UAF Travel Process Improvement – TRIP Business Case

Executive Summary

Project Background

The UAF campus community is generally unsatisfied with the processing time of a travel authorization or reimbursement after travel has taken place. As the travel industry has moved to online efficiencies, such as online check-in, electronic boarding passes, and emailed receipts, UAF is taking steps to understand and streamline the current manual and paper processes to more effectively transition to industry standards and meet our travelers' needs. TRIP has taken steps to identify areas within the UAF framework, which if improved, will help add efficiency to UAF processing and reduce traveler frustration.

The UA System Office is also currently implementing an online travel expense management system (TEMS) solution. TRIP has aligned its work with this systemwide project in order to best match UAF campus needs with any newly automated process; however, the TEM system is currently not adequate to meet UAF traveler needs.

A recommendation section specific to TEMS improvements, to make the system as user-friendly as possible, is detailed below. The TRIP team also supports the idea to move from TEMS to a travel management system that includes trip management, booking options, expense tracking and expedited reimbursement options. The TRIP team evaluated some alternative tool options and has detailed their findings.

TRIP Purpose

To provide UA travelers a streamlined, timely and positive travel experience through efficient, transparent and cost effective methods.

TRIP Team Members

- Jared Dillbeck, Marine Advisory Program
- Dawniel Dupee, Finance & Accounting
- Karina Gonzales, School of Fisheries & Ocean Sciences
- Denise Irish, Athletics Department
- Geoff Jacobs, Finance & Accounting
- Sarah Lanstra, Geophysical Institute
- Serena Likar, Office of the Vice Chancellor for Research
- Jennifer Harris, Ashley Munro, Margo Griffith, PIT Crew

Summary of Recommendations

1) **Athletics Travel** - *Athletics travel is still a special case and has added process complexity. This is due to a need for large student group/team travel which can be done on Booster Club or Foundation funds in addition to general funds. Group travel often requires contact with an airline or hotel group reservations desk, and transactions may require purchasing requisitions (which take longer to process). If UAF moves toward a consolidated travel management program (such as Concur), Athletics will require a mechanism to handle group travel and lodging, upload any documents that confirm booking outside of the system, and*

must have the ability to report accurately.

2) **Eliminate NSF Flags & OFA Overrides** - *Eliminate the non-sufficient fund (NSF) flag in Banner. This flag generally prevents an encumbrance from being completed and requires OFA to override this action. This is an issue in the procurement process (SUPER team identified) as well as the travel process in TEM (TRIP team identified). Without eliminating this option, TRIP recommends a global funding change option in TEMS be enabled.*

3) **Require Direct Deposit** - *All UA employees who travel must be enrolled in direct deposit using payroll direct deposit information; an opt-out form associated with a hardship justification can be submitted to OFA, if there is a specific need for a check to be mailed. Direct deposit for UA payroll (HR processing) should also be the same process as the application for UA travel reimbursement.*

4) **Streamline & Integrate Risk Management** –*Determine what is mandatory to collect from a risk perspective. Standardize and incorporate necessary risk management form(s) into the travel process. Create one form (that can be uploaded into TEMS or Banner) or a disclaimer (check box or approval in Banner/TEMS) to capture risk related data, improve use of forms and increase ease of traveler access. There are too many forms, and forms are used inconsistently or are completed after travel has taken place, if at all.*

5) **Streamline Routing & Approvals** - *Routing in the current system is cumbersome and inefficient. Reduce review of travel documents where little value is created or low risk exists. Add ad hoc routing capability directly into TEMS. Ad hoc routing mirrors the current travel approval process and should not require additional workflow access or steps. Determine an acceptable level of risk for approving travel transactions, so UA Travel Regulations can be changed to eliminate double approvals (TAs and TERs) and reflect an acceptable OFA audit (spot check) framework.*

6) **Increase Reporting Capability & Safety Services** – *Basic reporting (via Banner/TOAD queries) is currently limited, the ability to run expenditure reports and track reduced travel budgets is critical. To build a culture of safety and prompt response, increasing system capability for reporting is also necessary.*

7) **Create (Unit-Led) Shared Service Models for Travel Processing** – *Shared services models can increase use of best practices for travel processing, allows service hubs to process a higher volume of travel and increases the expertise of employees (increased familiarity and accuracy) within a service hub. Service hubs are often most successful when lead by a unit or group of units that see benefit in a service change.*

8) **Move to an Improved Travel Management Tool (Concur preferred)** – *As UAF would ultimately prefer a full travel management tool (that includes booking, trip management and expense/reimbursement features) TRIP looked at a few alternative technology tools to compare to the current TEMS. TRIP recommends having one system available for approvals, booking and expense management to allow for ease of use for travelers and coordinators. User-friendly options, the ability to delegate roles, traveler notification and mobile*

capability are identified needs that were considered in conjunction with each product demonstration. If UAF intends to move to another system or travel tool, TRIP recommends a more robust demo before product selection/implementation. A UAF work team should be formed to evaluate further. See Appendix for initial UAF needs analysis and side-by-side product comparison matrix.

9) **Eliminate Personal Credit Card Use for Travel & Streamline Procurement Processes –** *Business related travel processing can occur in a much more standardized way if use of personal credit cards is discontinued. UA would also be eligible for additional vendor discounts and rebates if business card use increases. In this budget climate, any opportunities for reduced pricing or additional revenue is critical. Additionally, Procurement can make internal process changes (that UAF controls) to reduce requisitions for travel procurement and increase credit card use, which is traditionally much faster, by allowing lodging charges on procards. In the long term, moving to a one-card system (all UA procurement and travel on one-card) is most preferred.*

10) **Improve/Create a Training Plan for UAF Coordinators and Travelers -** *a new training module specific to travel coordinators should be created and updated regularly. This module can be part of new employee orientation, or in areas of heavy travel. OFA Travel Auditors will be responsible for maintaining the content. A sustainable model for delivery may be necessary and may require further exploration.*

Summary of Conclusions

The TRIP Team's recommendations are designed to ease the traveler's personal financial burden, increase ease of processing, and offer more flexibility at the department level. Many of these recommendations are implementable within UAF, through a change in procedures, and have been identified as such. These recommendations, where possible, should be implemented without further delay.

Additional recommendations which may be high-impact, such as adopting a more comprehensive travel management system, could require collaboration with the other universities and with Statewide, or could be done as a stand-alone UAF system. If these recommendations are accepted, they will need a strong commitment from UAF leadership at a strategic and operational level. Additional project teams and facilitation may also be necessary to move forward.

The following report details travel process rubs, a summary of survey findings and UAF travel stats. Fully detailed recommendations are also included with additional content and some alternative options if it is found not all things identified can be implemented.

Appendix Resources

- UAF initial needs analysis and comparison matrix showing results of software product demonstrations for a travel management system: US Travel, Concur and TEMS
- Detail of current process rubs (items UAF must fix)
- All campus memo to UA System Office RE Critical TEMS Improvements (June 2014)

Detailed Report – Full Analysis, Travel Stats, Recommendations and Details

Current Process – Major Areas of Inefficiency or "Rubs"

The TRIP team identified these major areas of inefficiency from mapping the current travel process. These rubs were later validated by traveler and coordinator surveys across the UAF campuses. TEMS related issues are not listed in full below, as this area has its own section.

The TRIP team feels that many of the rubs listed below can be improved via process changes that are internal to UAF, specifically in the procurement, travel/risk forms, and training areas.

- Multiple layers of approval/too many approvals: multiple redundancies and additional layers for restricted travel are unnecessary – creates unnecessary delays in approval.

- Reimbursement processing takes too long: up to 30 days in a unit and 30 days in the Office of Finance and Accounting (OFA) at worst case, lack of automated processing. These numbers demonstrate a need for a more transparent travel management system (so any long term hold-ups can be remedied).

- Overly complex procurement or payment processes: lack of an ability to charge lodging to procurement (procards) cards, no required direct deposit reimbursement for travelers, use of personal credit cards for business travel and lack of a one-card system.

- Forms/calculations are complex, manual or are not used consistently: high error rates for manual calculations, frequently returned documents, missing risk/safety practices, no ability to track EasyBiz use automatically in TEMS.

- Lack of accountability/transparency in process or coordinator support: lack of access to the systems by the employees that know the process best/do the work.

- No ability to pull data/run reports easily/automatically: no canned TOAD reports available, limited reporting options in TEMS.

- TEMS is not user-friendly and is not a travel management system: is complex and difficult to navigate, lack of ability to make changes in the system, lack of training, lack of mobile approval/upload options.

- Lack of adequate training for travelers/travel coordinators: consistent and user-friendly online and in person training for coordinators and travelers.

- Interpretation of appropriate/approved travel expenses at the Travel Auditor level: results in high unit "error rates" and slower processing times, a more flexible interpretation of what is an acceptable threshold for approval may be needed (TER is less than or no more than 10% above approved TA amount), moving to a true audit for TERs (rather than reviewing all travel) is recommended. This may require a UA Travel Regulation change and an analysis of an acceptable level of risk.

- Necessary technology/Banner improvements: mobile options, ad hoc approvals, automatic per diem calculations, integrated risk/safety processes, automatic upload options and user-friendly approvals

Summary of Findings – Data Collection & Survey Feedback

FY13 Travel Volume (by Unit) & Expenditures Overview

UAF spent nearly $14M on travel in FY13, of which 56 percent (about $8M) was aligned with research or sponsored projects on restricted funds. In an effort to improve processes, TRIP wanted to understand which units have the greatest number of trips. Higher processing units may display some best practices for travel management that can be used UAF-wide. Volume and complexity of travel (group/student/volunteer/remote/foreign) are the major factors in inconsistent or slow travel processing.

In FY13, UAF had approximately 8200 trips in total. Of those, 56 percent were in-state (most commonly Anchorage-Fairbanks-Juneau destinations) and 32 percent were out of state (heavily traveled to cities include Seattle, Washington DC). Of those remaining 6 percent are foreign (about 500 trips) or "other".

Of the 8200, just over 4700 were on restricted funds (57 percent) and 3200 were on unrestricted sources (39 percent); the remaining 4 percent are detailed in the report.

The primary reasons for travel in FY13 (based on TERs submitted) were: Program Field Work (25 percent), Program Administration (22 percent), Conferences (16 percent), Visiting Professionals (6 percent) and Student Instructional (6 percent). Athletics competitions were 1.5 percent (116 trips).

Using partial data for FY13 (approx. 3 quarters Oct-June 2013) estimates for highest traveling units are available. Within that time period, the Provost area had 46 percent of the travel, followed by VCR at 25 percent and VC RNE at 16 percent. Highest traveling units were: SFOS (661 trips), CEM and GI (each at 600), CLA (400) and IAB (320).

Highest CRCD traveling units were IAC (230) and Bristol Bay (120) with Fairbanks based CRCD employees at (120) as well.

TRIP found that units with dedicated travel coordinators were often able to process a higher volume of requests (sometimes at a higher complexity level). However, training in these areas is critical and accuracy must remain high, where this exists. These coordinators are sometimes located within a centralized business office structure, increasing coordinator backup, availability of department created online tools/forms, and expertise within the group. If a shared service model is to be successful, a focus on customer service, expertise in travel regulation, ability to train and advise travelers, encumber funds with knowledge of cost effective practices and accuracy in reporting should be a focus.

Major Travel Processing Errors (as defined and reported by the OFA Travel Auditors)

In an effort to understand why OFA can process some unit submitted requests in a timelier manner compared to others, TRIP identified the major errors that prohibit prompt reimbursement processing. TRIP feels that solutions targeting these common errors will have the largest impact on the UAF community and speed of travel processing.

- A wide variety of issues related to per diem: wrong location rate, lack of justification, claiming more or less days than appropriate, etc. Per diem mistakes make up about 40 percent of all errors.
- Receipts aren't consistently recorded properly, i.e. receipts are included but not claimed. Receipt errors make up about 30 percent of all errors documented. The receipt error example (a receipt is included but not claimed) would not necessarily seem to present a risk - therefore, interpretation of this as an error by central travel of course increases the error rate for units, but may not reflect something that is a true problem. While not representing a risk, resolving this error may have a large customer service upside (ensuring travelers are fully reimbursed).
- Improper start/end dates of business travel, especially when adding personal travel to trip. Incorrect dates make up about 12 percent of all errors documented. Business comparisons are often either missing or inaccurate.
- The remaining 8 percent of errors are less frequent items and represent the "Other" category.

UAF Department & Travel Survey Feedback – Major Communication Gaps

Survey feedback indicates a lack of training and basic communication in several key areas. Travel coordinator and traveler training (if you intend to travel as an employee) are lacking within the units; this can be remedied by an improved training plan for travel and/or as part of a finance/budget management training series.

- 64 percent of respondents received no travel training at the department level
- 34 percent of respondents didn't know UAF had a travel website
- 30 percent of respondents didn't know they can get a UAF Travel Credit Card
- 8 percent of respondents didn't know direct deposit is an option for receiving reimbursements

Communicating more heavily through the travel website, keeping the travel website current and easy to navigate, and providing information on the benefits of a UAF Travel Card would also be helpful to remedy these issues.

Current direct deposit for travel is a separate process (sign-up) than the HR direct deposit options for bi-weekly pay checks. Making this one process (if you are getting direct deposit for a paycheck, you default to direct deposit for travel reimbursement) or encouraging moving all employees to a direct deposit model would additionally reduce stale dated checks and increase speed for payments.

Missed Opportunities for UA/UAF Volume Discounts or Increased Revenues via Rebates

- The top cities UA travelers visit are: Anchorage and Fairbanks, AK; Washington, DC; and Seattle, WA. UA/UAF could negotiate improved lodging or airfare pricing in these areas and provide a "preferred list of vendors" due to the frequency/volume to these locations.
- The current rebate from the UA travel card is 0.86 percent. Additional rebates may be available if UAF discontinues use of personal credit cards, so more employees use travel/procards for business-related purchases. This will reduce the need for complex reimbursement calculations (e.g. alleviate personal expenses on department travel cards) and streamline processing since personal and business expenses will not frequently mix. This will also allow UAF to negotiate better pricing with vendors, since travel stats/reporting information from a business card will be readily available. Vendor information on personal cards is currently unavailable and prohibits discussions with vendors for UAF specific travel deals (lodging, airfare).
- Change the procurement practices to allow lodging purchases on the procard. Currently lodging purchases are done via an exception process or requisition. Requisitions can often take several weeks to process. This could be performed as regular practice and tracked as any other business expense.
- Move to a one card system for travel and procurement – the volume of sales would increase, resulting in larger rebate amounts for UAF/UA.

Recommendations for Travel Improvement – with Full Detail

The following recommendations address several travel or finance related areas where changes to UAF practices (or more broad policy changes) may result in improved processes.

Athletics Travel

It should be noted; Athletics travel is still a special case and has added process complexity. This is due to a need for large student group/team travel which can be done on Booster Club or Foundation funds in addition to general funds. Group travel often requires contact with an airline or hotel group reservations desk, and transactions may require purchasing requisitions (which take longer to process).

However, the adoption of many of the recommendations listed below will solve many of the inefficiencies with Athletic travel, specifically related to reporting and use of distinct account codes, the ability to charge lodging on procards (to avoid requisitions), and consolidated risk management forms. Athletics is currently not using TEM in order to avoid some of the group travel complexities.

If UAF moves toward a consolidated travel management program (such as Concur), Athletics will require a mechanism to handle group travel and lodging, upload any documents that confirm booking outside of the system, and must have the ability to report accurately. Concur is currently working on issues surrounding group travel, but TRIP is unsure of when a result is expected. If UAF were to consider Concur or another travel management system, this would be a question of any new potential vendor. Concur is discussed further in the Recommendations and Appendix.

Short and Longer Term Recommended Process Changes

1. **Eliminate NSF Flags & OFA Overrides** - *Eliminate non-sufficient fund (NSF) flag in Banner. This flag generally prevents an encumbrance from being completed and requires OFA to override this action. This is an issue in the procurement process (SUPER team identified) as well as the travel process in TEM (TRIP team identified).*

   a. Rather than stopping the encumbrance/business need, an automatic email notification can be sent to the unit indicating a budget revision or journal voucher should be created to manage insufficient funds. This will also reduce workload on the OFA office to process NSF overrides. UAF has a process in place via the monthly management reports, to identify areas short of funds in collaboration with the units. Management of funds at this level should be within a unit financial manager purview and is an added level of scrutiny that does not add value for fiscal oversight groups.

   b. This NSF flag additionally prevents TAs/TERs from advancing through approvals in TEMS and will not allow travel funds to be encumbered. When an alternate funding source(s) is identified, the funding must be changed at each line item, and causes a bottleneck/approval delays. There is currently no global funding change option to remedy this in a more efficient way and an NSF error entirely halts the process. A TEMS module upgrade is scheduled for December 2014, which may allow this change. Results TBD.

   c. If an automated Banner or TEMS solution is prohibited (by SW Financial Systems) TRIP recommends reducing NSF occurrences by changing the UAF internal process (managed within OFA) and the level at which an NSF check occurs. Checking for sufficient funds at a higher level (unit or fund) will allow for maximum unit flexibility and accountability with minimal bureaucracy. This also more realistically reflects the way units manage budgets and preserves an oversight function for OFA in Banner and via the monthly management report.

   d. TRIP further recommends streamlining NSF overrides and budget revisions by delegating authority to unit business officers. Currently, that authority exists at a central level. TRIP proposes that OFA delegate this authority to the executive officer (unit) level, so that unit personnel are fully in control of their unit budget management.

   e. For these changes to be effective, UAF must hold units accountable for travel expenditures that exceed travel budget. Travel auditors do not want units to charge accounts because funding is available; auditors want units to charge it because it is the most accurate location for the expense.

2. **Require Direct Deposit** - *All UA employees who travel must be enrolled in direct deposit using payroll direct deposit information; an opt-out form associated with a hardship justification can be submitted to OFA, if there is a specific need for a check to be mailed. Direct deposit for UA payroll (HR processing) should also be the same process as the application for UA travel reimbursement.*

a. Tracking whether a traveler has cashed an issued check (or not) is labor intensive for the departments and OFA. For stop-payments on checks lost in the mail it costs $18.50 per check plus the valuable time filing paperwork and issuing a new check.

b. This will have a limited impact to employees so can be employed immediately to reduce paper checks. During a three month period (October-December 2013) out of 1,390 payments for travelers, 20 were actual checks. This extrapolates to 80 checks, annually. Over time however, duplicate processing and stale dated checks are a significant annual expense.

c. To streamline the reimbursement process and eliminate hours of impractical research for stale dated checks, TRIP recommends that all travelers be enrolled in direct deposit using the same information as HR payroll direct deposit. These two processes are currently distinct and separate. This may require a change to the HR direct deposit form and processing procedures.

   i. At the request of UA employees an opt-out/exception form (with a hardship justification) can be filed if there is a need to have a hard copy check. An exception may be required when travel is reimbursed for non-UA employees.

3. **Streamline & Integrate Risk Management** – *Determine what is mandatory to collect from a risk perspective. Standardize and incorporate necessary risk management form(s) into the travel process. Create one form (that can be uploaded into TEMS or Banner) or a disclaimer (check box or approval in Banner/TEMS) to capture risk related data, improve use of forms and increase ease of traveler access. There are too many forms, and forms are used inconsistently or are completed after travel has taken place, if at all.*

   a. Standardize and consolidate the emergency communication plan into one template. This is most commonly used for remote travel. Tie-in risk information to the travel system via a booking tool option or dashboard. For example, if a remote site is selected as a travel location in TEMS, flag that location and include pop up info or a prompt to gather the required risk information. If prompts cannot be created within the system, reduce the multiple forms to the minimum required information and enable an upload feature in TEMS or an alternate system that is directly submitted to and accessible by EHSRM. As researchers often travel to the same field sites, the communication plan must be accessible within the system with an option to apply it to multiple records (or make copies of it for repeated travel locations).

   b. Incorporate foreign travel waivers into TEMS or an alternative system. Similar to the remote location trigger noted above, when a country outside of the US is provided, the ability to file/sign a foreign travel waiver should become available. If this is not possible in TEMS, this waiver can be incorporated into the communication plan template (above) and uploaded within a single request for travel approval.

   c. Incorporate the family/friends waiver into TEMS or an alternative system. This form is currently used inconsistently (if at all) when a spouse/family member travels with a UA employee. If this information is deemed necessary to collect, add a disclaimer (via checkbox and/or prompt with UA Travel Regulations) in TEMS so if this type of travel occurs, the UA

employee can acknowledge a review of travel regulations has occurred and UA liability is waived. This verbiage will need to be created and approved for the electronic travel system in order to eliminate a requirement for a non-UA traveler to complete the Travel Accompaniment Waiver.

4. **Streamline Routing & Approvals -** *Routing in the current system is cumbersome and inefficient. Add ad hoc routing capability directly into TEMS, in order to streamline oversight review steps where little value is created or low risk exists. Ad hoc routing mirrors the current travel approval process and should not require additional workflow access or steps. Eliminate double approvals (from TA to TER) if the TER does not deviate more than 10 percent from an authorized TA – this will require a UA Travel Regulation change. Evaluating an acceptable level of risk will enable OFA Travel Auditors to move to a true audit (spot check) approval, rather than a required review of all travel documents (currently in place).*

   a. Currently, TEMS automatically routes restricted funded travel through OGCA, after a trip is approved by the unit Dean/Director and OFA Travel Auditor. After OFA review occurs, risk of inappropriate travel payment on a restricted fund is low. This additional automatic OGCA review step is typically unnecessary and should be an ad hoc review feature, as determined by the unit or OFA Travel Auditor, on a case by case basis. As UAF does over $8 million in restricted fund travel (FY13), this is a large reduction in travel approval steps and will avoid OGCA delays.
      i. When review is needed, grant techs must be prompt and accurate in a review so that an electronic travel approval can be routed quickly and smoothly throughout the system.

   b. Eliminate double approvals (from TA to TER). When an expense report (TER) does not deviate more than 10 percent from an authorized expenditure (TA), a traveler or travel coordinator should be able to submit a reimbursement request without approval. This would require a UA regulation change.

   c. Move OFA Travel Auditors to an audit (spot check) framework, within UA Travel Regulations. This would stop review of all TA/TER requests and would continue in-depth review for an appropriate sample of travel items. This would increase processing time for approvals and reimbursements. This may require increased training at all levels (unit and Travel Auditor). A broader interpretation of what is a true "error" or what can be approved within an acceptable threshold (all TERs less than TAs or that do not exceed 10% of the original approved amount) should be evaluated, and must still comply with UA Travel Regulations.

5. **Increase Reporting Capability & Safety Services –** *Basic reporting (via Banner/TOAD queries) is currently limited, the ability to run expenditure reports and track reduced travel budgets is critical. To build a culture of safety and prompt response, increasing system capability for reporting is also necessary.*

   a. Create TEMS-specific Banner Toad queries and canned-reports so reporting is available to the UA community within this new system.

i. Reporting features in TEMS are limited due to the change in the Account Code structure. Currently there are no reports built in TOAD to pull data/info from the system; grant related/international/special travel reporting will likely need some attention as well to make sure UAF can pull reports for each specific area. UA Financial Systems is typically tasked with some canned report creation/distribution. If this is not an option, delegate an OFA TOAD expert to build/distribute these queries to UAF financial managers. If a new travel management system is adopted (Concur), reporting functionality will be a requirement to reduce the need for manual tracking in various capacities.

b. The University has a "Duty of Care" responsibility to know where travelers are, in case of emergencies. The ability to locate current travelers for safety and emergency communication purposes is needed.

    i. To improve traveler safety communications and UAF response in case of an emergency, a reporting feature or TOAD query should be created in TEMS or an alternative system to identify active traveler locations at an identified point in time. An interactive map/dashboard that displays traveler location/safety information outside of TEMS may also be an option, if the technology is currently available and cost effective.

    ii. Reports should be available by unit/department, with locations and travel dates. These should be easily accessible to units, OFA and EHSRM.

6. **Create (Unit-Led) Shared Service Models for Travel Processing –** *Shared services models can increase use of best practices for travel processing, allows service hubs to process a higher volume of travel and increases the expertise of employees (increased familiarity and accuracy) within a service hub. Service hubs are often most successful when lead by a unit or group of units that see benefit in a service change.*

a. TRIP recommends that the travel area explore a model based on that of the Procurement Technician (PT) Program, where coordinators receive more in-depth training, pass a proficiency exam, and receive higher levels of access. Departmental employees who receive more in-depth training are granted higher approval access in the system, similar to employees in the central office (e.g., approval of TERs). These employees could potentially serve other units that are closely located or have similar types of travel, freeing time from departmental admins that handle pieces of travel in addition to other job duties.

b. Encourage unit driven partnerships similar to the UAF Proposal Office on West Ridge, where the Geophysical Institute, School of Fisheries and Ocean Sciences, College of Natural Sciences and Mathematics, and School of Natural Resources and Extension have pooled proposal coordinator positions to ensure smooth and continuous service despite vacancies, and increase proposal coordinator expertise to provide a higher quality and quantity of proposals. Ask a highly skilled travel processing unit to pilot and lead this effort.

    i. Standardize the position descriptions (PDs) of any higher level travel coordinator within a service hub, for consistency within shared services staff. PDs can be

customized to meet unit needs after a standardized PD is created.

7. **Move to an Improved Travel Management Tool (Concur preferred) –** *As UAF would ultimately prefer a full travel management tool (that includes booking, trip management and expense/reimbursement features) TRIP looked at a few alternative technology tools to compare to the current TEMS. TRIP recommends having one system available for approvals, booking and expense management to allow for ease of use for travelers and coordinators. User-friendly options, the ability to delegate roles, traveler notification and mobile capability are identified needs that were considered in conjunction with each product demonstration. If UAF intends to move to another system or travel tool, TRIP recommends a more robust demo before product selection/implementation. A UAF work team should be formed to evaluate further.*

   TRIP notes, group travel is currently not accessible for parties greater than eight (regardless of the tool) due to airline restrictions. Some Athletics travel needs therefore, typically fall outside of these system capabilities. As mentioned above, Concur is working on this item; however, results are unknown at this time.

   See Appendix for initial UAF needs analysis and side-by-side product comparison matrix.

   a. Concur (recommended/preferred technology tool)
      i. Booking and Travel Management Tool- Concur Travel offers a transparent approval process, ease of access and booking options. Options can be defined by UA regulations, such as specifying inexpensive options and requiring documentation if more expensive options are selected. Concur includes a mobile app, the ability to process e-receipts, travel planning features, connects with travel/hospitality vendors and has standard reporting options in a user-friendly format.
      ii. Concur offers expense management and automatically uploads receipts when vendors are partners with Concur (most major chains are already partnered) and offers automated currency conversions. This capability also increases confidence in the information reported.
      iii. Concur offers Duty of Care (traveler location/notification) and extensive financial reports. Additional discussions regarding how/if funds are encumbered in the new process may be needed.
      iv. Concur offers a Banner/Ellucian interface, which would need to be explored further.

   b. US Travel (via GetThere Booking Tool)
      i. Booking and Travel Management Tool- GetThere offers approval processing and potential discounts by combining with State of Alaska contracts, if the state stays with US Travel.
      ii. US Travel does not offer an expense management tool- UAF would need to utilize another expense management system; this could be partnered with TEM if UA elects to maintain TEM as the expense management tool.
      iii. US Travel GetThere does not interface with Banner and is a completely stand-alone system.

c. TEM (current UA System travel authorization and reimbursement tool)

   i. Booking and Travel Management Tool- TEMS does not offer a travel management option. Approvals are done via Banner workflow by Banner ID and separate login with Banner and UA online credentials.

   ii. TEMS allows for the input of information that was formerly on the Travel Authorization (TA) or Travel Expense report (TER) only; delegated access to travel coordinators is role-based and difficult. Information in the system is only as good as the data entered, as TEMS does not link to pricing/booking/location options to validate costs, etc.

   iii. TEMS has limited reporting capability for Duty of Care or vendor specific expenditures. To date, Banner tables exist so TOAD queries can be built; however, no canned queries for standard information exists. Building queries requires a high level of TOAD knowledge/skill.

   iv. TEMS is an Ellucian product and is a Banner module, however, is not user friendly and has no mobile capability. Ellucian has also indicated upgrades to TEM are not a priority until UA is upgraded to the next version of Banner.

   v. If UAF continues to work with the TEM system, TRIP recommends the following updates/changes are made to ease the burden on UAF travelers and coordinators. See Appendix for other TEM related communications requesting system changes.

      1. Route TEM approvers by PCN rather than employee ID number or manually add Banner ID. Tie to position rather than person, to avoid hangups if an individual is out or leaves the position. Ability to search for approver by name with a secondary function of searching by UA ID, PCN, email, or Banner ID.

      2. TEM reporting is limited due to the change in the Account Code structure - currently there are no reports built in TOAD to pull data/info from the system; grant related/international/special travel reporting will likely need some attention as well to make sure we can pull reports for each specific area (as needed).

      3. TEM does not currently allow users to upload documents/travel receipts or pictures of receipts (via iphone/similar) into the system, those must be routed outside of the electronic process (which defeats the purpose of the paperless system) - the OnBase module to allow for this was recently purchased via SW funds so some functionality to do this may exist soon.

      4. TEMS must allow for a delegate to bypass the traveler or an office, when there is a business need. Remove the need for a traveler to have to submit a TEM document when the changes are not affecting reimbursement or are changes to meet UA regulation.

      5. TEM must allow for approvers to edit and approve TAs or TERs from a workflow window, so documents do not require re-routing in the system before processing.

      6. TRIP requests a change to travel advance rules, to allow for advances to be requested up to the day prior to a trip start date. This is

currently set for eight days from the start date, which does not necessarily match business needs.

    d. Based on TRIP surveys and UAF traveler/coordinator feedback, other features necessary in any new system must include:

        i.   Mobile device capability to approve travel requests and upload receipts/documents resulting in faster automatic expense report processing and fewer lost receipts

        ii.   Dashboard reporting views that allow for a one-stop web interface for all travel forms, automatic reports in a user-friendly and interactive way that can be customized to UAF/UA travel needs.

8. **Eliminate Personal Credit Card Use for Travel & Streamline Procurement Processes –** *Business related travel processing can occur in a much more standardized way if use of personal credit cards is discontinued. UA would also be eligible for additional vendor discounts and rebates if business card use increases. In this budget climate, any opportunities for reduced pricing or additional revenue is critical. Additionally, Procurement can make internal process changes (that UAF controls) to reduce requisitions for travel procurement and increase credit card use, which is traditionally much faster.*

    a. Eliminate personal credit card use for travel and individual travel cards.

        i.   This change should be made as part of the transition to a one-card system; however, if a one-card system is not implemented, TRIP recommends this change should still take place. Although culturally difficult, this change is expected to have many longer term benefits and clearly separates work related and personal travel.

        ii.   This will eliminate the risk and processing delays associated with reimbursement of personal expenses (if business travel expenses can be direct charged to a one-card) and will moderate the ability for employees to benefit personally (via mileage plans) from work related travel. Tracking and reporting burdens for the unit and traveler will also be reduced substantially.

        iii.   Use of a business one-card system will eliminate the traveler's responsibility to pay off a travel expense on a personal credit card (in full or with interest on partial payments), further reducing traveler burden.

    b. As a short term fix, before a one-card system is implemented, TRIP recommends that UAF Procurement & Contract Services allow lodging and rental car purchases on procards to reduce the delay in processing a requisition (REQ) and purchase order (PO) for these situations. This also limits the out of pocket expenses incurred by UA travelers.

        i.   Currently, lodging expenses are only allowed on procards as an exception process (by request). In most cases, lodging expenses must be encumbered via a REQ and PO. The REQ-PO process takes days or weeks longer to complete compared to a procard transactional charge. This inability to charge a procard for lodging delays the travel coordinator workflow when it occurs and can be easily adjusted internally at UAF.

ii.   The current procard administrator spends on average two hours per week working on exceptions to this procedure. This time excludes the time unit travel coordinators spend facilitating this process and tracking these expenses separately from other procard expenditures associated with the trip. Eliminating this unnecessary processing hurdle will increase unit and central staff productivity.

iii.   Charging lodging and rental car expenses to a procard is not disallowed in regulations and would eliminate the REQ-PO process and inconsistency/slowness in many areas.

c. Move to a one-card system for procurement and travel (all UA purchases)

i.   Using one card for travel, lodging and other purchases is more efficient, more user-friendly and can result in additional incentives. Currently the Procurement Office at UAF administers both the procard and travel card. Units manage and are asked to track individual travel card holder information and use; however, this is not fully a transparent process as travelers may apply for a travel card in some cases without the unit knowing. This double card system requires double the administrative work and maintenance. Consolidating the cards by moving to a one-card system will consolidate the administration, resulting in a more efficient and transparent structure with improved reporting capabilities.

ii.   Moving all business related transactions to a common card will increase the rebate revenue UA receives for business use. <u>UA currently receives 0.86 percent back in revenue incentives from the credit card company; this is driven by transaction volume</u>. In a climate where generating new revenues is critical, this increase in the transactions on a single card will also allow for improved reporting and vendor negotiation to secure improved pricing options for high volume travel areas (e.g. improved airfare pricing, hotel deals, car rental).

iii.   TRIP considered multiple payment methods prior to making this recommendation. Both a "ghost card" and a "virtual card" were explored. The virtual cards do not have a CVC code (which is required for many purchases) and the ghost cards are not tied to an individual name which may provide a higher level of risk (although an acceptable level of risk must be evaluated). After careful consideration of UAF travel needs, the department one-card seems to be the best option. TRIP proposes having one department card for all UAF procurement rather than having one for travel type expenses and one for all other purchasing, for the reasons noted above.

1.   A similar structure exists as a model in the UAF framework - for example, Design and Construction under Facilities Services uses "custodial cards" checked out to travelers for authorized travel expenses. These cards are not associated with an individual, only the university. These cards are reconciled through PaymentNet 4, the same as a department card. The result is these employees pay next to nothing out of pocket. Moving to a one-card system is dependent on providing good training on how the card should and should not be used (applicable to any business card use). A regulation change to

implement the one-card may be needed to address meal reimbursements if using a university paid credit card.

2.   If adopting a one-card system, TRIP recommends allowance for incidental expenses, tickets, hotel rooms and taxes are included.   UAF would need to explore a way for incidental expenses to be treated appropriately in consideration of per diem, when applicable.

3.   A one-card system could be reconciled bi-weekly, to give travelers time to provide travel coordinators receipts. If UAF moves to a travel management system (such as Concur) this need to provide receipts to coordinators is substantially reduced.

9.   **Improve/Create a Training Plan for UAF Coordinators and Travelers -** *a new training module specific to travel coordinators should be created and updated regularly. This module can be part of new employee orientation, or in areas of heavy travel. OFA Travel Auditors will be responsible for maintaining the content. A sustainable model for delivery may be necessary and may require further exploration.*

a. Travel Coordinator Orientation – Build a required training course for new travel coordinators to complete within a month of starting a travel related position. Focus on rules, regulations, processing, and reporting in addition to a major customer service component. Understanding how to interpret regulations, achieve high-level service and mitigate UA risk is a critical skill set. This required course should be included on any travel coordinator position description.

b. Develop Continuing Education Courses – Courses can be online and available to new employees or as a refresher for current employees. Training should include risk management processes/forms, regulation updates and professional development opportunities.

c. Implement Quarterly Discussion Groups for Coordinators – Include tips and tricks (with examples or scenarios) similar to HR PPA bi-weekly briefs. Provide coordinators material to bring back to travelers, discuss best practices and efficient reporting techniques. Create easy to follow guides as reference material. For example, for the Fly America Act/Open Skies Agreement to list available airlines and situations it can be used. Examples from higher education (Harvard and Stanford) can be used, as well as GSA resources.

d. Implement a Traveler & Approver Training Program – Create short sessions to help travelers sign up for direct deposit (or do it as part of new employee orientation through HR processing), explain one-card procedures, discuss risk avoidance practices and show TEMS (or other) system features. UAF travel approvers must also have a basic level of understanding of travel regulations in order to be an effective approver. To be administered by UAF travel auditors or travel coordinators (travel experts).

Conclusions

The TRIP Team's recommendations are designed to ease the traveler's personal financial burden, increase ease of processing, and offer more flexibility at the department level. Many of these recommendations are implementable within UAF, through a change in procedures, and have been identified as such. These recommendations, where possible, should be implemented without further delay.

Additional recommendations which may be high-impact, such as adopting a more comprehensive travel management system, could require collaboration with the other universities and with Statewide, or could be done as a stand-alone UAF system. If these recommendations are accepted, they will need a strong commitment from UAF leadership at a strategic and operational level. Additional project teams and facilitation may also be necessary to move forward.

Appendix - UAF Initial Needs Analysis & System Comparison (via Demos)

TRIP Team Basic Product Comparison - Based on Initial Needs Analysis				
REQUIREMENTS:	**US Travel**	**Concur**	**TEM**	Comments
FINANCIAL CONTROLS				
Negotiated discounts loaded into system	x	x		
Use of lowest fares and if they are not used requiring comparison and reason	X	X		Both US Travel & Concur offer this option
Use of Department Travel cards for payment of air, lodging and car	x	x		
Control and reporting of unused tickets	x	x		
Purchase reports to include advance purchase data, cost avoidance data and negotiated savings	x	x		
Develop travel budget within program so travelers can see long range, not just each trip on its own				May be available through Concur
Track usage of suppliers in order to obtain volume discounts	x	x		
Identify travelers who consistently book last minute or use non-preferred vendors	x	x		
Populate per diem based on lodging location and allow traveler to claim lower per diem rates		X	x	Concur can load per diem rates (automatic process) , TEM (manual feed as of right now)
POLICY ADHERENCE				
Required travel approval through booking tool	x	x		
Built in guidelines for air class of service, car rental size, max lodging rates based on location, etc.	x	x		
Required use of companies that have offered discounts	X	X		Both US Travel & Concur can do this if UA chose to limit options to "perfered vendors"
All reservations, changes and cancelations are sent to approver/travel coordinator	X	X		Both US Travel & Concur does allow for this, it's up to how UA decides to set this up.
Travel coordinator has access to all reports, past and future trips, etc.	x	x		
Travel policy training module for all new employees/users				
BOR policies within module	X	X		Policy controls can be added to both US Travel & Concur but maybe not the BOR verbiage
Allow for personal travel within regulations (business cost comparisons)	X	X	X	All options allow this, it will be how we set the options that will determine what's available to purchase. Does this need to be reworded?
EFFICIENCIES				
Ease of access by travelers and approvers		x		
Interfaces with banner for encumbrances and reimbursements		X	x	Concur may be able to do this. Further discussions will need to take place
Expense report tool for travelers to complete and supervisors to approve TERs		x	x	
Traveler profiles maintained in booking tool (name, reward program numbers, seating preferences, etc)	x	x		
24/7 access to live person for travel related emergencies	x			US Travel, as an agency, has live support. Concur, as a booking tool, does not - unless we also use a TMC
Mobile app for travelers and approvers		x		
Ability to import outside vendors' information into the system for cost, reporting, etc	x	x		
Pull data from Individual and Department credit cards and classify expenses as University paid or reimbursable		x		
Intuitive system that requires minimal training		x		
Guest user access for non-employees (access granted by dept. travel coord)	x	x		
Single point login for all applications (requests, approvals, booking, reports, etc)	x	x		US Travel (Get There) is only a booking tool and not a T & E approval
Allow for electronic approval routing (menu with users to select from) with travel coordinator manipulation	x	x	x	
E-mail alerts for coordinators, approvers and travelers	x	x	x	
Reminder alerts for pending requests		x	X	The ability for this exists for TEM we just need all universities to okay this before it's moved to production.
Ability for the travel coordinator/approver to amend requests and send on without being sent back to traveler		X	x	Concur might allow for this, TEM (traveler bypass being looked at)
Ability for travelers and delegates to see status' at any time		X	X	Concur might do this we would need to ask
Ability for approvers to see status' at any time		X		Concur might do this we would need to ask

Appendix - Current Process – Major Areas of Inefficiency or "Rubs" Detail

The TRIP team identified these major areas of inefficiency from mapping the current travel process. These rubs were later validated by traveler and coordinator surveys across the UAF campuses. TEM related issues are not listed below, as this area has its own section.

This detailed list expands the summary bullets in the report content.

- Multiple layers of approval/too many approvals:
  - Multiple levels of and redundancies in approvals for travel authorizations (TAs) and travel expense reports (TERs), leading to price changes due to time delays (departments and OGCA approvals)
  - Additional layers of approval for restricted travel, which adds time to the process

- Reimbursement processing takes too long:
  - Slow reimbursement processes that can take up to 30 days in a unit and 30 days in the Office of Finance and Accounting (OFA) for a total of 60 days at worst case
  - Lack of electronic and automated processes (time delays, lost mail, currency conversation)

- Overly complex procurement or payment processes:
  - Complex and delayed procurement processes associated with lodging expenses and use of requisitions (rather than a department Travel Credit Card) for items over the $5,000 threshold (sometimes associated with group travel) – lodging is only allowed on procards via an "exception" process to date, although there is no regulation prohibiting lodging expenses on procards
  - Lack of requirements to use direct deposit reimbursement (vs. live check payment) resulting in slowed payment and stale dated checks
  - Disallowing use of personal credit cards for travel expenses – eliminating this will decrease the need for reimbursements, increase rebates and streamline travel processing for business needs
  - No current ability to use a "one card" travel/procurement card for UA travelers
  - Unauthorized purchases occur
  - Lack of financial responsibility and planning by travelers, departments and leadership (advance planning for purchase can save money)

- Forms/calculations are complex, manual or are not used consistently:
  - Difficulty in manually calculating per diem and other rates associated with reimbursement
  - Frequent "kick-backs" or returned documents if a travel request or reimbursement is incorrect, which adds time to the routing/approval process
  - Forms related to UAF risk/safety practices are not built into the regular travel approval workflow (i.e. volunteer/spouse travel). These forms are often completed inconsistently or are reviewed after the travel occurs
  - Manual tracking for use of the Alaska Airlines EasyBiz mileage program is inconsistent and cumbersome

- Lack of accountability/transparency in process or coordinator support
    - No transparency in process
    - Lack of proxy approvers/processors, no back-up or ability to delegate approval roles in online systems
    - Inadequate support, communication and conflicting expectations and responsibilities between coordinators, deans and travelers

- No ability to pull data/run reports easily/automatically
    - Limited reporting for travel expenses; with the changing account code structure effective mid-year FY14, without TOAD reports available, pulling data associated with travel expenditures will be more manual/difficult

- Narrow interpretation of appropriate/approved travel expenses at the Travel Auditor level:
    - Results in high unit "error rates" and slower processing times
    - A more flexible interpretation of what is an acceptable threshold for approval may be needed (TER is less than or no more than 10% above approved TA amount)
    - Moving to a true audit of a reasonable sub-set of TERs is recommended

- TEMS is not user-friendly and is not a travel management system:
    - Complex and difficult to navigate
    - Lack of ability to make changes in the system or alter routing from TEM directly
    - Lack of simplified training material, system is very specific/nuanced
    - Lack of mobile approval/upload options
    - Exploring other options for travel management systems is recommended

- Lack of adequate training for travelers/travel coordinators:
    - Lack of adequate training (in person or online) for travelers and coordinators (process, account codes, Fly America Act)
    - Online training is lengthy, not handy/useful for travelers/coordinators

- Necessary technology/Banner improvements:
    - Delays in travel approvals due to Non-Sufficient Funds (NSF) issues
    - Inability to monitor traveler locations in case of emergency (Duty of Care)
    - Inability to record risk disclaimers or EasyBiz use in Banner
    - Travel coordinators need greater access to any travel management tool
    - Ad hoc routing for approvals
    - Mobile approval and viewing options, upload capability
    - Notification emails for travelers
    - Automatic per diem calculations
    - Easy Biz use and tracking options
    - Integration with risk/safety forms