



# Report Highlights

## Statewide Travel Review

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### Statewide Travel Expenses

The Commonwealth consistently spends close to \$200 million annually for travel, with colleges and universities incurring the majority of expenses when compared to state agencies.

#### Statewide Travel Expenses by Type of Entity

	2012	2013	2014
Colleges and universities	\$141,585,622	\$146,341,539	\$147,115,091
State agencies	52,178,245	53,184,175	54,348,122
<b>Total</b>	<b>\$193,763,867</b>	<b>\$199,525,714</b>	<b>\$201,463,213</b>

### Recommendations

The Commonwealth’s current approach to travel management is fragmented and does not fully leverage the purchasing power of the Commonwealth. Many of the larger universities have travel management programs in place and have been working towards leveraging their own purchasing power, but these efforts are limited to a certain segment of state government. There are opportunities for costs savings and efficiencies and our recommendations include the following:

- Higher education institutions and the Department of General Services should work together to develop cooperative approaches that will more fully maximize the state’s purchasing power and also leverage the travel management experience of the higher education institutions.
- The General Assembly may want to consider strengthening language in the Code of Virginia to further require coordination between General Services and higher education institutions when considering cooperative procurements.
- The Departments of Planning and Budget and Accounts should review the object code structure for travel expenses in the statewide financial reporting systems. Consideration should be given to whether the current structure meets the needs for modern day financial reporting and analysis.

### About this Review

This project was approved by JLARC in our 2014 work plan and we issued an interim report in January 2015.

Our overall objectives for this review were to:

*Analyze statewide travel expenses to gain an understanding of the nature of expenses and trends;*

*Analyze organizational models for the travel process, including contracting, to identify opportunities for efficiencies and savings; and*

*Survey agencies to determine different technologies and strategies that agencies are using to minimize travel.*

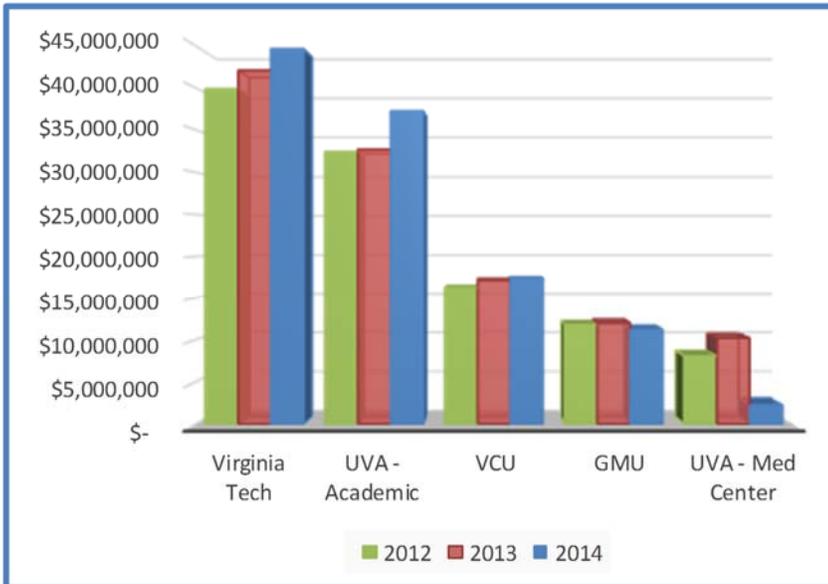
Given the statewide nature of this review, our work encompassed multiple entities including the Department of General Services, Department of Accounts and various colleges and universities.



See the full report at [www.apa.virginia.gov](http://www.apa.virginia.gov)

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## Travel Expenses for Top Spending Entities by Fiscal Year



Colleges and universities incur the majority of statewide travel expenses, so it is expected that these entities would be some of the top spenders. Given the significance of their travel, many of the top spending universities have robust travel management programs and contracts to manage this area of their operations.

Certain colleges and universities, including the top spenders, have additional flexibility and options in travel contracting. These institutions have negotiated specific agreements as part of the Commonwealth’s higher education restructuring efforts, which allow them operational autonomy in various areas, including procurement.

*Lodging* is the largest type of travel expense statewide with expenses of close to \$60 million annually. This category includes hotel costs, and miscellaneous expenses such as parking and tolls. *Public Carrier* expenses are the next largest category with expenses of almost \$50 million annually. This category includes expenses for travel using airlines, buses, taxis, trains, and rental cars. *Lodging* and *Public Carrier* expenses combined account for over half of all travel expenses statewide.

It is important to note that the *Employee Training* category also includes hotel and travel costs when the travel is related to employee training. Having these costs recorded in multiple categories is a data limitation in the expenditure coding structure which affects the ability to drill down into each category and further analyze statewide travel expenses.

## Travel Expenses by Most Significant Types by Fiscal Year

