributions to external Organizations (excluding HHS and HHF) are not allowed.

### 3.25 Contributions to HHF

Transfer of HHRI funds to HHF are limited to available **Unrestricted** funds (funds with no donor restrictions) under the direction of an Investigator or Administration AND require approval of both HHF and HHRI Administration (V.P. of Operations and CFO). Transfers in excess of \$1,000 require approval from HHRI's Operations Committee.

A typical example of when Unrestricted HHRI funds can be transferred to HHF is in support of an HHF fundraising event. The business purpose of each attendee must be documented. Typical examples of purposes related to HHRI's business include; 1) A viable potential donor, 2) volunteers, 3) auction bidders and 4) individuals required to attend the event because of the event's purpose or emphasis, e.g. Department representatives, Administration representatives, etc.

**Documentation:** Attach completed HHRI check request. Identify the individuals attending the HHF event, and explain the business purpose, (see above) for each person attending. If the transfer is not for an event, provide other supporting documentation that would meet HHRI's expenditure policy.

### 3.26 Team Events

Generally, costs for team celebrations events, holiday parties, annual appreciation and recognition events are **NOT** allowed, unless part of an organizationally sanctioned function approved by the HHS Executive Leadership Team (ELT).

### 3.27 Business Entertainment

Reimbursement of entertainment expense is not allowed.

### 3.28 Local Business Conference Expenses

Registration, parking, and mileage expenses incurred while attending a local business conference are allowable business expenses. Mileage is reimbursed at the government then-current rate for personal auto use for the number of miles over the typical commute to your work site. Meal expenses incurred while attending a local business conference are not an allowable business expense, as the IRS requires overnight travel away from home for these expenses to qualify.

### 3.29 Business Meetings

The costs of business meeting expenses are typically allowable (see exception below).

**Note: Use of local restaurants or off-campus meeting rooms including the cost of food, is not allowed unless capacity exceeds on-campus availability (see Section 3.35).**

**Catering for on-campus meetings must to be purchased through the Cafeteria HHS Nutrition Services catering and payment for outside vendors is not allowed unless approved by HHS Nutrition Services (for example, where their capacity cannot support the need or they are refusing service).**

Adequate record keeping of business meeting expenses is required by the IRS. Please provide documentation of the following items:

1. The amount of the expense. Coverage is not allowed for approximations or estimates, or for expenses that are lavish or extravagant.
2. The date the business meeting took place.
3. The name and address or location of the business meeting.
4. The reason for the business meeting and the nature of the business discussion or activity that took place.
5. The occupation or other information about the person or persons attending, including name, title or other designation sufficient to establish the business relationship to HHRI.

These requirements can be summarized by the popular rule of thumb - who, when, where, why, and how much.

You must divide your meeting expenses between business and non-business. Only the business part is an eligible expense. If you are unable to establish the portion attributable to each person, you should allocate the amount on a per capita basis. For example, if there were a group of individuals, three business-related guests and seven social guests, four-elevenths of the expense would be allowable.

#### Expenses for spouses

The general rule is that the cost of expenses for your spouse or for the spouse of a business contact does not qualify as a business expense. However, there are certain situations where the expenses of the spouses qualify as a business expense provided you could show that you had a clear business purpose rather than a personal or social



purpose for providing the entertainment.

An example of this would be where you attend a business meeting with an individual from a foreign country with whom you are attempting to establish channels of exchange of research information. The individual's spouse joins you because it is impractical to entertain the individual without the spouse. The cost of entertaining the individual's spouse qualifies as an ordinary and necessary business expense. Furthermore, if your spouse joins the business meeting because the individual's spouse is present, the cost of the entertainment for your spouse is also an ordinary and necessary business expense.

Another example would be when recruiting to fill a vacancy at HHRI and entertaining an out-of- state candidate for a position. Since an employment decision of this type involves the candidate's family, it would be inappropriate to entertain the candidate and not have the spouse accompany the candidate. Again, the cost of entertaining the candidate's spouse is an allowable expense, and if your spouse accompanies you because the other spouse is present, then the entertainment costs of your spouse are allowable.

#### Reciprocal entertaining

The IRS has a special caveat regarding reciprocal entertaining. Expenses are not allowable when a group of business acquaintances take turns picking up each other's entertainment checks without regard to whether any business purposes are served.

### **3.30 Patient Participation Payments**

Check payments, tangible items, gift cards and/or cash given to patients who participate in HHRI research projects require **prior approval** by HHRI's Institutional Review Board (IRB). In addition, to be eligible for payment, it is necessary to acquire each patient's name, address and signature for payments received. If an individual payment is over \$75, the patient's social security number and a completed check request form is required to be filled out and sent to HHRI's accounting department. The patient will receive a check from HHRI accounts payable within two weeks of receiving the check request form. If the project manager/investigator expects an individual patient to receive multiple cash and/or gift card payments in excess of the IRS 1099 limit in any given calendar year, it is the project manager/investigator's responsibility to obtain a social security number from the patient even though the individual payments are less than \$75. If the project manager/investigator elects to pay patients with a check through HHRI's Accounts Payable Department, a check request form including social security number is required even if the check is under \$75. Individual patient payments under \$75 using cash or gift cards do not require a social security number

### **3.31 Subcontractor Payments**

Before payments to subcontractors can be processed and approved, an inter-institutional agreement including appropriate sponsor terms and conditions, a detailed work scope and a budget must be in place with the organization for which payment is being requested. To initiate such an agreement you **must** contact an HHRI Grants and Contracts Administrator.

### 3.32 **Employee Moving and Relocation Expenses**

Administration of employee moving and relocation expense reimbursement is processed through the HHRI Human Resources department. Please send check requests for these expenses to the HHRI Human Resource department.

### 3.33 **Other Allowable Business Expenses**

The previous expense items listed in this section each discuss a particular expenditure and explain its eligibility as a business expense. There are a variety of other expenditures that can also qualify as business expense provided they meet the guidelines set forth in Sections 3.00-3.09.

### 3.34 **Rental of Non-local Meeting Space**

Costs associated with renting or securing a separate meeting room at a conference location outside of the Twin Cities metro area for business purposes are reimbursable. If a rental agreement is required, the agreement **must** be completed and signed by an authorized individual in accordance with Section 3.03.

**Documentation:** -**Pay vendor**-attach a completed HHRI Purchase Requisition and a copy of the rental agreement.

### 3.35 **Rental/Use of Local Offsite Meeting Rooms**

Expenses for offsite meeting rooms are reimbursable only if the capacity exceeds on-campus availability or for a clearly documented business need. If a rental agreement is required, the agreement **must** be completed and signed by an authorized individual in accordance with Section 3.03.

**Documentation:** -**Pay vendor**-attach a completed HHRI Purchase Requisition and a copy of the rental agreement.

### 3.36 **Alcohol**

Reimbursement for alcohol is generally prohibited in both public service and in healthcare environments. Nevertheless, HHS will reimburse in those rare events in which it can be based on a documented business purpose. Examples are HHS and Hennepin Health Foundation (HHF) Board events, for recruitment of key positions, Continuing Medical Education events, and HHF donor acquisition and retention. Reimbursement requires Executive Leadership Team (ELT) approval. Board-designee approval is required for the CEO.

**3.37 Office Supplies**

Office supplies and materials need to be sourced through the HHS Supply Chain process and are not allowed unless approved by Supply Chain. Contact HHRI Purchasing Department to order office supplies.

**3.38 Medical Equipment**

Medical equipment must be purchased through HHS Supply Chain and cleared by the Bio-Electronics Department to ensure it is consistent with the equipment currently being used by HHS. This is to ensure uniformity (avoid confusion with the users) and that the equipment can be supported. These expenses will not be reimbursed. Contact HHRI Purchasing Department to purchase medical equipment.

**HHRI Competitive Pricing Checklist**

**This checklist must be completed for all purchase requests valued at \$10,000 and above. If you are seeking authorization to make a “sole source” purchase, stop here and complete an “HHRI Sole Source Justification Checklist” instead of this Competitive Pricing Checklist. All other purchase requests between \$25,000 and \$124,999 must be supported by three written competitive quotations. Purchases over \$124,999 must be handled under a competitive bidding process managed by the purchasing department. Send one email containing the PO Requisition form, this checklist, and three written quotations (if applicable) to [PORequisitions@hhrinstitute.org](mailto:PORequisitions@hhrinstitute.org) for processing. Contact HHRI Purchasing at 612-873-6598 for assistance as needed.**

**NOTE: COMPETITIVE QUOTATION PRICING IS CONFIDENTIAL AND HHRI POLICY PROHIBITS DISCLOSURE TO THE OTHER VENDORS.**

1. Briefly describe the item(s) to be purchased:
  
  
  
  
  
  
  
  
  
  
2. Which vendors (three minimum) did you shop?
  
  
  
  
  
  
  
  
  
  
3. Is the selected product made in America? If not, have you made a reasonable effort to locate domestic products which can meet your specifications?
  
  
  
  
  
  
  
  
  
  
4. The vendor/source you have selected for this purchase and why? (In the case of written competitive quotes, the order goes to the lowest bidder.)

**Signature of P.I.:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**HHRI Purchasing:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**HHRI Administration:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## HHRI Sole Source Justification Checklist

### **PURPOSE:**

Procurement Regulations, in accordance with HHRI policy, require that material, equipment, supplies and services be procured via competitive means. However, HHRI may elect to waive the competitive process and approve sole source procurement in certain instances, provided the requester can adequately justify its use.

HHRI's decision on the reasonability of sole source procurement will be based on the requester's investigation, evaluation and documentation of alternate sources of supply and documentation that rejection of similar products is based solely on their failure to meet specific and necessary specifications. In cases where an alternate supplier for a similar product cannot be identified, the requester must document that a good faith effort has been made to seek other sources.

A list of the unique technical specifications required of the product and the potential companies contacted in the search for alternate sources is also necessary.

The decision whether the HHRI can employ sole source contractors will be made by HHS Materials Management and the HHRI Chief Operating Officer upon review of materials provided by the requesting department.

### **INSTRUCTIONS:**

The attached form with one or more categories completed must be forwarded to Purchasing when sole source approval is requested for services, equipment and supplies equal to or exceeding **\$10,000**.

Purchases from funding agency approved sub/contract vendors (i.e. Contracts for Key Personnel at collaborating institutions or other named collaborators or vendors) are exempted from sole source justification and bidding (evaluation of those contractors will be made during the proposal preparation process).

Please complete all categories and sections that apply.  
Provide full explanation, complete descriptions, and/or list all relevant reasons where space has been provided. Sole Source Justification forms lacking sufficient detail cannot be approved.

Sign and date the form.  
Improperly completed or unsigned forms may be returned.

## Sole Source Request Form

Date: \_\_\_\_\_

From: \_\_\_\_\_

\_\_\_\_\_  
PI Signature (or designee)

HHRI Account #: \_\_\_\_\_

Estimated Price: \_\_\_\_\_

Proposed Vendor: \_\_\_\_\_

Product Description: \_\_\_\_\_

### STATEMENT:

I am aware that HHRI purchasing regulations require that we procure all materials, equipment, and supplies via competitive means when a purchase equals or exceeds **\$10,000**. However, I am requesting sole source procurement based on the following criteria (choose from options I-IV as applicable below, attach additional sheets as necessary):

#### I. **Compatibility**

The requested product is an integral repair part or accessory compatible with existing equipment.

A. Existing equipment: \_\_\_\_\_

Manufacturer/Model Number: \_\_\_\_\_

Age/Current Value: \_\_\_\_\_

B. Requested Equipment/Accessory/Part: \_\_\_\_\_

Manufacturer/Model Number: \_\_\_\_\_

Explain relationship between current equipment and requested equipment:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**\_\_\_II. Continuity**

The requested product or service is essential in maintaining experimental or administrative continuity, as described below.

Explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**\_\_\_III. Uniqueness**

The requested product or service has unique design/performance specifications which are essential to my research protocol or other needs and are not available in comparable products or services.

These capabilities are: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**\_\_\_IV. Other**

Please consider sole source approval for this reason(s) (e.g., trade-in allowance; availability of service, parts, and maintenance; product is a prototype; responsibility for integrated system performance will be voided if other vendors are introduced, etc.): Attach any and all documentation supporting this request.

Explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**\_\_\_V. Named Vendor in Agency Award**

\_\_\_\_\_  
HCMC Materials Management Approval  
(Purchase Orders Approval - Sally Gill/Purchasing  
Check Request Approval - Mark Willmert, HHRI CFO)

\_\_\_\_\_  
HHRI Administration Approval

---

# HHRI INDEPENDENT CONTRACTOR QUESTIONNAIRE

NAME OF CONTRACTOR: \_\_\_\_\_

1. Is the Contractor currently an employee of HHS or HHRI?
2. Does the HHRI or HCMC provide equipment, supplies, or facility to accomplish the tasks being performed by the Contractor?

If yes, what are they?

3. Where is requested work performed?
4. Does the contractor perform similar services to a multiple of unrelated persons or business simultaneously?
5. Does contractor make similar services available to the general public on a regular and consistent basis?
6. Can the contractor be fired even if they produce the results that meet the contractual specifications? **(Note: Typically an Independent Contractor cannot be fired if they are meeting contractual obligations.)**

SIGNED: \_\_\_\_\_

This form must be completed and signed by the HHRI employee requesting Independent Contractor services. Note: All Independent Contract agreements are subject to the procurement policy stated in HHRI's Non-Payroll Business Expense Guidelines (Section 2). Please note Sectino 2.20 for guidelines for obtaining Quotations/Bids greater than \$9,999.

\_\_\_\_\_: HHRI CFO Approval to Proceed with IC



## Section 4 Business Travel

### GENERAL:

#### **4.00 INTENT OF HHRI TRAVEL POLICIES AND PROCEDURES**

The intent of HHRI's travel policies and procedures is to ensure that an individual traveling on HHRI business should neither gain nor lose personal funds as result of that travel.

The purpose of these policies and procedures is to facilitate HHRI travel while maintaining the controls necessary for accountability.

Every attempt has been made to establish fair and reasonable expense limitations. These will be reviewed and adjusted periodically.

In general, sponsored programs are more restrictive regarding the use of funds for travel than is the HHRI. Likewise, program and administrative units may have limited resources, and therefore find it necessary to place more stringent controls on allowable expenses. It is the traveler's responsibility to be aware of any such limitations.

#### **4.01 ALLOWABLE TRAVEL**

HHRI's mission is to improve patient care and the health of our community through research and education.

Research investigators, HHRI employees, and others may be authorized to attend institutes, scientific meetings, or training programs, subject to the availability of funds, when it is determined that such attendance is within the scope of HHRI's mission.

Travel must require an overnight stay for reimbursement of lodging, meals, and other incidental expenses to be allowable.

#### **4.02 AUTHORIZATION FOR TRAVEL**

The requirements for travel approval, which are identified here, are the minimum requirements of HHRI. Individual programs and departments may have more stringent approval processes. It is the traveler's responsibility to ensure that all requisite approvals are obtained prior to travel.

Traveler	Authorization Required
Department Chief	Self
Division Head	Department Chief
Principal Investigator (PI)	Department Chief or Division Head
Others	Principal Investigator
Administrative Staff	COO, President or Secretary/Treasurer
Individuals not under the purview of a Department Chief or PI	COO

#### **4.03 SPONSORED PROGRAMS**

Sponsoring agencies are typically restrictive in the use of funds for travel. Prior approval by the granting agency, (prohibitions on foreign travel, use of U.S. flag carriers and, on federal contracts, reimbursement in accordance with General Services Administration (GSA) approved rates), is often required. Therefore, travel to be funded through grants and contracts should be carefully planned to ensure it is permissible and reimbursable; any expense limitations should be identified in advance of the travel. We recommend that travelers contact Grants Administration for assistance before charging travel to sponsored programs.

#### **4.04 ADVANCE PAYMENTS**

##### Prepayments

Prepayments are allowable where documentation exists for specific costs that require advance payment. Advance payments required for hotel, conference registration, airfare and other expenses may be obtained by completing a Travel Authorization and Travel Expense Report.

##### Cash Advances

Cash advances for travel are not allowable except in cases of demonstrated hardship or under extraordinary circumstances.

To request an exception to the cash advance policy, a letter that clearly explains the necessity of the advance should be sent to the HHRI CFO. The request will be reviewed and sent to the HHRI Secretary/Treasurer for final approval. Cash advances will be limited to expenses that could not otherwise be prepaid, (e.g., meals, tips, car rental, etc.).

Individuals receiving cash advances are required to account for the expenditure of advanced funds with appropriate documentation upon return from the trip. Any undocumented funds must be reimbursed to HHRI.

#### **4.05 APPEAL PROCESS**

Requests for travel expenditures will be processed by the HHRI Travel Coordinator in accordance with the policies and procedures set forth in this manual. If you have been denied reimbursement where you believe the policies have not been appropriately applied or if there are extenuating circumstances, which should qualify your particular expenditure for reimbursement, you may question that processing decision with the CFO. If you remain unsatisfied with that decision, you may then appeal your case to the HHRI Finance Committee, which will make the final decision.

## **THE REIMBURSEMENT PROCESS**

### **4.10 GENERAL**

HHRI uses an accountable plan method of reimbursement based on actual expense. Reimbursement will not be made on a per diem (daily rate) basis.

An individual who is seeking reimbursement for travel on HHRI business must give an accounting of actual expenses incurred. This accounting should be itemized on a Travel Reimbursement form and sent to the HHRI Travel Coordinator **within 60 days** following the last day of the trip. Specific instructions for completion of the Travel Reimbursement form can be found in the Section entitled "Applying For Travel Expense Reimbursement."

**A detailed record must be kept such as a diary, an account book or some other statement of expense that indicates the date, time and business activity in support of reimbursable expenses. For example, an agenda for a conference, meeting, or business activity would be sufficient.**

### **4.11 RECEIPT REQUIREMENTS**

Only actual, necessary, and reasonable travel expenses incurred will be reimbursed. Receipts must be itemized **original** vendor receipts rather than the less detailed charge card transaction slips. Receipts are required for all expenses of \$25 or more. Note that for expenses under \$25, the individual must report the actual expense and cannot automatically claim the \$25.

### **4.12 INTERNATIONAL TRAVEL EXPENSES**

International expenses must be submitted in U.S. dollars using the exchange rate in effect during the dates of travel (or the exchange rate used by your credit card company at time of charge card billing). If conversions are necessary, please indicate what exchange rates are used. Information concerning exchange rates may be obtained from most financial institutions.

## **ALLOWABLE COSTS**

### **4.20 GENERAL**

Reimbursable expenses are those that are actual, identifiable, reasonable, deemed necessary, and in the case of sponsored programs, allowable under contract terms and conditions.

### **4.21 TRANSPORTATION**

#### **Airline**

Less than first-class air accommodations (coach or equivalent) shall be the standard mode of travel. First class air accommodations may be used if less than first-class accommodations are not reasonably available to meet necessary business requirements, such as where less than first-class accommodations would (I) require circuitous routing; (II) require travel during unreasonable hours; (III) excessively prolong travel; (IV) result in additional costs which would offset the transportation savings; or (V) offer accommodations not reasonably adequate for the traveler's medical needs.

Air travel expenses incurred by HHRI travelers who are Certified Pilots, either via their personal aircraft or a rented/leased aircraft, are not allowed.

All airline travel must use a U.S.-flag air carrier to the maximum extent possible when commercial air transportation is the means of travel between the U.S. and a foreign country or between foreign countries. This requirement shall not be influenced by factors of cost, convenience, or personal travel preference.

### **Automobile**

Reimbursement for the use of personal automobiles will be paid at the prevailing I.R.S. mileage rate. This cost combined with any **additional** costs incurred may not exceed the cost of less than first-class air accommodations for the same trip. When two or more individuals are traveling in the same vehicle, reimbursement shall be made to only one individual.

#### **Example 1:**

Three individuals traveled in the same car and the mileage rate and additional costs totaled \$1,000 and the less than first-class air accommodations for the same trip was \$400 per individual, the amount reimbursed to the owner of the vehicle would be \$1,000.

#### **Example 2:**

The same facts as contained in Example 1 except only two individuals are traveling in the same vehicle. The amount reimbursed would be limited to the cost of less than first-class air accommodations for the two travelers or \$800.

### **Ground Transportation**

#### **Rental Cars**

The cost of renting a compact or standard-size car is reimbursable only if use of the rental vehicle is the most economical mode of transportation.

Before renting a car, the traveler should consider shuttle services and taxis, particularly for transportation between airport and lodging. Car rental costs will only be paid if an employee is staying further than 20 miles of the conference or seminar or if the airport is greater than 20 miles from the hotel, unless the employee is visiting multiple sites at the same destination. Any personal portion of the cost of a rental car is required to be subtracted from the total rental bill before requesting reimbursement. The personal portion is calculated by prorating the cost of the rental cover the number of days for personal use and numbers of days for business use.

Note: Optional insurance on rented vehicles is NOT reimbursable, as HHRI already possesses coverage through a separate policy.

## **Parking**

### **Travel Destination Parking**

All costs associated with parking at the destination location (e.g. hotel, conference center, etc.) are reimbursable. Valet charges, including tips up to 20%, are reimbursable in instances only where safety is a documented concern.

### **Local (Twin Cities) Parking**

All costs associated with parking for a local conference or meetings are reimbursable. Valet charges, including tips up to 20%, are reimbursable only in instances where safety is a documented concern.

### **On-Campus Parking**

On-campus is generally not reimbursable, unless for off-site clinic employees visiting main campus for business purposes.

### **Non-Reimbursable Expenses**

Parking tickets

Lost ticket charges

On-Campus Parking

## **Other Transportation**

For out of town trips, travelers should select the most cost effective means of ground transportation, whether shuttle, taxi, courtesy vehicles, or local bus, as needed to travel between business locations, including to/from the airport. If expense for ground transportation is less than \$25.00 per occurrence, a receipt is not required.

### **Transportation to and from the Destination Airport**

Taxi costs, including tips up to 20%, at the destination location to/from the local airport are reimbursable. If expense for ground transportation is less than \$25.00 per occurrence a receipt is not required.

### **Transportation to and from the MSP Airport**

Mileage is reimbursed at the government then current published rate for personal auto use for the number of miles over the typical commute to your work site. Example:

- Home to work location equals 10 miles
- Home to MSP equals 25 miles
- Reimbursable mileage would be 15 miles.

Bus and light rail costs to/from home and MSP are reimbursable.

Taxi costs to/from home and MSP, including tips up to 20%, are reimbursable with the expectation that the cost is less than the cost for parking for the duration of the trip.

## **4.22 ACCOMMODATIONS**

The HHRI will reimburse reasonable and appropriate lodging expenses up to and including the average single room rate for the hotel or motel or the actual rate paid, whichever is less. The itemized hotel bill must be submitted for reimbursement of lodging expenses.

### **Non-Reimbursable Charges**

- Hotel room upgrades
- Hotel valet parking, unless safety is a concern
- “No show” charges for hotel
- Snacks/Mini-bar
- Pet fees associated with having pets in a room
- Hotel membership club annual fees
- In-room movies
- Toiletries incidentals
- Fitness center/spa
- Hotel safe charges
- Laundry service for travel of fewer than five business days

## **4.23 MEALS**

Individuals traveling overnight may claim reimbursement for meals that are not already included in paid conference, seminar, airfare or lodging fees. If a traveler chooses to eat meals other than those provided, they will be at their own expense, (i.e., breakfast included in lodging fee). If a traveler chooses to decline a meal provided as part of a conference, airfare or lodging fee and purchase the meal elsewhere, he/she cannot apply for reimbursement for that meal. Traveler must report the actual cost of each meal.

**Reimbursement will not be made on a per diem (daily rate) basis.** Meals eaten prior to initial airline departure or immediately following arrival at the end of the business travel are not reimbursable as the Traveler is within their tax home, e.g. meal at the MSP airport before a flight.

Expenditure for **Alcohol is not allowable.**

Business meetings held while away on travel have different reimbursement criteria than meals intended only for the Traveler. Business meetings held while traveling must follow the guidelines under Section 3.29: Business Meetings.

## **4.24 EXTENDED STAY "SATURDAY NIGHT" LAYOVER**

To the extent it does not conflict with an employee's duties, HHRI travelers are encouraged to avail themselves of a discounted airline fare by staying over an extra night(s) provided there is a net saving to HHRI taking into consideration the additional cost of allowable hotel expenses and subsistence.

Travelers should be sure to include documentation that substantiates the cost savings when submitting their request for reimbursement.

Documentation that substantiates the cost savings should include; 1) the Airline ticket cost not including extra days for extended stay and 2) the Airline ticket cost including the extra days for extended stay. **The documentation of the Airline ticket cost savings must be obtained on the same day the actual Airline tickets are ordered.**

Should the non-business day(s) expenses exceed the airline ticket cost savings, reimbursement will be limited to eligible business day(s) expenses.

## **4.25 RENTAL VEHICLE INSURANCE**

### Domestic Travel

The HHRI will not reimburse optional insurance coverage's offered by commercial car rental companies. Such options include: Loss Damage Waiver (LDW), Collision Damage Waiver (CDW), or Personal Accident Insurance (PAI) charges. Travelers are already insured under HHRI's corporate insurance policy for rented vehicles being used for HHRI business.

### International Travel

It is recommended that HHRI travelers purchase additional coverage for car rental in countries outside the United States, Canada, and Puerto Rico. HHRI's insurance coverage for car rental does not extend to foreign countries or territories. HHRI will reimburse the charges.

## **4.26 CRUISE SHIPS**

A cruise ship is any vessel sailing inside or outside of United States waters. You may be reimbursed for up to \$2,000 of the expenses incurred while attending a convention, seminar, or similar meeting held on a cruise ship if you establish that the meeting is directly related to your activities at HHRI and that the trip conforms to the requirements necessary to qualify as business travel as set forth in section 3.00 of this policy.

In order to receive reimbursement you must provide sufficient documentation to substantiate that:

1. The cruise ship is a vessel registered in the United States.
2. All of the cruise ship's ports-of-call are located in the United States or in possessions of the United States.

In addition, you must satisfy specific IRS reporting requirements by attaching the following to your travel expense report:

1. A written statement signed by you that includes:
  - a. the total days of the trip, excluding the days of transportation to and from the cruise ship port;
  - b. the number of hours each day that you devoted to scheduled business activities; and
  - c. a program of the scheduled business activities of the meeting.
2. A written statement signed by an officer of the organization or group sponsoring the meeting that includes:
  - a. a schedule of the business activities of each day of the meeting; and
  - b. the number of hours you attended the scheduled business activities.

#### 4.27 MISCELLANEOUS EXPENSES

Incidental, expenses which are necessary to, or an integral part of carrying out the business purpose of the trip are eligible for reimbursement.

The following are examples of typically allowable miscellaneous expenses:

ITEM	LIMITATIONS
Gratuities, tips	Reasonable; capped at 20%.
Parking fees	Reasonable. Parking fees at Minneapolis/St. Paul International Airport should not exceed the cost of round trip taxi fare from the traveler's home.
Registration fees	Less amount for entertainment
Telephone calls	HHRI business calls only
Toll charges: bridges, tunnels, public roads	None
Travelers Checks	Cost to purchase Travelers Checks only
Visas & Passports for foreign travel	Must be necessary and is restricted to business travel destination only

#### **UNALLOWABLE COSTS**

##### 4.35 GENERAL

Expenses that are not directly related to the business purpose of the trip are not reimbursable. For example, lift tickets at a ski resort, sightseeing expenses, show tickets, sports equipment rental, personal phone calls, check-cashing charges, and movies are not reimbursable.

##### 4.36 TRAVEL WITH SPOUSE/PERSONAL GUEST(S)

When a spouse or personal guest(s) travels with individuals on HHRI business, but are not themselves serving as agents of HHRI, travelers should be careful to maintain a record of individual expenses. HHRI will not reimburse any expenses incurred on behalf of the spouse or personal guest(s). Likewise, airfare or any other travel expense, which is directly billed to the HHRI, should not include that of the spouse or personal guest(s).

##### 4.37 COMBINING PERSONAL AND PROFESSIONAL TRAVEL

When personal and business travel is combined, expenses must be documented and may not exceed the lowest available cost of direct or uninterrupted routes. If the traveler uses an indirect route or interrupts travel by direct route for personal convenience, any additional expenses incurred will be the sole responsibility of the traveler.



#### 4.45 QUICK REFERENCE SUMMARY GUIDE OF TRAVEL EXPENSES

EXPENSE	REIMBURSABLE	LIMITATIONS
Accommodations	Yes	Reasonable and appropriate; up to and including the average single room rate or the actual rate paid, whichever is less.
Airport Airline Club Members	No	
Alcoholic beverages	No	
Baggage	Yes	Single bag fee only. Additional baggage is reimbursable only if it is required to accommodate business materials (e.g. presentations, posters, books, etc.)
Baggage handling	No	
Check cashing charges	No	
Frequent Flier Programs	No	Tickets purchased with frequent flier miles are not reimbursable
Gratuities, tips	Yes	Reasonable; capped at 20%.
Insurance: Collision Damage Waiver (CDW), Personal Accident Insurance (PAI), flight or other	No	Except when renting a vehicle outside of the US
Meals	Yes	Actual cost; no per diem reimbursements
Movies, in flight / in room	No	
Parking fees	Yes	Reasonable. Parking fees at Minneapolis/St. Paul International Airport should not exceed the cost of round trip taxi fare from the traveler's home.
Registration fees	Yes	Less amount for entertainment
Telephone calls	Yes	HHRI business calls only
Toll charges: bridges, tunnels, public roads	Yes	
Transportation – Airline	Yes	Less than first-class air accommodations shall be the standard mode of travel. (See policy for exceptions.)
Transportation – Personal Automobile	Yes	Not to exceed the cost of less than first-class air accommodations
Transportation – Taxi, Commuter Bus, Airport Limo, and Rental Car	Yes	Restricted to business travel only
Travelers Checks	Yes	Cost to purchase Travelers Checks only
Visas & Passports for Foreign Travel	Yes	Must be necessary and is restricted to business travel destination only

**NOTE: REQUESTS FOR REIMBURSEMENTS MUST ARRIVE IN THE HHRI BUSINESS OFFICE NO LATER THAN 60 DAYS FROM THE LAST BUSINESS TRAVEL DAY.**

#### 4.50 HHRI TRAVEL CONTACTS

Subject	Contact	Phone #
Travel Payment Processing	Janine Nelson, HHRI Travel Coordinator	873-5371
Travel Policy	Mark Willmert, HHRI CFO	873-3386
Sponsored Funds	Megan Crosby HHRI, Manager, Financial Services	873-5306
Travel Forms:		
Travel Authorization Form	HHS Supply Chain	873-6598
Travel Reimbursement Form	HHS Supply Chain	873-6598
Mileage Reimbursement Form	HHRI Travel Coordinator	873-5371

#### APPLYING FOR TRAVEL EXPENSE REIMBURSEMENT

#### 4.55 HHRI TRAVEL AUTHORIZATION FORM

A Travel Authorization Form is required for each business trip. Route completed forms to an authorized individual for approval. (See Sec. 4.02 for level of approval required.)

Retain a copy of the form to recall Travel Authorization # located in the upper-right hand corner of the form. The Travel Authorization # will be required to complete the HHRI Travel Reimbursement Form.

Send the completed form to:  
HHRI Accounting Clerk  
PP7.700

Please notify the HHRI Travel Coordinator should changes be necessary after this form has been submitted. Please have the Travel Authorization # available for reference.

**Note: A Travel Authorization Form must be completed and on file before payment can be made for related travel expenses.**

#### 4.56 HHRI TRAVEL REIMBURSEMENT FORM

**Requests for reimbursement must be submitted within 60 days of the last travel day. Requests dated beyond the 60-day limit will not be eligible for reimbursement.**

Complete the Travel Reimbursement Form according to the instructions on the back of the form. (Be sure to include the correlating Travel Authorization #.)

Travel expenses must have appropriate and adequate documentation.

- a) Expenses greater than \$25.00 must have a receipt.

- b) Expenses less than \$25.00 must represent the actual cost and not an estimate.
- c) Only expenses allowable according to the HHRI Travel Policy should be submitted for reimbursement.

Traveler must sign each Travel Reimbursement Form submitted for processing.

Send completed form to:  
HHRI Travel Coordinator  
PP4.430

## **Section 5**

### **Supplies, Equipment & Furnishings**

#### **5.00 Ownership & Control**

Ownership of supplies, equipment & furnishings purchased with HHRI funds is retained by HHRI. An exception to this rule can occur when a outside sponsor, typically the federal government, specifically requests in writing that the sponsor retains title of unused supplies and equipment.

#### **5.05 Custody**

The Principal Investigator, (P.I.) purchasing the supply or asset is responsible for providing appropriate security and maintenance at whatever location is selected for its use.

There can be no personal use made of the supply or asset. Additionally, the items are to be kept in the office or work setting and are not to be located in the home unless approved by HHRI Administration. Portable computers may be taken home for after hours work on business related projects.

#### **5.10 Disposal of Supplies & Assets**

Since supplies and assets are purchased with HHRI funds and ownership is retained by HHRI, P.I.'s are not authorized to dispose of these assets on their own or receive any of the proceeds from such a disposal. All disposals of supplies or assets must be coordinated with, and approved by, HHRI Administration.

If a supply or asset is no longer of value to the P.I., they may, upon approval by HHRI Administration, transact the sale of the supply or asset. If the item is a capital asset, (see guidelines for capitalization), it will be removed from their inventory custody list. Proceeds from the sale will go to HHRI account from which the purchase of the supply or asset was charged. If the account that was charged for the supply or asset is closed, depending on advance agreements with an account's sponsor, the funds will be deposited in a non-sponsored account of the P.I.

For all disposals of capital assets, the advance coordination with HHRI Administration is a critical step primarily because depreciation of all HHRI assets are allocated to federal grants and contracts and are thereby subject to federal guidelines stated in the Uniform Guidance rules regarding property management standards.

#### **5.15 Repairs**

It is the responsibility of the asset's custodian to keep it in proper working condition.

#### **5.20 Insurance**

HHRI carries comprehensive insurance coverage on its commercial assets. Typically this coverage is subject to a deductible. The deductible amount associated with a claim(s) is the responsibility of the asset's custodian. Losses should be reported to the HHRI Systems Accounting Manager.