TRAVEL PURPOSE CODES

Selecting the Appropriate Code for Federal Funding of Travel Expenses

Presented at the AURA Meeting on October 6, 2004
What is a “Travel Purpose Code”

- For every travel transaction that is entered in FMS for payment, there is a required field that must be filled in to describe the purpose of the travel.

- This is not a new FMS field. This was also a required field in the prior accounting software.
Eligible Codes for Travel Funded by Federal Funds

- Currently, there are 30 Travel Purpose Codes listed in FMS.

- However, only 6 of the codes are eligible to be used for travel that is funded by federal (sponsored project) funds.
Eligible Codes for Travel Funded by Federal Funds (cont.)

- The eligible codes are:
  - BL – Blanket Travel (for local mileage)
  - CT – Collaborate
  - GB – Grant Benefit Conference
  - GI – Grant Investigation
  - GP – Present Paper on Grant
  - SD – Site Visit/Data Collection
The Consequences of Using the Wrong Code – Per Project

- If an inappropriate/ineligible code is used for travel taken on federal funds, then the expense can be disallowed during an audit.
- Disallowed expenses must be paid back to the federal agency.
- The disallowed expenses would have to be covered by designated (i.e., MSRDP) or gift funds.
The Consequences of Using the Wrong Code – Institution-wide

- If an auditor determines there are numerous instances of incorrect coding, the “error-rate” can be applied to the total travel expenses of the institution that were paid with federal funding. That estimated total can be deemed to be disallowed, and we would have to pay it all back.
Actions Needed By the Departments

- Train your staff regarding the importance of using valid travel purpose codes for federally funded travel.
  - This information was provided in the Grant and Restricted Fund Financial Management Bulletins in September, 2002 and April, 2004.
  - Both of these Bulletins are available at the PAF Team website under the Bulletins link.
    - [http://financialresources.hsc.uth.tmc.edu/paf/](http://financialresources.hsc.uth.tmc.edu/paf/)
  - The information is also listed in the Grant Account Management Guide, which has been posted on the PAF website since December, 2002.
Actions Needed By the Departments

- On a monthly basis, run the “Travel Expense Origin on REQ” report that is in the FMS Travel menu.
  - The FMS PATH is: UTH Travel > Travel Inquiry and Reports > Travel Expense Origin on REQ.
    - The report can be run for both a date range and a fund range.
    - To run it for federal funds only, use a fund range of 50000 to 51999.
TRAVEL PURPOSE CODES

Selecting the Appropriate Code for Federal Funding of Travel Expenses

Presented at the AURA Meeting on October 6, 2004