Business & Travel Expense Policy:
Expense Approvers

Hello and welcome to the Expense Approvers training presentation. It is expected that if you are reviewing this presentation, you have already reviewed the Business & Travel Expense Policy Overview presentation. Please note that this presentation is not intended to be a detailed review of all aspects of the Business and Travel Expense policy. For detailed information about the policy, please visit the Business & Travel Expense policy document which is available on the Business & Travel Expense website.

Rather, as an individual who has been entrusted to approve business expenses on behalf of the university, this presentation is to provide you with some guidelines as to what to look for during the approval process and some information as to what to do when additional support is needed.

Approver – What to look for?

Do the expenses have a valid business purpose?

Do the expenses comply with university policy, departmental guidelines, sponsor requirements, federal regulations ?

Are appropriate and adequate receipts attached?

Business & Travel Expense Policy

Carnegie Mellon University

As an approver of expense reports or procurement card verification reports, we wanted to provide you with some guidelines as to what to look for when reviewing the reports that are submitted to you for approval.

One of the first things to consider is whether or not the expenses that are presented to you have a valid business purpose. Meaning, was the expense necessary to perform university business or to further the University's business?

Another important consideration is to determine whether or not the expenses that you are reviewing comply with university policy, departmental guidelines, and sponsor requirements or federal regulations. If you have questions regarding whether the expenses comply with sponsor requirements or federal regulations, please contact the Sponsored Project Accounting office for guidance.

With the attachment functionality available for expense reports and procurement card verification reports, has the preparer attached the appropriate receipts per the university policy and per your departmental or division guidelines? Also, do the receipts that have been attached contain the information that is required for the receipt to be considered an adequate receipt?

Approver – What to look for?

Do the dates of the expenses and on the receipts align with each other?

Are the expense amounts accurate per the receipts or the per diem rates?

Is the account allocation correct? *** Once approved, cannot be updated through Internet Expenses (need to submit an AP redistribution)

Business & Travel Expense Policy

3

Carnegie Mellon University

Something else to look for are the dates of the expenses on the report as compared to the dates on the attached receipts. Do the dates on the receipts support the expenses that are listed on the report?

Are the amounts on the receipts the same amounts that are being submitted for approval? If the report is an expense report for travel and the traveler utilized per diem, do the expense amounts reflect the accurate per diem amounts? Are the calculations correct?

Another very important component of the report is the expense type used for the expense as well as the entire account allocation. Has the business expense preparer associated the correct account string with the expense? Remember that it is important to ensure that expenses that are not allowed to be charged to the federal government are allocated to an expense type that corresponds with the Unallowable object code or expenditure type. For example, has the preparer of the report itemized the receipts so that any alcohol charges have been allocated to the 'Alcohol' expense type? Did the preparer of the report use the correct Project, Task, and Award for the expense? If the expense is charged to a GL string, is the function correct? Is the organization correct? It is important to note that once you approve the report, the account allocation information cannot be updated by the business expense preparer via Internet Expenses. Rather, any errors that are found within the account allocation information after your approval will create the need for an AP redistribution.

Approver – What to look for?

- ✓ Does the purpose and/or expense justification answer Who, What, Why, When, Where and How?

- ✓ Is there proper itemization of the receipt to account for different types of expenses?

- ✓ If expense is an exception to the policy, is the proper documentation of approval attached?
  - President, provost, dean, vice-president, or designated departmental finance representative can approve exceptions to policy

Business & Travel Expense Policy

4   **Carnegie Mellon University**

One of the most important elements of an expense report or a procurement card verification report is the information found within the purpose and business justification. A good business justification answers the following questions:

Who was involved?
What does the charge represent?
Why did the charge occur?
When did the charge/activity occur (if other than transaction date)?
Where did the charge occur?
How does the charge relate to business?

While all of these questions may not apply to every transaction, the information should be included when relevant. Basically, the goal of the purpose and the justification is to support the receipt for the expense. The business justification should be sufficient to explain the business purpose of the expense.

Looking at the receipts associated with the expenses, has the preparer made the proper itemizations? Has alcohol been separated out as an individual line item and charged to the 'Alcohol' expense type? Have paper supplies been separated out of the miscellaneous office supplies?

Finally, if you find an expense that is an exception to the policy, you should look to find the proper supporting documentation for exceptions to university and/or departmental policy attached to the report. Please remember that exceptions to university policy can be approved by the President, Provost, Dean, VP, or a designated departmental finance representative.

4

Exceptions to Business and Travel Expense Policy

| Airfare Upgrade | Airfare Change Fees | Excess Baggage Charges |
| Rental Vehicle Upgrades | Hotel Cancellation Fees | Sales Tax |

Business & Travel Expense Policy

5 **Carnegie Mellon University**

As just mentioned, exceptions to the Business and Travel Expense policy are allowed if there has been approval by the designated departmental finance representative, vice president, dean, provost, or president. Throughout the policy, there are several references to the types of expenses that may initiate a request for an exception. Examples of these include, upgrades and change fees for airfare, excess baggage charges, rental vehicle upgrades, reimbursement of hotel cancellation fees, and sales tax. When an exception exists, you should look for documentation of the exception to be included as an attachment on the report.

Exception Documentation

What should be included in exception approval documentation?	• Type of exception requested (Airfare? Rental vehicle upgrade?) • Detail of the business purpose of the exception • Rationale provided to support exception request (ex. cost/ expense analysis)

Business & Travel Expense Policy

6   **Carnegie Mellon University**

When reviewing exception approval documentation, you should expect to see a description of what type of exception was requested. Was it an exception related to airfare upgrades? There should also be details supporting the business purpose of the exception. There may also be rationale that was provided along with the exception request to demonstrate a cost savings that may justify the exception request. For example, if there is a request to have hotel cancellation fees reimbursed – there should be an explanation provided as to why the cancellation fees were incurred. Was it due to a flight that was running late and so the traveler was unable to check in within the hotel's terms and conditions? If an airfare change fee is incurred, there should be information provided that provides an explanation as to why that is the case. A cost/expense analysis could be provided to demonstrate that the cost of the change fee to fly out of a location was less costly than spending an additional night of lodging and other expenses that would have been incurred had the traveler remained in a particular location. Exception documentation, in some form, should be available to you when approving an expense report and should be available to auditors as well.

Approver – Approval Notification

Approval notification displays link to scanned receipts and supporting documentation

Expense ER662191 for CAMPBELL, ALISON (2,027.45 USD)

Approve | Reject | Reassign | Request Information

From	CAMPBELL, ALISON	Expense Report for	CAMPBELL, ALISON
To	WEAVER, DEANNE	Individual's Cost Center	540700
Sent	29-Oct-2010 12:59:10	Purpose	PHOENIX, AZ; ORACLE CONFERENCE; OCT 10-17, 2010
Due	03-Nov-2010 12:59:10	Expense Report Total	2,027.45 USD
ID	3348330	Preparer	ADC
		Attachments	Receipt Examples.pdf

Business & Travel Expense Policy

Carnegie Mellon University

7

Supporting documentation and receipts for expenses that are $75 or greater will be scanned and attached to the expense report or procurement card verification report by the preparer. When a report is submitted for approval, the attachments can be viewed by clicking on the Attachments link within the Oracle workflow approval notification. This attachment link will display for any expense report or procurement card verification report that has an attachment associated with it. Clicking on the link for the attachment will cause the attachment to open in a new window so that you are able to view the expenses and the supporting documentation at the same time.

Required Documentation

What does a receipt contain to be considered an itemized receipt?

- Merchant Name
- Date of Purchase
- Reference to the method of payment
- Amount of the purchase
- Items purchased

Business & Travel Expense Policy

8

Carnegie Mellon University

You should use this list as a general guideline for the type of information that should be provided on a receipt in order for the receipt to be considered adequate support for the expense. Information that should be available on the receipt includes: Merchant Name, the date of the purchase, a reference to the method of payment (whether it be cash/credit card/or check), the total amount of the purchase, and a detailed listing of items purchased.

In terms of receipts, this is an example of an acceptable restaurant or meal receipt. Both receipts are required to be scanned and attached as just one of these receipts alone does not provide the information that is required. The name and location of the restaurant, as well as the date of the meal, appears on this receipt example. The detailed receipt shows the number of meals purchased and this receipt also happens to include the number of guests at the table. This kind of information should be in sync with the information provided in the justification of the expense type. The details of the meal receipt also show whether or not alcohol was a part of the meal which is critical in allocating the charges appropriately. As an approver, when reviewing meal or restaurant receipts, it is important to ensure that the preparer has allocated alcohol charges to the Alcohol expense type. Finally, the receipt given for signature shows the total amount of the meal with tip included.

Acceptable Receipts – Lodging

Summary of Your Stay

Hotel: The Ritz-Carlton, Georgetown
 3100 South Street, NW
 Washington, District Of Columbia
 20007
 USA
 (202) 912-4100

Guest

Dates of stay: Jun 15, 2010 - Jun 16, 2010   **Room number:** 588
Guest number: 1413308W1   **Group number:** 1413308

Date	Description	Reference	Charges	Credits
06/15/10	Room Charge		349.00	
06/15/10	Occupancy Tax		123.11	
06/16/10	Payment - Visa XXXXXXXXXXXX5046			472.11
06/16/10	Honor Bar Liquor	5957	19.25	
06/16/10	Payment - Visa XXXXXXXXXXXX5046			19.25
Total balance				**0.00** USD

Carnegie Mellon University

10

This lodging receipt provides the approver with some good information. The dates of stay are listed so that we know that the lodging is for only one night. It confirms for the approver the location of the hotel. And, nicely enough for us, this receipt breaks out the charge for the room and the charge for the alcohol from the honor bar. With that information, as an approver, you should expect to see that the alcohol is charged to the Alcohol expense type.

Acceptable Receipts – Rental Vehicle

Rental Company Insurance Abbreviations:
- ALI – Additional Liability Insurance
- CDW – Collision Damage Waiver
- LDW - Loss Damage Waiver (Insurance)
- LSI – Supplemental Insurance
- PAI – Personal Accident Insurance
- PEC – Personal Effects Coverage
- SLI – Supplemental Liability Insurance

Business & Travel Expense Policy

Carnegie Mellon University

This is an example of an acceptable rental vehicle receipt. The detail on this receipt provides knowledge as to whether or not the individual purchased insurance through the rental agency. Listed here are abbreviations for different types of insurance coverage that are commonly used by rental vehicle agencies. You'll notice that on the receipt itself, there are several insurance codes – LDW, LIS, and PAI, PEC. These stand for Loss Damage Waiver, Supplemental Insurance, Personal Accident Insurance, and Personal Effects Coverage. The receipt shows that the traveler declined these insurance charges which is appropriate under the business and travel expense policy. It is important to look for these insurance abbreviations because depending on the situation, there are times when various types of insurance should or should not be purchased from a rental agency. For more information on insurance, you can contact the Risk Management Office.

The receipt in the upper left is an example of an acceptable receipt for ground transportation because it displays the required elements – including the name and location of the merchant, the date of the expense, and the total amount of the expense. If a tip was provided, the tip amount can be written onto the receipt for reimbursement.

In the lower right you can see a receipt that is clearly inadequate – there is no indication as to the name or location of the merchant, there is no date associated with the expense, and no detailed expense information to support what was purchased.

Purpose & Justification

Why or How does the expense relate to university business?

Who was involved in the expense?

What does the expense represent?

Purpose and Justification

When did the expense occur (if other than the date on the receipt)?

Where did the expense occur?

Business & Travel Expense Policy

Carnegie Mellon University

13
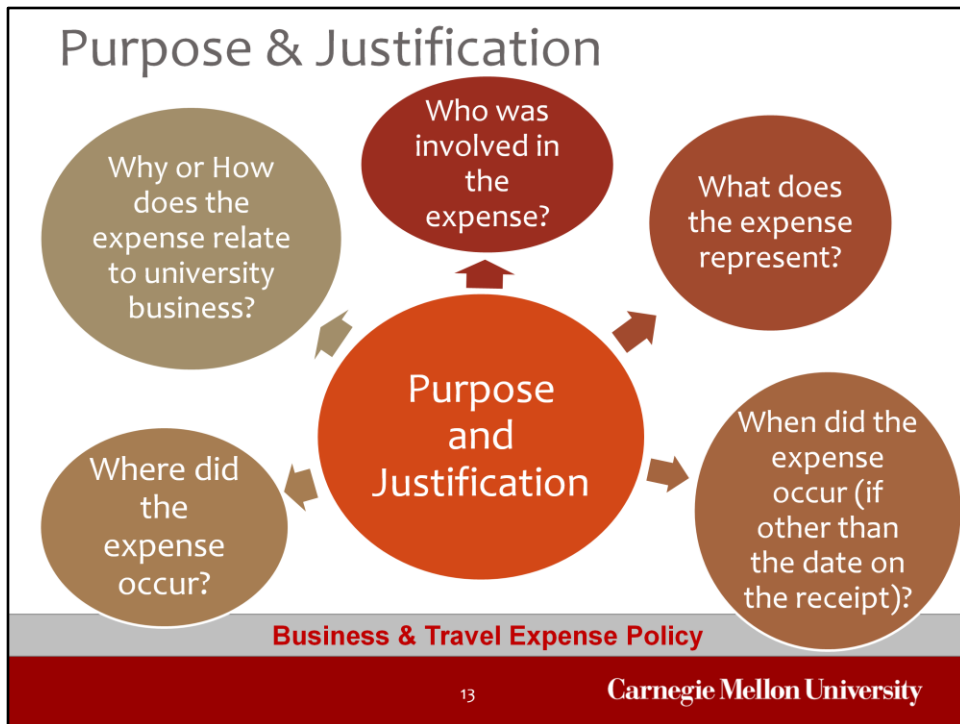
All of the information provided on the report, the purpose and/or the justification, should be there to help you as an approver - as well as the employee's supervisor, auditors, sponsors, and management - to understand how the expenses relate to CMU business.

A guideline to use when reviewing the information that is provided in order to support an expense are the '5 W's'. Does the information provided answer:
Who was involved in the expense?
What does the expense represent?
When did the expense occur (if other than transaction date)?
Where did the expense occur?
Why or How does the expense relate to university business?

While all of these questions may not apply to every transaction, the information should be included whenever available and relevant.

Expense Report – Business Expense Template

Purpose

- Level of detail (generic vs. specific) provided in the purpose can be dependent on whether all of the expenses on the report all relate to the same purpose
- Not available in the Oracle Grants Accounting application within R-Actuals data

Justification

- Should provide details for each expense that are not already included in the purpose – ensure 5 'Ws' are answered
- Should provide support to the approvers, auditors, and management as to how the expense qualifies as a business expense
- Available in the Oracle Grants Accounting application within R-Actuals data

Business & Travel Expense Policy

14   **Carnegie Mellon University**

On expense reports that are created using the Business Expenses template, not all expenses on the report may be related to each other. If the report is being prepared with multiple types of expenses and the expenses are not in relation to each other (for example – the expenses range from office supplies to meals for self/others to express mail) – the information provided in the purpose field may be more generic while the details may be found in the justification field of each expense. Something to note is that the purpose entered onto an Expense Report in Oracle does not appear in the Oracle Grants Accounting application within R-Actuals while the information entered into the justification does appear there. Because of this, you may want to ensure that the justifications that you see on expense reports are detailed in order to provide as much information as possible to anyone reviewing the data in Grants Accounting.

Let's take a look at some examples related to expense report purposes and justifications for business expenses.

14

Business Expense Purpose Examples

Poor 'Generic' Purposes	Good 'Generic' Purposes
Various expenses for pre-college events	Expenses related to supplies, meals, and refreshments served during various Heinz pre-college events that were held between 01-Aug-2010 and 15-Aug-2010
Business expenses for A. Campbell	Variety of expenses for the timeframe of 05-JAN-2011 to 10-JAN-2011 associated with meals to discuss XYZ project, data plan for iPad, and parking garage charges incurred while meeting recruits in Pittsburgh

Business & Travel Expense Policy

15   Carnegie Mellon University

These are examples of both poor and good purposes for expense reports using the business expense template. In these examples, we are using a generic purpose because there are multiple expenses on the report and they may vary in terms of expense types and their relationship to each other.

In the first example, you could receive a report for a variety of expenses related to differing events. But, the purpose should be clear as to what the types of expenses are on the report, who is involved, and the timeframe of the expenses being submitted. Similarly, an expense report that is for business expenses incurred during a particular timeframe should include an indication as to the types of expenses that were incurred and should also indicate the type of business the expenses relate to.

When generic purposes are provided, the justification for the expenses on the report should contain the detail – to round out the 5 W's.

15

Business Expense Purpose Examples

Poor 'Specific' Purposes

Lunch meeting

Expenses from the New Student Welcome Event

Good 'Specific' Purposes

PI Joe Brown held lunch meeting at Lucca's restaurant on 10/1/10 to discuss EPP Research project, XYZ, with EPP PhD students, Kathy Walker and Bob Smith

Expenses from the New Student Welcome Event to discuss financial aid and registration; sponsored by the Student Leadership Council of CFA, 10/12/20, 150 people in attendance

Business & Travel Expense Policy

16   **Carnegie Mellon University**

While the prior examples were purposes that would be appropriate for expense reports being submitted for a variety of expenses, these are examples of purposes that could be used on a report that contains expenses that all relate to the same purpose. Looking at the poor purpose of 'Lunch meeting' the only 'W' question that is answered is the 'What'. The purpose does not contain the 'Why' as to how the lunch meeting pertains to university business.

Likewise, a New Student Welcome Event may generate multiple expenses that can all be submitted within the same expense report but the purpose should include information such as who sponsored the event, how many people were in attendance, the date of the event, etc. Details of the expenses themselves, if not provided in the purpose, would need to be included in the business justifications which is what we'll discuss next.

Business Expense Justification Examples

Poor Justifications

iPad data plan for Joe Riley

Office supplies

Good Justifications

iPad data plan for Joe Riley, Director of Student Activities, for 9/1/10-10/1/10. Joe requires wireless internet access as he frequently travels and works away from the office, and he is required to maintain contact with staff and students

Office supplies (pens, tablets and dry-erase markers) for teaching and general use by Alison Campbell.

Business & Travel Expense Policy

Carnegie Mellon University

Looking at the Poor Justifications, while the iPad example provides who the expense relates to, there is no information provided as to how this particular expense is related to university business or the length of time that the data plan covers the iPad. In the next example, a justification of 'Office supplies' does not provide any information as to whether the office supplies are for a specific initiative within the department, for example for a professor's class or a PI's research, or if the office supplies are for general usage by the department.

17

Example – Business Expenses

Scenario: Heinz college hosts pre-college event to discuss financial aid options, provide registration information, networking with faculty

Template: Business Expense

Purpose: Expenses related to supplies, meals, and refreshments served during various Heinz pre-college events that were held between 01-Aug-2010 and 15-Aug-2010.

Expense Type:	Justification: (Who, What, When, Where, Why)
Unallowable	Drinks and snacks for a student meet and greet event on 8/12/10 in the student lounge; 150 attendees
Office Supplies	Pens, pencils, and notebooks supplied to students attending financial aid seminar
Meals Self/Others	Pizza (dinner) provided to students, faculty, and advisors on 8/05/2010 in the student lounge during a pre-college event that was focused on providing information about financial aid, registration, scheduling, etc.

18   **Carnegie Mellon University**

Now that we've reviewed purposes and justifications, let's look at how they work together to provide the information necessary to understand why the expense was incurred.

In this example, we have a variety of expenses that were incurred in order to support pre-college events during the a specified time period. The purpose in this example is generic in that it doesn't refer to the number of people involved in the event and the purpose of each and every event. You'll notice that the first expense type chosen is unallowable – even though the expense was related to drinks and snacks that would often be charged to Refreshments. Because there was no business purpose stated in the justification as to what type of university business was discussed or conducted at the meet and greet, the expense type used is Unallowable. Another example to point out is the Meals Self/Others. Because university business was discussed and this was the reason for the dinner-time get together, the expense can be charged to the Meals Self/Others expense type rather than Unallowable.

In this example, the combination of the information provided in the Purpose and Justifications answer Who, What, When, Where, and Why.

Expense Report – Travel Expense Template

Purpose

- Should provide overview information about the travel (ex. the start and end date of travel, locations, and the business reasons of the trip)
- Not available in Oracle Grants Accounting application within R-Actuals data

Justification

- Should provide details for each expense that are not already included in the purpose – ensure 5 'Ws' are answered
- Should provide support to the approvers, auditors, and management as to how the expense qualifies as a business expense
- Available in Oracle Grants Accounting application within R-Actuals data

Business & Travel Expense Policy

19   **Carnegie Mellon University**

If the expense report is being created using one of the travel expense templates, it is likely that all receipts on the report are associated with the same trip. In this case, the purpose that is entered should be more detailed and include information such as the start and end dates of travel, the location of the trip or travel, and the business reason for the travel. The information that is entered into the purpose does not need to be repeated in the justifications of the expenses however, as was noted in the business expense template discussion, the purpose information does not appear in the Oracle Grants Accounting application within R-Actuals. Again, because of this, you may want to ensure that the justification is detailed in order to provide as much information as possible to anyone reviewing the data in Grants Accounting.

Let's take a look at some examples related to travel expense reports, their purposes and justifications.

Travel Expense Purpose Examples

Poor Purpose

Michael Smith travel to California

Meetings at Amazon to discuss research

Good Purpose

Michael Smith (PhD student) traveled to San Francisco, CA from 10/15-10/20/10 to attend the 2010 NACUBO conference to obtain knowledge re: higher ed practices and network with professionals from peer institutions

Travel expenses associated with trip to Amazon in Seattle, WA from Sept 15-20, 2010 to meet with Amazon executives to discuss results of research of buying habits by age group

Business & Travel Expense Policy

20   **Carnegie Mellon University**

Looking at the poor purposes presented here, there is no information provided as to why Michael Smith was traveling to California. These examples don't provide an overall timeframe of the trips. Looking at the corresponding good purposes, it turns out that Michael was traveling to California to attend a higher ed related conference and also to network with fellow higher ed professionals. The meetings at Amazon were held to discuss research results and the meetings were in Seattle, WA.

Travel Expense Justification Examples

Poor Justifications

Shuttle

Meals while traveling

Good Justifications

Fare for shuttle between Westin hotel and LA convention center for Professor Hill and Professor Dale, 04/10/10, during Global Warming conference where the Professors were presenting research results

Dinner at Cafe ABC for graduate student Marcus Taylor while traveling to Omaha in order to attend the XYZ Conference on 6/16/10-6/19/10

Business & Travel Expense Policy

Carnegie Mellon University

21

Looking at the Poor Justifications, a justification of 'Shuttle' does not provide any information as to where the shuttle was taken to and from, who was riding the shuttle (were there multiple people covered by the shuttle expense or was it just one person?), or the relationship of the shuttle ride to the university business. Lastly, justifications for meals should include the names of who attended if there were 5 or fewer people at the meal, the location of the meal, and how the meal relates to university business.

Example – Travel Expenses w/o Per Diem

Scenario: John Doe provides receipts for trip to attend NACUBO conference. Per Diem not used.

Template: Domestic Travel	
Purpose: Chicago, IL; Jun 5-6, 2010; To attend NACUBO conference on Valuation of Financial Information for professional development.	
Expense Type:	**Justification: (Who, What, When, Where, Why)**
Airfare	Roundtrip airfare from PGH Int'l to O'Hare
Ground Transportation	Taxi from Chicago airport to hotel on Jun 5, 2010
Meals Self/Others	Dinner on Jun 6, 2010 at Maggiano's with John Doe and George Smith, Director of Accounting at the University of Chicago, to discuss financial process improvements.
Daily Meals	Breakfast on Jun 5, 2010 – not included in conference registration - Dennys
Daily Meals	Breakfast on Jun 6, 2010 – not included in conference registration - IHOP

22   **Carnegie Mellon University**

Here is another example of how the purpose and justifications work together to provide the answers to Who, What, When, Where, and Why. For this example, we'll look at a travel related expense report for a trip where per diems were not used.

The purpose indicates to you as the approver, as well as auditors and management, where the employee traveled to, when the travel occurred, what the travel was associated with and the relationship of that travel to a valid business reason – in this case, professional development.

As we look at the justifications, the justifications for airfare and ground transportation contain the locations of the travel. The justification for the expense type of Meals Self/Others contains the names of the individuals who attended the meal, the date of the meal, where they ate, and what they discussed. The justifications for the daily meals demonstrate why there are expenses for breakfast and the name of the location.

Example – Travel Expenses w/Per Diem

Scenario: John Doe provides receipts for trip to attend NACUBO conference. Per Diem used.

Template: Domestic Travel

Purpose: Chicago, IL; Jun 5-6, 2010; To attend NACUBO conference on Valuation of Financial Information for professional development.

Expense Type:	Justification: (Who, What, When, Where, Why)
Airfare	Roundtrip airfare from PGH Int'l to O'Hare
Ground Transportation	Taxi from Chicago airport to hotel on Jun 5, 2010
Meals Self/Others	Dinner on Jun 6, 2010 at Maggiano's with John Doe and George Smith, Director of Accounting at the University of Chicago, to discuss financial process improvements.
Per Diem Meals	Breakfast ($12) & Dinner ($36) on Jun 5, 2010 – not included in conference registration
Per Diem Meals	Breakfast on Jun 6, 2010 ($12) – not included in conference registration

Carnegie Mellon University

Here is another example of how the purpose and justifications work together. In this case, we are using the same scenario but this time we see that the employee is using per diems.

Since the purpose is the same as the prior example, let's focus on the per diems. The point to note on the justification for the per diems is that the preparer is indicating only the amounts for the breakfast and dinner meals are being expensed because those meals were not covered by the conference registration fee. On the second per diem meal, the only per diem amount being charged is the breakfast meal because the actual expense for dinner was charged in the Meals Self/Others example.

PCard – PCard Verification Report Template

Purpose

- Not a required field when creating PCard Verification Report and not expected to be used

Justification

- Should provide all of the details for each expense – ensure 5 'Ws' are answered
- Should provide support to the approvers, auditors, and management as to how the expense qualifies as a business expense
- Available in Grants Accounting within R-Actuals data

Business & Travel Expense Policy

24

Carnegie Mellon University

Finally, let's review the use of purpose and justification associated with the PCard Verification Reports. As was mentioned previously, the purpose field is not a required field when a PCard Verification Report is being created.

This makes the information entered into the justification field on PCard Verification Reports that much more important. For expenses incurred on PCards, the justification must answer who, what, when, where, and why.

Let's take a look at some examples of justifications on PCard Verification Reports.

PCard Expense Justification Examples

Poor Justifications

Lunch meeting for the XYZ committee

Conference registration for A. Campbell

Subscription to eLearning Course Curriculum

Good Justifications

Lunch for meeting of the XYZ PhD committee , XYZ representatives, and the program coordinator to discuss improving the program and assigning committee positions for the upcoming academic year held on 8/27/10 in UC Connan; 11 attendees.

Registration for A. Campbell to attend the NACUBO Annual meeting in New York, NY on April 1, 2010 for professional development and networking.

Annual subscription for calendar year 2010 for eLearning Course Curriculum magazine for purposes of professional development and staying aware of technology and trends in the eLearning arena.

Business & Travel Expense Policy

25   **Carnegie Mellon University**

Looking at the Poor Justifications, the lunch meeting for the XYZ committee does not provide any indication as to whether anything related to business was discussed, who was included in the meeting, how many people were included, where the meeting was held, etc. The justification of 'Conference Registration for A. Campbell' does not provide any substance as to how the conference is related to university business, what the conference is, or where the conference will be or has been held. Finally, the example of the subscription does not provide information to explain if the subscription is for a periodical or an online course, how long the subscription is for, or how the subscription relates to a business purpose. The information provided in the 'good' justification examples is critical for you as the approver of the expenses as well as for those auditing expenses in order to ensure that there is a business reason for the expenses.

Example – Purchasing Card Expenses

Template: PCard Verification Only	
Expense Type:	**Justification: (Who, What, When, Where, Why)**
Non Travel Business Meals	Lunch provided for Amanda Perkins' 9/10/2010 meeting presentation to Heinz faculty and staff on the current state of the Heinz College held in HbH 1000 (65 attendees).
Office Supplies	Name tags and permanent marker pens to be used by Admissions Office to identify students, faculty, and staff during student orientation information sessions to be held in Baker Hall in August 2010.
Conference Domestic	Conference registration for Liz Cooke to attend the American Society of eLearning annual meeting in Philadelphia, PA from Nov 4-7, 2009 to present research results
Business & Travel Expense Policy	

26 **Carnegie Mellon University**

Provided here is an example of a PCard Verification report and the type of information that should be included in the justification for different types of expenses. We won't go into detail on each of these examples but the intent is to represent that the detail provided in these justifications answer the questions of:

Who was involved in the expense?
What does the expense represent?
When did the expense occur (if other than transaction date)?
Where did the expense occur?
Why or How does the expense relate to university business?

Purpose & Justification Requirements

	Purpose	Justification
Business Expenses Template	X	X
Travel Expenses Template	X	X
PCard Template		X

Business & Travel Expense Policy

Carnegie Mellon University

In summary, the purpose field and justification field are both required on expense reports – regardless of which expense report template used by the preparer when creating the expense report. As a result, the information in both the purpose and justification fields can work together to provide you as the approver, as well as auditors and management, an understanding as to how the expenses relate to university business.

When verifying PCard expenses, the justification field is the only field available to provide all of the information that is required in order to demonstrate that the expenses relate to university business.

As an approver, you should feel comfortable in rejecting reports that are submitted for approval if you are not satisfied that the Purpose and/or the Justification contains the answers to Who, What, When, Where, and Why.

Approver – Questioning an Expense

What options exist if a questionable expense is found?

- Request more information from preparer in order to approve;
- Reject report; preparer can remove questionable expense and resubmit report without questionable expense line to allow for payment

Business & Travel Expense Policy

28 **Carnegie Mellon University**

If as an approver you are presented with an expense that you feel needs additional support of some sort, what should you do? There are a couple of options available to you. First, you could use the 'Request More Information' button within the Approval notification to ask the preparer of the report for clarification on the expense. Once the preparer provides you with sufficient clarification, you can approve the report.

Another option is that you could reject the report back to the preparer and include in the comments section why you have chosen to reject the report. The preparer can then remove the expense that is in question from the report and re-submit the remaining expenses on the report for approval. This will allow the report to be approved and paid while the questionable expense is being researched.

Approver – Approval Support

If additional guidance is needed for approving expenses:

| Reassign & Transfer to ER Help for review -> ER Help transfers back to original approver with 'OK' | Reassign & Transfer to ALG member for review -> ALG member transfers back to original approver with 'OK' | Attach email exchange and ALG member's okay to approve to the ER |

Business & Travel Expense Policy

29   **Carnegie Mellon University**

If you are uncomfortable approving an expense for any reason, there are resources that exist to assist you in your approval process. First, you can use the Reassign and Transfer functionality in the Oracle Workflow notification to send the report to ER Help which will be managed by Central AP if you have questions related to interpreting policy, tax, or insurance. Once received by ER Help, the report will be reviewed, information will be provided, and the report will be transferred back to the approver using the Reassign and Transfer functionality so that the approver can take action on the report.

Alternatively, you can use the same process but instead of reassigning and transferring the report to ER Help for assistance, the report can be transferred to your ALG member for review and for their 'OK'. The ALG member can then transfer the report back to you so that you can approve the report for payment. If you prefer to work with your ALG member regarding the expense outside of Oracle (such as via email) but you want to be sure to record the fact that you worked with your ALG member prior to approving the expense, you could include an email exchange as an attachment to the report. If you choose to attach an email, you would need to have the preparer of the report attach the email exchange.

EXPENSE APPROVER CONCLUSION

Carnegie Mellon University

This concludes the Expense Approver training presentation. For additional information and resources associated with approving expense reports and/or purchasing card verification reports, please visit the Business and Travel Expense website.