

To: Southeastern Mass. Chapter Executive Board
From: Bob Bentley
Date: 10 March 1987
Subject: Policy for reimbursement for pre-trip costs

The need for up-front expenses in many trips, no matter whether they are in the Chapter area of in far flung locations has become a real necessity. Hotels and other vendors are interested in ensuring that they will not lose their anticipated revenues, and therefore impose restrictions on the person(s) making the reservations. While understandable, a policy such as this imposes on the individual leader serious financial constraints.

The Chapter has decided in many instances, to provide the "up front" money to the leader in anticipation of future reimbursement from the leader. While no trip should be a financial burden on the leader, there should be some set guidelines within the Chapter to provide for not making the trip a financial burden on the leader or on the Chapter itself. Through this, consideration should be given to the concept that a leader should have a stake in the viability of the trip itself. [For the Board's information, a number of other Chapters and the Major Excursions Committee in the Club offer no cash reimbursement for up-front expenses. To a certain extend, the SEM Chapter is somewhat unique in offering this opportunity. Clearly, being a small Chapter has it's virtues...] It should be noted, however, that nearly all of the individuals who have had advances have been either present or former members of the Executive Board.

Despite this, some policy of reimbursement for "up-front" expenses is warranted. However, it is very important that the leader be questioned at length by both the Committee that he/she is working through as well as the Executive Board. The Chapter has been burned in the past on at least one occasion, losing at least \$200.00 in the transaction. Whether it has occurred on other occasions is not known by this writer. However, once is too many times... The Committee and Board should clearly determine the viability of the trip, the amount of deposit required, the number of participants planned, the cancellation policy (in writing) of the location, and if the size of the deposit has been negotiated to the lowest amount possible. It is quite easy to negotiate with hotels on the size of the deposit and to set up a payment plan to reflect when the receipts will be coming in. In must be kept in mind that hoteliers would love to obtain your money up to 6 months (or more) in advance. As a rule of thumb, no monies should be agreed to be placed until 90 days prior to the trip. It is clear that in some instances, this will not be possible, but you can negotiate. Instead of putting \$20/person down, can you put \$10/person? If you explain to the hotelier the mechanics of this trip, will she/he accede to a payment plan based upon your expected receipts? Many will... Obviously, the leader must plan far enough in advance, the publication of the notice in the Breeze and the Bulletin. Then once monies start coming in, the leader can forward money to the location(s).

The Committee and Board should objectively look at the following as guides for trip viability:

- # of participants – need to be modest in terms of numbers of people – too many could spell financial disaster
- \$/person – look carefully, keeping in mind what the members of the Chapter are willing to spend.
- Timing of the trip – are there many conflicts with other trips?

It is suggested that the Chapter not consider this reimbursement for any monies in excess of \$500. This \$500.00 obviously depends on the financial condition of the Chapter. The individual leader should be willing and be confident enough of the trip going that they are willing to make a commitment themselves. If they are not, then the leader's belief that a trip will go should be questioned.

In conclusion, while the Chapter is being very generous in allowing for individuals to be reimbursed for "up-front" expenses, it offers the chance for those people who would prefer not to be putting up a lot of up-front money to run a trip. However, care must be exercised on both ends – both from the standpoint of the leader as well as that of the Chapter to assure that the trip does not become a financial burden the Chapter as well as the leader. The bottom line for leaders is to negotiate, negotiate, negotiate...