

# Establishing a Travel & Expense Policy



**A WELL-CRAFTED POLICY SHOULD SERVE AS THE FOUNDATION UPON** which a strong travel program is built. While each travel and expense policy must reflect the specific goals and culture of an organization, the most effective ones are sturdy enough to help drive the objectives of the organization while remaining sufficiently flexible to encompass industry changes and technological developments. There are many avenues to reach that goal, however. Some organizations prefer a strictly mandated policy that deeply restricts traveler choices and punishes noncompliance, while others take a softer-handed approach, allowing travelers more latitude to make decisions that will benefit them and the organization. Some cover all the details of their employees' potential travel options, while others prefer simply to lay out broad guidelines. Whichever path works best for your organization, consider the following a guide to the possibilities of policy.

## I. QUESTIONS TO PONDER

**A.** What are the company's goals and key performance indicators toward those goals?

**B.** Who will write and update the policy?

1. Form a committee from various departments—accounting, administration, finance, human resources, marketing, meetings, risk management, sales, strategic sourcing/procurement, training, accounts payable, expense management, IT, international representatives and any department that employs frequent travelers—to recommend policy to a writer and to seek traveler input.
2. Obtain a few travel policies from colleagues within and beyond your own industry; seek examples of very brief to very detailed policies.
3. Get buy-in on a proof of concept from at least one executive before drafting a document. Feedback from that person or group will set the tone and direction as the committee drafts policy.
4. One person with travel industry knowledge should write the policy with input from managers, travelers and travel arrangers to improve the likelihood of senior management buy-in and support.
5. Include representatives for all involved countries to encourage support and compliance.
6. The policy won't work without the signature or a letter of support from the CFO or CEO.
7. A staff leader like a controller or senior finance or human resources executive should

own the policy and take responsibility for updating it as needed.

**C.** Who should be subject to policy?

1. The policy should apply to anyone traveling on the company's expense, including consultants, job candidates, customers and subcontractors.
2. The policy should stipulate that individual travelers and groups are subject to identical policies, unless a separate policy covers groups, conferences and meetings.
3. A policy that is specific to one location is easiest to administer and makes measuring compliance easiest. However, it creates inconsistency.
4. Greater cost control comes with a single policy that covers all domestic locations, but this style interferes with individual locations' autonomy.
5. A company that wants to balance consistency and autonomy can institute an umbrella policy that individual divisions or locations can restrict if necessary but not relax.

**D.** Should policy apply equally to all levels of employees?

1. Policies that do so send the message that management is serious about controlling costs.
2. Some companies apply special consideration for high-ranking executives, those whose time is most valuable financially and those with security issues. Some companies draft executive-level policies that are not communicated to all employees.
3. Recognizing road warriors by loosening policies for those who cross mileage or overnight-stay thresholds can produce better business results in terms of recruiting, retention, willingness to travel and overall trip effectiveness. However, such a tiered travel policy requires more administration and may incentivize travelers to take unnecessary trips.
4. To mitigate disaster risk, companies can forbid more than two or three executives from traveling together, like a CEO and CFO traveling on one aircraft. Corporations can restrict the number of employ-

- ees of any level on one aircraft.
- E.** Should the company deploy separate policies for individual countries or regions?
1. A policy that applies to all employees worldwide is the most consistent, but local laws and cultural constraints make mandated compliance to a global policy impractical and inadvisable. The global policy should be the standard, and local policies should be adapted as deemed necessary.
  2. An umbrella policy with addenda for individual countries will work if travel expense or management information system data is available.
  3. Companies can group countries with common travel requirements and cultures into a regional policy.
  4. Keep local standards, legislation, practices and budgets in mind.
- F.** Should you make separate policies for international travel?
1. The company can draft separate

- policies depending on the destination country and length of the trip.
2. Policy should cover passport and visa acquisition, health certificates, security and emergency services.
  3. The travel management company or third-party security provider should provide this information for each trip.
- G.** How forceful should the policy be?
1. This major company-culture consideration is completely subjective and will depend on company goals.
  2. Some policies mandate actions, identifying noncompliance consequences up to termination of employment or denial of reimbursement. The policy should address exceptions for unplanned occurrences and local regulations. Companies subject to Sarbanes-Oxley, the Sunshine Act or other such regulations should enforce mandates in strict accordance with written procedures and should

- audit for compliance.
3. Companies can present guidelines and require written explanations when travelers don't follow them.
  4. Or they can present policies as standard procedures that carry the company's stamp of approval and CFO or CEO's signature.
  5. Unmanaged programs should direct travelers to use their best judgment and ask them to share travel information to accommodate duty of care requirements.

## II. ARRANGING TRAVEL

- A.** Should travelers have supplier choices?
1. Giving travelers broad discretion can lead to increased costs and decreased policy compliance, but also greater traveler satisfaction and productivity.
  2. Most companies either encourage travelers to use TMC agents and online booking tools to book travel compatible with policy and preferred

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- suppliers, or they make use of preferred suppliers second in priority to booking the lowest logical cost.
3. Check with your legal and HR departments about the risk of limiting travelers' options to one supplier. For example, full liability for an injured traveler can fall on a company that eliminated the traveler's air carrier options.
- B.** How should employees make travel arrangements? Five options:
1. Designate a single TMC or a limited number of TMCs. The benefits of consolidating to one include service level, consistency, consolidated reporting, centralized duty of care and cost savings via negotiated supplier discounts.
  2. Deploy a single preferred online booking tool in every country possible. Configure the tool to be consistent with preferred suppliers by highlighting them or eliminating other options. Consider prohibiting use of other websites so travelers can't bypass your company's booking policy.
  3. For domestic bookings that involve more than three destinations and for international bookings, use designated travel agents who make arrangements using corporate-approved channels.
  4. Some companies allow travelers to book directly on supplier websites or another distribution channel if prices fall below a predetermined cap and if the company has a way to retain the trip data. However, travelers who don't forward itinerary details to their companies' TMCs compromise travel managers' ability to track travelers and spending data.
  5. Policy can require employees planning a meeting with colleagues—usually 10 or more—that involves hotel room nights, requires a contract or exceeds budget thresholds to report the event to the meetings or travel department or the company's TMC. This allows the group to take advantage of negotiated group discounts, ensures application of the travel policy and allows a legal review of the contracts. (For full guidance on meetings management, see page 31.)
- C.** How far in advance should travelers plan?
1. The farther in advance a trip is booked, the greater the chance of lower airfare and availability of preferred seats, but this increases the chance of needing to change the reservation, likely at an additional cost for airline tickets.
  2. Consider requiring supervisor approval for trips booked less than two weeks in advance.
  3. Some TMCs help their clients encourage advanced bookings by notifying travelers and their managers how much the traveler could have saved by booking in advance.
  4. Some companies ask employees, at the time of booking, to consider travel alternatives like teleconferencing, particularly for non-client-facing travel.
- D.** Is pre-approval by the traveler's supervisor necessary? Should a supervisor approve reason for the trip, trip cost, both or neither?
1. Approval enables a supervisor to rule a trip unnecessary or too expensive.
  2. Pre-approval for an online reservation may qualify as a second touch on the booking, adding cost.
  3. It also may hold up ticketing, which again could add to the cost.
  4. Consider requiring pre-approval for exceptions only or for specific scenarios like transcontinental flights and high-cost travel.
  5. Some companies simply require travelers get verbal approval from their managers prior to booking.
  6. Some companies prefer not to burden senior executives with administrative details like approvals.
- E.** Address how travelers should handle trip changes.
1. Many TMCs have 24-hour service or tie in to third-party services for additional surcharges and should be used only during nonbusiness hour, for travel emergencies or to avoid larger cancellation penalties.
  2. Online booking tools are available round-the-clock, but changing itineraries online is not easy.
- F.** Should policy encourage or require travelers to adjust schedules to minimize costs, like arranging day trips?
1. Provide alternative routing and pricing options and record exception codes if travelers decline reasonable alternatives.
  2. Balance savings with traveler productivity, convenience and morale.

### III. LODGING

#### A. How should employees book rooms?

1. Using a designated agency or online booking tool funnels bookings through a single source, enhancing the company's ability to enforce policy and capture booking data to use for negotiations and to manage safety. It also ensures that travelers get the company's or travel management company's negotiated rate and that room nights are credited toward volume agreements companies or TMCs have reached with suppliers. Plus, any commissions returned to the company can offset program management costs.
2. The policy should state what travelers should do if they find rates lower than the TMC's or designated booking tool's. Most companies discourage direct bookings through supplier websites. Though direct bookings can mean lower rates, they yield neither booking information nor data consolidation. They also undermine negotiated corporate rate agreements by diluting market share figures unless you've established a tracking mechanism, reduce commission income and diminish the company's ability to keep track of employees whereabouts.

#### B. How much should employees pay?

1. Define the company's acceptable pricing level, such as moderately priced, by brand or hotel tier to clarify the company's view of appropriate spending.
2. Designate maximum hotel rates, though note that this could encourage employees to spend as close to the limit as possible. Consider setting different ceilings for different cities. Remember that using too many hotels will influence the company's performance in contracts.
3. Consider giving travelers a maximum amount to spend daily

across hotel, meals and incidentals, depending on the cost of doing business in each city. Base these per diems on the firm's historical expenses, *BTN's* Corporate Travel Index or published indices prepared by consulting firms and the federal government. Business-entertainment expenses typically are calculated separately.

4. Designate different property classes per length of stay, such as limited-service hotels for one-night stays and extended-stay hotels for more than seven nights.
  5. Mandate the use of company apartments or hotel room blocks when they're available.
- C.** What other limits should be in the policy?
1. Encourage or mandate the use of hotels with which the company has negotiated rates or the company's TMC has preferred rates. Many companies and TMCs have extensive hotel directories but mandate the use of particular hotels in given cities. Direction to use preferred hotels should stipulate that travelers book at the rate the company negotiated with the supplier.
  2. Outline the circumstances under which travelers do not have to use preferred hotels, such as meetings and when traveling with a client.
- D.** When can travelers stay in more expensive rooms?
1. Companies may allow high-ranking executives to stay in luxury hotels or on executive floors.
  2. Better accommodations or a suite might be appropriate if a traveler has to entertain clients or meet with staff.
3. If the only hotels that conform to policy are far from the business destination, closer, more expensive hotels may be warranted.
- E.** Other options.
1. Consider charging employees for no-show billings if they neglect to cancel reservations. The organizational travel policy may instruct travelers who cancel a reservation to record a cancellation number or the name of the hotel employee taking the cancellation to help resolve billing disputes. Whenever possible, travelers should cancel through the travel management company to produce a better paper trail.
  2. Policy should address whether the company will reimburse travelers for personal items like in-room movies, minibar purchases and laundry expenses. Policy can vary based on the length of the trip.
  3. Address whether the company will reimburse room service charges, as well as tips. Include guidance on how much to tip.
  4. Address whether the company will reimburse those traveling with spouses or family for a single-room rate, an entire multiple-occupancy room rate or a percentage of the multi-occupancy rate.
  5. Note whether travelers will be reimbursed for host gifts when they stay with a colleague, associate, friend or relative.
  6. Avoid properties with external entrances for each guest room, and consider conducting security audits.
  7. Consider whether to allow travelers to use Airbnb or similar accommodations.

#### IV. AIR TRAVEL

- A.** What parameters should the policy place on airfare and class?
1. Request travelers to use the company's preferred airlines on certain city pairs when the airlines are competitive on price or their prices are only slightly higher.
  2. Most companies indicate coach as the preferred class for nonexecutives traveling domestically; however, those in talent-competitive industries are more likely to authorize premium economy or a one-cabin upgrade.
  3. Some companies require travelers to choose the "lowest logical," "lowest available" or "lowest applicable" fare. Define precisely what you mean. The definition may differ for domestic and international travel. Because fare availability changes, many companies stipulate class as the guiding principle. Require, encourage, permit or prohibit:
    - a. The lowest fare within a window of time around the planned departure, typically two hours for domestic travel but sometimes longer for international travel.
    - b. Nonrefundable fares: Balance the chance that the trip will be canceled or rescheduled against savings from these cheaper fares. Remind travelers to keep track of unused nonrefundable tickets, which the company often can use for other trips after paying a change fee. The TMC also should have an automated system for tracking unused tickets for business and group travel.
    - c. Nonstop flights: Balance the increased travel time and the risk of delays associated with indirect flights with the higher cost of nonstop flights. Consider that a layover in Chicago in January carries a heftier risk than a nonstop flight that could fly over a snowstorm. Most policies do not require travelers to take flights that require them to change planes unless the savings are significant. Define the minimum level of savings for which travelers should book a flight with a stop or stops, typically \$100 per

## Remote Conferencing

Advancements, cost savings and technology, including telepresence systems and desktop videoconferencing tools have boosted virtual meetings, which reduce wear and tear on travelers and save travel costs. They're best suited to internal meetings.

- I. IT departments usually manage remote-conferencing tech, but you can promote its use and examine airline citypair and hotel data to choose locations for installations. Integrate remote-conference booking and travel-booking systems, and design them to prompt travelers to skip trips. Even better if the system requires travelers to justify physical trips.
- II. Tech suppliers offer services and products. Most employees also have videoconferencing-capable personal devices, though IT may have to aid integration and collaboration.

segment, and a maximum length of the layover, typically no more than two hours.

- d. Alternate airports: Consider the inconvenience for the trip and the cost ground transportation adds to the total cost of the trip.
4. Some policies allow senior managers to fly in premium economy, business or first class if a discount coach seat is not available. Some airlines offer premium economy, business or executive class seating as cheaper alternatives to first class. Some companies that allow business class for overnight flights pare that allowance down to premium economy for shorter flights.
  5. Employees may be willing to pay for an upgrade personally, or companies may make it policy to pay for employees to upgrade to first, business or premium economy in certain conditions, including:
    - a. Flights of at least six or seven hours; mileage, however, prevents travelers from manipulating schedules, such as booking flights with longer connection times, to become eligible for upgrades.
    - b. International flights. Consider whether to include United States-originating flights to Canada, the Caribbean, Central America and Mexico.
    - c. Employees traveling with clients.
    - d. Employees with physical disabilities, though the company's legal department should advise, as recording an employee's disability may violate the Americans with Disabilities Act.
    - e. Employees who are expected to work a full day upon arrival.
    - f. Traveler is taking his or her second or third international trip within a defined period of time.
  6. In a global policy, distinguish between such policy terms as international, domestic, transcontinental, stateside and foreign air travel, and note that the terms "coach" and "business" are not universal.
- B. If the company or its TMC has negotiated discounts with preferred airlines, are those airlines the best options?
    1. Balance the company's obligation to reach a certain booking volume or citypair market share in order to maintain preferred fares overall versus individual travelers' opportunities to secure lower fares.
    2. The policy should encourage or mandate that groups, usually 10 or more traveling to the same destination on the same day, use group rates if the company negotiated such fares.
    3. The policy may lay out different preferred suppliers with different airlines or alliances to cover multiple city pairs.
  - C. What reimbursement items should the company lay out in the policy?
    1. The circumstances and the approvals required for travelers to charter aircraft when there is no other convenient option for a group. Involve the company's insurance and security departments in that decision.
    2. If and how the company will reimburse certain employees for airline club memberships and premium-services memberships.
    3. How the company will handle supplier's loyalty program benefits. Most companies allow travelers to keep the rewards, while others encourage travelers to use them for business.
    4. If and how the company will reimburse travelers for checked bags and overweight bags.
    5. Which ancillary services, such as preferred seating, advance boarding and inflight Wi-Fi, are reimbursable.
    6. Whether the company will reimburse travelers for insurance beyond that provided by airlines, the company's insurance and corporate cards. Most do not pay for additional insurance unless a traveler is transporting company goods.
  - D. Other factors to define in the policy.
    1. An approval process managed by a risk management designee. Consider whether to forbid travel to countries for which the U.S. Department of State or the World Health Organization has issued a travel warning or advisory. The company should provide such advisories to travelers who've booked international trips.
    2. Who can fly in company-owned and company-leased planes.
    3. Whether the traveler or the company gets any denied-boarding

compensation and whether travelers can volunteer for compensation when flights are overbooked.

4. Whether to mandate or encourage alternatives like rail, personal cars or rental cars for trips within a certain distance. The policy also may cap car costs by expense or distance.
5. Employees who are licensed pilots should not be allowed to fly passengers or themselves on business trips, whether in their own or other aircraft.

## V. CAR RENTAL & GROUND TRANSPORTATION

- A. When should the policy require or forbid rental cars?
  1. Use a rental car when cheaper alternatives are inefficient for the traveler or when it's less expensive than a personal automobile, depending on the mileage reimbursement.
  2. Do not allow car rentals when:
    - a. A traveler needs transportation only from the airport to the hotel and when a shuttle, taxi or car service is less expensive.
    - b. A company-owned or leased car is available.
    - c. Employees are traveling to unfamiliar areas, especially at night.
    - d. Employees are traveling to foreign countries, especially if road conditions, safety and licensing needs are concerns.
- B. Which suppliers should a traveler use?
  1. Many policies encourage a single or limited number of suppliers with which the company or TMC has negotiated rates.
  2. Secondary suppliers can fill holes in designated supplier service.
  3. Policy may direct employees to use different suppliers in different cities.
- C. What car size or class should travelers reserve?
  1. Compact cars provide the greatest savings but less comfort and capacity.
  2. Intermediate cars give travelers reasonable comfort at a reasonable cost. Most policies stipulate midsize or intermediate cars.
  3. Many companies restrict full-size or luxury cars to high-level executives, groups of two or more, those hosting clients or those of a certain height or size.

- 4. Hybrid cars can bolster corporate social responsibility initiatives, but their rental rates may be much higher and availability is unpredictable.
- D. Should the company advise or require travelers to use the company's online booking tool or designated travel agency? Not if the booking must be last minute, but otherwise yes, to ensure that the traveler gets the negotiated rate and that the company's contracted volume agreement gets credit for the transaction.
- E. Should travelers accept damage-waiver coverage?
  - 1. If the company is self-insured, receives free collision damage waivers under its contracts with car rental suppliers or is protected by insurance under a corporate card program, no additional coverage is needed. Policy can specify that employees will not be reimbursed for purchasing such coverage.
  - 2. If no other coverage applies, the company may choose for the traveler to purchase such coverage while booking to avoid paperwork and paying for damages.
- 3. Differences in insurance laws and other government regulations make this coverage a good idea for foreign travel. Direct travelers to accept all coverage in foreign countries.
- F. Should travelers buy other insurance products like personal accident insurance, supplemental liability insurance and personal effects coverage?
  - 1. Most companies already have insurance that provides such coverage.
  - 2. If not, they usually reimburse employees for such purchases.
  - 3. Policy also can state that employees may purchase additional coverage at their own expense.
- G. What should travelers do in the event of an accident?
  - 1. Notify local authorities, the rental car supplier, the travel department, HR and the internal security department.
- 2. If the car is damaged, notify the company's insurance department of the details of the accident and instruct the supplier to submit a bill for repairs to the same department, which will handle settlement. Photograph the damage.
- H. Other factors.
  - 1. Encourage travelers to refill gas themselves, as car rental companies charge a premium to refill it. Some vendors offer an upfront fee for fueling, which eliminates refueling charges.
  - 2. Ask corporate travelers to avoid one-way drop-off charges by returning rental cars to the locations where they picked them up.
  - 3. Instruct travelers to inspect cars for damages and keep records to protect against unwarranted damage claims.
  - 4. Explain which ancillary service fees, including GPS and expedited toll programs, the company will reim-

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- burse. Most smartphones have GPS.
- I. When should travelers be allowed to use chauffeured transportation?
    1. When the per-person cost is similar to other ground transportation options.
    2. When travelers are arriving at an unfamiliar destination or a foreign country or at night.
    3. Because most limos charge by car or by the hour, not by the number of passengers, a sedan service may prove more convenient and less expensive than a car rental or taxi for commuting from the airport to the office.
  - J. Lay out procedures, policies and restrictions for parking expenses and tolls, traffic tickets and parking tickets, including receipt requirements.
  - K. Work with key stakeholders regarding sharing economy service providers like Uber and Lyft.

## VI. INCIDENTALS, MEALS & ENTERTAINMENT

- A. How much can employees spend?
  1. To control costs and eliminate the need to review receipts, the policy can set a maximum per diem, which may vary by city or region. Policy also could set a max per meal, which may vary among breakfast, lunch and dinner. Consider adjusting the limits if flights, hotels or events include free meals.
  2. Policy allowances can vary by level of employee.
  3. Analyze companywide average meal spending before establishing standard rates. Setting high maximums could tempt travelers to overspend.
- B. Specify whether any food is not reimbursable, such as entertainment, snacks, room service, alcohol or food purchased during travel that does not involve overnight stays.
- C. Specify that the highest-ranking employee present should pay.
- D. Business entertainment.
  1. The expense must be for a legitimate business purpose. Require a receipt listing individual charges, crucial for tax-deduction eligibility.
  2. The policy may put a max on average per-person cost.
  3. Define what categories of employees may entertain business guests without approval.
- E. Specify what incidental expenses are reimbursable and detail the requirements. Consider dry cleaning, laundry, foreign currency conversion, international phone access, Internet, passports, visas, medical inoculations, minibars, health clubs/fitness centers, spas, in-room movies, ATM fees, cash advances, shipping, babysitting, kennels, the U.S. Transportation Security Administration's PreCheck program, the U.S. Customs and Border Protection's Global Entry program and lost, stolen or damaged personal property.
- F. Decide whether to:
  1. Require that expense reports separate breakfast, lunch and dinner.
  2. Specify events that are not reimbursable, such as a birthday celebrations versus dinners at which employees receive awards.
  3. Reimburse for an employee's spouse.
- G. Include input from HR, legal and tax departments. Provide instruction for submission of value-added tax reclamations.

## VII. PAYMENT METHODS

- A. How should employees pay?
  1. Corporate cards allow the company

to build a travel expense database and thus a comprehensive picture of travel patterns and spend volume to use in negotiations with suppliers. They also help detect purchases that represent exceptions to policy and may provide the company financial incentives through rebates based on volume spending. In the policy, prohibit use of these cards for personal purchases.

2. Personal charge cards eliminate the time and some costs of a corporate card program. Some experts advocate against this option.
  3. The company can pre-load reloadable debit cards with select amounts, set them to allow only certain expenses and deactivate them if stolen or lost.
  4. A centrally billed account can be used for air and rail purchases.
  5. A company can set up direct-billing arrangement with preferred lodging and ground transportation suppliers.
- B. How should card expenses be billed?
    1. When employee cardholders are billed directly, they share liability with the company. The employee holds the initial responsibility of auditing and paying charges, which reduces the administrative burden on the company and induces travelers to file timely reports.
    2. When the company is billed, called centralized billing, the company has complete liability. The company also has control over delinquency, assuming it pays bills when they arrive.
    3. For central pay/individual bill cards, the company has liability and pays all bills, but bills also go to employees for review.
    4. Centralized billing of airline expenses and individual billing for other expenditures removes the largest expenditure from individual employees.
    5. When deciding, beware that some countries do not allow individual payment and liability. Also consider cards billed in local currency, foreign language billing statements, automatic teller machine fees, card fees and collision damage-waiver insurance.

- C.** Designate in the policy whether every employee should get a corporate card, every employee who travels, even if minimally, or those who incur travel expenses regularly.
- D.** Include in the policy how travelers obtain cards and what to do if they're lost or stolen.

### VIII. EXPENSE REPORTING & REIMBURSEMENT

- A.** Lay out the requirements for what receipts the company requires to be attached to expense reports, whether all air, car rental and hotel receipts; any receipt above a threshold, often \$25; or the IRS's requirement of receipts for expenses of \$75 or more.
- B.** What documentation is required for reimbursement?
  - 1.** The policy can specify types of receipts for different services, such as an itinerary copy or electronic receipt and boarding pass for air, a hotel folio plus proof of payment for lodging and receipt or corporate card record for car rental.
  - 2.** The IRS accepts electronic data from card suppliers in lieu of paper receipts if appropriate detail is included. Some card companies and hotel chains cannot provide full detail on hotel receipts.
  - 3.** Many companies do not require receipts if travelers charge the expenses on corporate cards, a significant efficiency for employees. Advise within the policy, though, that employees should be prepared to disclose how and when expenditures were incurred.
  - 4.** Whether the hotel was approved, whether the hotel gave the lowest rate available and whether the booking aligned with travel policy.
- B.** The type of card used for payment and its last four digits.
- C.** Whether the booking was done over the phone or electronically.
- D.** Whether the travel management company handled the reservation.
- C.** The policy should specify the conversion rates to use on expense reports for expenses incurred in foreign currencies, either:
  - 1.** The rate on the currency exchange receipt on the credit card statement.
  - 2.** A reputable source's archive of

conversion rates, pegged to the day of the transaction.

- D.** The policy should designate expense report deadlines, whether within seven days of the end of the trip; at regular intervals—such as weekly, biweekly or monthly—for frequent travelers; immediately upon purchase of a ticket; or immediately upon receipt of the statement. Policy may specify that employees will not be reimbursed if they do not file expense reports on time. Indicate in the policy how to handle late-payment fees and interest charges.
- E.** How should travelers file expense reports?
  - 1.** All employees should be prepared to disclose when, how and why expenditures were incurred and be required to list dates, locations, names and titles of those visited and the purpose of the trip.
  - 2.** Mandate use of an automated expense reporting system if it's available.
  - 3.** Require separate expense reports for each trip.
- F.** Indicate whether the company will reimburse travelers who do not book through the mandated TMC or on-line booking system.

### IX. MISCELLANEOUS

- A.** Distribute the travel policy in a user-friendly summary document or in multiple documents covering different modes and classes of travel. Publish it on the corporate intranet and travel webpage or website, in newsletters, in the employee handbook and via e-mail and corporate social media tools. Review it during employee orientation and travel policy seminars.
- B.** Require employees to confirm they've read the policy.
- C.** In the policy, state what steps will be taken if a traveler does not comply, such as informing supervisors, managers copied on reminders, expansion of the authorizations required for pre-trip planning and post-trip audits, reprimands, documentation in employees' personnel files, delay or denial of reimbursement and, in extreme cases or for repeat offenders, termination. If the company bills air travel

centrally, you can require travelers who make out-of-policy air bookings to fund their trips and then seek reimbursement.

- D.** Work with HR to provide employee data to the TMC for new travelers and for maintenance of existing traveler profiles. Encourage infrequent travelers to update their profiles whenever a change occurs, and ask travelers to review their profiles annually.
- E.** The policy also can include:
  - 1.** Statement from the CEO of scope, goals and purpose of the travel program, as well as the advantages of supporting preferred travel vendors.
  - 2.** A precise rundown of company managers and officials responsible for enforcing policy.
  - 3.** Whether to permit travel apps on company smartphones, whether to restrict traveler-downloaded travel apps and whether to permit travelers to book business travel with their personal devices.
  - 4.** Whether to allow travelers to review or share corporate travel supplier experiences on social media and public websites.
  - 5.** How, when and how much to charge clients for travel.
  - 6.** Instructions for medical and other emergencies, especially when traveling overseas.
  - 7.** Procedures and requirements for borrowing company computers and other technology and when the company will buy or lease equipment for travelers.
  - 8.** Responsibilities of travelers, travel arrangers and managers.
  - 9.** Mobile roaming charges: Determine whether you'll issue company phones, ask employees to supply their own or neither. Set guidelines on what charges are reimbursable, especially when traveling internationally. Look for alternative methods of communication like Whatsapp and Skype or discounted company plans with wireless providers.
  - 10.** Indicate whether to allow travelers to combine business and personal travel.

*Prepared with assistance from tClara CEO Scott Gillespie*