

Claim Rewards: How the University of Arkansas' Electronic Travel Claim Pays Off for Everyone

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Abstract

An electronic travel claim developed by the University of Arkansas has replaced the cumbersome excel spreadsheet process. This new electronic travel claim alleviates dual entry of data by populating the claim with information already entered from the original request to travel. This process also brought together all of the various travel payments made by the University, such travel related purchase orders and administrative travel card charges. The travel claim may be created via the administrative system or the web.

Additionally, we were able to incorporate state and university travel regulations within the travel claim to aid in validating information prior to its submission for electronic signatures of appropriate personnel.

This new process also allowed us to incorporate the use of a traveler travel card (TCard) for athletic coaches and other frequent travelers. The traveler TCard allows our frequent travelers to charge all meals (including team meals), hotels, car rentals, and miscellaneous items on a University paid credit card which alleviates using their own personal credit card or carrying large amounts of cash, in the instances of group travel.

A checklist is also generated that instructs the user what receipts are required to be attached and sent with the hardcopy of the travel claim to the Travel Office for processing.

Organization

The University of Arkansas, the flagship campus of the University of Arkansas System, is located in the Northwest Arkansas community of Fayetteville. The University of Arkansas is the major land-grant and state university, as well as the state's only major research university.

The University of Arkansas has a student enrollment of over 18,000 with a support group of faculty and staff of around 3,000. The University's mission is to be "a nationally competitive, student-centered research university serving Arkansas and the world."

Problem/Initiative

Processing travel reimbursements has always been a challenge given the very stringent travel regulations put in place by the State of Arkansas along with additional university policies. The University of Arkansas currently reimburses approximately 23,000 travel claims annually with over \$10,000,000.00 annually on business related travel expenses. Travel reimbursements were requested utilizing an excel spreadsheet. This was a completely manual process with no validations to insure compliance - incomplete legs of the trip, no times of travel, missing signatures, attempts to claim more for meals than allowable, and no receipts were common place. Also complicating the manual process was trying to identify whether an airfare or registration that was previously paid with an administrative travel card or a travel related purchase order was included on the claim. We tied these charges to the travel authorization in our system, but it still meant that our travel staff had an additional step of looking up all related expenses in our system. The

form itself was very cumbersome since each meal had to be accounted for separately. The Travel Office had to manually recalculate all meals on the claim.

With all the manual checks and incomplete information, the timeframe for a traveler to receive a check for his reimbursement was very lengthy. As many as eight out of ten travel reimbursements received would have to be returned to the department for corrections because of missing or incomplete information. It was not uncommon for a traveler to wait 2 to 3 weeks for a reimbursement check after the travel claim had been sent to the Travel Office for processing.

Compounding the problem, travelers and departments would continually call the Travel Office to check on the status of the reimbursement. Since it was a manual process, there was no online facility to track the claim. Even after the travel claim was processed by the Travel Office, they would still receive phone calls regarding the claim's status because most of our travelers didn't have access to the University's administrative system.

We also wanted to include a process that would allow our athletic department and other travelers who traveled extensively an auditable way for using our traveler TCard so they wouldn't have to carry tremendous amounts of cash with them or be forced to use their personal credit cards for these large expenses. Given our manual process, we had no auditable method of allowing our travelers to use these credit cards while traveling. In order to distinguish this process from our "administrative" travel card where our campus

users charge airfare and registrations for travelers within their department, we needed to define a “traveler” travel card.

Our goal was to provide a streamlined process where not only our campus support staff, but the traveler (as long as a U of A employee) could create an online travel claim that incorporated travel regulations and would electronically route for approval by appropriate personnel. We also needed to incorporate an auditable process for allowing our travelers to use our traveler TCard when traveling.

Design

Prior to starting this project, we needed that important ‘buy in’ from upper management. The first step was ‘selling’ the concept to management. Once we accomplished this, the next step was immersing the Travel Office staff in the design and implementation. This was tough at times due to the overload of work they already had. It was hard for them to grasp what the future could be like when they were so bogged down in the manual process. To accomplish ‘buy in’ from the Travel Office, we made a bold move: The Associate Vice Chancellor for Business Affairs assigned the two staff members in the Travel Office to work under the Business Office’s liaison whose primary job duty, at the time, was to work with the programming staff on Business Affairs applications. This individual took over the management of the Travel Office, an area she had previously managed for several years prior to taking on her liaison role. This required the Travel Office to physically move to another building on campus. There was very little overhead involved since there was already available space to accommodate the staff. Once this

was accomplished, we began working with the staff in order to understand the various problems that they faced daily in processing reimbursements. Once the travel staff felt secure that the programming staff would be with them every step of the way, they began to see a light at the end of the tunnel and started embracing the design and changes.

One major change we wanted to incorporate in our new process was to no longer require a daily breakdown of meal expenses. Instead we proposed that the traveler would only enter the total amount spent on meals for the entire trip. In reviewing past claims, we discovered that even though travelers were breaking out their meals each day, the majority of travelers were claiming the maximum federal per diem rate allowable and then simply typing the daily meal amounts for each day. It seemed redundant to force our users to breakdown their meal expenses by breakfast, lunch, and dinner when our new claim would capture both the departure and return times so why not just allow the total amount spent for meals. It did not matter if the traveler spent more on breakfast or lunch as long as the total claimed did not exceed the 'total meal amount allowable for the trip.' This required approval from our campus audit staff, as we wanted to insure that we were not in conflict with state travel regulations. Our auditors loved it and gave us the go ahead to proceed.

The final obstacle we faced was how we could implement the use of our traveler TCard. We wanted to make this credit card available to our frequent travelers and athletic coaches to charge their travel related expenses, such as hotel, meals, car rental, registrations, and miscellaneous items. Since the University was paying the bill for these

charges, we needed to be able to associate the charges to the electronic claim so we could correctly calculate the total amount due either the traveler or the University.

Implementation

In conjunction with our technical team, we estimated that it would take 12 to 18 months to bring up the new application. Since we did not want to spring this entirely new process on the campus without warning, we decided to completely redesigned the excel spreadsheet to reflect the changes that we were incorporating in our online process. For example, we removed the breakdown of breakfast/lunch/dinner amounts for each day and replaced it with one column for the user to enter the entire amount that was spent on meals. We also created a place for the users to enter our system-assigned document numbers for administrative credit card charges for airfare and registrations. This allowed our campus to get more familiar with the changes prior to going live with an electronic process. This approach also allowed the Travel Office and the technical team to flush out any potential audit issues.

Regarding the use of the traveler TCard another bold initiative was put in place. We decided to treat those charges as a receivable linked to the cardholder. Systematically we were able to define what type of travel credit card the cardholder had so the charge was either downloaded as a charge against an administrative credit card or as a receivable from the cardholder. Our concept was to treat the traveler TCard charges similar to a travel advance, in that charges incurred for a trip would be available for selection on the travel claim. In our existing process we deducted the travel advance from the bottom line

of the travel claim so we just added the same logic for traveler TCard charges. If the amount of the charges exceeded the amount allowable for the trip, then an invoice would be generated to the traveler for the amount owed the University.

We knew that once we put this claim on the web employees would have the ability to create their own travel claim which also meant they would probably attempt to do this without any training. Given this, we identified individuals on campus who did not have a concept of how the claim would work and sat down with them in order to observe how they entered a travel claim on the web. As a result, we were able to identify several areas where improvements were needed so that employees would not be frustrated when they processed their own travel claim. We knew that if they experienced problems when processing their first claim, they probably wouldn't give it a second chance so we wanted to make it as user friendly as possible.

Last, but not least, we wanted to provide a 'checklist' for our users so they would know what receipts were required depending upon what they entered on their travel claim. This was considered the frosting on the cake!

Benefits

It is absolutely unbelievable the difference this online travel claim has made in the lives of not only the Travel Office, but the campus community. We have streamlined our entire process and the turnaround of payments has been drastically reduced. A

reimbursement that once took 2 to 3 weeks to receive a payment now had a check in the traveler's hand within 2 days of receiving the travel claim.

The claim is electronically routed for appropriate approvals and alleviates additional manual signatures that were once required. This step alone has increased productivity as many approvers were located in other areas of campus.

Once the travel claim had been in production for 3 months a survey was sent out to the campus community for feedback on the new electronic travel claim. Per Computing Services, we had a 54% response rate which was by far the largest response to a survey they had ever experienced. Of the 135 responses received, 73.3% rated the new process Excellent/Very Good.

Below are some of the statements made by users:

“The process has noticeably decreased the time it takes to get a reimbursement back for our faculty. It also makes the person inputting the claim and sending it to pay more attention to the receipts and amounts. I really like this system!”

“I think this has made processing travel reimbursements much easier. I really like the fact that it tells us exactly what receipts must be attached. It's great!”

“I love the way the system lets me know if I am exceeding the maximum allowable for meals”

“I really like the fact that the online travel claim has an unlimited text facility that I can use to document issues relevant to the claim without me having to attach an additional piece of paper to the claim”

Retrospect

Communication with campus users is essential. Certainly, it's crucial to the success of any project. We should have involved more of our users in our process. We discovered a few departments who did not want to allow their travelers to process their own travel claims. These units wanted to continue to see a hardcopy version of the travel claim before routing the online version for electronic signatures. We had to revise some of our security to restrict certain departmental users from submitting the online claim. We were fortunate that our design allowed for the creating and saving of the travel claim so those departments could have more central control over the submission of approval of the travel claim after they had reviewed the hardcopy version.