Internal Finance Circular 2021/01 *"Travel and Staff Hospitality Expenditure Coding "*

Scope: All Staff (DCU including subsidiary companies)

Date: 24 March 2021

1.0 Background

The University and its subsidiary companies are required to apply the Department of Public Expenditure and Reform (DPER) business reporting requirements.

This means that in addition to the standard annual analysis of expenditure, the following additional information disclosures are required to be provided to the Office of the Comptroller and Auditor General each year:

(i). Travel costs incurred in Ireland
(ii). Travel costs incurred outside Ireland (UK and International)
(iii). Staff hospitality expenditure (see 4.0 below)

There are two primary ways that non-payroll expenditure information is captured in our financial systems, namely, the **Core Expenses application** and the **Agresso Financial System** (e.g. Purchase Ordering, NIER (non-invoice expenditure/sundry payment) requests).

As you will be aware the Core Expenses application is used to reimburse staff for relevant business expenditure incurred e.g. approved attendance at a research conference. This online system can be located via your CORE staff portal, under the tab "Expenses".
https://my.corehr.com/pls/coreportal_dcup

The Core Portal can also be accessed via "staff apps" on the DCU homepage (www.dcu.ie)

As part of the continuing upgrade of systems, the Finance Office has incorporated updates to both the Core Expenses and Agresso applications to provide you with additional expenditure

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classification options that enable the above mentioned DPER information requirements to be captured and reported on more easily.

2.0 How claims are coded/categorised in Core Expenses

When submitting a claim on the Core Expenses application, there are <u>3 levels</u> of expenditure classification:

2.1.1 GL Expense – This appears at the initial screen when you are completing your claim.

The GL Expense category you select will be the **default** categorisation of expenditure applied to your <u>*entire*</u> claim, when the claim data is interfaced and transferred to the Agresso financial system.

All financial data is ultimately entered or loaded to the Agresso financial system, as it is the primary financial reporting application within the organisation.

An example of a GL Expense selection option is "60101 Conference Abroad".

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2.1.2 Expense Type – This enables the claimant to enter the individual expense lines on the claim. Expense types would include mileage, taxi, subsistence, other public transport charges etc.

It is important that due care is taken when selecting the "GL expense" and Expense type" classifications as claimants are responsible for appropriately declaring business expenditure incurred on behalf of the University and its subsidiary companies.

2.1.3 Cost Centre and Analysis Codes – This is an additional option which provides the claimant with the ability to amend the default GL Expense code [as described at 2.1.1 above] applied on an _individual expense line_ of the claim, where appropriate.

For most claimants the 'Cost Centre And Analysis Codes' option will not need to be used, once claim types are not mixed i.e. different GL Expense codes are not required. The following examples illustrate the distinction.

Example 1 – Separate Claims for Different Claim Types

A claimant has two unrelated business expenditure receipts to be reimbursed.

The first item relates to an academic subscription which is required by a school, and therefore a GL expense of 60202 Subscriptions and Memberships should be applied.

The second item relates to public transport costs incurred while attending a business meeting in Athlone at the behest of the University and/or subsidiary company, and the GL expense categorisation should be 60103 Travel Domestic.

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The claimant submits 2 separate expense claims via Core Expenses, selecting the appropriate GL expense categorisations, as well as Expense Type categorisations.

Example 2 – Mixed Claim Types

Taking the exact same background information as in example 1 above, except this time the claimant puts <u>both</u> business expenditure items on <u>one</u> expense claim on Core Expenses.

When completing the claim, in the initial screen the claimant will have to select one option under GL expense. For the purposes of this example, let's assume that the claimant selects 60202 Subscriptions and Memberships. Recall, this is the default code that will be applied to your *entire* claim.

After selecting the GL expense of 60202, the claimant then completes the individual lines of the claim. Under expense type, the first line is completed for the subscription, and the second line is completed for public transport costs. After completing the second line, the claimant will have to remember to update the 'Cost Centre And Analysis Codes' for this expense line to 60103 Travel domestic, otherwise the expenditure item would be reported in Core Expenses and ultimately Agresso as Subscriptions and Memberships in error.

💡 The simplest way for claimants to avoid this additional classification step, is to where possible not mix claim types (e.g. travel overseas claims kept separate from travel domestic claims, kept separate from non-travel related reimbursement claims).

2.2 Multiple Expense Types within a Claim classified to one GL Expense code

Assume a staff member has the following business expenses to claim following an approved attendance at a conference in Brussels:

(i) Conference Accommodation
(ii) Conference fee
(iii) Metro Train
(iv) Food expense incidentals

At the initial screen the default GL expense code that should be selected is "60101 Conference Abroad".

Four expense lines should be completed for each item above selecting the appropriate expense type classification e.g. for train costs select "Trains".

The full cost of the claim will be correctly reported under 60101 Conference Abroad (driven by the GL Expense code selection) in both the Core Expenses and Agresso financial systems.

3.0 Travel Expenditure Coding

The following expenditure selection options under GL Expense codes are available in Core Expenses and Agresso.

Travel Domestic	Travel Abroad
60100 Conference Home	60101 Conference Abroad
60103 Travel Domestic	60107 Travel International
60121 Placement Travel	60109 Flights EU
	60110 Flights Non-EU

4.0 Staff Hospitality & Entertainment

This is defined by DPER and includes the following expenditure items relating to *staff/employees*:

- Christmas parties
- Retirement parties
- Contributions to sports and social clubs
- One4all vouchers
- Retirement/leaving gifts, flowers, etc.

The following GL expense codes should be used to capture staff hospitality, as defined.

Staff Hospitality
30219 Staff Hospitality
80107 Vouchers for Staff

Please refer to the Travel and Subsistence Regulations (https://www.dcu.ie/finance/accounts-payable/travel.shtml) for further guidance on entertainment expenditure, including clause 11 of said regulations.

Business related hospitality (e.g. for students, business development, delivery of services including to students, alumni or customers, approved vouchers for student/third party volunteers, etc) should be coded to an appropriate GL expense code depending on the nature of the operations and activities, and should not be coded to accounts 30219 and 80107.

5.0 Responsibilities – Individual Claimant on Core Expenses

When submitting claims on Core Expenses, all claimants are required to provide the following declaration:

"I confirm that all items claimed relate to required business travel and/or business expenditure, and that I possess valid car insurance for any kilometres claimed.

Click here to read terms and conditions."

A copy of the Travel and Subsistence Regulations and other travel related information is available under the following link:

https://www.dcu.ie/finance/accounts-payable/travel.shtml

It is important for claimants to ensure a valid **business purpose** is inputted on Core Expenses for any expense claim submitted. The business purpose should be sufficiently detailed for a third party including internal auditors and external auditors to immediately understand the nature of the expenditure. For example, a business purpose of *"research trip"* is not sufficiently specific for a third party to understand and validate the purpose of the expense claim. A more appropriate business purpose would be *"Attended research conference in Cork on New Science, run by UCC"*.

All receipted expenditure lines on an expense claim should have a relevant and appropriate receipt loaded to Core Expenses against that line (e.g. visa slips are not acceptable as supporting documentation).

6.0 Responsibilities – Approvers of claims on Core Expenses

All staff in departments, schools, faculties, research centres, and subsidiary companies etc, that approve expense claims on Core Expenses have the following responsibilities in accordance with clause 3.4 of the Travel and Subsistence Regulations:

3.4 It is the budget holder/approver's responsibility, by reviewing the claim, to ensure that it is in compliance with these regulations and in particular that:
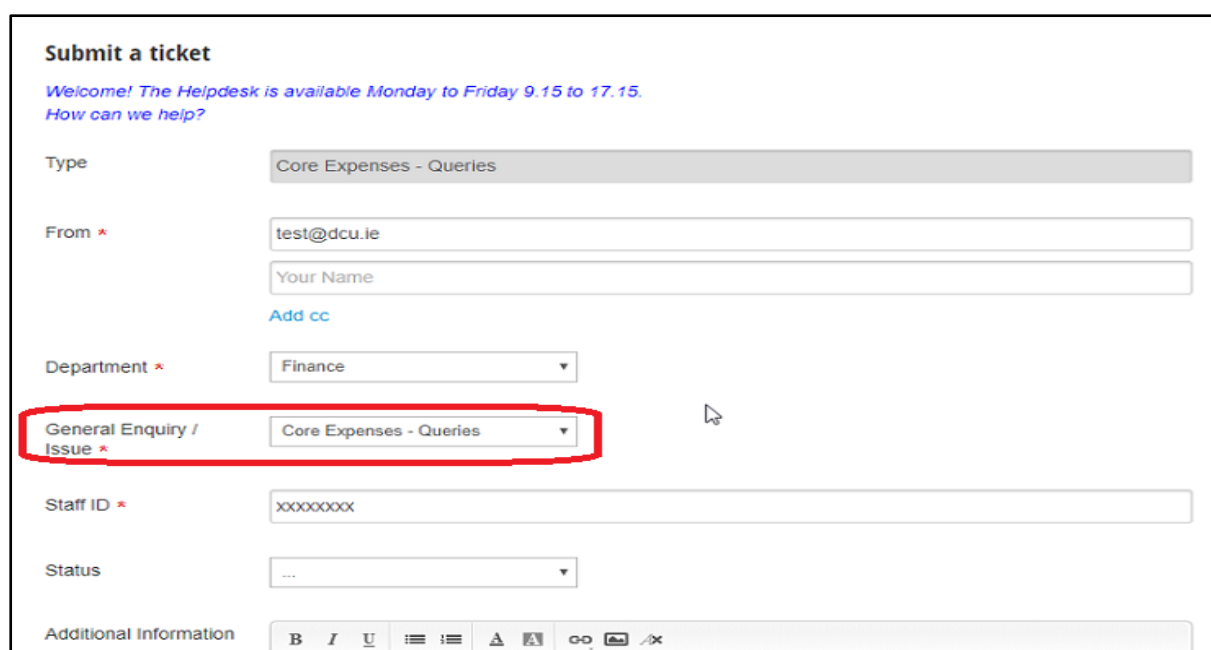
- *where applicable, other University policies (e.g. procurement policies) are strictly adhered to,*
- *any necessary prior approval has been obtained,*
- *full details of the expenses being claimed are recorded,*
- *expenditure is held within budget and,*
- *value for money is obtained.*

7.0 Implementation of New Coding Structure

The changes as described above (items 1 to 4) are implemented with <u>immediate effect</u> on the date of issue of this circular, for any new Core Expense claims, or new purchase orders and NIERs submitted via the Agresso system.

8.0 Queries

Any queries in relation to the coding of the aforementioned expenditures on *Core Expenses* can be dealt with directly by your local administrator or by contacting the Finance Office Systems Helpdesk via https://financesystems.dcu.ie/support/home and selecting *"Core Expenses - Queries"*

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Any queries in relation to categorising travel or staff hospitality expenditure on the _Agresso system_, can also be submitted by contacting the Finance Office Systems Helpdesk via https://financesystems.dcu.ie/support/home and selecting _"General Enquiry/Issue"_.

Submit a ticket

Welcome! The Helpdesk is available Monday to Friday 9.15 to 17.15.
How can we help?

Type	General Enquiry / Issue
From *	test@dcu.ie
	Your Name
	Add cc
Department *	Finance
General Enquiry / Issue *	General Enquiry / Issue
Your reference *	Categorising travel and staff hospitality expenditure in the Agresso
System *	Agresso Web

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