

ACCOUNTS PAYABLE GENERAL POLICIES and PROCEDURES

**Travel & Business
Expenses:
Supplemental Approval**

Supplemental Approval

Why does the University need a Supplemental Approval policy?

- An abundance of exception memos were submitted to Accounts Payable for Travel & Business expense vouchers which resulted in additional processing time and delays in the voucher review process.
- There was a lack of authority and visibility by senior officers within Schools/Departments, with knowledge of exceptions to policy that occurred in their respective departments and in addition, various financial concerns.



Supplemental Approval



The Travel & Business expenses policies apply to employees, students and non-employees in all Schools and Departments around the University, and should be complied with.

However, from time to time, certain business needs and special situations (i.e. nature of business, location of purchase) may necessitate departure from the guidelines provided by policy.

Good to know:

- Certain common exceptions to policy do not require an exception request to AP for approval.
- AP will rely on approval from the “Supplemental Approver” in the department.

Supplemental Approver

How does this work?

- Individuals submitting a reimbursement request must still request approval of the exception and should document circumstances surrounding the exception to policy.
- Supplemental Approver would evaluate the situation & either approve or deny.
- AP will rely on this approval when reviewing the voucher.

Who are Supplemental Approvers

Supplemental Approvers may be a:

- Dean
- VP
- Associate Dean
- Senior Financial Officer

A Supplemental Approver is someone who is

- responsible for the administrative and financial leadership of their academic or administrative unit
- can determine the appropriateness of expenses and exceptions in compliance with policy.

This will vary by School or Department, depending the size and organizational structure.

Role & Responsibility of a Supplemental Approver



When approving transactions, Individuals with Supplemental Approval authority are in all cases responsible to verify:

- the business need for the exception
- the propriety of the exception in compliance with the Supplemental Approver and Travel & Business expense policies.

Individuals with Supplemental Approval authority are in all instances ultimately responsible for the approval decision.

Supplemental Approval Reminder

As with DAF approval:

Under no circumstances may an individual approve (or Supplemental approve) his or her own Expense Report or that of a *person to whom he or she reports*

Circumstances that require Supplemental Approval



Transportation/Travel:

- First or business class travel by air (flights in excess of 5 hours or medical need).
- First or business class travel by rail/bus (not including Amtrak's Acela train).
- Lodging exceeding the thresholds (\$350 per night domestic and \$400 (US dollars) per night international) by no more than 50%. (\$525 domestic, \$600 international)
- Appreciation given for lodging in a private residence.
- Short-term rental accommodations.
- Reimbursed travel extended beyond the minimum days required for business purposes.
- Required travel by an employee's spouse, significant other and/or dependent (Note: May be taxable)

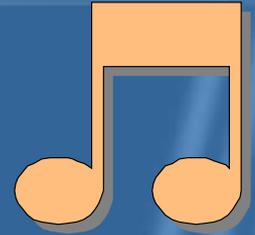
Circumstances that require Supplemental Approval



Meals:

- Meals exceeding the per meal thresholds (\$25 breakfast, \$35 lunch, \$50 dinner) by no more than 50%. (\$37.50 B, \$52.50 L, \$75 D)
- Meals (fundraising, recruitment, speaking engagements) involving external parties exceeding the per person threshold of \$100 (excluding tips and taxes) by no more than 50%. (\$150 per person)
- Use of per diems on non-grant accounts. (Only in instances of international travel to destinations where local custom or culture makes it difficult to obtain receipts).
- Meals that require attendance by an employee's spouse, significant other, and/or dependent.
- Expenses for meals or entertainment conducted in private homes.

Circumstances that require Supplemental Approval



Entertainment:

- Expenses for meals or entertainment conducted in private homes.
- Entertainment expenses to be reimbursed in excess of \$1,000.
- Rental of clothing for an event.
- Entertainment expenses for employee events in excess of \$500.

Circumstances that require Supplemental Approval



Gifts:

- A business performance or “de minimus” gift to an employee exceeding the threshold of \$100 by no more than 50%. (\$150) Note: Item is taxable
- A years of service/retirement gift to an employee exceeding the threshold of \$400 by no more than 50%. (\$600) Note: Item is taxable
- A gift to a non-employee exceeding the threshold of \$600 by no more than 50%. (\$900) Note: Item is taxable

Circumstances that require Supplemental Approval

Other:

- Purchases of supplies and emergency supplies, books, equipment in excess of \$500.
- Issuance of a second travel advance before the first one has been reconciled.
- Reimbursements submitted more than 120 days after the date of the expense. Please note that supporting documentation must include legitimate circumstances contributing to late submission in order to evaluate whether this is a taxable event.
- Missing receipt for expenses of \$75 or more (\$25 for meals), all lodging. Please note that supporting documentation must include missing receipt documentation to comply with IRS standards for reimbursement.

Supplemental Approval Reminder

As a reminder:

All individuals requesting reimbursement should be in compliance with the University's Travel & Business expense policies. Items eligible for Supplemental Approval are still exceptions; however, they are being approved by a departmental officer closer to the situation, rather than AP.

Supplemental Approval in no way raises the thresholds of what is allowable or changes the segregation.

Exception Requests to AP

All policy exceptions not listed as eligible for Supplemental Approval, or any requests for exception of amounts that exceed the thresholds allowable for Supplemental Approval, still require a formal written exception request approved by a Senior Departmental Officer for documentation and evaluation of approval by AP.

For example:

- Meals in excess of 50% of policy guideline.
- Helicopter service

Role & Responsibilities of AP

Monitors Supplemental Approval authority by reviewing a monthly listing of employees newly created with this authority, to ensure appropriate delegation of this authority in compliance with policy.

Monitors and reviews the types and frequency of the supplemental approvals on Expense reports:

- Appropriateness
- Possible taxation issue.
- Circumstances that appear problematic for a non-profit organization.

Processing a voucher requiring Supplemental Approval

Role & Responsibilities of Voucher Initiators of Travel & Business Expense transactions

- Reviews voucher to identify common policy departures that require Supplemental Approval
- Identifies this in ARC for review by the Supplemental Approver
 - Resources
 - List on AP website
 - Policy documents
 - Training manual
 - Supplemental Approval form

Documentation Required (Procedure)

The ARC Voucher Initiator must select the appropriate Supplemental Approver through the AD Hoc Approver functionality in ARC.

The ARC Voucher Initiator must upload the Supplemental Approval Form and provide information on the item requiring Supplemental Approval.

- The manual supplemental approval form does not have to be manually signed; however AD Hoc/supplemental approval must be designated in ARC.

Note: *The SA exception may also be noted in the “comments” field in ARC*

Processing the voucher in ARC

ARC

Favorites > Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Voucher ID 00051044

Approval Status Pending

Submit For Approval

Departmental Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00051044, VOUCHER_LINE_NUM=1, DISTRIB_LINE_NUM=1: Initiated

Departmental Approval

Not Routed

Multiple Approvers
Department Approval

Adhoc Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00051044: Initiated

Ad Hoc Approval

Not Routed

Perez Estefany M.
Self Approval Step (Ignore)

Central AP Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00051044: Initiated

Central AP Approval - Non PO

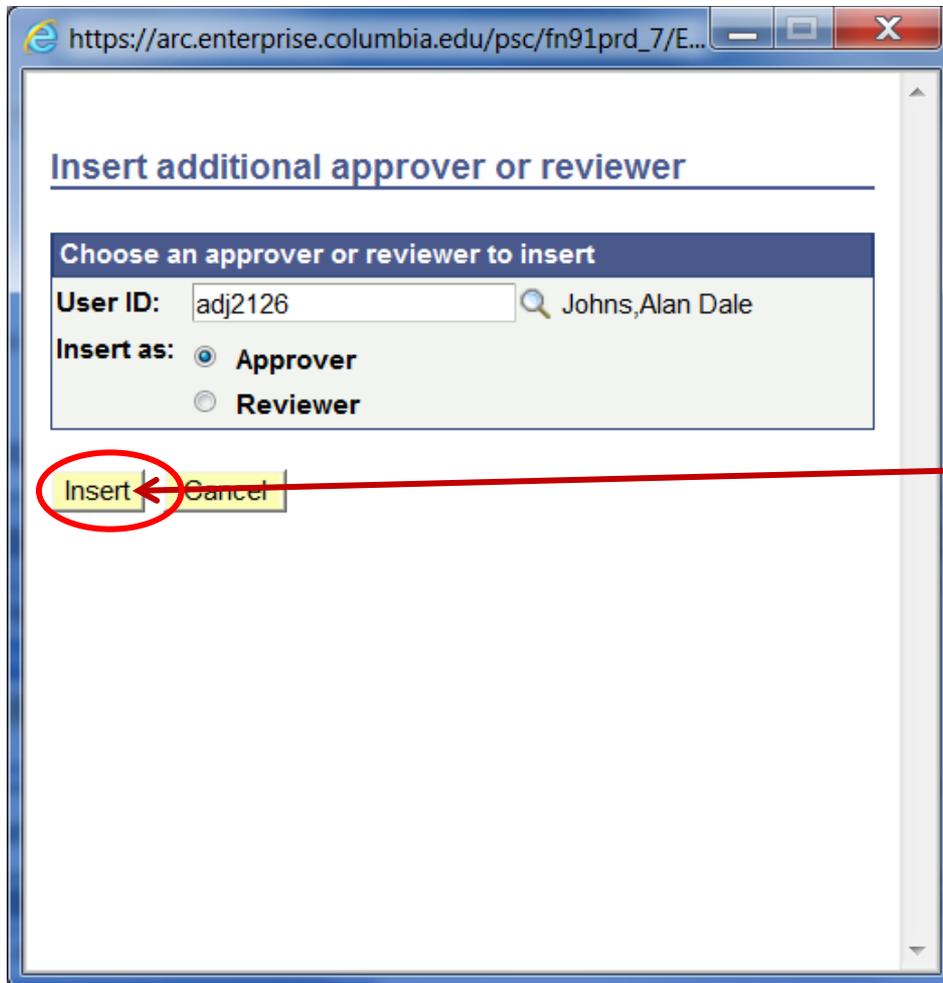
Not Routed

Multiple Approvers
ZCUVoucherApprovers(ROLE)

Return

On the Adhoc Approval stage Click the plus button

Processing the voucher in ARC



https://arc.enterprise.columbia.edu/psc/fn91prd_7/E...

Insert additional approver or reviewer

Choose an approver or reviewer to insert

User ID: Johns, Alan Dale

Insert as: Approver
 Reviewer

When the "Insert additional approver or reviewer" box appears, add the "Approver"

And choose the approver button then click "Insert"

Note: you must select the appropriate SA approver

Processing the voucher in ARC

ARC

Home | Worklist | Add to Favorites | Sign out

Favorites | Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Business Unit: COLUM
Voucher ID: 00086386
Approval Status: Pending

Total: 387.00

Apply Approval Changes
Submit For Approval

Departmental Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386, VOUCHER_LINE_NUM=1, DISTRIB_LINE_NUM=1: Initiated

Travel Approval

Not Routed

Multiple Approvers
Travel Approval User list

Adhoc Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386: Initiated

Ad Hoc Approval

Not Routed

Perez Estefany M
Self Approval Step (Ignore)

Not Routed

Regan Martha J
Inserted Approver

Not Routed

Johns Alan Dale
Inserted Approver

Central AP Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386: Initiated

Central AP Approval - Non PO

Not Routed

Multiple Approvers
ZCUVoucherApprovers(ROLE)

Return

Click on the "Apply Approval Changes" button

Processing the voucher in ARC

ARC

Home | Worklist | Add to Favorites | Sign out

Favorites | Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Preview Approval

Business Unit	COLUM	Total:	387.00
Voucher ID	00086386		
Approval Status	Pending		

Apply Approval Changes

Submit For Approval

Departmental Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386, VOUCHER_LINE_NUM=1, DISTRIB_LINE_NUM=1:Initiated

Travel Approval

Not Routed

Multiple Approvers

Travel Approval User list

Adhoc Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386:Initiated

Ad Hoc Approval

Not Routed

Perez, Estefany M.

Self Approval Step (Ignore)

Not Routed

Reagan, Martha J.

Inserted Approver

Not Routed

Johns, Alan Dale

Inserted Approver

Central AP Approval

BUSINESS_UNIT=COLUM, VOUCHER_ID=00086386:Initiated

Central AP Approval - Non PO

Not Routed

Multiple Approvers

ZCUVoucherApprovers(ROLE)

Return

Click on the "Submit For Approval" button

Audit & Review Approving an voucher Requiring Supplemental Approval

If upon audit of the voucher, our Audit & Review specialists identify that Supplemental Approval was not appropriately selected (i.e. either was not identified at all, a reason is missing, or one is incorrectly included), they will put the voucher on hold to coordinate with the department to:

- Obtain the approval from the appropriate Supplemental Approver.
- (This MUST be designated in ARC)



Monitoring Tools for Supplemental Approvers

AP will use queries in ARC to monitor the below:

- Types of exceptions that are being approved
- Frequency
- Supplemental Approvers
- Payees

QUESTIONS?

Thank you for joining us today!