

T&E BEST PRACTICES TO MAXIMIZE BACK-OFFICE EFFICIENCIES IN **HIGHER EDUCATION.**

Tips and techniques from the
Concur Higher Education Advisory Board.



Managing a travel and expense program in any organization is a challenge, but add in the unique complexities of the higher education environment, and the challenge gets even greater.

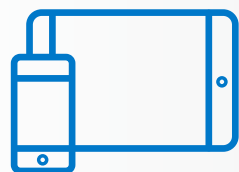
That's why the Concur Higher Education Advisory Board (CHEAB) was created. We're a group of innovative Concur customers who have tackled the issues of travel and expense management from virtually every angle—a group with valuable experience to share with each other, with other higher education institutions, and with Concur to ensure the needs of higher ed are represented.

**BY WORKING TOGETHER, WE'VE FOUND
THAT ALTHOUGH WE SHARE SIMILAR
CHALLENGES, WE HAVE WIDE-RANGING
WAYS TO TACKLE THEM.**

The following four topics cover what works best for our institutions, whether small or large, public or private. After that, you'll see a healthy list of recommendations for the right (and sometimes wrong) ways to rollout an automated T&E program for your university.

We've seen these techniques in practice. We've seen them work. And we've seen countless hours of paper- and "police" work eliminated from our calendars.

We believe there are a few answers here that can help you see the same kinds of results.



Topic #1: The need to automate your T&E program.

Automation doesn't solve everything, but our institutions were so heavily burdened by paper and process that they didn't have full reign over what travelers were spending, where they were staying, or whether they were getting the rates that had been negotiated.

THERE WAS LITTLE VISIBILITY, AND
THE EFFORTS OUR INSTITUTIONS
EXHAUSTED TO STAY ON TOP OF WHAT
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LITERALLY, EXHAUSTING.

For our institutions, a few key issues rose to the top:

1. Colleges and universities need an integrated look at where spending is happening.

Traditional, manual, expense report processing leaves disconnected data across multiple systems—spending is spread all over, and when it's not centralized, it's virtually impossible to see and even harder to control.

Before automation at Texas A&M, for example, you could see what was being spent on airfare in a given year, but you couldn't tell what was spent on a particular airline. This negated any ability to negotiate a strong contract and limited the university's ability to encourage compliance to T&E policies.

Visibility, therefore, is key.

2. Manual processes are a burden.

Everyone from AP to IT to faculty was dealing with piles of paper, plus missing receipts and overall confusion about the travel, expense and, ultimately, the reimbursement process. They were routing envelopes through intercampus mail and wasting hours, days, and even weeks as a result.

Imagine: Institutions of higher education filled with some of the best and brightest people of this and the next generation—yet in the basements of those hallowed halls, the folks from finance were digging through box after box of crumpled receipts and half-filled-out expense reports.

It was archaic and baffling for travelers, as many didn't know where to go, what to do, what to pay for or how to pay.





3. Data accuracy and policy compliance are paramount.

Our departments exist for a reason—to know, to the penny, what is going on. The budget makes or breaks our “business.” And policy compliance impacts everything from how much you get to spend next year to how much funding the institution receives.

Knowing and being able to trust the numbers is critical, and process consistency is the only way to make it happen.

So, does your institution need to automate its travel and expense program? If you want to stay ahead of the challenges and opportunities in higher education, if you want to see the details of your spending and drive savings to your bottom line, if you want to eliminate hours and errors from the process, the answer is a resounding “yes.”

Automation not only creates an easier process for your accounting team, it is essential to the overall success of your institution.



“In the paper world, people could put anything on their report, and we’d have to fully audit it. They could change the mileage rate, for example. Concur helped us stop being the police department.”

—University of Colorado



Topic #2: What to audit when.

Life would be easier on any given campus if no one had to audit expense reports. It'd be easier for any organization, but in academia, where funding sources force greater compliance requirements, the complexities are seemingly endless.

To keep up, most institutions currently audit between 80 and 100 percent of their expense reports. This is tremendously time consuming and, as our institutions dive further into Concur, not entirely necessary. Our goal, of course, is to use our Concur systems to drive that percentage down.

Here's how you get there:

1. Tailor your audit rules based on funding mechanisms.

Different funding sources (local, state, federal) mean different requirements and different risks, and audit rules within Concur can be adapted to match.

Federal grants have an entirely separate set of requirements than private funds, and you can set your Concur audit rules accordingly, so users don't have to think about them.

At Texas A&M, for example, three simple rules dictate audits for local and university funds: Spend threshold, receipt presence and GSA rate. If expenses pass those checks, the university automatically pays and then later "spot checks" a portion post-payment for quality control.

Similarly, by managing local funds with Concur audit rules, the finance team at the University of Tulsa is free to focus on expense reports from other funding mechanisms where the risks and repercussions are greater.

2. Focus on what should be checked, rather than what shouldn't.

Certain, low-risk expense types can often be approved automatically, and that can help keep the system moving. For example, the University of Colorado recently changed its audit rules so that expense reports under \$1,500 which do not contain certain expense types do not have to be stopped in processing.

Previously, expense reports would only be auto-approved if they were under \$75 and had two or fewer expense types. Very few actually met that requirement, so the bulk of the University's reports were still being audited, and that slowed the process down.

Upon further review, the University discovered it had a large number of expense reports under \$1,500 that contained expense types with very little risk. So they changed the audit rule to \$1,500 and improved the process without adding risk.

At the University of Oklahoma, expense reports that contain just mileage and parking are approved automatically. So travelers can prepare their expense reports, and the system takes care of the requirements.



"We audit about 80-85% of expense reports today, and we'd like to take a more selective approach to our audit criteria and see that number shrink."

—Princeton University



3. Build customized rules for your organization.

Take a look at what’s happening at your institution—listen to what people are talking about, hear their ideas, discuss what’s possible and what’s problematic. Then take those issues, craft your goals and build your audit rules accordingly.

At Tulsa, audit rules focus on:

- *How much gas a traveler is being reimbursed for in a given month*
- *Reports that feature a meal and a per diem on the same day*
- *Faculty and staff spending above a certain amount per month, per category; at that amount, every report for the rest of the month gets routed for review*

At Princeton:

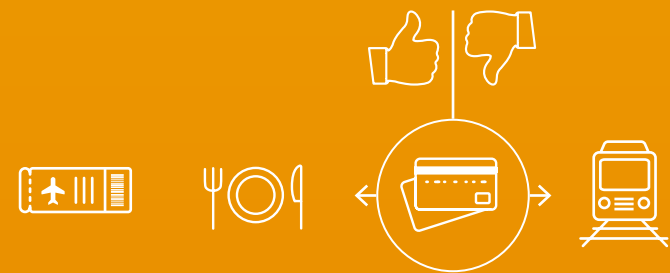
- *If employees have a cash advance balance above \$0 and attempt to request reimbursement without paying down those cash advances, they can’t submit their report*
- *If an employee has outstanding credit card transactions older than 90 days, it prevents reimbursement; the card is suspended at 90 days, and the goal is to prevent people from using a personal card and getting reimbursed*

Find out what makes the most sense for your organization, then make it happen.

Audit rules to live by.

A few ideas on what to flag on higher ed expense reports:

- Internet airfare booked outside the program
- Group meals
- Any team travel expense type
- Flowers and personal laundry
- Any receipt that includes alcohol
- Cell phone charges
- Return of a cash advance
- International travel
- Duplicate receipts
- If the employee “owes money”





Topic #3: Which metrics matter?

When you're looking at your travel and expense program as a whole, what do you look for? What do you measure? What do you really want to know? The CHEAB member institutions focus on three types of key metrics as we gauge our programs' performance.

1. Measure the speed and convenience of your process. Or the lack thereof.

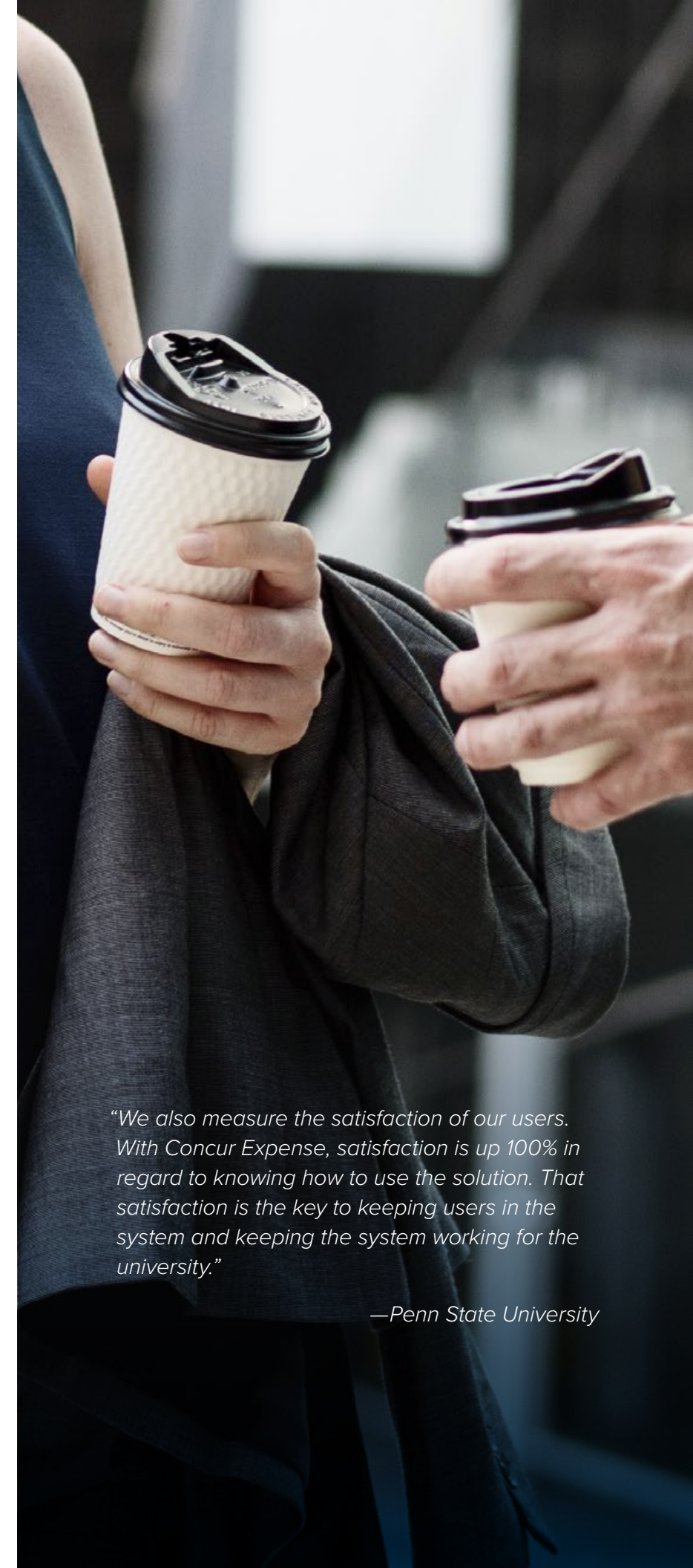
Look at the cycle time for each point in the workflow and measure the average number of days between each step. Look for bottlenecks and try to trim the time it takes to submit, approve and process transactions. That's why CHEAB institutions are sharply focused on reimbursement turnaround, processing delays and ways to shorten submit-to-approval times.

2. Keep older transactions from making surprise appearance.

When transactions show up that should have been processed weeks or months before finally hitting the budget, they can cause some damage. That's why Texas A&M writes custom reports to search for unassigned credit card transactions, un-submitted expense reports, and other items that are aging out. The University of Colorado runs monthly reports for transactions older than 30 days, ensuring that the card holder and approver know what's out there and that the proper people can be alerted.

"We also measure the satisfaction of our users. With Concur Expense, satisfaction is up 100% in regard to knowing how to use the solution. That satisfaction is the key to keeping users in the system and keeping the system working for the university."

—Penn State University





3. Make sure transactions go on the card and that key travel spending is tracked closely.

Card spend is easier to keep track of, and effective institutions keep a close eye on how their cards are being used, as well as on the key components of travel transactions.

- Princeton, for example, enjoys an 85% card adoption rate, but would like to see that number climb
- The University of Colorado tracks the percentage of people booking on Concur and, because they save money with early bookings, they keep a close eye on advanced bookings
- Tulsa checks employee airfare on a daily basis, plus expense analysis by employee; to stay ahead of spend, they are constantly looking at overall reimbursement by category, by employee
- Penn State University measures what's booked in Concur versus what's booked outside of the system to see where travel transactions originate and evaluate adoption

"We send our approvers a Concur report every Monday that lists all the transactions made by the people in their department. We list the status—whether it's submitted, pending approval, etc.—plus the number of days outstanding and all the core transaction details. This way, they know who to follow up with, and we know there won't be any budget surprises."

—Princeton University

A little collegiate competition.

Like many of its peers, the University of Colorado has created detailed dashboards and scorecards to regularly show employees, faculty and department heads how they're performing.

"We send out a department scorecard that not only shows spending, it compares their behavior against the rest of the university. This comparison is very helpful—it leads them to correct their issues themselves."





Topic #4: Communicating creatively with everyone involved in the process.

If you've got good ideas, share them. If your travelers don't remember or understand certain parts of the process, teach them. If you want feedback concerning what works and what doesn't within your particular culture, ask for it.

Good communication doesn't follow one path or pattern, and the most successful colleges and universities use a variety of tools and techniques to engage and connect with their audiences.

1. Emails from AP get ignored. Emails from department heads do not.

Craft your message, share it with the department heads, and let them deliver it for maximum effect.

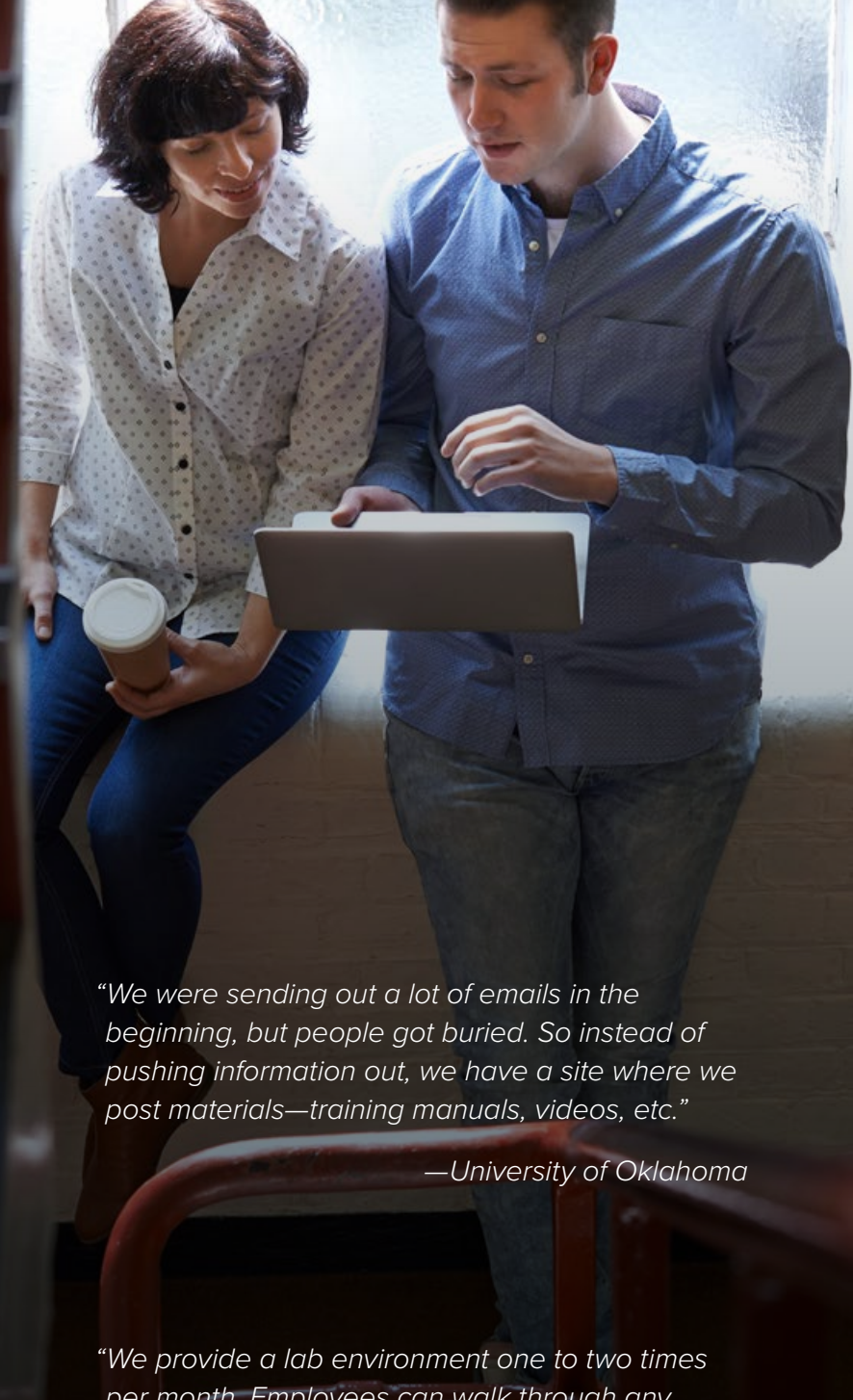
2. Create an internal website focused on travel and expense information.

This site is a place to centralize all your travel and expense documents and can be a home for updates, training, tips, tools and any other information your users may need.

3. Face-to-face, hands-on connections are still the best way to reach users.

If you want to get people engaged, get together. Here are a few proven ways to connect with users:

- Monthly training/live demos for new and long-term employees
- T&E "labs" where employees can come in, ask questions and complete their expense reports with hands-on help
- 15-minute breakouts in faculty/staff meetings—perfect for answering questions, demonstrating new features, etc.
- Bi-monthly training seminars for new employees, covering the Concur solution and the entire process, plus monthly "advanced tips and tricks" for more experienced users



"We were sending out a lot of emails in the beginning, but people got buried. So instead of pushing information out, we have a site where we post materials—training manuals, videos, etc."

—University of Oklahoma

"We provide a lab environment one to two times per month. Employees can walk through any questions they have, they can complete expense reports right there, etc. They can enroll for these labs online, and it's been very popular. The sessions are almost always full."

—University of Oklahoma



4. A refresher email series reconnects infrequent travelers.

At the University of Colorado, if someone books a ticket through Concur or a TMC—and they haven’t booked in the previous year—the system triggers a three-email series.

- a. The first is sent when the system sees the ticket, and it reminds travelers what they need to know: that they have a travel card, that the TMC is there to help, that they should download the mobile app, and that there’s an internal travel site with more information
- b. The second email is sent five days before the trip, reminding them about their upcoming travel, reinforcing how the apps can help and highlighting other key travel topics
- c. The third email is sent on the last day of the trip, and it’s designed to help the user fill out an expense report

5. Re-evaluate what’s working and what’s not.

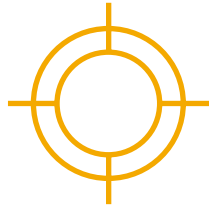
Turn your users’ questions, comments and pain points into teaching tools. When people raise issues, take a step back and examine why they resonate. Don’t be afraid to address the feedback, because that’s where the best ideas usually come from.

You can also turn common inquiries into frequently-asked-question information that can help educate all your users. And every few months, go back and see whether certain requirements are still necessary: Ask yourself “What can we eliminate from the process to make it easier for everybody?”



“We target department heads and business staff to communicate changes. We have a list-serve that all the business staff are a part of. We’ll communicate changes to them across campus with the understanding that they’ll communicate it out to users.”

—Texas A&M



Rolling out the solution: A few insights from your colleagues.

Unveiling a new system-wide travel and expense solution doesn't have to be complicated. As CHEAB members, we represent higher ed institutions that have rolled out new solutions and programs, so we've learned a few things about what works and what doesn't.

University of Colorado:

One lesson learned was to roll out Travel and Expense at the same time. There's booking data that flows into the expense report, and it's good to have both solutions up and running at the same time.

When it comes to training, don't do things too far in advance. If you train users too far out, they won't retain it.

When you go from paper-based processes to being able to really nail things down, you tend to want to nail *everything* down. Instead, decide what's most important and focus on that.

Texas A&M:

Delegates are a fact of life, and it was important to continue to allow faculty to use their delegates. If they thought the new system was going to waste their time or ask anything additional from them, it would have killed the project. Some departments tried, but it wasn't well received.

Get key constituents engaged early. Share the options, the benefits, the pros and cons, and listen to their feedback. As a result, they'll have a vested interest in the solution, and you'll have end-user buy-in.

Adding restrictive policies at the department level hurts the entire process, and you have to protect the departments from themselves. Here, there's a committee dedicated to preventing and eliminating unnecessary individual department policy requirements.



University of Tulsa:

Communicate, communicate, communicate. Be detailed, and don't leave users in the dark. Don't be ambiguous.

You have to have your own strategy. You can use someone else's template, but you have to know your own organization and know how the departments/divisions/colleges function. Use that understanding to guide you as you move forward.

Don't just reproduce your current process. Take this opportunity—take advantage of the tools—and see the efficiency you'll gain by streamlining the process.

University of Oklahoma:

Talk to the Dean of every college well in advance of the rollout. Tell them what you're doing and why. This will help you proactively identify potential issues, so when faculty and staff approach the Deans with questions, they'll be prepared.

Frequent, timely communication is critical. For four weeks before the rollout and two weeks after, University officials held two trainings every single day. And when people had to book their first trip or make their first reservation, they were ready.

Be careful about audit rules that can stifle travelers or cause them headaches. They'll associate this with the system, and you'll have an adoption problem. Try to balance control with the customer experience.



Princeton University:

Don't use this as an opportunity to introduce many new rules and policies, as they can negatively affect users' perceptions and adoption. Don't make things more restrictive and then tie them to the Concur rollout—but if you're moving from a \$0 to a \$50 receipt threshold, you can highlight the ways the new program supports efficiency.

Use the efficiency of an automated program to drive card adoption. Expense report efficiencies and the elimination of out-of-pocket spending helped promote card usage—travelers were happy to use it, and that led to better rates and better data on spending.

Penn State University:

Don't make too many big changes at the same time. We changed travel policies, pCard and expense processes all at the same time. It was too much. If you can do a pilot or slow rollout, you can see what works and what doesn't, and you can correct it before you fully roll it out.

Build your pilot groups carefully and deliberately. Consider funding mechanisms, special accounting structures required for account code fees, etc., and create your pilot groups accordingly.

This was a complex change, so we gave white-glove service to our financial officers—in each college, for our outer campuses, etc. We also trained specific people to be travel experts for each department, so they could help the users.



You're ready for this.

There's a lot to think about when implementing an automated travel and expense solution in the world of academics, but the tips and tricks and proven best practices outlined here are designed to simplify and shortcut your process. They've been tested in back offices on campuses around the country. And what's working for those institutions can work for yours.

Concur takes universities of all sizes and stages beyond automation to a completely connected spend management solution encompassing travel, expense, invoice, compliance and risk. For more than 20 years, our global expertise and industry-leading innovation has kept customers a step ahead with time-saving tools, leading-edge technology and connected data, in a dynamic ecosystem of diverse partners and applications. User-friendly and business-ready, Concur unlocks powerful insights that help your institution reduce complexity and see spending clearly, so you can manage it proactively. Learn more about solutions for Higher Education at concur.com.

