Establishing a T&E Policy

Business travel's return underscores policy priorities.

THE RETURN OF BUSINESS TRAVEL IN RECENT MONTHS AMID EASING OF restrictions related to Covid-19 has spurred many companies to revise their travel policies to drop some of the pandemic-era restrictions they put in place since, several travel management company executives recently told BTN. Gone, in many cases, are the policy requirements that high-level executives must approve even simple domestic business trips, and some have dropped mandates that would-be travelers receive a Covid-19 vaccine before boarding a flight.

But policies haven't yet returned to pre-pandemic footing, either. While several recent surveys of business travelers have shown that a majority now are willing to travel for work, a significant minority remain uncomfortable or unenthusiastic at the prospect. As such, some companies are revising travel policies to specify who can or must travel and determine the circumstances under which they would do so. Many also are reassessing the role of remote conferencing and revising their travel policies to detail the procedures when its use is recommended or mandated.

Covid-19 isn't the only reason to develop and maintain a comprehensive travel policy, though. A clear policy serves as a foundation for any effective managed travel program and, when designed with the company's culture in mind, can serve as an opportunity to help advance corporate goals and objectives.

That's no small feat, though. Organizations must decide how strict their travel policy should be, whether it should apply to senior executives and regular employees equally and how regional and global differences should be handled—just to name a few choices—and what the effect of these decisions could be on employee well-being and retention. These questions aren't always easily answered and often are considered by organizational task forces that include representatives from different corporate departments and geographic regions, and the policy eventually developed often is reviewed periodically to maintain relevance and incorporate new realities.

The following basics of a travel and entertainment policy shows some possible avenues for furthering corporate goals while controlling travel costs. – *Chris Davis*

I. QUESTIONS TO PONDER

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

B. Who will own, write and update the policy?

1. Form a committee of stakeholders from various departments—travel, accounting, administration, finance, HR, marketing, meetings, risk management, sales, strategic sourcing/procurement, training, accounts payable, expense management, IT, and any department that employs frequent travelers—plus international representatives to recommend policy elements to a writer and to seek traveler input.
2. Obtain a few travel policies from colleagues within and beyond your own industry and from your travel management company; seek a range of examples from brief to detailed.
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, including 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 HR 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 group travelers each are subject to identical policies, unless a separate policy covers groups, conferences and meetings.
3. Greater cost control comes with a single policy that covers all locations, but this style interferes with individual locations' autonomy.
4. A company that wants to balance consistency and autonomy can institute an umbrella policy that individual divisions or locations can restrict but not relax.

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

1. Some companies apply special consideration for high-ranking executives, for those whose time is most valuable financially and for those who require more security. Some companies draft separate policies for executives but do not

communicate these to all employees.

2. Recognizing road warriors by loosening policies for those who cross mileage or overnight-stay thresholds produces 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.
3. To mitigate disaster risk, companies can forbid more than two or three executives from traveling together, such as a CEO and CFO traveling 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 the company can adapt it to local needs.
2. An umbrella policy with addenda for individual countries will work if travel expense or management data is available.
3. Companies can group countries with common travel requirements and cultures into regional policies.
4. Keep local standards, legislation, practices and budgets in mind.
5. If travel is paid for with a federal contract or grant, consider relevant travel restrictions like the Fly America Act, as well as reporting requirements that apply to the contract or grant.
6. Consider export controls regulating the shipment or transfer of software, technology and equipment from the U.S. to other countries.

F. Should you make separate policies for international travel?

1. The company may decide to draft separate policies depending on the destination country and length of the trip, though it's not necessary.
2. Policy should cover passport and visa acquisition, health certificates and security and emergency services or advise employees where to locate this information.
3. Travel managers also should work with their travel management companies and security providers to make sure they're providing 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 consequences for noncompliance as strict as 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 with the CFO or CEO's signature.
5. Unmanaged travel programs should direct travelers to use their best judgment and then ask them to share travel information to aid duty of care.

II. ARRANGING TRAVEL

A. Should travelers have supplier choices?

1. Giving travelers broad discretion could increase costs and decrease policy compliance but also could improve traveler satisfaction and productivity.
2. Most companies either encourage travelers to use a travel management company and online booking tools to book travel compatible with policy and preferred suppliers, or the companies prioritize lowest logical cost over use of preferred suppliers.
3. Check with your legal and HR departments about the risk of limiting travelers' options to one supplier. Full liability for an injured traveler, for example, could fall on a company that eliminated air carrier options.
4. If traveling on federal contract funds, a federal contracting plan is required. It requires that a certain percentage of spend needs to be with a certified small business organization, and an easy way to meet the requirement is to use a TMC that's a small business.

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 one preferred online booking tool across as many countries as possible. Configure the tool to highlight preferred suppliers or to eliminate 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 channels if those prices fall below a predetermined cap and if the company has a way to capture the trip data. However, if travel programs can't capture trip data through new technologies or by travelers forwarding itineraries or booking confirmations, travel managers can't track travelers or spend.
5. Some policies require employees planning a meeting to notify or work with the meetings department, travel department or TMC if the meeting involves 10 or more colleagues, involves hotel room nights, requires a contract or exceeds budget thresholds. This allows the company to take advantage of negotiated group discounts, ensures compliance with the travel policy and allows a legal review of the contracts.

C. How far in advance should travelers plan?

1. Traditional wisdom says the further in advance a trip is booked, the greater the chance of lower airfare and availability of preferred seats. These days, it isn't always the case, plus booking far in advance increases the chance that a traveler will need to change the reservation

if business requirements change. Changing an air reservation likely will cost money.

2. Some companies still require supervisor approval or passive notification for trips booked less than two weeks in advance of travel.
3. Some TMCs encourage advanced booking by notifying travelers and their managers how much the traveler could have saved by booking in advance. Make sure the data is accurate.
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 or trip cost?

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 hours, for travel emergencies or to avoid larger cancellation penalties.
2. Online booking tools are available round-the-clock, but changing ticketed itineraries is not always possible due to complex fare rules.

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 centralizes bookings, 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 that companies or their 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.

B. How much should employees pay?

1. Define the company's acceptable pricing level, such as moderately priced, by brand or by hotel tier.
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

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. Prior to the Covid-19 pandemic, remote conferencing tools were used primarily for internal meetings. Now, travel managers are looking at how to deploy such technologies more strategically for all types of business meetings and even larger business events, to reduce travel but also to provide workers with viable options that won't expose them to infection vectors.

I. IT departments usually manage conferencing tech, but travel managers can promote its use and examine airline citypair and hotel data to choose locations for installations. Integrate systems to book remote conferences with travel booking systems, and design them to prompt travelers to skip trips.

II. Ideally, the option to use remote conferencing alternatives would be integrated into the online booking tool or trip approval process. Some companies are setting a higher justification threshold for business trips since Covid-19 emerged. Such travel policies should allow for the diversion of non-essential trips to a choice of virtual meeting options. If they can't be automated, such policies should be clarified so managers and employees can make the best decision.

III. Tech suppliers offer services and products. Most employees also have videoconferencing-capable personal devices, though IT may have to aid integration and collaboration.

of particular hotels in given cities. Requirements for travelers 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 clients.

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, it may be warranted to use closer, more expensive hotels.

E. Other options.
1. Make it clear in the policy that employees are responsible for canceling within the hotels' cancellation windows. Policy could instruct a traveler who cancels 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 TMC to produce a better paper trail.
2. Policy should address whether the company will reimburse travelers for personal items like in-room movies, mini-bar purchases and laundry expenses. These policies 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 multiple-occupancy rate.
5. Note whether travelers will be reimbursed for host gifts when they stay with colleagues, associates, friends or relatives.
6. Avoid properties with external entrances for each 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. When airlines prices on certain city pairs are competitive or only slightly higher, request that travelers use the company's preferred airlines.
2. Most companies indicate coach as the preferred class for non-executives traveling domestically; however, 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. The company often can use them 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 against the higher cost of nonstop flights. Consider that a layover in Chicago in January carries a heftier risk than a nonstop flight that would 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 flights with stops, typically $100 per 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 to premium economy for shorter flights.
5. Employees may be willing to pay personally for an upgrade or companies may make it policy to pay for employees to upgrade in certain conditions, including:
   a. Flights of at least six or seven hours; using mileage as a measure instead prevents travelers from manipulating schedules—booking flights with longer connection times, for example—in order to become eligible for upgrades.
   b. International flights: Consider whether to include U.S.-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. Employees taking multiple international trips 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

against the 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 suppliers' loyalty program benefits. Most companies allow travelers to keep rewards, but some 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 have booked international trips.
2. Who can fly in company-owned and company-leased planes.
3. Whether the traveler or the company gets the denied-boarding compensation when an airline pays it out 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?
1. Possibly not, if a booking must be made at last minute.
2. Otherwise, doing so helps 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 company's 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. Push travelers to refill gas themselves, as car rental companies charge a premium to do so. Some vendors offer an upfront fee for fueling, which eliminates those charges.
2. Ask travelers to avoid one-way drop-off charges by returning rental cars to pick-up locations.
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 reimburse. Most smartphones now 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 ride-hailing 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 could set a maximum per diem, and it could vary by city or region. Policy also could set a max per meal, which could vary among breakfast, lunch and dinner. Consider adjusting the limits if flights, hotels or events include free meals.
2. 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, which is crucial for tax-deduction eligibility.
2. The policy may put a max or provide a guideline on average per-person cost.
3. Define what categories of employees may entertain business guests without approval.
4. In accordance with U.S. Internal Revenue Service regulations and Sarbanes-Oxley processes, whether business took place before, during or after entertainment. employees should be prepared to furnish:
   - **a.** Names, titles and company affiliations of each person present.
   - **b.** Business purpose served.
   - **c.** Business topics discussed.
   - **d.** Name and location of the establishment.
   - **e.** Exact amount of the expense.
5. Include in the policy clear direction from legal, finance and HR to guarantee that an employee paying for a business guest's meal is not construed as a bribe and does not exceed the corruption threshold.
6. Entertainment expenses, such as golf or tennis fees, may be reimbursable, or the policy could list certain activities as unsuitable for the company to sponsor.
7. The policy may list circumstances under which employees will be reimbursed for hosting business meals or entertainment in their homes.

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, mini-bars, 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 birthday celebrations versus dinners at which employees receive awards.
3. Reimburse for employees' spouse.

G. Include input from HR, legal and tax departments. Provide instruction for how to submit 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 are exceptions to policy, and they may provide the company financial incentives through rebates based on volume spending. Prohibit use of these cards for personal purchases.
2. Personal charge cards eliminate the time and some costs of corporate card programs. 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 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, ATM fees, card fees and collision damage-waiver insurance.

C. Designate in the policy who should get corporate cards: every employee, every employee who travels, even if minimally, or only 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; whether the hotel was approved, whether the hotel gave the lowest rate available and whether the booking aligned with travel policy; the type of card used for payment and its last four digits; whether the booking was done over the phone or electronically; and whether the TMC handled the reservation.

C. The policy should specify what conversion rates to use on expense reports for expenses incurred in foreign currencies, whether the rate on the currency exchange receipt on the credit card statement or 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 online 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 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, copying managers on reminders, adding authorizations 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 to maintain 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 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.