

## AOSD Flash #275: Travel Authorization for Items Paid by the City

Employee reimbursement pre-authorization may include items that will be paid by the City, e.g., airfare to City travel suppliers, registration fee to conferences, etc. If departments choose to include these items in Travel Authorization in PeopleSoft, departments must ensure Travel Authorization, Expense Report and Vouchers are processed properly to avoid wrong accounting/budgeting impacts in the system. Below is an end-to-end example.

An employee plans to travel out-of-town to attend a training:

- Estimated total cost is \$1,000
- The employee will pay \$800 out-of-pocket
- City will pay for the \$200 airfare

### Step 1

Employee requests Travel Authorization as follows:

1. Input "Check" in the Payment Type field for the \$800 out-of-pocket cost
2. Input "Prepaid" in the Payment Type field for the \$200 airfare

The screenshot shows the 'Create Travel Authorization' interface. At the top, there are fields for 'Business Purpose' (OTHER), 'Description' (Test1), 'Date From' (10/31/2017), and 'Date To' (11/01/2017). Below this is the 'Projected Expenses' section, which is expanded to show two lines. The first line is for 'Training' with a date of 10/31/2017, an amount of 800.00, and a payment type of 'Check'. The second line is for 'Airfare' with a date of 10/31/2017, an amount of 200.00, and a payment type of 'Prepaid Expenditures'. Both lines have their 'Accounting Details' section expanded, showing a table of ChartFields. The ChartFields table for line 1 has the following data: Amount: 800.00, GL Unit: SFGOV, Account: 521010, Fund: 10010, Dept: 228855, Authority: 10325, Agency Use: SFGOV, PC Bus Unit: 10003471, Project: 10003471, Activity: 0001. The ChartFields table for line 2 has the following data: Amount: 200.00, GL Unit: SFGOV, Account: 521030, Fund: 10010, Dept: 228855, Authority: 10325, Agency Use: SFGOV, PC Bus Unit: 10003471, Project: 10003471, Activity: 0001.

The ChartFields used in the example are:

Line	Amount	Account	Fund	Dept	Authority	Project	Activity
1	800	521010 (Travel Cost Paid to Employees)	10010	228855	10325	10003471	0001
2	200	521030 (Air Travel - Employees)	10010	228855	10325	10003471	0001

Note that **Travel Authorization in PeopleSoft encumbers funds**. Below shows the budget impact after the Travel Authorization is fully approved.

[Favorites](#) > [Main Menu](#) > [Commitment Control](#) > [Review Budget Activities](#) > [Budgets Overview](#)

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**Inquiry Results**

Business Unit SFGOV  
 Ledger Group CC\_DETAIL CC Detail Budget Definition  
 Type of Calendar Detail Budget Period  
 Amounts in Base Currency USD  
 Revenue Associated:

[Return to Criteria](#)    Max Rows     Display  Options

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**Ledger Totals (1 Rows)**

Budget	0.00	Net Transfers	0.00
Expense	0.00		
<b>1</b> Encumbrance	800.00		
Pre-Encumbrance	0.00		
Budget Balance	-800.00		
Associate Revenue	0.00		
Available Budget	-800.00		

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**Budget Overview Results** [Personalize](#) | [Find](#) | [View All](#) | [Print](#) | [First](#) | 1 of 1 | [Last](#)

	Ledger Group	Account	Fund	Dept	Authority	Agency Use	PC Bus Unit	Project	Activity	TRIO	Budget Ref	Budget Period
1	CC_DETAIL	521010	10010	228855	10325		SFGOV	10003471	0001			2018

[Return to Criteria](#)    \*Notes

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**Inquiry Results**

Business Unit SFGOV  
 Ledger Group CC\_DETAIL CC Detail Budget Definition  
 Type of Calendar Detail Budget Period  
 Amounts in Base Currency USD  
 Revenue Associated:

[Return to Criteria](#)    Max Rows     Display  Options

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**Ledger Totals (1 Rows)**

Budget	0.00	Net Transfers	0.00
Expense	0.00		
<b>2</b> Encumbrance	200.00		
Pre-Encumbrance	0.00		
Budget Balance	-200.00		
Associate Revenue	0.00		
Available Budget	-200.00		

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**Budget Overview Results** [Personalize](#) | [Find](#) | [View All](#) | [Print](#) | [First](#) | 1 of 1 | [Last](#)

	Ledger Group	Account	Fund	Dept	Authority	Agency Use	PC Bus Unit	Project	Activity	TRIO	Budget Ref	Budget Period
1	CC_DETAIL	521030	10010	228855	10325		SFGOV	10003471	0001			2018

[Return to Criteria](#)    \*Notes

## Step 2

Employee submits Expense Report upon return from the travel. **The Expense Report must reference the Travel Authorization to liquidate the encumbrance created by Step 1.**

- a. Input "A Travel Authorization" in the Quick Start field and click GO.

The screenshot shows the 'Create Expense Report' form. At the top right, there are links for 'Save for Later' and 'Summary and Submit'. Below these, the 'Quick Start' dropdown menu is set to 'A Travel Authorization', and the 'GO' button is circled in blue. The form includes fields for 'Min Fang', '\*Business Purpose' (Education), '\*Report Description' (Test1), and 'Default Location'. There is also a 'Reference' field and an 'Attachments' link. Below these fields is an 'Expenses' section with a table. The table has columns for '\*Date', '\*Expense Type', 'Description', '\*Payment Type', '\*Amount', and '\*Currency'. The current amount is 0.00 USD. There are 'Expand All' and 'Collapse All' buttons for the expenses section.

- b. Select the applicable Travel Authorization in the pop-up screen

The screenshot shows the 'Create Expense Report' form with a pop-up window titled 'Copy from Approved Travel Authorization'. The pop-up window has a search bar with 'From Date' (7/30/2017) and 'To' (11/30/2017) and a 'Search' button. Below the search bar is a table with the following data:

	Travel Auth Description	Authorization ID	Date From	Date To	Amount	Currency
Select	Test1	0000001357	10/30/2017	10/31/2017	1,000.00	USD

There is a 'Return' button at the bottom of the pop-up window. The background form is dimmed.

c. The Expense Report will copy the Travel Authorization referenced.

Create Expense Report Save for Later | Summary and Submit

Min Fang Actions: ...Choose an Action GO

\*Business Purpose: OTHER Default Location: \_\_\_\_\_

\*Report Description: Test1 Authorization ID: 0000001357

Reference: \_\_\_\_\_ Attachments: \_\_\_\_\_

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**Expenses** Total: 1,000.00 USD

Expand All | Collapse All Add: | My Wallet (0) | Quick-Fill

**Expense 1**

\*Date: 10/30/2017 \*Expense Type: Educational Reimbursement \*Description: Training \*Payment Type: Check \*Amount: 800.00 \*Currency: USD

\*Billing Type: Billable 246 characters remaining

Default Rate \*Exchange Rate: 1.00000000

Non-Reimbursable Base Currency Amount: 800.00 USD

No Receipt

**Accounting Details**

Chartfields

Amount	*GL Unit	Monetary Amount	Currency Code	Exchange Rate	Account	Fund	Dept	Authority	Agency Use	PC B Unit
800.00	SFGOV	800.00 USD	USD	1.00000000	521010	10010	228855	10325		SFGO

**Expense 2**

\*Date: 10/30/2017 \*Expense Type: Airfare \*Description: Airfare \*Payment Type: Prepaid Expenditures \*Amount: 200.00 \*Currency: USD

\*Billing Type: Billable 247 characters remaining

\*Ticket Number: \_\_\_\_\_

Default Rate \*Exchange Rate: 1.00000000

Non-Reimbursable Base Currency Amount: 200.00 USD

No Receipt

**Accounting Details**

Chartfields

Amount	*GL Unit	Monetary Amount	Currency Code	Exchange Rate	Account	Fund	Dept	Authority	Agency Use	PC B Unit
200.00	SFGOV	200.00 USD	USD	1.00000000	521030	10010	228855	10325		SFGO

After the Expense Report is fully approved, the encumbrance created by the Travel Authorization will be liquidated and the corresponding expenditure will be recorded. Note that this applies to both the out-of-pocket portion (\$800 in this example) and the City paid portion (\$200).

**Inquiry Results**

Business Unit SFGOV  
 Ledger Group CC\_DETAIL CC Detail Budget Definition  
 Type of Calendar Detail Budget Period  
 Amounts in Base Currency USD  
 Revenue Associated:

Return to Criteria Max Rows  Display  Options

**Ledger Totals (1 Rows)**

Budget	0.00	Net Transfers	0.00
<b>1</b> Expense	800.00		
Encumbrance	0.00		
Pre-Encumbrance	0.00		
Budget Balance	-800.00		
Associate Revenue	0.00		
Available Budget	-800.00		

**Budget Overview Results** Personalize | Find | View All |  First 1 of 1 Last

	Ledger Group	Account	Fund	Dept	Authority	Agency Use	PC Bus Unit	Project	Activity	TRIO	Budget Ref	Budget Period
1	CC_DETAIL	521010	10010	228855	10325		SFGOV	10003471	0001			2018

Return to Criteria \*Notes

**Inquiry Results**

Business Unit SFGOV  
 Ledger Group CC\_DETAIL CC Detail Budget Definition  
 Type of Calendar Detail Budget Period  
 Amounts in Base Currency USD  
 Revenue Associated:

Return to Criteria Max Rows  Display  Options

**Ledger Totals (1 Rows)**

Budget	0.00	Net Transfers	0.00
<b>2</b> Expense	200.00		
Encumbrance	0.00		
Pre-Encumbrance	0.00		
Budget Balance	-200.00		
Associate Revenue	0.00		
Available Budget	-200.00		

**Budget Overview Results** Personalize | Find | View All |  First 1 of 1 Last

	Ledger Group	Account	Fund	Dept	Authority	Agency Use	PC Bus Unit	Project	Activity	TRIO	Budget Ref	Budget Period
1	CC_DETAIL	521030	10010	228855	10325		SFGOV	10003471	0001			2018

The accounting entries generated by the Expense Report are as follows:

Main Menu > Travel and Expenses > Manage Accounting > View/Adjust Accounting Entries > Expense Report Acctg Entries

Expense Report Acctg Entries

Fang,Min Employee ID 056140 Report ID 000005903

Journal Entry Detail

Journal Template EXACCRUAL  
Distribution Status None

Expense Report Journal Lines

UnPost Sequence	Line	Long Name	GL Unit	Account	Fund	Dept	Authority	Agency Use	PC Bus Unit	Project	Activity	Foreign Amount	Currency	Amount
0	1	Expense Distribution	SFGOV	521010	10010	228855	10325		SFGOV	10003471	0001	800.00	USD	800.00
0	1	Expenses Accrual	SFGOV	200075	10010	228855	10325		SFGOV	10003471	0001	-800.00	USD	-800.00
0	2	Expense Distribution	SFGOV	521030	10010	228855	10325		SFGOV	10003471	0001	200.00	USD	200.00
0	2	Prepaid Expense	SFGOV	100102	10010	228855	10325			10003471		-200.00	USD	-200.00

Return to Search Notify

Line 1: Dr. 521010 (Travel Cost Paid to Employees) – this increases expenditure by \$800  
 Cr. 200075 (Payroll Employee Reimbursement) – this pays the \$800 to the employee through payroll

Line 2: Dr. 521030 (Air Travel – Employees) – this increases expenditure by \$200  
 Cr. 100102 (Prepaid Expense) – this creates a balance in Prepaid Expense

Step 3A

Department processes Voucher in the AP module to pay for the airfare to the supplier. **Make sure to input 100102 (Prepaid Expense) in the Account field.** If Account Code 521030 (Air Travel – Employees) or 521040 (Air Travel – Non-Employees) were used, the Voucher would create duplicate expenditure for the City paid portion.

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

Summary | Related Documents | **Invoice Information** | Payments | Voucher Attributes | Error Summary

Business Unit SFGOV Invoice No Test1  
 Voucher ID 00110674 Accounting Date 11/02/2017  
 Voucher Style Regular Voucher \*Pay Terms 030 N30  
 Invoice Date 11/01/2017 Basis Date Type Acct Date  
 Invoice Received 11/01/2017  Tax Exempt

Supplier ID 0000025647 AMERICAN AIRLINES INC  
 ShortName AMERICANAI-002  
 Location MAIN  
 \*Address 1

Control Group

Invoice Total  
 Line Total 200.00  
 \*Currency USD  
 Miscellaneous  
 Freight  
 Sales Tax  
 Use Tax 0.00  
 Total 200.00  
 Difference 0.00

Save Action Run Calculate Print

Copy From Source Document

Invoice Lines  
 Line 1  Copy Down  
 \*Distribute by Amount  
 Item  
 Quantity  
 UOM  
 Unit Price  
 Line Amount 200.00  
 Calculate

SpeedChart  
 Ship To 10180  
 Description  
 Packing Slip  
 Supplier ID  
 Supplier Name

Distribution Lines  
 Personalize | Find | View All | First 1 of 1 Last

GL Chart	Exchange Rate	Statistics	Assets	Line	Merchandise Amt	Quantity	*GL Unit	Account	Fund	Dept	Agency Use	Authority	PC Bus Unit	Project	Activity	Source
				2	200.00	1.0000	SFGOV	100102	10010	228855		10325	SFGOV	10003471	0001	

Below shows the accounting entry after the Voucher is posted:

Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry > Accounting Entries

Voucher Accounting Entries

\*Business Unit SFGOV Voucher ID 00110674 Invoice Number Test1  
 \*Accounting Line View Option Standard Invoice Date 11/01/2017  
 Supplier ID 0000025647 Supplier Name AMERICAN AIRLINES INC  
 \*Sort By Posting Process Search Reset

Accounting Information  
 Posting Process AP Accrual GL Dist Status None Posting Date 11/02/2017

Description	Monetary Amount	Currency Code	Ledger	GL Unit	Accounting Date	Tax Authority	Account	Fund Code	Department	Authority	Agency Use	PC Business Unit	Project	Activity
Accounts Payable	-200.00	USD	ACTUALS	SFGOV	11/02/2017		200000	10010	228855	10325		SFGOV	10003471	0001
Expense Distribution	200.00	USD	ACTUALS	SFGOV	11/02/2017		100102	10010	228855	10325		SFGOV	10003471	0001

Dr. 100102 (Prepaid Expense) – this offsets the balance in Account 100102 created by the Expense Report in Step 2  
 Cr. 200000 (Accounts Payable)

Step 3B

If the payment has been made to the supplier using an Account Code different from 100102, departments must process a journal entry to reverse journal Line 2 generated by the Expense Report in Step 2.

The screenshot displays a software interface for creating or updating journal entries. The breadcrumb trail at the top reads: Main Menu > General Ledger > Journals > Journal Entry > Create/Update Journal Entries. Below this, there are tabs for Header, Lines, Totals, Errors, and Approval. The main area shows the following details:

- Unit: SFGOV
- Journal ID: 0000022959
- Date: 11/02/2017
- Template List
- Search Criteria
- Change Values
- Inter/IntraUnit button
- \*Process: Edit Journal (dropdown menu)
- Process button
- Line: 1 (dropdown menu)

The 'Lines' section contains a table with the following data:

Select	Line	*Unit	Account	Fund	Dept	Authority	Project	Activity	Agency Use	Amount	Reference
<input checked="" type="checkbox"/>	1	SFGOV	100102	10010	228855	10325	10003471	0001		200.00	
<input checked="" type="checkbox"/>	2	SFGOV	521030	10010	228855	10325	10003471	0001		-200.00	

Dr. 100102 (Prepaid Expense) – this offsets the balance in Account 100102 created by the Expense Report in Step 2

Cr. 521030 (Air Travel – Employee) – this clears duplicate expenditure