

The Ledger

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Internal Audit Findings from Recent Travel Audit

The Internal Audit Department recently completed an audit on travel reimbursements. There are a few recommendations that university departments need to be aware of to assist the Controller's Office in improving compliance with university procedures.

Timely Submission of Travel Reimbursement Requests

Eight percent of travel reimbursements submitted in the fiscal year 2015-16 were not submitted by the employee within 30 working days after the trip end date. The late submissions ranged from 1 to 270 days late, with an average of 39 days late.

Delaying the submission of travel reimbursements beyond 60 days after the expense incurred puts the employee at risk for having the payment taxed by the Internal Revenue Service. To avoid possible taxation, travelers and departments should submit expense reports within the time frame set forth in [Procedure 20035V-Travel and Meal Expense Reimbursement Request](#).

Accurate Reimbursement of Travel Per Diem

Four percent of the sampled 300 travel reimbursement reports found employees requested a full per diem meal allowance when meal(s) were included in the event registration fee. [Procedure 20335c-Meals & Incidental Expenses](#) (MI&E) states, "when meals are provided at no cost in conjunction with travel events, the applicable M&IE per diem shall be reduced by the dollar amount shown for the applicable meal in the M&IE Rate Table.

As a result of this review, Controller's Office [Procedure 20335c-Meals & Incidental Expenses](#) now requires the conference agenda be attached to the expense report when meals are not deducted from the per diem. If no agenda is attached, the Controller's Office will contact the person who created the expense report to obtain it. Failure to attach the agenda at the department level will delay reimbursement to the traveler.

Prior Authorization of International Travel

Thirty percent of international trips reimbursed during the fiscal year 2015-16 fiscal year, did not have authorization documented in the Travel and Expense Management (TEM) system before departure in accordance with university procedures.

In accordance with the [Controller's Office Procedure 20335a: Travel Overview](#) all international travelers (including presenters, students, visitors, and other business associates) whose travel expenses are to be charged to university public funds (e.g., sponsored programs, operating, various, etc.) are required to notify the Office of Export and Secure Research Compliance (OESRC) prior to the international travel. OESRC is automatically notified through the TEM application of any international travel after a travel authorization is approved by a department.

By informing university officials of international travel plans, travelers are provided guidance from OESRC on restricted parties and sanction risks in the destination country, as well as information concerning temporary export of university property. In addition to this, the Global Travel Oversight Committee (GTOC) manages the safety for constituents abroad by making recommendations to the President in cases of global emergency or crisis. For university travelers to receive these services, departments need to enhance procedures to ensure international travel is approved in the TEM several days before departure.

Why has my invoice not been paid?

Accounts Payable frequently receives emails or phone calls from departments or vendors in regards to the payment status of an invoice. In many instances, the invoice has not been processed because the original paper invoice was not sent to the Controller's Office. University procedures require that Accounts Payable image all invoices and place an imaged copy in Banner Finance. If the vendor sends the invoice directly to Account Payable, it is not necessary for the department to send.

Although it is not a requirement by the Controller's Office, it is strongly encouraged that the department attaches a copy of the invoice to the purchase requisition in HokieMart in addition to sending the original to the Controller's Office.

The only time that the Accounts Payable staff will process an attached invoice in HokieMart is if the department checks the "Notify AP Prepayment" option while creating the requisition. This option should only be selected in situations where the invoice requires the payment to be made in advance of the service date or receipt of goods. In this situation, the department should attach the invoice in HokieMart. Accounts Payable will be notified, **in this situation only**, that there is an invoice that needs to be processed as a prepayment.

As a reminder, please complete all necessary receiving in HokieMart as the department receives the goods or services. Please do not wait for a comment from the Controller's Office stating that receiving must be completed. This will delay the payment process and will affect the department's prompt pay.

Please contact Dee Acord (dacord@vt.edu or 1-8589) with any questions.