

**Organizational Excellence
 Initiative Summary**

Initiative Title: Travel Management (and Expense Management Redesign)

Initiative Contact(s):

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Core Team Members:

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| Mary Brackett | Organizational Excellence | Terry Butler | PSDS |
| Carol Brown | International Studies Office | Kevin Crabtree | PSDS |
| Sue Clements | ITS | Dolores Hildebrand | PSDS |
| Carolyn Fulk | Internal Audit | Anna Kelleher | PSDS |
| Thomas Gorski | Internal Audit | Charles Kidd | PSDS |
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Problem Statement

The University spends approximately \$20 million annually on travel related services (air, hotel, rental car).

Travel Booking

The University’s front-end travel reservation process is distributed among departments and currently nine full-service travel agencies and six on-line travel booking websites are used for travel planning. With such distribution, there is limited access to comprehensive data for spend analysis or to ensure duty of care and compliance with export controls. Further, some schools and units apply additional layers of policies and procedures that extend beyond federal, state, and University policies, and create duplication of effort and increased complexity for the traveler and the arranger. There are also numerous methods of payment for travel with the majority of payments occurring through a p-card or reimbursement.

Expense Management

Travel

Expense management is partially distributed to the traveler and his/her department. A number of steps are executed by administrators and typically include the creation of a travel workbook (custom excel spreadsheet), the collection of hard-copy receipts and approvals, and entering travel reimbursement vouchers in Oracle. The process is only partially automated. Both the travel workbook and original paper receipts must be sent to central Accounts Payable. The traveler and administrator are expected to comply with policy, and the workbook and voucher entry do not have any policy enforcement functionality built-in. As a result, 100% of submissions are reviewed and audited by Accounts Payable. Finally, there is little consistency of categorization between units in the coding of travel expenses. As a result, actual expenditures on travel by category are difficult to mine for analysis. The lack of automation, the lack of process consistency, and the absence of built-in policy rules results in a high error rate of 16%, requiring additional costly and time-consuming rework.

Other Expenses

As with travel expenses, the management of other qualified, work-related reimbursable expenses, such as office supplies, business meals, and mileage is distributed to the purchaser and his/her department. The process is paper-based and original receipts must be submitted to central Accounts Payable in addition to a payment voucher entered in Oracle.

Project Overview:

Project Description

The Travel Management and Expense Management redesign project will create a process for travelers, financial administrators, and central accounts payable staff that is streamlined, easy-to-use, and incorporates duty of care and export control requirements. For expense management for non-travel related expenses, the project will also enhance ease of use, streamline, and simplify requests for reimbursement. Through streamlining, the project will also reduce error rates and rework.

The project team will consider best practices of high –performing organizations, stakeholder business needs, process redesign opportunities, and simplification of policy and process throughout the workflow.

Scope

The Travel Booking and Expense Management project is a pan-institutional initiative addressing faculty, staff, student, and potentially guest travel. The Academic division, including UVA College at Wise, is in scope for this project. The Medical Center and Foundations are out-of-scope.

Project Goals / Objectives: The Travel Booking and Expense Management project is being undertaken to deliver the following key benefits to the University:

- Increase ease of use and efficiency by streamlining the travel booking and expense management processes

- Enhance duty of care and safety - travel policy alerts and messaging, location and assistance to faculty and staff during travel emergencies
- Improve cost savings through travel management supplier consolidation and by establishing airline, national hotel, and car rental contracts
- Provide better expenditure reporting for planning purposes, both at the aggregated

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| <i>Discovery:</i> | June 2014 to August 2014 |
| <ul style="list-style-type: none"> • <i>Stakeholder focused current state analysis</i> • <i>Peer Institution surveys</i> | |
| <i>Simplify/Redesign</i> | September 2014 to November 2014 |
| <i>Change management analysis</i> | September 2014 to November 2014 |
| <i>System(s) selection and validation</i> | December 2014 to February 2015 |
| <i>System Implementation</i> | Begin March 2015 |

University level and at the unit and department level

- Enhance compliance with export controls
- Integrate travel booking and expense management systems for efficient, streamlined processing

Timeline: The Travel Booking and Expense Management project will commence in June of 2014 and be completed by the end of June, 2015. Implementation is subject to change depending on the solution that is identified in the system selection and validation phase. Phases include: