

Automobile Usage Policy

As you are probably aware, the Federal Government recently increased the allowable mileage reimbursement rate for personal automobile usage for business purposes to .555 cents per mile. The Senior Management Team has decided to reimburse employees at this rate for the use of their personal vehicles when traveling up to two hundred miles in one round trip.

For longer trips, employees are encouraged to use a rental car (compact) from one of these local rental agencies:

National Car Rental 435 West State St. 272-2575

Call the local office to make a reservation. Pick up the car on West State St., not far from Challenge. Bring a Challenge credit card and a tax-exempt form. Fill up the gas tank before returning the car, using the Challenge credit card.

Enterprise Rent-A-Car 328 North Meadow St. 275-9000

Make a reservation by calling the local office; 1-800-Rent-A-Car; or by going online to www.enterprise.com. Use Challenge's Customer ID 29B5464 and password CHA to get Challenge's corporate rate. Enterprise will come to pick you up within about ten miles of their office. Bring a Challenge credit card and a tax-exempt form. Fill up the gas tank before returning the car, using the Challenge credit card.

Employees are not required to use a rental vehicle. However, for round trips longer than two hundred miles Challenge cannot reimburse the employee for costs greater than would have been incurred by using a rental vehicle. At this time, daily rental rates average about thirty-eight dollars a day, and the cost to fill the tank of a rental vehicle, getting about twenty-five miles per gallon with gas about two dollars per gallon, averages about eight cents per mile. Therefore, mileage reimbursement for round trips longer than two hundred miles will be limited to the greater of eighty-one dollars (two hundred miles times forty and a half cents per mile) or thirty-eight dollars per day plus eight cents per mile. For safety reasons, an exception may be made for employees using their own personal vehicle during inclement weather.

When you use your personal vehicle for a round trip longer than two hundred miles, please keep a couple of things in mind when you complete your expense report. Your maximum reimbursement may depend upon the number of days the vehicle was in use. According to rental company custom, a day is a twenty-four hour period. So if you use your personal vehicle for more than a twenty-four hour period, please indicate on the report that it was in use for two days. If used for more than forty-eight hours, indicate three days, and so on. Enter the miles and the number of days the vehicle was in use on your report, but leave the dollar amount blank. (And leave the total dollar amount blank.) If you would like to know the amount you will be reimbursed before your check is printed, bring your expense report to Accounting.

If you use your own vehicle, but would have had to keep a rental vehicle for more than twenty-four hours because the rental office was closed when you needed to start your trip, and so had to rent it the evening before, consider your use of the vehicle as two days.

Employees who are going to the same training, meeting, or conference for the same period of time should carpool.

Employees are encouraged to make use of the option that will result in the lowest cost to Challenge. Using a rental car should also reduce wear and tear on employees' personal vehicles.

Managers and accounting staff will review all mileage reimbursement requests and expense reports to make sure that Challenge policy is adhered to and travel costs are kept to a reasonable minimum.

Reviewed December 20, 2011