



Tips & Tricks from SPA & Payables: Processing TEM Expense Reports & Subaward Invoices

Business Purpose

Business Purpose - More information is better

- Business Purpose requirements are a result of the IRS Accountable Plan rules
- Provide the Who, What, When, Where, and Why when entering the Business Purpose
- The Business Purpose should have enough details to satisfy an auditor's request for information



Business Purpose

- Examples of **Inadequate** Business Purpose:
 - SSWR Conference
 - Attend Conference
 - To Present Research
 - Meal with Colleagues
 - External Hard Drive
 - See Notes
- Examples of **Adequate** Business Purpose:
 - UIUC Professor John Smith presented a paper at the Exotic Animal Symposium held in Washington D. C. on 6/1/19 – 6/3/19. Disseminated research supported by NIH Award AC456.
 - Portable USB Flash Drive needed for field research when away from the office.

TEM Travel Reimbursements

Note: With a solid justification, these items may be allowed

Typically Allowable Travel Expenses

- Economy / Coach Airfare
- Travel Agent & Airline Baggage Fees
- Car Rental, including gas
- Mileage for Personal Vehicles
- Ground Transportation
 - Shuttle, Train, Taxi, or Bus Fares

Typically Unallowable Travel Expenses

- First Class / Business Class Airfare
- Admirals Club Fees
- Optional Damage Waiver
 - Reimbursable for Foreign Travel Only
- Parking Tickets or Traffic Fines
- Rental Car for Personal Use

TEM Travel Reimbursements

Note: With a solid justification, these items may be allowed

Typically Allowable Travel Expenses

- Lodging
- Conference Registration Fees
- Per Diem
- Tolls, Parking, & Reasonable Tips
- Short-term Travel Visas

Typically Unallowable Travel Expenses

- Late Check-out, No-Show Hotel Charges & Room Guarantee Fees
- Cancellation / Late Registration Fees
- Actual Cost of Meals Purchased
- Hotel / In-Flight Internet Access
- Passports
- Entertainment
 - Movies, Sightseeing Tours, Meals, Mini-Bar Charges

Common Reasons for Rejection or Delay

Sponsored Programs Administration

- Incomplete / Inadequate Business Purpose
 - Who, What, When, Where & Why
- Personal or unrelated travel costs are included
- Unallowable costs are being reimbursed
 - First class airfare
 - Airline change ticket fees
 - Flights that violate the Fly America Act
 - Unallowable meal reimbursements
 - Membership fees
 - Conference extras – banquets, sightseeing trips, entertainment, etc.
 - Rental car extras – damage waivers, GPS, etc.

University Payables

- Incomplete Business Purpose
- Proof of conference lodging
- Mixing state and local funds
- Student reimbursements for their benefit
- Proof of conversion for foreign receipts
- Incorrect ER purpose or expense type (arranged travel)
- Unallowable business meals
- Missing/illegible receipts

Average Rejection Rate = 12%