UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

Providing a Detailed Business Purpose/Justification

In accordance with IRS rules on Accountable Plans, expenses incurred by University employees must serve a business purpose. This means the expenses provide a business benefit to the institution, not a personal benefit to the employee. When you create an expense report, you must give a detailed business purpose to justify the expense. The business purpose should answer these questions:

- What?
- Why?
- Who?
- When?
- Where?

A detailed, relevant business purpose will help you get reimbursed faster, with less chance of your expense report getting rejected. Here are some examples of unacceptable business purposes, and how to make them more detailed, by including information on *what* the expense was, and *why* it was made. The detailed versions can also include *who* was involved, *where* it happened, or *when* it happened.

NOTE: The University is engaged in the business of research and education, so describing the expense in that context is appropriate.

Unacceptable Version of Business Purpose	Detailed Version of Business Purpose	Questions Answered in Detailed Version
Presented at conference	Presented a paper at the Exotic Animal Symposium to share research with colleagues	What? Why? Where?
Meal with colleagues	Business meal with John Q. Doe – guest speaker from Purdue University and Jane Q. Smith – Asst. Prof. U of I	What? Why? Who?
External Hard Drive	Portable USB Flash Drive needed for field research when away from the office	What? Why? When?

Follow these steps to start an expense report and enter a detailed business purpose.

Step	Task
1.	Log in to the TEM system.
2.	Click the **Expense Report** button.
3.	Type a unique title in the **Report Title** field.
4.	Select an expense report purpose from the **Purpose** menu. **NOTE:** Check the Purpose of the Document job aid for more information on these choices.
5.	Type a detailed business purpose in the **Business Purpose/Justification** field. **NOTE:** The business purpose should state, at minimum, *what* the expense was, and *why* it was made.
6.	Select an affiliation from the **Payee Affiliation** menu.
7.	Click the **Continue** button.
8.	Complete your expense report by following steps 4-14 in the Create an Expense Report (ER) job aid.