

JCU Post Implementation Review of Expense Management System

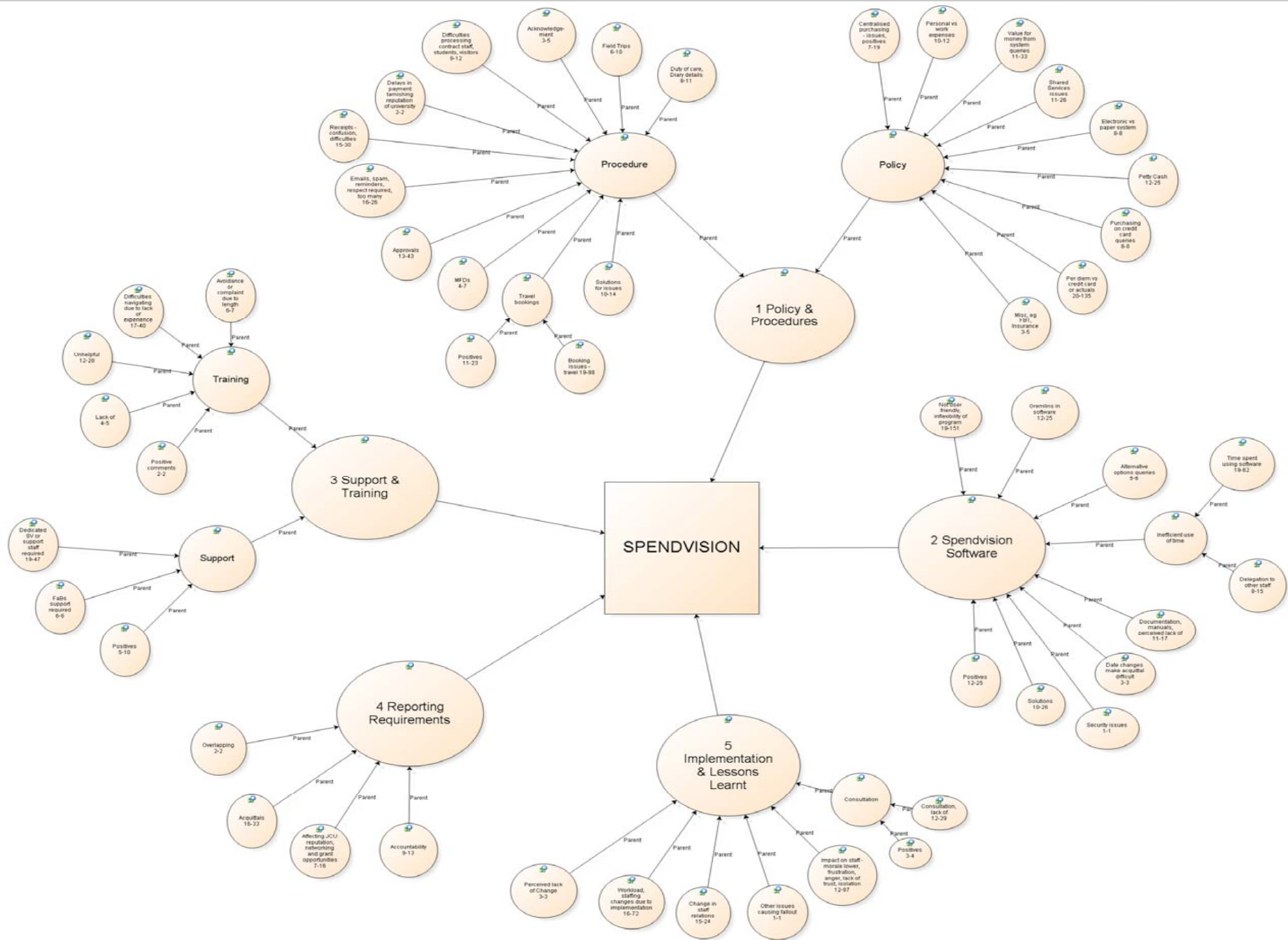


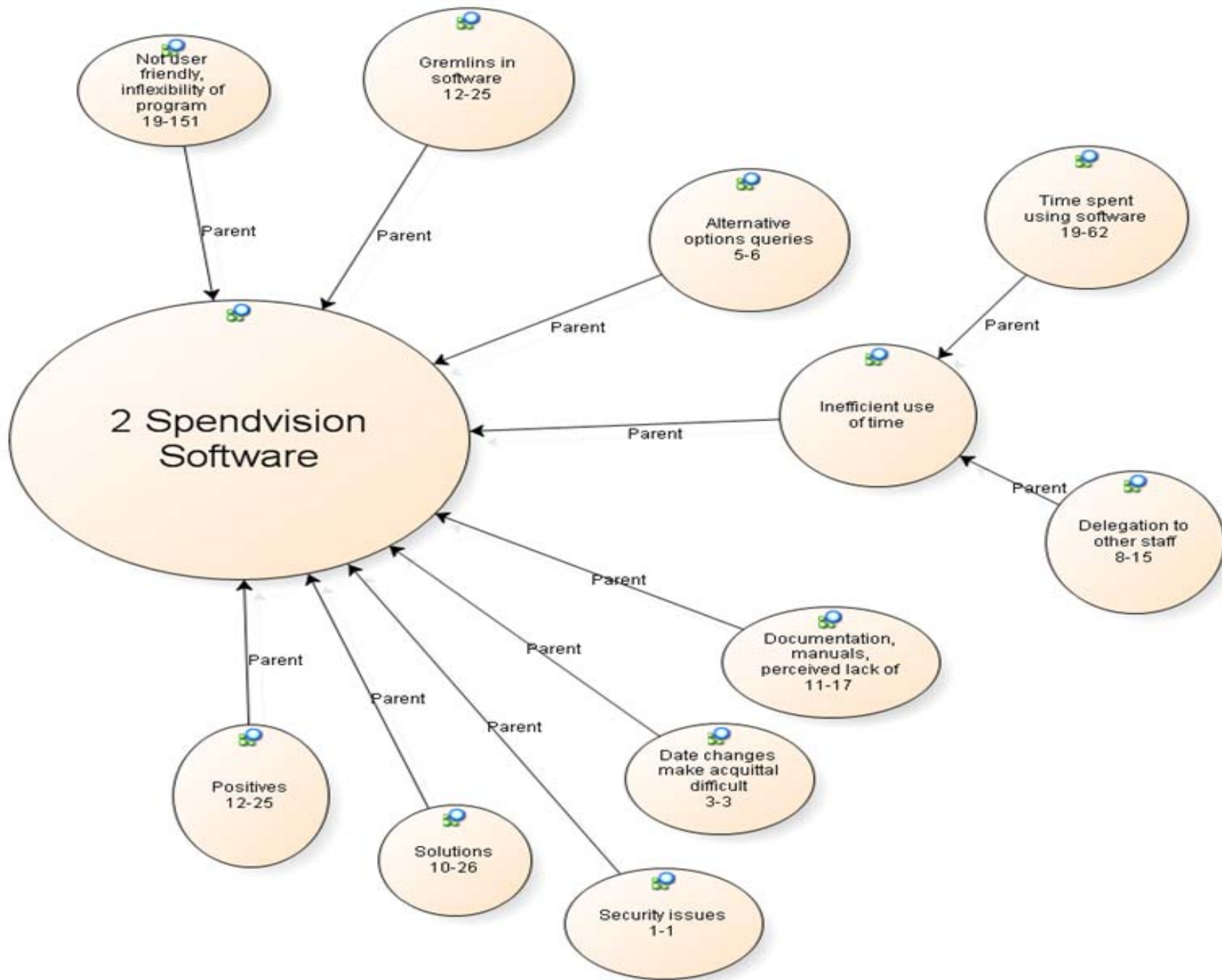
Panel Recommendations

Background

- Jeff Loughran – PVC FSE & Chair of Panel
 - John Chandler – LBCA
 - Lisa Cowan – US Division
 - The late Ross Crozier – SE
 - Jennifer Frost – US Division
 - Stephen Torre – SAESS
 - David Lindsay – MHMS
 - Jennifer Lappin – ARC COE
 - Anne Swinbourne – SAESS
 - Susan Kinobe – F&RP
 - Danella Lane – F&RP
 - Brett Dinsdale – F&RP
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- All Staff meeting 6th August - TOR and process.
 - August, meetings with 20 areas opportunity to raise issues
 - Issues - compiled and analyzed
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Co-located
SV or
support
staff
required
13-47

Major Issues raised by staff

- Policy & Procedure
 - Spendvision Software
 - Support & Training
 - Reporting requirements
 - Implementation and lessons learned
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- Uncosted loss of productivity of Staff acquitting travel.
 - Cost of per diems V actual expenses for travel reimbursement.
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Cost modelling Actual vs Per Diems

- Electronic extract of all trips to end of period 9
 - Total trips to date:
 - Domestic 3436 trips
 - International 367 trips
 - Samples used to compare costs
 - 50 Domestic
 - 50 International trips
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- Purpose of travel reviewed & compared to ensure selected samples represented total trips.
 - The costs itemised into
 - airfares,
 - accommodation,
 - meals
 - incidentals
 - other
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- Airfares and accom actual expenses JCU credit card with per diems covering meals and incidentals.
 - To Smooth Variances removed
 - \$ Top five
 - \$ Lowest five
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- Total estimated increase in costs using per diems rather than actual costs

 - Domestic Travel \$0.8m - \$1.2m
 - International Travel \$0.7m - \$0.8m
 - Total \$1.5m - \$2.0m

 - Using per diems would result in more than a 20% increase in costs.
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- Review Panel visited The University of Newcastle (using Spendvision) fact finding mission.
 - UoN cost modelling exercise determined that per diems would increase travel costs:
 - Domestic 80%
 - International 68%
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- The use of per diems
 - require travellers to acquit travel through Spendvision
 - would not relieve the major issue raised by staff, “that the time taken to acquit travel was a significant impost on productivity.”
 - Per diems would require professional staff to check per diem claims
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Recommendation

- Expert professional staff appointed to undertake travel acquittals on behalf of staff.
 - Up to 6 HEWL 4 staff (split between Townsville and Cairns)
 - Experts will be JP's able to witness Stat decs for situations when receipts are not available
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Advantages of Expert Staff

- Dedicated roles, focussed on task
 - Specialise in travel policy and procedures and legislation for (GST, FBT)
 - Consistent allocation of costs to use codes
 - Transactions linked to trip
 - Reduce outstanding acquittal times
 - Close link with compliance issues (important)
 - Reduces urgency to amend Spendvision
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- **Delegation of travel booking is at the discretion of the Head of Organisational Unit.**
 - Formalises what a number of areas have already in place.
 - Traveller is still required to complete budget and get approval to travel
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- **Actual expenses be retained as the means of travel reimbursement**
 - The University's preferred position is that receipts should be used where possible.
 - Staff to use travel log diary to record costs where no receipt available and include as a Statutory Declaration to acquit the trip.
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Procedures for acquitting travel where receipts not available

- Traveller maintains travel diary noting expenses
 - Four main categories to allocate expenses
 - Accommodation
 - Meals
 - Ground Transport
 - Other expenses
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Procedure for acquitting travel where receipts not available

- On completion of the trip total the expenses without receipts
 - Make appointment with travel expert to come to your office
 - Sign the travel log as statutory declaration
 - Travel expert is a JP and can witness
 - Include with other expenses for trip
 - JCU travel expert acquits trip
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- **Travel Management Companies efficiency and value for money**
 - Recommendation
 - TMC are required to meet our Duty of Care responsibilities.
 - Possible to book with non TMC in exceptional circumstances.
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- **Improve the functionality of the JCU credit card.**
 - Recommendation:
 - Credit cards are able to be used for Incidental expenditure (Petty Cash like) items to a value of \$200.
 - Credit card purchases will be acquitted by travel expert staff.
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Implementation Schedule

- Expert travel staff – Feb 2010
 - Audit Officer – Feb 2010
 - JCU Credit Card Petty Cash – Feb 2010
 - Online training/ Help guides – June 2010
 - Policy & Procedures – Dec 2010
 - Duty of Care procedures – Dec 2010
 - Field Trips procedures – Dec 2010
 - Spendvision software - Ongoing
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12 recommendations made by the Panel.

Recommendation 1

- That **actuals** be retained as the means for travel entitlement
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Recommendation 2

- **Duty of Care:**

That additional procedures be developed and implemented to complement the TMC's systems for capturing all travel details to ensure that the University's duty of care can be fully discharged.

Recommendation 3

- That further **training and communication** be provided to advise the University community about the E-Res on-line booking tool and the option of using an alternative TMC in exceptional circumstances.
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Recommendation 4

- **Review of current policies and procedures,** particularly the issues raised by staff. A prioritised schedule will be incorporated into the Implementation Plan.
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Recommendation 5

- The review process for credit card expenditure be undertaken by the Audit and Assurance Office. This will require a new resource position of one person at HEWL 6.
 - Transfer compliance checking from FaBS to Audit and Assurance Office.
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Recommendation 6

- That delegation of travel booking is at the discretion of the Head of Organisational Unit.
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Recommendation 7

- That enhancements to Spendvision continue to be explored, on a cost benefit basis.
 - The enhancements will be **prioritised to address front end issues for users**, loading travel diaries, booking.
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Recommendation 8

- That expert professional staff be appointed to undertake travel acquittals on behalf of staff.
 - Up to 6 HEWL 4 staff at a cost of \$408,822
 - 2 staff in Cairns
 - 4 staff in Townsville
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Recommendation 9

- Expert travel staff will be members of FaBS and be highly mobile across the University.
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Recommendation 10

- That an **on-line training tool** including one page help guides and FAQ's be developed
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Recommendation 11

- That project funds of up to \$100,000 be made available to enable completion of the project work identified during the review.
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Recommendation 12

- That where new projects are significant in their scope and impact on the University community, then **an extensive change management program** be incorporated into the consultation and implementation process.
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