

The Ledger

A Newsletter of the University Controller's Organization

Website: <http://www.controller.vt.edu>

Vol. E, No. 162

March 26, 2020

COVID Activity Code

In the event federal or state funding is made available to reimburse the university for expenses incurred due to the COVID pandemic, the university will need to be able to easily identify all of these costs. By applying a COVID activity code to all COVID related expenses, central administration can extract the expenses from the university system of record. We are asking for this code to be used by **all** departments, even if your department doesn't normally apply activity codes to transactions. This includes all transactions processed through HokieMart and Chrome River (p-card and travel).

Effective immediately

From this point forward, apply the COVID activity codes to **all** expenses associated with the COVID pandemic.

Transactions that occurred prior to the implementation of the COVID

The Controller's Office is developing a separate process to capture **all** COVID expenditures processed prior to the use of this new activity code and will be communicated in a future *Ledger* article.

Where to apply the activity code in HokieMart

Accounting Codes						
Chart	Fund	OrgWF1	Account	UGType	Location	Activity
U <small>Select from all values...</small>	<input type="text"/> <small>Select from all values...</small>	044000 <small>Select from all values...</small>	<input type="text"/> <small>Select from all values...</small>	NA <small>Select from all values...</small>	<input type="text"/> <small>Select from all values...</small>	COVID <small>Select from all values...</small>

recalculate / validate

Where to apply the activity code in Chrome River

Mileage - Personal Vehicle

Date: 03/25/2020

Using the most economical method of travel is required. If airfare would normally be more cost-effective, a cost comparison must be attached.

Mileage Rate Type: -- Select --

Main Campus Employees / VT Students are reimbursed per the rate for total round trip miles.

Rate: 0.575

Miles: 0.00 [Calculate Mileage](#)

Deduction: None

Amount: 0.00 USD

Description:

Activity Code: COVID-Cancellation Travel Exp COVID19

Allocation:

[Add Allocation](#)

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Impact of COVID-19 Virus on Employee Travel (Virginia Tech Daily)

<https://vtnews.vt.edu/notices/notice-employee-travel-031820.html>

To: Faculty and Staff

From: Ken Miller, Interim Vice President for Finance

Virginia Tech continues to focus significant effort to mitigate public health issues, minimize individual impacts, and sustain our academic mission in light of the continuing spread of COVID-19 pandemic.

The impact on business travel by university employees that was canceled or avoided due to COVID-19 is described below.

Employee Business Travel

The virus has impacted business travel (travel to conferences, professional development seminars, etc.) by university employees. In response, the university is making adjustments to temporarily accommodate these changes to existing travel, defined as having been arranged prior to March 12, 2020, and to future travel. This is in accordance with the communication to the university community by President Sands on March 11, 2020.

Existing Travel Not Charged to Federal or Other Grants and Contracts

Travel arrangements made prior to March 12, 2020, are considered existing travel. The university will make a temporary exception to the travel reimbursement policy to ensure the safety and wellbeing of university employees. University employees may have incurred individual costs for transportation, lodging, conference registrations or other related expenses for a canceled program/activity or for a program/activity in which the individual or the program has determined it to be unsafe to participate. In this instance, employees and departments should pursue refunds or credits from the service providers for any expenses for services which will not be used or conferences that may be canceled or not attended. If, after pursuing refund or credit opportunities, the employee still has non-refunded personal expenses, the employee should request reimbursement of those expenses by the department through the regular travel reimbursement process. Documentation of correspondence related to refunds and credits should be maintained and submitted with the reimbursement request. Departments should reimburse those expenses net of refunds (excluding credits) even if the traveler did not use the purchased transportation or attend the conference, regardless of whether the conference took place. The goal is to ensure travelers do not incur additional out-of-pocket costs. However, credits should be used for future university business trips, not for personal travel. The Controller's Office will provide additional guidance on how to process travel reimbursements to denote that the travel did not actually occur as a result of the COVID-19 pandemic. This guidance will also include procedures to request additional exceptions to travel procedures, if needed.

Existing Travel Charged to Federal or Other Grants and Contracts

Existing travel charged to Federal or Other Grants and Contracts will follow the same guidance provided above with the following additional information. In order to be allowable, the traveler must document that they have requested and been denied a refund, and that documentation must be filed with the award file and available if questioned during an audit. You must also track these transactions to allow for corrections in the event that funding agencies issue guidance that is contrary to this practice.

All credits from canceled travel costs must be applied to the original sponsored project to which the original charge was posted.

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If there are questions that are not addressed by this memo regarding canceled travel please contact your [post award associate](#).

As of March 13, 2020, specific federal guidance on this topic has not been provided.

Future Employee Travel

Until further notice, the university has issued a moratorium on all university-sponsored domestic and international travel. The Governor has also issued a state of emergency and prohibited travel to other states by state employees. The university understands that travel is often planned well in advance; therefore, after considering university guidance on travel, individuals and departments should carefully evaluate the risks of future travel planning. Purchases should be timed to prioritize the evaluation of the safety of the travel location, the likelihood that the event will occur, and to generally minimize the risk of incurring expenses for services and events that may not be used or attended, even if doing so increases the cost of the travel. Toward this end, refundable plane tickets and room cancellation policies should be considered for future travel. If an individual or department chooses to purchase non-refundable transportation and lodging, the individual or department may assume the risk associated with canceled travel. However, when purchasing a refundable ticket, a cost benefit analysis should be performed to ensure the additional costs of a refundable ticket does not exceed the amount that would be lost for a non-refundable ticket.

The university is working diligently to plan and keep our community informed. Continue to visit the university's COVID-19 (Novel Coronavirus) web page for the latest university information and updates. https://vt.edu/content/vt_edu/en/covid-19/home.html

For clarification and assistance please contact the travel team in the Controller's Office for assistance, travelvt@vt.edu or 540-231-0944.

Processing Expenses Associated to COVID-19 in Chrome River

Chrome River routing rules have been temporarily updated to allow for the submission of expense reports for future travel dates due to the cancellation of domestic and international travel. Since the pre-approval report is required for international travel, Chrome River users will be able to create an expense report and import the pre-approval as normal. If your department requires the pre-approval for domestic travel, once the expense report is created, the pre-approval can be imported as well.

A guide to entering expenses into Chrome River for cancellation of travel due to COVID-19 has been created. The guide has been posted to the Chrome River site and to the welcome page in Chrome River.

<https://www.apps.vpfin.vt.edu/controller/Training/ChromeRiver/covid-19-cancellation-fees.pdf>

If the registration fee or airfare was purchased using a departmental P-Card and you are expecting a refund/credit, please use the activity code of COVID when processing these credits. The credit received should use the same fund as the original charge so that the fund references both transactions.

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Cost Benefit Analysis for Non-Refundable vs. Refundable Airline Tickets

The purpose of a cost benefit analysis for non-refundable and refundable airline ticket is to determine whether it is more cost beneficial to purchase a refundable airline ticket.

A non-refundable airline ticket is an airline ticket purchased by a traveler for which a refund is not available in the event of cancellation. A credit can be obtained for the unused portion of the airline ticket price less any airline cancellation or change fees. The credit can be used for future business travel up to one (1) year from the original date of purchase.

A refundable airline ticket is an airline ticket purchased by a traveler for which a refund by the airline is possible.

Basic economy airline tickets are not recommended per university travel procedures. There is no residual value for a basic economy airline ticket in the event of cancellation.

Below is an example of costs associated with non-refundable and refundable airline ticket prices for a flight from Roanoke (ROA) to Orlando (MCO).

The cost of a non-refundable main cabin economy airline ticket is \$304.00.

The cost of a refundable main cabin economy airline ticket is \$1,596.40.

The difference between the cost of the refundable ticket and the non-refundable ticket is \$1,292.40.

In this example, it would **not** be cost beneficial to purchase a refundable airline ticket.

If the cost to purchase a refundable ticket would have been \$608 or less (\$304 original ticket + \$304 replacement ticket), then it would be cost beneficial to purchase the refundable airline ticket.

The screenshot displays two flight search results for Delta flight DL4720 (operated by Endeavor Air DBA Delta Connection) from Roanoke (ROA) to Orlando (MCO) via Atlanta (ATL) with a 39-minute layover. The flight duration is 3 hours and 44 minutes, departing at 2:05pm and arriving at 5:49pm.

Top Search Results (Non-refundable):

Cabin Class	Price (Round Trip)
Basic (E)	\$214.40
Main (V)	\$304.40
Comfort+ (S)	\$380.40
First (Z)	\$656.40

Bottom Search Results (Refundable):

Cabin Class	Price (Round Trip)
Refundable Main (Y)	\$1,596.40
Refundable Comfort+ (S)	\$1,676.40
Refundable First (J)	\$1,876.40

Red boxes highlight the Main (V) and Refundable Main (Y) ticket options in both search results.