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## 2367 – TRAVEL AND ENTERTAINMENT POLICY – PAYMENT OPTIONS

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Resp. Office: Purchasing Services  
Approval: Executive Director, Purchasing Services  
Effective: April 1, 2015  
Last Revision: April 1, 2015  
Last Review: April, 2016

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### PURPOSE

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This document describes the authorized payment options for faculty, staff, students, and postdocs who travel or entertain on behalf of the University.

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### SCOPE

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This policy applies to faculty, staff, students or postdocs traveling, entertaining or incurring miscellaneous expenses on behalf of the University and seeking reimbursement for related expenses from the University regardless of the funding source.

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### FACULTY, STAFF, STUDENT, POSTDOC RESPONSIBILITY

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Faculty, staff, students or postdocs requesting reimbursement for travel and entertainment expenses incurred on behalf of the University should exercise good judgment with respect to the related purchases and spend the University's funds prudently. Each traveler requesting reimbursement is responsible for ensuring that the costs are for "Accountable Plan Activities" that have been properly authorized and are supported with required receipts and/or other applicable documentation in compliance with all applicable policies. The submission of the reimbursement request by the traveler using the Concur-TEM system affirms that these responsibilities have been met. Reimbursement requests should be submitted through the Concur-TEM system within ten (10) days of the end date of the business-related activity or "Miscellaneous Procurement" dates.

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### RESPONSIBILITY OF APPROVERS

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Approvers perform a critical control function for the University. Collectively, approvers ensure that reimbursement requests are properly authorized, documented, appropriately funded, compliant with policy and are for valid and necessary "Accountable Plan Activities." Designated approvers also assist the employee, student or postdoc as necessary with understanding their traveler responsibilities for compliance and the requestor affirmations.

The Concur-TEM system includes three approver roles for T&E Reimbursement and "Miscellaneous Reimbursement." Reimbursement requests must be reviewed and approved by a minimum of two approvers, and at least one approver must not be subordinate to the requestor. Schools and Centers may add additional requirements or approvers as needed. The Concur-TEM system reviewer/approver roles and corresponding responsibilities are defined as follows:

#### Default Reviewer

- Reviews all documentation to ensure completeness and compliance with all policies. This includes well- documented descriptions of the business-related activities and the necessity/purpose of the related purchases. Documentation includes any required receipts to verify expenditures/policy compliance and documents such as meeting or conference agendas and brochures to document "Accountable Plan Activities" and properly segregate or exclude any personal expenditures.
- Ensures the costs are charged to the proper funding source.
- Verifies that appropriate supplemental approval has been assigned where required.
- Ensures that reimbursement requests are not submitted for further approval until all requirements have been met.

#### Cost Object (Funding Source) Approver

- Reviews all documentation to ensure compliance with all policies and tax requirements.
- Ensures the costs are charged to the proper funding source(s).
- Must have authorization over the funding source(s) being charged.
- Ensures that reimbursements claimed were necessary, reasonable and were incurred while conducting authorized University "Accountable Plan Activities."
- Verifies that "Accountable Plan Activities" have been appropriately described, that any personal expenses have been marked as non-reimbursable and that supporting documentation is complete and acceptable.
  
- Verifies that supplemental approval has been correctly assigned where appropriate.
- Ensures that reimbursement requests are not submitted for further approval until all requirements have been met.

#### Supplemental Approver

- Principal role is to further ensure policy compliance, necessity of the procurement and business purpose.
- Must be at a higher level of organizational responsibility and must be familiar with the "Accountable Plan Activities" to ensure it is authorized for reimbursement.
- Must review and approve all reimbursement requests with an aggregate value equal to or greater than \$500.
- Ensures that supporting documents have been provided and reviewed which clearly document:
  1. The "Accountable Plan Activities."
  2. The necessity and reasonableness of the T&E Reimbursement or "Miscellaneous Reimbursement."
  3. Compliance with applicable policies including any and all sponsored program requirements.
  4. The exclusion of any personal items or services.
  5. Review and approval by the delegator or School/Center level Senior Business Administrator designee in those situations where their business judgment is necessary.

## **POLICY**

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Several methods of payment are available to assist travelers who are required to travel or entertain on behalf of the University. These methods are described below.

### **Preferred Travel Agency and the Business Travel Account**

World Travel Inc. is the University's primary preferred travel agency. The University has established a contractual relationship with the agency to serve the needs of the University's business travelers and entertainers. World Travel is integrated with the Concur-TEM system, and the agency makes travel arrangements with the best rates available in the market.

- a) The Business Travel Account (BTA), established with our preferred agencies, including niche providers, eliminates the traveler's incurrence of airfare expense. Instead, charges are posted directly back to the department's 26-digit account string via a journal entry. All air travel booked online through the BTA is subject to approval per normal processing.
- b) Travelers using other travel agencies or airline internet sites are responsible for paying for their own ticket and seeking reimbursement from the University. The only time the University will make a payment to another travel agency is for international travel when a non-employee or group is able to get a substantially lower rate from a consolidator or agency that specializes in a specific destination and is privy to special fares that World Travel may not be able to obtain.

### **Penn Travel Card**

Except for expenses as noted above, travelers are generally expected to use the University-sponsored travel and entertainment credit card (Penn Travel Card) for incurred expenses while traveling and entertaining on behalf of the University. Expenses are generally expected to be submitted for reimbursement within ten (10) days of the end date of the business activity.

1. The Penn Travel Card is available to approved full-time faculty and staff who may incur travel, entertainment or other out-of-pocket expenses while doing business on behalf of the University. This is the preferred payment option, which enables University employees to charge travel-related expenses without impacting the spending limits of their own personal cards.
2. The Penn Travel Card and any other University-sponsored credit cards can only be used for expenses incurred in connection with official University business. Non-reimbursable expenses, including expenses associated with personal use, should not be charged to these cards. Common charges on the Penn Travel Card would be:
  - Rail tickets, car rentals and airline tickets not charged to the Business Travel Account (BTA)
  - Conference registrations (can also be paid by a departmental Purchasing Card)
  - Guaranteeing and payment of hotel bills
  - Business meals and entertainment
  - Miscellaneous out-of-pocket travel and entertainment expenses

3. University-sponsored travel cards or other personal credit cards should not be used to purchase non-travel and entertainment-related goods and services for the University. See procurement policies regarding the use of purchase orders and purchasing cards for these types of purchases.
4. Individuals using University-sponsored travel cards must process expenses in a timely manner thereby facilitating payment to Penn's card providers within balance due dates. The University will generally not reimburse late fees or finance charges assessed as a result of late payments.
5. Using personal credit cards is not a preferred method for travelers eligible for the Penn Travel Card.
6. The University's Travel Card Administrator, along with the University's travel card providers, reserve the right to cancel University-sponsored cards if:
  - The cardholder is no longer employed by the University;
  - An account is 120 days past due (cardholder privileges may be suspended when the account is 60 days past due); or
  - The cardholder fails to adhere to the University's policies and procedures for travel and entertainment expenses and/or use of Penn Travel Card.
7. For any charges grossly past due (120 days or more) the University reserves the right to pay the charges directly to the card provider while charging the individual cardholder or his or her School/Center.