Travel Expenses

Purpose

The Travel Expense Report is the central component of SAP Travel Management. The aim of this process is the complete and integrated administration of travel expenses from the entry through to correct taxation in Payroll (HR), correct posting in Financial Accounting (FI), and clearing in Controlling (CO) or Funds Management (FI-FM).

Travel expenses are one of the largest personnel-related cost factors and offer significant cost-saving potential. The application improves the transparency of costs and of the areas/employees for which they were incurred. The travel expenses self services allow you to settle the travel expenses incurred by employees taking business trips simply and efficiently. The process of reimbursing the expenses to the employee is also improved.

Process Flow

1. Create an Expense Report based on a Travel Plan/Travel Request - Create new expense report:

   After a business trip has been taken, the traveler completes the travel expense report by recording all necessary data and documents (general data, cost distribution, additional destinations, reason).

2. Add expense receipts to the expense report:

   The user enters all travel expenses that cannot be settled by per diem or flat rate due to statutory or enterprise-specific reasons, as individual receipts. These can either be entered manually (for out of pocket expenses), by assigning receipts which have been uploaded to the system using credit card clearing uploads or by assigning receipts that have been entered to the system using optical archiving (bar coded receipts).

   The user can also make usage of the receipt wizard to itemize complex receipts which contain several expense types (like hotel invoices).

   In standard several country specify trip provision variants are delivered supporting the reimbursement of per diems for meal/accommodation/mileage in accordance with legal requirements.

3. Save and send expense report for approval:

   The system saves the new or changed trip in the database. Based on the maintained organizational structure the traveler's superior is determined automatically (using SAP Business Workflow).

4. Approve travel expense report:

   The superior can approve the expense report, return it to the traveler for correction or reject it. When the superior has approved the expense report the traveler can be informed of this via an automatically generated mail. The expenses department checks the travel expense report and the original documents and receipts. Now the travel expense report is released for settlement.

5. Settle travel expenses:

   The settlement results are the basis for payment, posting and taxation of the travel expenses.

6. Post and pay travel expenses (FI/HR/DME):

   To use the travel expenses results for external accounting processes (Financial Accounting) and internal accounting (Controlling), you can transfer them to R/3 Accounting. The goal of the entire business process is to attain correct posting of travel expenses to Financial Accounting and source-related cost accounting in Controlling.

   You can also effect payment of travel expenses to the employee directly from Travel Management via data medium exchange. You can choose between two scenarios: payment by bank transfer or payment by check.

   If Travel Management is integrated with HR Payroll, the travel expense results can be transferred from Travel Management and taken into consideration in Payroll. The transfer makes it possible to carry out payment of travel expenses via payroll.

   Regardless of whether payment is to be performed via payroll, transfer is necessary if an enterprise gives its employees payment in kind in the form of meals, for example, or reimbursement rates that are higher than the statutory tax-free rates that must be entered in payroll for taxation.

7. Data archiving:

   As a rule, trips and the respective trip facts that have been completely settled and posted in accounting only have to be stored for revision in the database for statutory reasons. To reduce long-term database capacity load and performance problems with certain functions, such trips can be archived using alternative storage media.