

# Business and Travel Expenses Procedures

V3.0

## Financial Services

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<b>Responsible Department</b>	Financial Services
<b>Responsible Executive</b>	CFO and VP Administration
<b>Related Policy</b>	Business and Travel Expenses (235)

## Definitions

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*External Client:* A guest, visitor, prospective employee or student, benefactor or stakeholder (spouses/partners/family members of University employees are not considered external clients).

*Fraser Valley:* the geographic area comprising the six Member Municipalities of the Fraser Valley by the Fraser Valley Regional District (includes Abbotsford, Chilliwack, Harrison Hot Springs, Hope, Kent, and Mission). <http://www.fvrd.ca/en/main/about-the-fvrd/member-municipalities.html>

*Hospitality:* the provision of food and beverages, social or recreational activities, events and functions and gifts in support of the educational, research or service activities of the university. Hospitality normally involves:

- The hosting of an external individual – guest, visitor, prospective faculty, staff or student, benefactor or stakeholder. Spouses/partners of university employees are normally not considered external guests; or
- Employee only activities such as work meetings, social functions, gifts and awards.

*Metro Vancouver:* the geographic area as shown on Metro Vancouver’s map available at <http://www.metrovancouver.org/services/regional-planning/PlanningPublications/Map1.pdf>

*One-over-one approval:* The authorization from the individual’s direct supervisor as well as the person who has signing authority on the fund/organization paying for the expenditure, who may be the same individual.

*Per Diem:* a fixed allowance for which no receipts are required.

*Reasonable Expenses:* Expenditures that:

- Demonstrate prudence, good judgment, and due diligence; and
- Reflect moderation, and defensibility to an impartial observer.

*Receipt:* A document indicating that a specified sum of money has been received as an exchange for specifically itemized goods or services showing date, item(s), cost, taxes if applicable, method of payment (for example, credit card, cash) and merchant name.

*Traveller:* the member of faculty, staff, Board of Governors, student, or individual travelling on behalf of the university, who is the claimant and is the individual who is travelling.

## Procedures

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It is expected that claimants will adhere to all guidelines that may be applicable to their situation, for example, research funding guidelines. These additional guidelines may impact the eligibility of expenses for reimbursement.

### A. Booking Travel Arrangements

1. Whenever possible, alternatives to travel should be considered. Video conferencing, teleconferencing and other methods should be used where feasible to achieve cost savings and to mitigate the production of greenhouse emissions.
2. The university contracts with a travel agent, Vision Travel, to provide full service to university travellers. This agency is familiar with the university's specially negotiated rates (air, hotel and car) which result in savings to the traveller and the university.
3. Travellers are required to use the contracted travel agent to book travel arrangements on university business.
4. Prior to booking travel outside the Fraser Valley and Metro Vancouver region, approval must be received from the one-over-one approver.
5. A detailed estimate of all travel costs should be included with your approval request. Estimates for travel can be obtained from the university's contracted travel agent.

### B. Accommodations

1. Accommodation expenses are limited to reasonable amounts which normally will not exceed the rate of a single standard room.
2. If staying at a private home (friends or family), a traveller may apply for reimbursement of the approved private accommodation rate as set out in Appendix 3.

### C. Meals

1. Per Diem for Meals
  - a. Per diem meal allowances, as set out in Appendix 1, may be claimed when receipts are not being submitted for the actual costs of the meals.
  - b. The per diem rate for travel outside of Canada and the United States is guided by the Government of Canada's Treasury Board.
2. Actual Cost
  - a. Reimbursement for meals will be limited to reasonable amounts and must be supported by an original receipt. The receipt must be detailed and itemized, including:
    - Merchant Name and applicable contact information
    - Date of purchase/payment
    - Description, quantity of each item purchased
    - Unit cost of each item
    - Method of Payment (e.g. cash, personal cheque, debit or credit card)
    - Total Cost

\* Circumstances where the total cost charged to the card is different than the detailed receipt, the POS receipt is required.
  - b. If the receipt for meals includes the cost of meals for other guests or employees, their names must be identified on the submission.
3. For the duration of a trip, a traveller may submit for reimbursement of the per diem amounts or actual cost, not both.

4. Meal and per diem expenses cannot be claimed where otherwise provided for, such as meals already provided by conference fees, transportation carriers, hosts or as part of field or course work.
5. Gratuities will be paid up to the percentage as set in Appendix 3.
6. The purchase of alcohol will only be permitted for hospitality functions as defined in s.(1)(2).

#### **D. Transportation**

1. Air Travel
  - a. Economy class air travel is the standard for all employees. Travel should utilize the most direct route, with due consideration to effective use of the traveller's time.
  - b. Business class travel is permitted if:
    - Approval has been obtained from a one-over-one approver at the Vice President level or higher, or on a continuing basis for a particular individual by memo to Financial Services; and
    - is allowed under the grant or contract funding the trip; or
    - where it enables a university officer to accompany a sponsor, donor or similar senior official on the trip; or
    - where the flight, from departure city to arrival city, is over six hours and the agenda is so compressed it requires the traveller to lecture or contribute to meetings within a few hours of arrival on the business class leg of the trip.
  - c. Cancellation Insurance
    - Travellers are to decline trip cancellation insurance. In the event that, after a flight is booked, the traveller cannot travel, he/she is required to cancel the flight in advance and request a refund. The university will reimburse the traveller (for the non-refundable portion of the airline ticket) where cancellation has occurred prior to scheduled departure which is necessitated by:
      - Sickness, bodily injury or death of the traveller, or a member of the travellers immediate family;
      - Complications related to pregnancy of the traveller or the traveller's spouse
      - The traveller being required to attend jury duty or being subpoenaed as a witness;
      - The unilateral cancellation of a business meeting by the person with whom the meeting had been arranged in advance;
      - Non-issue of a travel visa for reasons beyond the control of the traveller, other than late application; or
      - Re-direction of activities by the university.
2. Personal Vehicles
  - a. The mileage reimbursement rate is set out in the Collective Agreement and may be amended from time to time. Refer to Appendix 3 for the current rate.
  - b. Intercampus travel will be reimbursed based on the distances set out in Appendix 2.
  - c. Mileage and other transportation costs incurred in travelling to and from the employee's home and the normal place of work are non-reimbursable travel expenses.
3. Rental Vehicles
  - a. When appropriate, rental vehicles are permitted to save time and reduce costs. All rentals should be for non-luxury, intermediate-size or smaller cars, unless four or more people are travelling together.
  - b. Travellers must always accept the additional insurance coverage offered by the rental agency and will be reimbursed for this cost.

4. Other Transportation Expenses
  - a. Expenses such as parking, road tolls, ferries, taxis, airport shuttles and public transportation are reimbursable expenses while travelling on university business.

#### **E. Family Members and Travel**

1. UFV will reimburse the traveller for additional expenses incurred for a spouse or family to accompany the traveller where it can be shown the spouse's presence was both essential and directly related to the effective accomplishment of the university mission. In these instances, travellers must obtain written approval from the one-over-one approver, a minimum of a Vice President, in advance. Original receipts must show the breakdown of the employee's individual cost(s).

#### **F. Personal Travel Combined with Business Travel**

1. Should a traveller wish to combine personal travel during the business travel, reimbursement will reflect the business-related costs only.

#### **G. Incidentals**

1. Travellers are encouraged to work with Information Technology Services prior to departure to discuss supplemental mobile phone travel plans.
2. Cell usage, mobile travel plan(s) or SIM card, and internet connectivity for business purposes when travelling are reimbursable for university issued cell phones.

#### **H. Payments/Reimbursements**

1. Advances
  - a. An advance will only be issued if:
    - the amount requested exceeds the minimum amount specified in Appendix 3 and does not exceed the maximum amount specified in Appendix 3; and
    - the individual does not have access to a purchasing card;and any one or more of the following reasons applies:
    - travel will be to a location (usually overseas) where credit cards have limited application;
    - due to their nature, the charges are unlikely to be chargeable to a credit card;
    - the lengthy duration of travel precludes being reimbursed for the requested portion of the advance before credit card charges can be paid
  - b. Exceptions to the issuance of advances (as outlined in s.(H)(1)(a)) will be handled on an individual basis by the Director, Financial Services, or when related to Professional Development funds, the Associate Vice President, Human Resources.
  - c. A completed and authorized *Advance Requisition Form* must be submitted to Financial Services.
  - d. If funds are being distributed to someone other than the claimant, for example students, the *Funds Distribution* form must be completed and submitted along with the completed expense claim form to settle the advance.
  - e. Advances must be settled according to the terms stated on the *Advance Requisition Form*.
2. UFV Scotiabank Visa (PCard)
  - a. Expenses related to Professional Development cannot be charged to a UFV PCard.

- b. All expenses pertaining to university business, excluding Professional Development, must be charged to a UFV PCard, when available, including airfare, hotel, car rental, meals and other incidental expenses.
  - c. Non-reimbursable expenses (as outlined in s.(M)(1)) and any charges associated with the non-reimbursable expenses must be paid by the cardholder and should not be processed through university accounts.
  - d. Refer to the UFV Purchase Card Handbook, available on the Procurement website, for further guidance on the use of the PCard program.
3. Expense Claim Forms
- a. Expense claims must be completed, signed by the one-over-one approver, and submitted by the earlier of :
    - 30 days from the date of the expenditure or return date of travel; or
    - No later than the final date for submission of expense claim forms based on the date defined in the Year End Timelines released by the Finance department.
  - b. Original detailed receipts from vendors must support all non-per diem expense reimbursement claim items. Credit card slips are not acceptable documentation in lieu of the original receipt.  
Note: when submitting receipts printed in a language other than English, please provide the English translation on the receipt.
  - c. In the event a claimant has lost a receipt, the claimant must make an attempt to obtain a copy of the receipt directly from the merchant. If a receipt cannot be obtained, the Cardholder must complete the *Lost Receipt Declaration* form which can be found on the Financial Services website under forms. Attach the completed form to the *Expense Claim Form*.
  - d. If expenses were incurred for individuals other than the claimant, those individuals must be identified on the receipts or the expense claim form.
4. Foreign Exchange
- a. Expenses expressed in foreign currencies are normally to be converted to Canadian dollars based on Bank of Canada exchange rates. Alternately, the individual may provide a copy of their credit card statement (card number and non-related transactions redacted) to confirm the actual exchange rate.

## I. Hospitality

1. Expenditures must be:
  - a. Properly approved by the individuals one-over-one approver
  - b. Appropriately documented including original receipts and records indicating the name, number of attendees and a statement of justification for the expenditure. In the case of external parties, the name of the group may also be used.
2. Alcoholic beverages are a non-reimbursable expense with the exception of special protocol/external functions that have the approval of a Vice President or higher. A memo approving the alcoholic beverages, or signature of the Vice President or higher on the Purchasing Card statement or expense claim will constitute approval.

## J. Gifts

1. Modest gifts given to external individuals as a result of the normal exchange between persons doing business together are acceptable provided that ethical and proper business practices are not compromised.

## **K. Donations**

1. Political donations are a non-reimbursable expense. Political donations are payments to any registered political party (municipal, provincial, or federal), to any political candidate's campaign fund, or are a component of a fee paid to attend an event.
2. Charitable donation receipts must be filed with the related expense claim if the claimant would like to be reimbursed for the charitable donation amount. By requesting reimbursement, the claimant is no longer eligible to use the charitable donation receipt for personal income tax purposes.

## **L. Gifts Cards and Gift Certificates**

1. Gift cards and gift certificates are **NOT** to be used as gifts or for payments to employees because they are considered to be a taxable benefit by CRA and the employee would be taxed on the gift card/gift certificate amount. There is no minimum dollar amount for this.  
Exceptions:
  - UFV Retirement & Fitness programs: these gifts are managed and tracked by Human Resources only
  - Holiday Social Events – Prizes and random draws; Purchases must be approved by a Vice President or higher
2. Appropriate use of gift cards may include **non-employee**:
  - a. Contests;
  - b. Program referrals;
  - c. Survey respondents; or,
  - d. Study participants;
  - e. In lieu of an honorarium;
  - f. Food bank;
3. Receipts for gift cards must specify the purpose and the activity for which the gift cards were purchased and recipient(s) if known upon purchase. Departments should maintain supporting documentation on who the gift cards were issued to and when.
4. Any gift card given out must be signed as received by the recipient. The appropriate format for this is a Gift Cards Distribution List that lists each gift card with a description of the gift card issuer, denomination of the card, the name of the recipient of the gift card, the reason the gift card was given, and when possible, the recipients signature acknowledging receipt of the gift card.
5. Departments acknowledge their responsibility to safeguard the gift cards and to provide the documentation outlined when requested by Financial Services or the University's external auditors.
6. Any gift cards on hand must be kept in a secure location such as a locked drawer or safe.
7. If not all gift cards have been distributed by the end of a fiscal year, a reconciliation of gift cards on hand and a copy of the Gift Cards Distribution List must be forwarded to Financial Services.

## **M. Non-Reimbursable Expenses**

1. Prior approval from the noted authority must be obtained prior to the following types of transactions:
  - a. Alcoholic beverages – approval from a Vice President or higher
  - b. Prior to purchasing, approval in the form of a memo must be obtained from ITS for the following \*:



- Computers
- Smartphones
- Software and related licenses, subscriptions, and recurring fees. The university has a number of existing license arrangements that may meet your needs

\*Approval memo must be included along with the supporting documentation when submitting the expense claim

2. The following transaction types are NOT reimbursable:

a. General

- Personal expenses including, but not limited to:
  - Gym fees
  - Hotel pay movie
  - Sightseeing trips
  - Social events
  - Visits for spa treatments
- Cash advances, ATM transactions, and the purchasing of bank drafts, money orders, or cryptocurrency
- On-campus/interdepartmental purchases of goods or services
- Office furniture – all office furniture purchases must be made through Procurement Services
- Club Memberships (for persona recreation, or socializing purposes such as fitness, golf or social clubs)
- Donations
- Fines including, but not limited to:
  - Library
  - Parking
  - Traffic Fines
- Gift cards for employees (refer to s.(L) for more details)
- Gasoline (UNLESS for rental or fleet vehicles)
- Automobile repairs and expenses
- Household moving and relocation expenses
- Kennel costs for pets
- Interest charges on outstanding credit card balances
- Automatic Payments
- Service contracts resulting in significant potential risk or exposure to liability for the university, such as health, safety, occupational, or environmental risks – an approved requisition and services agreement is required to contract for such services;

b. Business & Travel Expenses

- Airport lounge access fees
- Airfare purchased through a loyalty points program such as AirMiles
- Costs resulting from failure to cancel a guaranteed reservation
- Hotel fees including, but not limited to:
  - Upgrades
  - Non-mandatory activity fees
  - Pet Fees/Charges
- Excess personal baggage
- Loss or damage to personal possessions. Compensation may be available from other sources such as airlines, insurance, etc.

- Passport application or renewal fees
- NEXUS border clearance fees
- c. Utilities and Capital
  - Building or equipment maintenance EXCEPT for minor maintenance with prior approval of Facilities Management
  - Purchases that are part of a capital project (such as construction or renovations) including capital costs and related soft costs
  - Consulting fees and contracted services of independent contractors
  - Property taxes, gas or electricity bills, permits
  - Dangerous goods and regulated materials – including, but not limited to, radioactive materials, controlled substances, and cylinder gases
  - Discretionary carbon offset fees
- d. Technology
  - Cable modem, DSL, or other internet connection charges and/or services

These rates include tips (i.e. gratuities) and taxes

<b>Travel within Canada</b>	
Breakfast	\$10.00
Lunch	\$15.00
Dinner	\$25.00
Total (per day)	\$50.00

<b>Travel within United States (at current rate)</b>	
Breakfast	\$10.00 (USD)
Lunch	\$15.00 (USD)
Dinner	\$25.00 (USD)
Total (per day)	\$50.00 (USD)

**International Per Diem Rates**

[http://www.njc-cnm.gc.ca/directive/app\\_d.php?lang=eng](http://www.njc-cnm.gc.ca/directive/app_d.php?lang=eng)

## Mileage Reimbursement

## Appendix 2

Distances in the table below are the number of kilometers for one-way travel between the campuses.

Campus	Abbotsford	Aerospace	Agassiz	Chilliwack (CEP)	Chilliwack (Yale Rd)	Chilliwack 5 Corners	Clearbrook Centre	Hope	Mission
Abbotsford		9.65	55.3	34.6	31.2	33.2	6.1	86.0	17.5
Aerospace	9.65		60.4	41.6	38.1	40.7	5.8	90.1	22.6
Agassiz	55.3	60.4		29.8	25.7	24.9	58.9	24.9	49.3
Chilliwack (CEP)	34.6	41.6	29.8		7.5	9.1	33.3	59.5	41.6
Chilliwack (Yale Rd)	31.2	38.1	25.7	7.5		2.1	36.5	54.7	48.0
Chilliwack 5 Corners	33.2	40.7	24.9	9.1	2.1		38.9	53.6	47.2
Clearbrook Centre	6.1	5.8	58.9	33.3	36.5	38.9		87.9	15.9
Hope	86.0	90.1	24.9	59.5	54.7	53.6	59.5		96.3
Mission	17.5	22.6	49.3	47.2	41.6	48.0	15.9	96.3	

## Other Expenses

## Appendix 3

Reimbursement	Rates Effective April 1, 2018 (unless otherwise noted)
Gratuities	Up to 20%
Personal Vehicle Usage	\$0.54/kilometre - Receipts not required
Private Accommodation	\$35.00/night - Receipts not required
Travel Advance	\$500 minimum \$3,000 maximum