MEMORANDUM

DATE: May 9, 2014

TO: Dr. Ashok Roy, VP Finance & Administration/CFO

THROUGH: Robert Boeckmann, Faculty Alliance Chair
Carey Brown, Staff Alliance Chair

THROUGH: Dana Thomas, VP Academic Affairs & Research

FROM: LaNora Tolman, EO System Governance

RE: Governance Feedback to Proposed Regulation R05.02.060 (C) Travel & Relocation

In response to your memo dated April 7, 2014 asking for System Governance feedback regarding R05.02.060 (C) Travel & Relocation, both Faculty Alliance and Staff Alliance reviewed the proposed regulation. Please find their comments and questions in the attached document. Note: UAA faculty and staff were unaware of the EasyBiz tool.

Thank you for the offer to allow System Governance to give feedback.

Attachment

cc: Patrick Gamble, President
    Dana Thomas, Vice President
    Nikki Pittman, Chief Audit Executive
System Governance Feedback to Dr. Roy’s April 7, 2014 Memo  
Re: R05.02.060 (C) Travel and Relocation

Faculty Alliance Feedback

Faculty Alliance appreciates the opportunity to comment on the proposed regulation R05.02.060 (C) Travel & Relocation. Most of the content is already current practice or normal accounting rules. The new items that are not current practice are 5b and 6:

5. Redemption guidelines for use of mileage or credits:
   a. ...
   b. Ticket value is $800 or more

6. Annual reporting to the university or statewide travel auditor of the available balance for mileage, credits and credit certificates. The university and statewide travel auditors will forward a complete report to the Statewide travel administrator.

Item (5b) appears to be directed at efficient use of resources. While it's reasonable to expect university offices to make efficient use of the EasyBiz miles, an $800 limit applied to all EasyBiz tickets is too restrictive. If there is a single limit, it should not be higher than $600. However, a better solution would be for UA to follow the structure that Alaska Airlines uses. They have different mileage requirements for ticket awards within Alaska versus outside Alaska. UA could set a lower dollar limit for an EasyBiz mileage ticket within Alaska, which requires fewer miles, than for a ticket Outside.

The purpose of (6) is not clear to us. What will the statewide travel administrator do with this information that will benefit the university? We understand that the new Board of Regents Policy states "Each department or unity that uses a corporate travel program that accrues university mileage or ticket credits must conduct accountability processes in accordance with university regulation." This does not necessarily require new annual reporting, which will cost time and effort by our travel staff. As a general philosophy, the value of requiring new tasks should be considered carefully in this time of contracting budgets and reduced staff. If the new reporting requirement is simply an effort to track compliance with university regulations, we suggest that the existing university internal audits could serve that purpose.

Staff Alliance Feedback

1) The new system could be difficult for an average travel processor to keep updated. Perhaps we need additional training for the new system or help so that employees who are trying to juggle more duties or only process travel occasionally can still be effective.

2) Is it necessary for the oversight to come from Statewide?Couldn't each MAU handle it independently?
3) Multiple people noted that the $800 limit for redeeming miles/credits seemed too high. I'll quote directly from one staff member.

"If we are reading this correctly, you can only redeem EasyBiz miles/credits for tickets that cost $800 or more. This means that departments that mostly travel to Anchorage could not use their miles or credits as their ticket would never be this high. Most Seattle flights aren't this expensive either. This seems like an unreasonably high dollar amount requirement. I understand the desire to get the most bang for our buck when cashing in miles, but this may make this program largely unusable for a lot of departments, or they find they are racking up miles/credits for some other departments’ use."

Another staff member re-iterated this point: their in-state travel does not generally add up to more than $800.

"My only concern is the lack of standardized documentation from one department to another within the UA system. The tracking of mileage is needed to avoid abuse of the mileage program. UA needs to establish a standard format for all UA. Do not leave it to the departments. This needs to be a streamlined process. On a different note, Individual mileage earn for business travel should go into an account per UA campus to offset travel expenses for that campus. Just like donating sick leave."