

SPOUSE/FAMILY TRAVEL

- **Executive Council**

Expectations & Responsibilities

Attendance by members of the Executive Council ("EC") and their spouses at functions and events of the University is oftentimes required to further the business purpose of the University. Such attendance by EC members and EC members' spouses allows them to attain a broader perspective and understanding of the University so that they may be better advocates, fundraisers, and policy makers for the University. Examples of these University functions and events include, but are not limited to, Regents meetings and related dinners and receptions, academic presentations, cultural events and performances, athletic events, alumni gatherings, fundraising activities, and functions honoring donors, alumni, faculty, or staff of the University.

Categorization of Travel Events

The travel of a Council member's spouse/family member will be categorized as one of the following:

1. **Bona Fide Business Purpose** – An EC member may determine that attendance of his/her spouse/family member serves a bona fide business purpose because the presence assists with the fulfillment of business obligations to Baylor. See "Bona Fide Business Purpose" section below for further guidance. This bona fide business purpose determination by the EC member may be based partly on the expectations of the University (see Expectations & Responsibilities section above); however, one cannot rely solely on these expectations to establish the bona fide purpose. The specific reasons for the EC member's bona fide business determination must be fully documented on the [Spouse/Family Member Expense Travel Request Form](#), which is to be scanned and attached to the [Expense Report](#) and submitted to the appropriate department reviewer for approval. There will be no tax consequences to the EC member if a bona fide business purpose exists for the presence of the spouse/family member. This documentation must be maintained within the department and will be subject to periodic audits.
2. **Desirable Attendance** – In other cases, the EC member may determine that it would be desirable for his/her spouse/family member to attend a particular function on behalf of the University, but that the presence does not serve a bona fide business purpose. In these cases, if the University reimburses or pays the expense for the spouse/family member's travel, it will be necessary under IRS Code to include such reimbursement in the employee's taxable income. Section I of the [Spouse/Family Member Expense Travel Request Form](#) should be completed, scanned and, along with a copy of the Expense Report, forwarded to Payroll_Office@baylor.edu.
3. **Other Cases** – In any other case, a spouse/family member's travel will be the personal responsibility of the EC member.

- **Other Employees**

Categorization of Travel Events

On certain limited occasions, expenses for the spouse/family member of a University employee might be reimbursed or paid directly from University funds. Requests for payment of spouse/family member expenses require submission of the [Spouse/Family Member Expense Travel Request Form](#) to the appropriate budget department chair/head and divisional vice president for approval before the expense is incurred. The travel of the spouse/family member will be categorized as one of the following:

1. **Bona Fide Business Purpose** – In very limited cases, an employee may assert that there is a bona fide business purpose for the spouse/family member to travel in order to fulfill his/her duties as an employee. See "Bona Fide Business Purpose" section below for further guidance. The specific reasons for the employee's bona fide business purpose assertion must be fully documented on the [Spouse/Family Member Expense Travel Request Form](#) and forwarded to the appropriate budget department chair/head and divisional vice president for final approval and determination. There will be no tax consequences to the employee if a determination is made that a bona fide business purpose exists for the presence of the spouse/family member. The documentation must be maintained within the department and will be subject to periodic audits.

2. Desirable Attendance – In other cases, the employee may determine that it would be desirable for his/her spouse/family member to attend a particular function on behalf of the University, but that the presence does not serve a bona fide business purpose. In such cases, if the University reimburses or pays the expenses for the spouse/family member's travel, it will be necessary under IRS Code to include such reimbursement in the employee's taxable income. Sections I and III of the [Spouse/Family Member Expense Travel Request Form](#) should be completed, scanned, and along with a copy of the [Expense Report](#), forwarded to Payroll_Office@baylor.edu.
3. Other Cases – In any other case, a spouse/family member's travel will be the personal responsibility of the employee.

- **Bona Fide Business Purpose**

To be a bona fide business purpose, the courts have held the presence of the spouse/family member must be essential (not just beneficial) to the employee being able to carry out his/her business duties and obligations. In general, decisions of the courts have centered on the two following factors:

- o Whether the predominant purpose of the non-employee family member(s) was to serve the employee's business purpose in making the trip; and
- o Whether the non-employee family member(s) spent substantial amounts of time fulfilling that purpose.

If travel reimbursement is requested, the bona fide business purpose of the accompanying spouse/family member(s) must be clearly documented on the employee's [Spouse/Family Member Expense Travel Request Form](#). The following matrix provides some of the factors that will be evaluated in determining if a bona fide purpose exists.

Expenses are more likely to be taxable when:	Expenses are more likely "bona fide" when:
No formal request for family member(s) to attend events.	Formal or official correspondence requests spouse or other family member(s) of Baylor employee to make trip or attend event(s).
Family member(s) are not required to attend meetings, given advance assignments, or asked to make presentations at the event(s).	Family member(s) are required to attend meetings, given advance assignments, or make presentations at the event(s).
The employee can efficiently perform the required duties without the presence of the family member(s).	The employee cannot efficiently perform the required duties without the presence of the family member(s).
Family member(s) performs only "helpful" services, such as limited note taking, secretarial services, attendance only at social functions, etc.	Family member(s) performs "necessary" (not merely helpful) services by acting as a representative of the University in a substantial manner.
Only Baylor employees and family member(s) attend event(s).	Non-Baylor employees (donors, alumni, recruits, etc.) attend event(s).
Family member(s) participates in substantial tourist activities (shopping, sightseeing, etc.).	Family member(s) do not participate in tourist activities.
Children or other family member(s) DO make the trip.	Children or other family member(s) DO NOT make the trip.