

ADMINISTRATIVE POLICY

Travel and Business Expense Policy

Approval Authority:	Vice Chancellor for Finance	Originally issued: November 2018
Responsible Administrator:	Controller	
Responsible Office:	Finance	Current version effective as of: September 2022
Policy Contact: Services	Senior Director, Purchasing and Payment	

POLICY STATEMENT/REASON FOR POLICY

This policy is to support the productivity and safety of those traveling on university business, to ensure compliance with external and internal requirements, and to confirm Vanderbilt resources are used properly.

Non-travel related business expenses may be reimbursed if an individual paid the expense from personal funds and no other acceptable methods of buying and paying are available (i.e. good(s) available via the catalog, goods requiring a purchase order as defined in the general purchasing policy, or goods purchased using the Vanderbilt One Card).

This document is intended to cover the most common travel-related situations; where unusual circumstances arise, the spirit of this policy – along with good judgment – should prevail.

General considerations:

- Travelers should neither gain nor lose personal funds as a result of business travel.
- Travelers will have necessary approvals and travel documents in order prior to travel.
- Individuals will use Vanderbilt contracted suppliers and booking and expense management tools.
- Individuals will follow the terms of sponsored research agreements for travel under such agreements.

THIS POLICY APPLIES TO

This policy applies to all employees, students, and guests who travel or book travel on behalf of Vanderbilt business, those seeking reimbursement for necessary and reasonable non-compensation business expenses, and those who review, approve, or record financial transactions on behalf of the university.

POLICY

A. Travel

1. Vanderbilt requires travelers to document a business purpose and secure approval from appropriate supervisor to travel prior to committing university funds or incurring expenses. Commuting to and from work is not an allowable business travel expense.
2. Travelers are responsible for understanding and adhering to specific restrictions imposed by the source funding the travel. Any travel requirements from the granting agency supersede what is outlined in this policy.
3. Departmental policies can be more restrictive than the university policy; however, they cannot be less restrictive under any circumstance.

B. Safety, Security, and Insurance

1. Vanderbilt requires travelers to contact the Vanderbilt Incident Response for Travel (VIRT) team in the event of an emergency. The university also requires travelers to report accidents, thefts, and other crimes that occur while traveling on university business to the proper authorities, consistent with local/state laws, and to Risk and Insurance Management.
2. Students participating in a Vanderbilt sponsored activity outside the United States are required to abide by the Student International Travel Policy.
3. Vanderbilt insurance programs cover faculty, staff and students while traveling on university business. These programs do not apply while on personal travel.
4. Through Vanderbilt's insurance portfolio and negotiated contracts with rental car vendors, drivers and rental vehicles are fully insured, therefore all additional car rental insurance, specifically the Collision Damage Waiver (CDW), should be declined for domestic travel. Accepting and paying for this insurance, while reimbursable from unrestricted funds, is economically unnecessary.
 - a. Car rentals should be booked through the university online booking tool, travel agency, or directly with rental car vendors using the university's discount codes.
 - b. In the event of an accident, contact Risk and Insurance Management as soon as reasonably possible. The team will work directly with the rental car vendor and the university's insurance carriers to handle the claim.
 - c. Vanderbilt recommends purchasing additional car rental insurance when traveling internationally.
 - d. Travelers are responsible for the automobile liability and physical damage associated with the operation of personally owned, non-rented vehicles to conduct Vanderbilt business. The traveler's personal insurance is primary in the event of an accident, Vanderbilt's insurance coverage provides secondary coverage.

C. Air Travel

1. Travelers are required to utilize Vanderbilt's online booking tool or contact the travel agency to make reservations.

2. The university requires travelers to purchase the lowest available economy/coach class airfare that meets the business needs of the travel.
3. Airfare upgrades/fares/fees obtained using rewards/miles/credits are considered a personal expense and are not reimbursable.
4. Airline-imposed penalties for changes to an airline ticket for business reasons or circumstances beyond the traveler's control are reimbursable.
5. Priority boarding fees, economy class upgrades (e.g., Early Bird, Economy Plus, exit row, aisle seat, etc.) and fees related to trusted-traveler programs such as TSA Pre-Check and the U.S. Customs and Border Protection Global Entry Program are allowable.
6. Baggage fees that are reasonable and appropriate for the purpose and length of the trip are reimbursable. Fees associated with baggage that is personal in nature. (e.g., golf clubs) are not allowable.
7. First class seating is reimbursable only if the traveler's Vice Chancellor and Chief Business Officer have approved the request in writing in advance of booking. One of the following conditions must exist in order to request first class seating:
 - a. A flight segment has a scheduled in-air flying time in excess of four hours; or
 - b. The total scheduled in-air flight time for all flight segments is in excess of seven hours.
8. First class airfare supported by a medical justification, documented, and approved by the university's Equal Employment Opportunity Office (EEOO) as a reasonable accommodation does not require Vice Chancellor and Chief Business Officer approval.
9. Traveling on private/corporate/state owned, rented, or borrowed aircraft (including helicopters) requires the written approval of the Vice Chancellor for Finance/CFO and Risk and Insurance Management in advance of a traveler committing to the flight.
10. The Fly America Act (FAA) requires the use of U.S. airlines for federally funded travel. A non-U.S. air carrier is permissible in some instances if the carrier meets one or more of the exception criteria listed in the Federal Travel Regulation (FTR) guidelines section 301- 10.135-138.

D. Travel Booking Considerations

1. When traveling on behalf of Vanderbilt and an outside agency is funding your travel in whole or in part, the travel booking may be managed through Vanderbilt's online booking tool. If you do not use the online booking tool or the university's travel agency, consider the following:
 - a. Review the Conflict of Interest Policy requirements
 - b. Ensure you have obtained appropriate departmental approval
 - c. Register your travel with Vanderbilt's international security provider¹

¹ Contact travel@vanderbilt.edu for more information.

2. A companion's (e.g. spouse, child, etc.) travel reservations cannot be made through the university's online booking tool; however, they can contact the Vanderbilt travel agency directly for reservations. These travel agency services include additional fees and cannot be reimbursed.
3. Vanderbilt will permit travelers to accept frequent traveler rewards (e.g., Delta Sky Miles, Marriott Rewards, etc.). However, incurring additional expenses with the sole purpose of obtaining more rewards (e.g., purchasing more expensive tickets in exchange for higher reward points) is prohibited. Enrollment fees for these programs are not an allowable business expense.
4. Group air travel sponsored by Vanderbilt and booked using a university issued One Card must be booked by a Guest Travel Coordinator and managed via the university's travel agency.
5. The costs of ride-sharing services (such as those available through Lyft, Uber, or similar providers) and non-conventional lodging opportunities (such as those available through Airbnb, HomeAway, or similar providers) are allowable expenses under this Travel and Business Expense Policy. The university recommends using a commercial hotel or taxi unless the service is unavailable or cost prohibitive, and strongly advises travelers to take special note of the terms of agreement between traveler and vendor that accompany the ride-sharing and non-conventional lodging arrangements.
6. Vanderbilt does not have a separate policy on ride-sharing or non-conventional lodging. Vanderbilt does not endorse any particular provider of these arrangements, and is not responsible for the safety of travelers' persons or property in these or any other transportation or housing arrangements. Every traveler should carefully consider the ability of a particular vendor to provide complete, reliable and safe services and accommodations when making travel choices.

E. Lodging

Travelers will use the online booking tool or travel agency to book hotel rooms.

1. If lower rates for accommodations are available through a conference rate, the traveler may book through that website.
2. Vanderbilt will permit travelers to stay in accommodations that are reasonable and appropriate for the business purpose and location.
3. Upgrades using rewards/miles/credits for accommodations or gifts/gratuities in lieu of lodging at private residences are not an allowable business expense.

F. Ground Transportation

The university requires travelers to select the most reasonable and economical form of transportation when traveling on university business. Travel by shuttle, ride share, ferry, car service, bus, taxi, or rail are allowable.

G. Rental Vehicles

1. Travelers will use the online booking tool, travel agency, or directly with rental car vendors using the university's discount codes.
2. Rental of up to a mid-sized car is an allowable expense. Exceptions are permissible if there are three or more employees traveling together, if the traveler is transporting sizeable equipment, or if there are other valid business needs. The exception must be documented on the traveler's expense report. Upgrades using rewards/miles/credits are not an allowable business expense.
3. All tolls, fuel, GPS, and parking fees incurred while traveling for business are allowable expenses. Tickets or fines associated with parking, travel violations, or vehicle lockouts are not allowable.
4. Upgrades using rewards/miles/credits are considered a personal expense and are not reimbursable.
5. Motorcycle/moped/scooter rentals are not an allowable business expense.
6. Rental of the following is prohibited unless prior authorization from Risk and Insurance Management is obtained:
 - a. Passenger vans with seating capacities greater than 8;
 - b. Trucks or similar vehicles rented for the primary purpose of transporting any type of cargo or property;
 - c. Sport or utility vehicles to be used off of maintained roads; or
 - d. Rentals of vehicles for use within the United States by authorized foreign national guest of the university.

H. Personal Vehicles

The use of personal automobiles (traveler owned) for business travel is allowable when it is the least expensive means of transportation.

1. Vanderbilt requires a round-trip airfare comparison if the mileage exceeds 1,000 miles.
2. The university will reimburse travelers for tolls and parking fees incurred while traveling. Tickets or fines associated with parking, travel violations or vehicle lockouts are not reimbursable.
3. Vanderbilt will reimburse travelers for the business use of a personal vehicle at the current IRS mileage rate for the actual mileage incurred. The university will not reimburse for intra-campus travel.

I. Meals and Entertainment

1. In situations where an individual is conducting business with one or more guests, group/business meals and entertainment expenses are allowable. Business meals and entertainment must be directly related to university business.
 - a. Reimbursements will be for actual expenses and cannot be combined with the per diem rate.

2. Alcoholic beverages are allowable if necessary to support the business purpose.
 - a. Expensing alcohol and entertainment to sponsored projects is prohibited. Travelers must clearly identify and classify the alcohol, related tax, and tip expenses in expense reports as entertainment, regardless of the funding source.
3. In addition to the Vanderbilt expense requirements, the Internal Revenue Service (IRS) requires all business meals and entertainment expenses be properly documented. This includes a list of attendees including titles and affiliation, or identification of a discernible group, total number of attendees, and the business purpose of the meeting.

J. Vanderbilt Per Diem Reimbursement

1. Vanderbilt's per diem rate is systematically calculated in Oracle based on the number of travel days. The per diem rate includes all meals, snacks, room service, and tips for an entire day while traveling for Vanderbilt business purposes. The per diem rate requires a minimum overnight stay outside of Davidson or surrounding counties.
2. The rate cannot be used on trips that include group meals, business meals, entertainment, One Card expenses, or if meals were included as part of a registration fee.
3. The rate cannot be used if any portion of the trip is federally funded.

K. Relocation

Effective 2018, under a new federal act, relocation and house hunting related expenses are no longer tax-deductible expenses. Therefore, any funds provided to a new employee by Vanderbilt for the purpose of relocation or house hunting related expenses are taxable income and must be processed through HR/Payroll for appropriate income tax reporting.

L. Allowable Expenses (when required for conducting business during travel)

1. A temporary international voice or data plan added to a personal cell phone
2. Long distance phone and fax expenses
3. Foreign currency conversion fees charged to personal credit cards for Vanderbilt business transactions are allowable
4. Internet access (e.g., hotel, airline, etc.)
5. Laundry and/or dry cleaning service required while traveling when travel exceeds four consecutive nights
6. Passport and visa fees
7. Reasonable gratuity and incidental expenses if not claiming Vanderbilt per diem expense
8. Required travel immunizations, testing, and country specific prescriptions
9. International health insurance plans purchased through Vanderbilt's provider²
10. Scholarly publication fees (excluding advertising, marketing)

M. Unallowable Expenses (not reimbursable)

1. Baggage insurance

² Visit Vanderbilt's global safety website for more information: <https://www.vanderbilt.edu//global/health-safety/>

2. Car washes and detailing
3. Child care
4. Clothing, luggage and toiletries
5. Damages to any form of lodging, rental accommodations or vehicles caused by the traveler
6. Expenses for travel companions (e.g. spouse, child, etc.)
7. Expenses relating to normal commute
8. Fines, credit card interest, late fees, etc.
9. Fuel for personal vehicle
10. Hair, nail, and spa services
11. Personal expenses
12. Personal membership dues (including airport clubs, country clubs, warehouse stores)
13. Pet care
14. Vacation
15. Vanderbilt campus parking permits for faculty, staff, or student

N. Expense Reporting

1. The individual seeking reimbursement must submit his or her own expense reports. Expense Delegates cannot submit expense reports for approval.
2. All expense reports require a valid business purpose and the approval of the designated FUM and/or BEA.
3. Individuals must submit out-of-pocket reimbursement requests within 60 days of incurring the expense. The Expense & Payment Cards team will report any reimbursement submitted outside of the 60-day window to Payroll as taxable income.
4. Vanderbilt will reimburse travelers for expenses incurred prior to travel.
5. Expenses not incurred within the previous 12 months are not reimbursable.

O. Expense Documentation

1. Original receipt documentation for all expenses equal to or greater than \$75 is required and individuals are to exhaust all measures to obtain required receipts. Individuals are required to provide a justification if a receipt copy is not available. Additional supporting documents may be requested if the original receipt is not available.

Receipt Documentation is defined as a printed acknowledgment issued by the supplier or service provider to substantiate the business transaction. Receipts must include:

- Merchant information – name, address, phone, etc.
- Date of the transaction
- Itemizations of goods/services purchased
- Total amount paid
- Form of payment

2. A Google map mileage calculation is acceptable documentation for mileage reimbursement.
3. Vanderbilt will only reimburse the business portion of a combined business and personal trip.
4. Employees seeking reimbursement for payment issued via personal check or cash for services rendered must include the following within their expense report:
 - a. Confirmation the supplier has registered in the university's supplier portal.
 - b. An itemized invoice for services provided to Vanderbilt.
 - c. A receipt for payment.
5. Vanderbilt does not permit the use of "In lieu of" and "tradeoff" expense reimbursement. (e.g., although incurring a Saturday stay might reduce the cost of a flight, the traveler may not use the difference to offset all or part of his or her personal expenses).

DEFINITIONS

Allowable Expense – A necessary, reasonable, and appropriate expense incurred for the primary benefit of university business and therefore permitted to be reimbursed or directly charged based on the permission of the university or by the terms of federally or privately sponsored agreements.

Business Unit/Entity Approver (BEA) – The Business/Entity Approver is responsible for the stewardship of assigned financial unit(s) ensuring that transactions equal to or greater than \$10,000 are recorded accurately and comply with applicable university and departmental policies. The BEA requires a deep understanding of the operations and financial landscape of the unit as well as institutional financial policies and procedures.

Concur Travel – The authorized online booking system that serves as the system of record for users to make Vanderbilt business travel reservations.

Expense Delegate – An employee authorized to prepare and edit expense reports on behalf of the individual seeking reimbursement.

Financial Unit Manager (FUM) – The Financial Unit Manager is responsible for the financial stewardship of his/her assigned financial unit(s) ensuring that all transactions are accurate and comply with applicable university and departmental policies. The FUM requires a deep understanding of the operations and financial landscape of the unit as well as institutional financial policies and procedures.

Guest Travel Coordinator (GTC) – An employee authorized by the Vanderbilt Travel team to book travel on behalf of non-employees, using a Vanderbilt One Card.

Travel Assistant (TA) – An employee authorized to make travel reservations (airline, hotel, and car rental) on behalf of another employee using the traveler's credit card.

World Travel Service – The authorized travel agency that fulfills Vanderbilt business travel reservations. The agency issues airline tickets, hotel, and car rental reservations, assists with travel reservations, arranges group travel, and provides 24-hour travel reservation assistance.

CONSEQUENCES OF NON-COMPLIANCE

1. Expenses submitted for reimbursement that are deemed in violation of this policy may not be reimbursed to the employee/traveler. These violation(s) are governed by the appointed Chief Business Officer and/or Vice Chancellor in coordination of Travel and Payment Cards and Expense Reports team.
 - a. Additionally, employee/traveler may owe Vanderbilt University an amount equal to the total of discrepancies or unallowable expenses.
2. Individuals who do not follow air booking policy, may not have access to duty of care resources made available by Vanderbilt and the university's domestic/international security provider system.
3. A personal expense paid with a One Card is strictly prohibited. The cardholder is responsible for reporting transactions to the Payment Cards & Expense Report team immediately. Please reference Vanderbilt University's One Card Policy for additional details.

PROCEDURES

Activity	GTC/ TA	Employee/ Traveler	Expense Delegate	FUM	Expense & Payment Cards Team
Secure appropriate approval to travel prior to committing funds or incurring expenses. Includes, requesting pre-approval for policy exceptions from Chief Business Officer and Vice Chancellor.	✓	✓			
Adhere to policy and verify all expenses are allowable, reasonable within the normal course of business, and adequately substantiated.	✓	✓			
Reports policy violations to the Expense & Payment Cards team.		✓		✓	
Creates and/or edits expense reports.		✓	✓		
Submits all One Card transactions within 30 days of the posted date via an expense report.		✓			
Review and approve expense reports verifying all expenses follow Vanderbilt policies. Notifies the responsible FUM or CBO of any issues or policy violations.					✓

FREQUENTLY ASKED QUESTIONS

N/A

ADDITIONAL CONTACTS

Subject	Contact	Office	Phone	Email
Payment Cards & Expense	Finance	Expense and Card Manager	(615) 343-6697	PaymentCardsExp@vanderbilt.edu
Travel	Finance	Travel Manager	(615) 875-8850	Travel@vanderbilt.edu

RELATED POLICIES/DOCUMENTS

One Card Policy	Application Approvers
Guest Travel Coordinator Application	One Card Application

HISTORY

Issued:	November 2018
Reviewed:	December 2019
Amended:	December 2019
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Procedures Website

<https://finance.vanderbilt.edu/procedures-forms/index.php>

FAQ Websites

<https://finance.vanderbilt.edu/purchasingandpaymentservices/travel/documents/FAQ.pdf>