Caltech NON-EMPLOYEE TRAVELER POLICY

OVERVIEW

Caltech's Accountable Plan, in compliance with State and Federal tax regulations, may be extended to non-employees under limited conditions. Non-employee reimbursements must be properly documented with receipts, a valid business purpose, and state the benefit to the Institute to qualify as a non-reportable payment to the traveler.

The most common non-employees covered under this policy are visitors, prospective employees, guest speakers, and workshop and panel participants. Generally, these types of individuals are not expected to receive payments other than travel reimbursements.

Additional information is required for a **Non-Employee Traveler** before the payee can be added to Caltech's supplier database. Sufficient documentation of the costs to be covered and a detailed description of the services rendered to the Institute must be included in the TechMart request. A copy of an invitation letter or flyer may be provided, when available.

In addition, all non-employee travel expenses must comply with Caltech's Travel Policy. Travel Services is responsible for ensuring compliance with this Policy. Travel reimbursements that do not meet the Accountable Plan or Travel Policy requirements are considered reportable income and will be rejected. The request will be forwarded to Payment Services' Specialty Team for appropriate tax reporting and withholding.

ACCOUNTABLE PLAN SUMMARY

Non-employees may be reimbursed for their travel costs and other expenses under Caltech's Accountable if the criteria listed below are satisfied. Expenses must be properly documented and accounted to be considered non-reportable reimbursements.

1. Expenses must have a business connection.

    - The business purpose must support the goals, objectives, and mission of the Institute.
    - Documentation must adequately describe the expense as necessary, reasonable, and appropriate.

2. Non-employees must be able to substantiate expenses covered in the plan.

3. Expenses must be submitted within a reasonable period.

Expense reimbursements that do not meet all the criteria of the Plan are considered tax reportable income to the traveler. The reimbursement request must be submitted on a Payment Request Form via TechMart for appropriate tax reporting and withholding. Refer to TechMart Payment Request Guide.

NON-EMPLOYEE CATEGORIES

1. Students

Students who travel on behalf of Caltech with a valid business purpose will be set up in CardQuest for travel expenses and reimbursements.

Expenses that do not directly benefit the Institute or do not serve a legitimate business purpose are considered tax reportable income to the student. Additionally, if the expenses are for the student's individual benefit, then the payment falls under reportable income and will not be processed through CardQuest. Division must submit a PTA Payment Request via TechMart.

2. Visitors

Visitors who travel on behalf of Caltech with a valid business purpose will be set up in CardQuest for travel expenses and reimbursements. Travel expenses generally include air or ground travel, lodging, meals, and incidentals. For more details, refer to Caltech's Travel Policy, Section 2 – Travel Expenditures.

If the expenses are related to the visitor's personal pursuit of study or research, the expenses are not Institute business and considered tax reportable income to the visitor. Payments for stipends and living allowances fall under the reportable income category and will not be processed through CardQuest. Division must submit a PTA Payment Request via TechMart.

3. Prospective Employees

Travel expenses incurred in connection with prospective employees, including interview and recruitment costs, are reimbursable when properly authorized by a division or department. Travel expenses related to the interview are considered job-hunting expenses for the prospective employee and can be processed in CardQuest.

Once an offer of employment has been accepted, additional travel expenses may be incurred by the newly hired employee, including relocation costs for the household and family. These costs are considered moving expenses and treated separately under different tax rules and regulations. Contact Human Resources regarding Caltech's relocation policy.

4. Guest Speakers and Panel Participants

Invited guests who travel on behalf of Caltech with a valid business purpose will be set up in CardQuest for travel expenses and reimbursements. Travel expenses generally include air or ground travel, lodging, meals, and incidentals. For more details, refer to Caltech's Travel Policy, Section 2 – Travel Expenditures.

Expenses that do not meet the Accountable Plan or Travel Policy requirements are considered tax reportable income and will not be processed in CardQuest. Guest speakers may receive an honorarium payment, as a courtesy, at the discretion of the Division. Such payments are subject to tax reporting and withholding. Refer to Honorarium Policy.

5. Consultants and Independent Contractors

Independent contractors and consultants that have a U. S. Trade or Business are not covered under the Institute's Accountable Plan; therefore, their travel expenses cannot be processed in CardQuest.

A purchase requisition should be submitted via Techmart. The travel expenses must be included in the supplier's invoice along with fees for service rendered.

RELATED REFERENCES

1. IRS Publication 463 Travel, Entertainment, Gift, and Car Expenses
2. Caltech Travel Policy
3. TechMart Payment Request Guide
4. Honorarium Policy

POLICY ISSUED BY

This policy is issued and approved by Payment Services. Any deviation from this policy shall be reviewed and approved by the Director of Payment Services and coordinated with Payment Services business units. This policy applies to all Caltech divisions and departments and supersedes any practices in existence prior to its effective date.

EFFECTIVE DATES AND UPDATES

Effective Date	Action	Description Of Action
4/3/2019	Original Policy	*Original issue date*
5/1/2023	Revised Policy	*Revised document to provide Techmart instructions*
11/16/2026	Revised Policy	*Revised to delete Techmart instructions and transferred to a separate procedure; updated website links* *Updated document to new policy template format*