



Expense Claim Reimbursement Procedure Reimbursable & Non-reimbursable Expenditures

Overview

This procedure is intended to be used for the reimbursement of business **travel** and **hosting** expenditures.

In certain instances individuals use personal resources to cover business travel and hosting related expenditures. To be reimbursable these transactions must comply with University policy, procedure, legislation and donor/granting agency terms and conditions. All claims must be **reasonable** and reflect prudence, good judgment, due diligence to reasonable economy, and be defensible to a reasonable and impartial observer.

Reimbursement can potentially come from any funding source. Travel and hosting activities are highly regulated by the University, and in the case of research funding, by donor/granting agency terms and conditions. Therefore, when contemplating travel it is important to understand the relevant terms and conditions to be followed. Departments may impose more stringent procedures dependent upon granting agency rules. In those cases where donor/granting agency regulations do not address a particular situation, University policy and procedures will apply.

Reimbursement of expenses can only occur once the travel has occurred; there is no reimbursement of expenses in advance of the date of travel. Claims for reimbursement of travel and hosting expenses must be submitted within the same fiscal year that the expense was incurred, regardless of the funding source.

A separate travel claim must be submitted for each trip.

Purpose

The purpose of this procedure is to facilitate reimbursement of travel and hosting expenses incurred on behalf of the University of Alberta.

Procedure

Procedure Detail:

1. REIMBURSEMENT CLAIMS

The recovery of out-of-pocket travel and hosting related expenditures is achieved through the submission of a properly completed, approved and supported *Travel and Hosting Expense Reimbursement Form*.

2. SUPPORTING DOCUMENTATION

Original receipts must be attached to support expense claim items. If original receipts are lost, the claimant must complete the *Lost Receipt Declaration Form* and submit with the *Travel and Hosting Expense Reimbursement Claim Form*.

As all travel and hosting transactions are subject to audit review, the required **supporting documentation**, e.g. conference agendas or approvals for procedure exceptions, must also be attached.

3. APPROVALS AND ACCOUNTABILITIES

Both the Claimant and the Approver are accountable for ensuring that claims for travel and hosting related

expenses are in accordance with appropriate policies and procedures, and that the expenses were incurred for University business purposes only.

Internal Control must review and sign the completed form to confirm that supporting documentation is complete, chartfield string (COA) and GST coding are accurate and that all the expenses being claimed adhere to the University's policies and procedures and any donor/sponsor terms and conditions.

Approval for travel and hosting expenses must be obtained from the next reporting level of authority (One-over-One approval) before payment will be made. Detailed information can be found in the *Signing Authority and Approval Procedure*.

INELIGIBLE EXPENSES

While traveling or preparing to travel, the following are **non-reimbursable expenses**

- i. Travel expenses of a traveling companion, unless pre-approved by the Chair of the Board of Governors, President or Vice-President (e.g. spouse or personal assistant due to a disability).
- ii. Business, executive or first class air travel under four hours in duration
- iii. Business, executive or first class air travel over four hours in duration, unless pre-approved, in writing, by the claimant's respective Vice- President
- iv. Personal telephone calls unless pre-approved by the next reporting level of authority (One-over-One Approval)
- v. In-room mini bar (snacks & alcoholic beverages) and movies
- vi. Laundry and valet charges, unless the travel exceeds 7 days
- vii. Interest charges on either corporate or personal credit card balances
- viii. Cancellation fees arising from failure to cancel transportation or hotel reservations
- ix. Personal travel insurance
- x. Additional private automobile insurance
- xi. Conference activities that are considered optional, e.g. golf tournaments
- xii. Passport fees
- xiii. Child/Dependent care
- xiii. Airport Valet Parking in non-reimbursable, parking will be reimbursed to a max of \$20/day

i. Combining University Business with Personal Travel

When combining business with personal travel, the University's responsibility is limited to the related reimbursable expenses (air fare, accommodation, food, etc.) that would be applicable had the interruption not occurred.

ELIGIBLE EXPENSES

While traveling or preparing to travel, the following are **reimbursable expenses**:

- i. Flight cancellation insurance
- ii. Excess baggage fees
- iii. Telephone calls and data communication charges related to University business
- iv. Laundry and valet charges, if the length of travel exceeds 7 days (*Valet Parking, Airport valet parking is **not** reimbursable. Hotel valet parking during overnight stays is reimbursable.*)
- v. Gratuities for service (i.e. bellhops, redcaps etc.). Expenses must be fully itemized and included in the claim (date, location, brief description)
- vi. Expenditures for off-campus parking
- vii. Conference/Seminar registration fees, including fees for required conference activities; e.g. Pre-conference workshops that may be optional but meets the needs of the University
- viii. Foreign exchange fees or charges to convert funds into traveler's cheques, cash cheques, etc.
- ix. If traveling outside of Canada or the United States, travelers' medical insurance and required vaccinations
- x. Required special visas and travel papers

Regarding airfares:

- i. Only the lowest available fares appropriate to particular itineraries, *to a maximum of Tango Plus* will be reimbursed. The choice of fare should be based on business requirements rather than a reduced fee to upgrade to a higher fare class, e.g. business, executive or first class.
- ii. The choice of airline or routing for business travel should be based on the lowest fare and agreements with contracted vendors, rather than on personal frequent flyer program incentives.
- iii. Business, executive or first class fares for flights less than four hours in duration are not eligible for reimbursement. Business, executive or first class fares for flights that are greater than four hours in duration are eligible for reimbursement only upon pre-approval, in writing by the claimant's respective Vice-President, upon recommendation of the claimant's direct Supervisor. Written, dated approval must be provided as supporting documentation with the travel claim.
- iv. Reimbursement is for actual fares paid. Regardless of funding source, *claimants must submit their ticket (paper or e-ticket), proof of purchase (invoice), and paper boarding passes.* As per donor/granting agencies terms and conditions, air fare expensed to a research account must be supported by a paper boarding pass. Discrepancies will be reimbursed based on the lower of the two amounts.
- v. To encourage the lowest possible airfare, extra costs to obtain excursion fares will be reimbursed provided a substantial saving to the University can be evidenced (attach explanation to expense claim where applicable). Extra costs will usually be for accommodation and meals required to meet the minimum stay conditions, fees for changing dates of travel, and cancellation insurance.
- vi. Flights purchased using frequent flyer points are not reimbursable for a cash equivalent as there is no cash surrender value.
- vii. Flight cancellation insurance enables the traveler to be reimbursed for the cost of the flight when

cancellation was due to events that are not under their control, e.g. medical reasons. The cost of this insurance is reimbursable.

viii. Excess baggage fees, as warranted by need, are reimbursable.

Regarding vehicle rentals and other ground transportation:

i. Vehicle rental is to be limited to a compact, mid-size or full-size vehicle, depending on justifiable need and the prudent expenditure of university funds. For example, several cab rides could be more economical than a car rental and parking. The choice must be able to demonstrate cost savings. Reimbursable expenses include the rental fee, the kilometer/mileage charge by the rental agency, fuel charges and insurance coverage when applicable.

ii. Rental of luxury vehicles is prohibited unless authorized by the next reporting level of authority (One-over-One Approval). Justification for such an approval is to be attached to the respective expense claim.

iii. It is the responsibility of the traveler to ensure that they have the appropriate license to drive a vehicle while on University business.

iv. It is the responsibility of the traveler to ensure that adequate insurance is in place for all drivers of the vehicle. Detailed information regarding insurance coverage can be found on the *Risk Management Services* website.

Regarding private automobiles:

i. Private automobiles used for University business within Alberta will be reimbursed at a rate of 46 cents per kilometer. This rate includes the cost of fuel and vehicle "wear and tear". You may choose to claim either the per kilometer rate for the actual number of kilometers driven or the actual cost of fuel if supported by original receipts. Once the maximum of 11,625 km, per calendar year, has been claimed by an individual the reimbursement rate changes to 31 cents per kilometer.

ii. Where travel is on roads where seriously adverse road conditions prevail (i.e. off main or secondary highways), a supplement of 4 cents per kilometer will be paid. Such claims must show the complete travel itinerary and designate the portion traveled under adverse conditions.

iii. Where travel by private automobile is outside Alberta, the lesser of a reasonable estimate of the respective lowest available airfare by the most direct route OR mileage at 46 cents per kilometer should be claimed.

iv. Staff members traveling as passengers in a private automobile cannot claim mileage or the cost of any equivalent transportation.

v. Private automobiles used for University business are not covered by the University's insurance policy. Claimants are advised to check with their own insurance provider to secure any necessary additional insurance coverage. The University does not reimburse for personal insurance or registration costs

Other Ground Transportation

i. Reasonable expenditures for taxis and public transportation to and from airports, railway stations, between appointments, hotel locations and meeting places are reimbursable, including reasonable gratuities for service. Original receipts are required for transportation in excess of \$25 per trip

Travel to the National Parks

i. **National Parks of Canada Passes** such as Banff or Jasper are reimbursable based on the Adult daily pass rate of \$9.80 per day per person, if University business requires you to stay longer than 7 days you will be reimbursed up to the Adult Annual pass amount of \$67.70. If you purchase a National Parks Annual pass for personal use you will be reimbursed for any days used for University Business for the Adult Daily pass rate of \$9.80 per day to a maximum of \$67.70. With exception of rate changes.

ii. If University Business requires multiple visits within a 12 month period to the National Parks where passes are required an Annual Adult pass may be purchased and you'll be reimbursed on a daily rate for each visit up to the maximum of \$67.70. **Receipts are required for each visit.**

Other Ground Transportation

Reasonable expenditures for taxis and public transportation to and from airports, railway stations, between appointments, hotel locations and meeting places are reimbursable, including reasonable gratuities for service. Original receipts are required for transportation in excess of \$25 per trip.

Regarding accommodations:

i. Reimbursement is limited to the single occupancy rate for standard accommodation, or whatever class of accommodation is the least expensive. Original itemized receipts must be submitted for reimbursement. Exceptions are to be pre-approved by the next reporting level of authority (One-over-One Approval). Written, dated approval must be provided as supporting documentation with the travel claim.

ii. Accommodation for one night before and after an event is acceptable if the start and end times warrant such travel logistics. Longer periods are also acceptable if airfare savings can be demonstrated. Where applicable, dates should coincide with those on the air ticket.

iii. The choice of accommodation should be based on business travel requirements rather than personal membership program incentives.

iv. If the traveler stays with friends or family instead of at a hotel, they may be reimbursed for a modest gesture of appreciation in the amount not to exceed \$20 per day, to a maximum of \$300 for the entire trip.

Meals:

i. The cost of meals may be reimbursed either by submitting receipts for the actual cost of meals and gratuities, or by claiming meal per diems.

ii. In the event the actual cost of meals and gratuities is claimed, original receipts must be provided. We recognize that certain destinations are more expensive; however as with any expense reasonable economy applies.

iii. The purchase of alcoholic beverages is not reimbursable.

iv. A per diem may be claimed for an entire day or partial day. Where a per diem is claimed no additional amount may be claimed for the same meals. Per diems may only be claimed where meals have actually been consumed, e.g. per diems cannot be claimed where meals are already included in the Conference fees.

v. The per diem allowance is \$45 CAD per day if traveling in Canada or \$45 US per day if traveling in the United States. For partial days \$10 for breakfast, \$10 for lunch, and \$25 for dinner. Outside of Canada and the United States the per diem allowance is \$66 CAD per day or \$15 for breakfast, \$15 for lunch, and \$36 for dinner.

Hospitality (Formally Hosting)

As a publicly funded institution, the University of Alberta is accountable for the prudent and effective stewardship of University funds. The University recognizes that hospitality expenditures, where the primary purpose relates to the business of the University, may, on occasion, be incurred in carrying out its teaching, research and service activities.

Hospitality is the provision of food, beverages, social and recreational activities, events and functions for the purpose of hosting University guests, prospective and current staff, students, benefactors or stakeholders (e.g. visitors).

For most units, hospitality expenditures are expected to be minimal. Hospitality expenditures must be reasonable and appropriate to the objectives and significance of the event, and can be charged only to funding sources that permit such expenditures. Where the funding source is externally restricted (e.g. by a donor or sponsor), any specific conditions that are more restrictive than University procedure are applicable.

The serving of alcohol, where permitted by this procedure, must be conducted in accordance with the *Alcohol at University*

EXTERNAL HOSPITALITY

- i. External hospitality includes events for which the primary purpose is to host (entertain) external individuals such as donors, prospective staff, visiting speakers and community collaborators (i.e. Libraries). Certain University staff would also attend such events as deemed appropriate to their positions.
- ii. For external hospitality events, alcoholic beverages to a maximum of \$25 per person per event may be charged against eligible sources of University funding.
- iii. For subsequent review, monitoring and audit purposes, supporting documentation must include the names or numbers of attendees, purpose and date of the event and total cost per person.

UNIVERSITY-WIDE STAFF FUNCTIONS

- i. The University may sponsor a variety of social functions arranged by central offices such as the office of the President or a Vice-President. Examples include retirement and long service functions, the annual staff appreciation picnic and the Celebration of Teaching & Learning.
- ii. The amount and type of expenditure to be incurred for such functions is at the discretion of the office sponsoring the function.

UNIT STAFF SOCIAL FUNCTIONS AND STAFF RECOGNITION EVENTS

- a. Unit staff social functions and staff recognition events include those to which staff are invited free of charge or at a reduced cost including the following:
 - i. social events such as barbecues/picnics and Christmas parties
 - ii. recognition of a long-serving staff member's retirement
 - iii. recognition of staff members' work-related achievements (e.g. attainment of a professional designation)
 - iv. recognition of an academic achievement such as a peer award or research award
- b. External individuals (e.g. immediate family) may also be in attendance.
- c. In order to comply with Canada Revenue Agency (CRA) policy and to avoid conferring **taxable benefits**, all of the unit's staff members must be invited to such functions and events. The cost per person per event (including meals, beverages, taxes, tips and entertainment and excluding costs of transportation, taxi fare or accommodation) cannot exceed \$50. Where alcoholic beverages are provided, the total cost cannot exceed \$10 per person and is included in the \$50 per person overall limit.
- d. For subsequent review, monitoring and audit purposes, supporting documentation must include the names or numbers of attendees, purpose and date of the event and total cost per person.

e. Units must consider the business purpose, frequency and cost to the University of staff social functions and recognition events, and may use their discretion to set lower expenditure thresholds or to ask staff to pay a portion of the cost. Many units have an internal policy of not providing alcohol at such functions. Units may choose to arrange for a cash bar rather than cover the cost of alcoholic beverages at such events.

STAFF WORK SESSIONS

a. Staff work sessions include ad hoc workshops, training sessions and planning meetings attended primarily by University staff. External individuals (e.g. consultant, facilitator) may also be in attendance.

b. Meals and refreshments, excluding alcohol, may be provided at staff work sessions.

c. Individuals scheduling work meetings and arranging meals or refreshments must consider the business purpose, frequency and regularity of incurring such expenses. For subsequent review, monitoring and audit purposes, supporting documentation must include the names or numbers of attendees, purpose and date of the event and total cost per person.

ACCOUNTING FOR HOSPITALITY EXPENDITURES

Hospitality expenditures should be charged to account code 502167 (Hospitality).

SUMMARY OF ELIGIBLE HOSPITALITY EXPENDITURES

The following table summarizes hospitality expenditures that may be charged to University funds and the required supporting documentation. Where an event is not specifically included in the examples below, the primary purpose of the event should be used as a guide to determine the hospitality type.

Hospitality Type	Definition	Examples	Specific restrictions	Supporting documentation
External hospitality	Events for which the primary purpose is to host (entertain) external individuals (For the purposes of applicable Canada Revenue Agency regulations, external individuals include U of A students.). Certain University staff would also attend such events as deemed appropriate to their positions.	<ul style="list-style-type: none"> - donor relations, fundraising - recruitment - visiting speaker entertainment - graduation dinner that is free of charge or subsidized 	Cost of alcoholic beverages cannot exceed \$25 per person per event.	<ul style="list-style-type: none"> - number of attendees - purpose of event - date of event - cost of alcohol/person
University-wide staff functions	Social functions arranged by central offices such as the office of the President or a Vice-President.	<ul style="list-style-type: none"> - retirement and long service functions - annual staff appreciation picnic - Celebration of Teaching & Learning 	Cost of alcoholic beverages cannot exceed \$10 per person per event.	<ul style="list-style-type: none"> - estimated number of attendees - purpose of event - date of event
Unit social or staff recognition	Social events organized for unit staff	<ul style="list-style-type: none"> - Christmas party - BBQ/picnic 	Maximum cost/person of food, beverages and	<ul style="list-style-type: none"> - names and/or number of attendees

events	Retirement of a long-serving staff member	- reception	entertainment is \$50/event including alcohol (if provided) to a maximum of \$10/person. Units may set lower thresholds and may arrange for a cash bar rather than provide alcoholic beverages.	- purpose of event
	Recognition of staff members' work-related achievements	- staff member receives professional designation and is treated to lunch along with all other unit staff		- date of event
	Recognition of academic achievements	- peer award - research award		- total cost/person
Staff work sessions	Work sessions such as ad hoc workshops, training and planning meetings		no alcohol	

GOODS AND SERVICES

The use of personal financial resources to purchase goods and services for University requirements is generally discouraged, however it is recognized that in rare circumstances this could be the most practical method available. Individuals may use personal resources to purchase goods and services of relatively low value, while traveling on University business. It is expected that other University purchase options (*Preferred Supplier Agreement, Corporate Purchasing Card, Low Dollar Purchase, Purchase Order*) be considered before ultimately resorting to the use of personal resources. Under no circumstances, should personal resources be used to purchase **restricted or controlled goods**, or to circumvent University purchasing policies and procedures.

a. While Travelling Within Canada

The reimbursement of goods and services purchased from suppliers located in Canada cannot exceed \$1,000 CAD per receipt or invoice.

i. Examples:

1. purchase of books, cd's or other conference materials
2. expenses for incidental supplies needed for field research

b. While Travelling Outside of Canada

The reimbursement of **consumable** goods and services purchased from suppliers located outside of Canada cannot exceed \$1,000 CAD per receipt or invoice.

Examples: expenses for photocopying, printer cartridges or supplies consumed in the course of conducting field research.

The reimbursement of **tangible** goods and services (including repair to University assets purchased from suppliers located outside of Canada, which will be ultimately used or consumed in Canada cannot exceed \$1,000 CAD per receipt or invoice. Use of personal financial resources for these purchases is strongly discouraged, however if it is the only viable purchase option the claimant must ensure that the importation is compliant with the University's obligations under the Customs Act of Canada. Detailed information is available in the *Acquisition of Foreign Goods and Services Procedure*.

i. Our obligations and responsibilities as a diligent and compliant importer require that:

1. commercial goods be reported to and released by Canada Border Services Agency (CBSA) upon entry into Canada;

2. duties and taxes (including GST) are paid; and

3. retain for 6 years after the year of importation, documentation relating to: origin; marking; purchase; importation; cost and value of the goods; payment to the foreign supplier; and the disposal of the goods in Canada

ii. To satisfy these obligations, claimants must ensure:

1. the goods are shipped to the University of Alberta campus (SMS Central Receiving) via a commercial courier or transportation company or

2. where the goods are to accompany the traveler upon return to Canada, the claimant must declare the goods to CBSA as commercial goods, complete a formal B3 Canada Customs Coding Form and pay applicable duties and taxes to obtain release and

3. provision of a Commercial Invoice accurately describing the goods, their use, purchase value, country of manufacture and the name of the University's customs broker who will handle the customs clearance.

In all cases the original receipt issued by the foreign supplier must be attached to and filed with the expense reimbursement claim. This receipt must clearly specify the goods purchased and the price paid to the foreign supplier. In the event of a customs audit, verification or examination, CBSA, at their discretion, may request additional personal financial records to verify the proof of payment to the foreign supplier (i.e. credit card statements, bank account statements, cancelled cheques).

iii. Failure to report commercial goods, obtain release and to keep and provide the above mentioned documents at the request of CBSA will result in monetary penalties (Administrative Monetary Penalty System - AMPS) assessed against the University of Alberta. AMPS penalties may range from \$100 to \$25,000 depending upon the type and frequency of the contravention. Payment of penalties assessed against the University of Alberta will be the responsibility of the claimant's approving department.

7. RECORDS RETENTION

Units are required to maintain orderly and secure records for 6 prior years plus the current fiscal year. Detailed information regarding records retention can be found in the *Guide to Financial Management* under *Retention and Filing of Source Documents*.

8. CORRECTING OR TRANSFERRING EXPENSES

Where a coding error has been made (incorrect speed code or account) on a travel and hosting expense reimbursement form and the expense claim has been approved (posted), any correction must be made in the Travel & Expense module. Refer to the *Travel & Expense Internal Control Guide*.

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [[▲ Top](#)]

Travel	To go from place to place to conduct business on behalf of the University, by various modes of transportation (i.e. car, bus, train, plane).
Hosting	Occurs when a University employee, during the regular course of business, hosts an event, e.g. breakfast, lunch, dinner, or celebration, for which the expenses will be claimed for reimbursement by the University. People in attendance of the event can be either internal or external to the University.
Reasonable	Expenses that are moderate, reflect prudence, good judgment, due diligence to reasonable economy and are defensible to a reasonable and impartial observer.

Original Receipts	The detailed receipt provided by the merchant/supplier. An online receipt or internet "invoice" is considered an original receipt in the case of an internet purchase. An original Visa / MasterCard chit is not considered an original receipt.
Supporting Documentation	Any other information that relates to the transaction that adds to a review/audit understanding of the entry, e.g. conference agendas or approvals for procedure exceptions
Restricted or Controlled goods	Goods, upon import into Canada, requiring an Import Permit, License or Certificate under any act of parliament. i.e. Radioisotopes, Commercial Alcohols, Live Animals, Drugs, Precursor Chemicals
Consumable	Able to be used completely, as of services, resources or materials
Tangible	Material assets having physical substance and intrinsic monetary value

For full text of the University of Alberta Policy

https://www.conman.ualberta.ca/stellent/groups/public/@finance/documents/procedure/pp_cmp_060230.hcsp

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