Business Purpose Index

Guiding Principles on How to Write a Proper Business Purpose:

1. Of the five W’s (who, what, where, when, why), the ‘why’ component bears the heaviest weight in importance to pass compliance testing. This is where the ‘art of finessing the WHY’ comes into play to get transactions pushed through compliantly.
2. Most non-compliant business purposes are written in the tone of an AA stating the minimal facts to the division’s approvers in a conversational tone between themselves only, for example “This is for Johnny’s membership to AAAP”.
3. The compliant business purposes are written in the tone of explaining the purchase such that an internal/external auditor, who may eventually pull the item for audit review 3-4 years from now, can understand how the purchase was justifiable for Stanford business. Moreover, there are situations where the original AA and/or the original financial approver are no longer employed at SU during this audit, so it would be best to write it clearly now so that your successor can explain it to the auditors.
4. Regarding the complaints from AA’s about catering to the whims of the financial approver, it would appear that if you actually look at the complaints, it usually is because the financial approver believes that the explanation doesn’t meet those standards. I think those complainers should be fortunate that their financial approver is looking out for our collective best interests.
5. Some of the complaints are legitimate because some approvers prefer certain key phrases to be used or required that are uncommon acronyms and need to be written out at least once, etc. That is natural especially given that the Business Purpose Statement Boxes have no standardization but only very generic guidelines.

*Travel > Conferences*

***Note:*** Be sure to start the business purpose with “A-” for *attending* or “P-” for *presenting*.

**Registration**

*suggested expenditure type*: 52510

[A]- [Doe] [AHA '14] registration. This transaction is for the registration fee for [Dr. Jane Doe] to attend the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

***Note:*** Don’t forget to apply for STAP reimbursement for eligible faculty.

**Airfare**

*suggested expenditure types*: 52410 (domestic travel)

52420 (international travel)

[A]- [Doe] [AHA '14] flight. This transaction is for the airfare for [Dr. John Doe] to attend the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

**Hotel**

*suggested expenditure types*: 52410 (domestic travel)

52420 (international travel)

[P]- [Doe] [AHA '14] hotel. This transaction is for lodging for [Dr. Jane Doe] to attend the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Attendance at the [American Heart Association's Scientific Sessions] is necessary to present [title of presentation]. This is essential to promote the reputation of [Dr. Doe]'s work as a cardiologist and [faculty member].

⇨ *Note modification of “why” portion here as the traveler is presenting.*

***Note:*** Allowable lodging charges include room and taxes; parking, if applicable; and wireless internet access, if applicable. Meals, movies, and add-ons/upgrades are not allowable.

If there is a charge for wi-fi, include the following: “Also included are charges for wireless internet access, which was necessary for [Dr. Doe] to have in order to properly prepare for the conference.”

*Travel > Conferences*

***Note:*** Be sure to start the business purpose with “A-” for *attending* or “P-” for *presenting*.

**Transportation**

*suggested expenditure types*: 52410 (domestic travel)

52420 (international travel)

Taxi

[A]- [Doe] [AHA '14] [taxi]. This transaction is for taxi rides for [Dr. John Doe] while [he] attended the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

Parking

[A]- [Doe] [AHA '14] [parking]. This transaction is for parking at [SFO] for [Dr. John Doe] while [he] attended the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

Mileage

[A]- [Doe] [AHA '14] [mileage]. This transaction is for mileage for [Dr. John Doe] while [he] attended the [American Heart Association's International Symposium] in [San Francisco, CA], [November 19-20, 2014]. Regular attendance at the [AHA symposium] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

**Meals**

*suggested expenditure types*: 52410 (domestic travel)

52420 (international travel)

Alone

[A]- [Doe] [AHA '14] food. This transaction is for meals for [Dr. Jane Doe] while [she] attended the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

With Others

[A]- [Doe] [AHA '14] food. This transaction is for meals for [Dr. Jane Doe] while [she] attended the [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. Regular attendance at the [AHA conference] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member]. The dinner on Nov. 17 was with [other Division faculty and staff], including [Dr. Bugs Bunny, Peds Card physician]; [Dr. Daffy Duck, Peds

Card physician]; and [Foghorn Leghorn, Peds Card Clinical Coordinator]. [Alcohol was consumed and has been split out/No alcohol was consumed].

***Note:*** *If alcohol was consumed, you may click here to access the Alcohol Tax and Tips Calculation*

*Worksheet in the Appendix for assistance in splitting the alcohol out from the transaction.*

*Travel > Conferences*

***Note:*** Be sure to start the business purpose with “A-” for *attending* or “P-” for *presenting*.

**Posters**

*suggested expenditure types:* 54520 (done outside of Stanford)

54510 (done by Stanford)

[A]- [Doe] [AHA] poster. This transaction is for the printing of a poster that was displayed during [Dr. John Doe]’s presentation at this year's [American Heart Association's Scientific Sessions] in [Chicago, IL], [November 15-18, 2014]. The poster contains information about Stanford's [heart transplant protocols].

*Travel > Other Travel*

**Outreach, Collaboration, or Approved Education**

*suggested expenditure types*: 52410 (domestic travel)

52420 (international travel)

Mileage

[Doe] [Yuba City] [mileage] [11/14]. This transaction is for mileage for [Dr. John Doe] while [he] traveled to and from [Yuba City, CA], [November 19-20, 2014] to [see patients in the outreach clinic there]. [Maintenance of the clinic in Yuba City is essential to providing care for those patients who would otherwise lack access to the care they need, and also for maintaining and strengthening our position as the preeminent provider of specialized care in the region.]

Parking

[Doe] [OCH mtg] [parking]. This transaction is for parking at [Oakland Children’s Hospital] for [Dr. Jane Doe], where [she] met with [Dr. John Smith] on [November 15, 2014]. [Dr. Doe] met with [Dr. Smith] so that they could collaborate on [their joint research project studying the effect of kittens on children’s post-op recovery].

Airfare

[Doe] [HI wkshp] air. This transaction is for the airfare for [Dr. John Doe] to attend the [American Heart Association's Pediatric Cardiology Workshop] in [Honolulu, Hawaii], [November 15-18, 2014]. Attendance at the [AHA workshop] allows for networking and professional development that is essential to [Dr. Doe]'s work as a cardiologist and [faculty member].

*Business Meals > Large Meals (Meetings, etc.)*

**Large Meals** (Meetings, etc.)

*suggested expenditure type*: 52355

*This category covers food for regularly-scheduled meetings such as advisory meetings, signout, journal clubs, etc. or one-time, open-ended meetings, with several people in attendance.*

Meeting

[Doe] [3W MD lunch] [1/15]. This charge is for [pizza] for the [January 2015] occurrence of the [monthly] [3West MD] meeting. The meeting is an opportunity for the [attending physicians] of the [3 West Intermediate Care unit] at [Lucile Packard Children's Hospital] to discuss unit business, including [problems, needs, personnel updates, and how to improve efficiency, effectiveness, and patient care].

Signout

[3W signout] [food] [12/5/14]. This charge is for [light refreshments] for the [3 West Acute Care] Unit's [weekly] signout, which is attended by [all unit patient care staff]. The presence of [refreshments] at signout most directly contributes to unit effectiveness by encouraging increased attendance, which increases unit cohesiveness and the efficient exchange of important patient care information. Secondarily, it boosts morale.

Journal Club

JC [lunch] [10/22/14]. This charge is for the food for the [October] occurrence of the [Division's] [monthly] [Journal Club lunch] meetings. These meetings are for [all Division faculty, fellows, and nurse practitioners]. Attendees discuss [recent medical journals and other publications] in order to keep up on developments in the field so that they may improve processes and maintain their competitive edge.

One-Time, Open-Attendance Meetings

[Doe] [lec. lunch] [4/15/15]. This charge is for [lunch] for attendees of the [cardiomyopathy lunch lecture] given by Dr. [John Doe] on [April 15, 2015] in the [Suite 325 Conference Room]. The [lecture] was open to [Division faculty and fellows], and was an opportunity for them to [increase their medical knowledge and network with an expert in the field].

*Business Meals > Smaller Meals (Interviews, etc.)*

**Smaller Meals**

Fellow Interviews *suggested expenditure type*: 52355 (non-travel food)

[Doe] interview food. This transaction is for [lunch] for [Dr. Jane Doe] when [she] came to Stanford to interview for a [first year] fellow position on [March 18, 2015]. Attendees included current Peds Card fellows [Harry Potter], [Hermione Granger], [Ron Weasley], and [Neville Longbottom]. [Alcohol was consumed and has been split out/No alcohol was consumed].Lunch with the current fellows serves an important business and social purpose in the interview process, as it makes the candidate feel welcome and also allows the current fellows to further evaluate the candidate’s suitability as a potential fellow.

Faculty or Staff Interviews *suggested expenditure type*: 52230

[Doe] interview food. This transaction is for [lunch] for [Dr. John Doe] when [he] came to Stanford to interview for a [CVICU] faculty position on [March 18, 2015]. Attendees included Peds Card faculty [Dr. Bilbo Baggins], [Dr. Frodo Baggins], and [Dr. Gandalf the Grey]. [Alcohol was consumed and has been split out/No alcohol was consumed].[Lunch] with the current faculty serves an important business and social purpose in the interview process, as it makes the candidate feel welcome and also allows the current faculty to further evaluate the candidate’s suitability as a potential faculty member.

University Visitor Meals *suggested expenditure type*: 52355 (non-travel food)

 UNLESS it’s a recruitment, in which case use 52230

[Doe] visit food. This transaction is for [lunch] for [Dr. Jane Doe] of [XYZ University] when [she] came to Stanford as a [visiting professor/guest speaker] on [March 18, 2015] to speak about [general topic]. Attendees included Peds Card faculty [Dr. Bilbo Baggins], [Dr. Frodo Baggins], and [Dr. Gandalf the Grey]. [Alcohol was consumed and has been split out/No alcohol was consumed].[Lunch] with the current faculty serves an important business and social purpose in this context, as it makes the visitor feel welcome and also allows the current faculty to further network with their peers.

Small Meetings (e.g. one-on-one)  *suggested expenditure type*: 52355

[Doe] [mtg food] [1/15]. This charge is for [coffee and pastries] consumed during a meeting between [faculty member Dr. Winnie-the-Pooh] and [fellow Dr. Piglet] on [March 17, 2015] to discuss [strategy for their upcoming research on the best way to get honey out of a tree]. The meeting helped to add value to [Dr. Winnie-the-Pooh’s] [research process].

*Morale*

**Morale Meals**

*suggested expenditure type*: 52240

[Admin Dec. ’15 lunch]. This transaction is for [an end-of-the-year holiday lunch] at [the Ritz-Carlton San Francisco] for [the Peds Card administrative team] on [December 18, 2015]. Attendees included [Mickey Mouse, Minnie Mouse, Donald Duck, and Daisy Duck]. The [lunch] was to engage in team building by boosting employee morale and expressing appreciation for [the team’s hard work over the year]. Keeping employee morale high and helping to ensure that team members feel valued are important to maximizing employee buy-in as well as unit cohesiveness and effectiveness.

**Morale Event**

*suggested expenditure types*: 52240

[Div. adm retreat ’15]. This transaction is for [the Peds Card annual administrative staff retreat] at [the Meritage Resort and Spa in Napa, CA] on [June 27, 2015]. Attendees included [Mickey Mouse, Minnie Mouse, Donald Duck, and Daisy Duck]. The [retreat] was to [boost employee morale, express appreciation for the team’s hard work over the year, and engage in team building activities to strengthen the unit]. Keeping employee morale high and helping to ensure that team members feel valued are important to maximizing employee buy-in as well as unit cohesiveness and effectiveness.

**Morale Gift**

*suggested expenditure types*:

If gift is <$50: 52240

If gift is ≥$50: 52210 (employees) or 52315 (students)

*Note that gifts ≥$50 are taxable; be sure to include recipient’s Stanford ID#.*

[CV holiday gift ’14]. This transaction is for a food basket for holiday physician and staff recognition/appreciation, for members of the Lucile Packard Children's Hospital Cardiovascular Intensive Care Unit, all people with whom Dr. [John Doe] works closely on a daily basis. Recognition and appreciation of the staff is essential to maintaining high employee morale, which is critical for optimum team effectiveness.

***Note:*** *Gifts must be of a business nature. Gifts of a personal nature (e.g. a gift for a new baby) are not eligible for reimbursement.*

*Supplies*

**General Supplies**

*suggested expenditure type*: 55110

Gen. supplies [4/15]. This transaction is for various general office supplies for use by [Division faculty and staff].

~ or ~

[Div. adm. board] [4/15]. This transaction is for [a dry-erase board] for [the Peds Card administrative team] to [use as an aid to improve team processes and brainstorm for ideas].

**Office Beautification** (including furniture)

*suggested expenditure types*: 55155

Human Subject for Sam:

Human Subject Payment; This is a [???] reimbursement for the costs associated with a patient's family's participation in a clinical trial headed by research coordinator [???], Award VADKT, on 9/3/15. Protocol #: 31865

HS Travel:

HS- Travel reimbursement. 11/24/15. Kim Hatfield (parent). This is a travel reimbursement for the costs associated with a patient's family’s participation in Dr Feinstein's clinical trial. Southwest airlines flights, car rental, lodging arrangements and the purchase of some food. This included a flight departing from San Diego airport, November 11th, and arriving in San Jose airport. Departure from San Jose airport, November 19th, and arriving in San Diego airport. Car rental from Thrifty car rental, 11/11. Lodging arrangements were at Stanford guest housing, 11/11-11/12 and 11/18. Food was purchased from Trader Joes and medication from CVS. Award VADKT, Protocol #: