

GUIDELINES FOR REIMBURSEMENT OF NAIC TRAVEL EXPENSES

It is the policy of the NAIC to reimburse all reasonable/eligible costs related to authorized NAIC travel. Eligible travel is defined as travel on behalf of and at the request of NAIC and may include, but is not limited to, the following types of travel:

- Travel by the Insurance Commissioner, Director or Superintendent to NAIC national meetings, Commissioners' Conference, and the Mid-Year Executive Committee and All Commissioner Roundtable;
- Travel by one senior regulator from each member to NAIC national meetings;
- Travel by Insurance Department staff at the request of the NAIC;
- Travel by Insurance Department staff or other persons engaged as a speaker/instructor at NAIC sponsored meetings or education programs;
- Travel by Insurance Department staff qualifying for reimbursement under Zone or Grant funds;
- Travel by NAIC Funded Consumer Representatives; and
- Travel by non-NAIC employees or non-Insurance Department employees at the request of the NAIC for NAIC business.

Travel by Insurance Department staff or regulators to attend NAIC sponsored education programs, national meetings or committee, subcommittee or task force meetings, which is not directly reimbursable by the NAIC, may be reimbursed through the state's grant/zone fund allocation to the extent funds are available (see reimbursement guidelines below).

States should contact the NAIC Finance Department to determine if sufficient funds are available prior to a request for expenditure of these funds. Statements of fund balances are available online at http://www.naic.org/index_members.htm and are also distributed to all members throughout the year, generally at the Zone Meeting during each national meeting.

Expense Reports

The expense type must be indicated and the travel destination and purpose of trip sections of the expense report must be completed.

All travel expenses must be itemized daily on the expense report form. Original receipts are required for all expense items of \$25 or more if reimbursement is to be made directly to an individual or company. Photo copies of receipts are only acceptable if reimbursement is made to the state. Airline ticket passenger receipts and other receipts for expenses charged to the NAIC must be attached to the expense reimbursement form.

The expense report shall include an explanation of any extraordinary items and any amount placed on the Other Expense line. Group meal expenses must be detailed on page two of the expense report form with a list of names of persons involved, their affiliations and the business purpose. Expense reports should be submitted within 10 working days after return from each trip.

Reimbursable Expenses

• Transportation

Air travel shall be scheduled in advance if possible to take advantage of special discount rates. First class travel payment is authorized only when no other class is available and significant delay would otherwise be unavoidable.

Use of personal automobile and rail travel for NAIC business are encouraged where convenient and where such travel will result in cost savings over alternative modes of transportation. Reasonable expenses for trains, buses, subways, taxis and shuttle services are reimbursable. Automobile mileage is reimbursed at the IRS standard mileage rate. Parking costs are reimbursed for local airport parking. Where personal automobile travel is used, self-parking charges at the destination will be paid.

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Use of rental automobiles is only authorized when the rental is less costly than alternative forms of transportation or when rental is the only reasonably available means of transportation.

- **Lodging, Meals and Tips**

Reasonably priced hotel accommodations will be reimbursed for eligible trips. Reasonable meal expenses incurred during an eligible trip and conventional and reasonable tips are also reimbursable.

- **Miscellaneous Travel Expenses**

Charges for essential business calls and for reasonable personal calls to the traveler's home will be reimbursed for trips involving an overnight stay.

Conventional and reasonable gratuities (e.g., skycap service, baggage service, etc.) are reimbursable.

Non-Reimbursable Expenses

- **Personal Items**

Convenience items or needs not occasioned by a trip are not reimbursable (e.g., magazines, cigarettes, shoe shines, medicine, toiletries, etc.). Hotel movies, health clubs and baby-sitting services are not reimbursable. Reasonable laundry and/or dry cleaning expenses are reimbursed for business trips of six (6) nights or more.

- **Spouse Expenses**

Travel expenses for spouses are not reimbursable except where expenses are not separable (e.g., taxi/limousine expense). Where double room charges are incurred, the alternatively available single room rate is reimbursable.

NAIC Grant Funds

The NAIC grant funds are available to defray the cost of tuition and related travel expenses to NAIC sponsored education and training programs and for travel expenses to NAIC sponsored meetings; expenses associated with any Society of Financial Examiners (SOFE) educational program for state and contract examiners; expenses associated with any Insurance Regulatory Examiners Society (IRES) education and training program for state and contract market regulation personnel; expenses associated with attendance at meetings of international associations of insurance regulators, such as the International Association of Insurance Supervisors (IAIS) and the Asociación de Superintendentes de Seguros de América Latina (ASSAL); expenses associated with attendance at meetings of the Interstate Insurance Product Regulation Commission (IIPRC); expenses associated with member participation in supervisory colleges; and/or other meetings associated with state participation in national regulatory and/or NAIC business.

On January 1 of each year, each NAIC member account is credited with the grant amount budgeted for that year. The total grant per state for 2019 is \$20,000.

Zone Funds

Each of the NAIC Zones will receive an allocation of at least \$35,000 from the NAIC budget, with future years' allocations to be determined as part of the annual NAIC budget process. This allocation is made available to each Zone to support the business and activities of the Zone (e.g., Zone business meetings at each national meeting, Zone interim meetings, etc.). The Zones may also allocate a portion of these funds to each Zone member, to be used by the states to subsidize tuition and travel costs associated with education and training programs approved by the Zone. It is important to note that amounts allocated to each member state is the sole decision of the Zone, based on available funds and the Zone members' education and training needs. Starting in 2014, each zone will receive an additional \$2,500 per zone member to fund additional training for zone members.

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Each NAIC Zone establishes events for which tuition and travel related expenses may be reimbursed. Please consult the NAIC Grant/Zone fund coordinator in your state to determine if expenses are eligible for reimbursement, or call the NAIC Finance Department for assistance.

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