

## **Procurement & Supply Travel and Expense Guidelines for Vendors, Contractors and Suppliers**

### **1.0 Purpose**

The purpose of this document is to specify the requirements for vendors, contractors and suppliers (each a "Vendor") to obtain reimbursement for travel and associated expenses incurred while performing services for Kaiser Foundation Hospitals, Kaiser Foundation Health Plan, Inc. and its subsidiaries (collectively, "KFH/HP").

### **2.0 Scope/Coverage**

This document applies to a Vendor retained by KFH/HP to supply the following goods or services to KFH/HP:

- 2.1** Medical products and services;
- 2.2** Business products and professional services;
- 2.3** Consulting services;
- 2.4** Capital equipment and services;
- 2.5** All Information Technology (IT) related hardware, software, products and services; and
- 2.6** Other products and services as specified by KFH/HP.

### **3.0 Provisions**

Vendor will only be reimbursed for travel and other related expenses incurred while providing Services to KFH/HP if such reimbursement has been clearly agreed in writing in a contract or statement of work and is compliant with these requirements.

In order to obtain reimbursement for travel and related expenses, Vendor must submit expense documentation that includes line item detail such as the date the expense was incurred, the name of person incurring the expense, the purpose of the expense, the amount of the expense, and for travel by automobile, the starting place, ending place, and the mileage. The recommended form for reporting expenses will be made available by KFH/HP. KFH/HP may reject for payment, unreasonable or undocumented travel and expense reimbursement submission or expense documentation submitted more than sixty (60) days after the end of the month in which the expenses were incurred.

Unless otherwise agreed in writing for extraordinary circumstances, KFH/HP will only reimburse Vendor for its actual travel and related expenses incurred without markup not to exceed ten (10%) of the fees for the Services to which the expenses relate (e.g. 10% of statement of work amount).

KFH/HP will not reimburse Vendor for temporary living expenses for any Vendor personnel unless specifically agreed in the SOW or contract.

Documentation of staff time spent on Services will be made available upon KFH/HP's request. Guidelines for assistance in determining reasonable expense rates may be referenced in the then-current rates reflected in the United States Federal Register by city and state.

If Vendor is able to obtain a discount for any expense (such as air travel, auto rental, hotel or meals) that exceeds KFH/HP's discount for that expense, Vendor will use its greater discount for expenses incurred performing Services under a SOW or contract.

Air Travel: KFH/HP will reimburse Vendor for staff air travel at coach rates. Non-refundable tickets should be chosen over higher priced refundable tickets when practical. A refundable ticket may be purchased only when your schedule or the date of the business event is likely to change. Trips by Vendor staff will be booked as far in advance as possible to receive the maximum discount from the airlines.

Auto Rental: KFH/HP will reimburse Vendor for staff auto rental at no more than compact car rates.

Mileage: KFH/HP will not reimburse Vendor personnel for commuting mileage or mileage from a Vendor site to a KFH/HP facility where Services are primarily performed. KFH/HP will reimburse mileage at the IRS mileage rate if KFH/HP requires Vendor to travel from a primary KFH/HP facility to one or more secondary KFH/HP facilities during a given work day.

Hotels: KFH/HP will reimburse Vendor for staff expenses incurred for hotel costs (room and tax). This reimbursement will be for single rooms only, and specifically excludes suites, office space and services, movie charges, health club charges, laundry, movies, mini bar and similar non-essential lodging charges. Unless otherwise agreed, Vendor must stay at a KFH/HP contracted hotels in order to be reimbursed.

Meals: KFH/HP will reimburse Vendor for individual staff meal expenses incurred during business travel (excluding alcohol) while providing Services for KFH/HP. Reimbursement for each meal/per person is limited as follows – and such limits cannot be aggregated - \$20 (breakfast), \$30 (lunch) and \$50 (dinner).

Travel Time: Vendor's staff travel time (in-flight, ground transportation etc.) is not a billable charge, except that KFH/HP will reimburse for Vendor's travel time if travel is required by KFH/HP as a function of their engagement and is specified in the contract/SOW (e.g., Vendor's technicians are required to travel to various KFH/HP sites as part of their work).

Communications: KFH/HP will not reimburse Vendor for phone or wireless device usage or service, including without limitation cell phones, PDAs or company provided wireless devices.

Receipts: Vendor will provide full explanations of expenses and receipts for all meals, airline tickets and car rentals and other expenses that are over \$25.00.