


| | |
|--|--------------------------------------|
|  The University of British Columbia Board of Governors | Policy No.: FM8 |
| Long Title: Travel and Other Business-Related Expenses | |
| Short Title: Business Expenses Policy | |

Background & Purposes:

UBC is a public institution which aims to use its resources in a reasonable, appropriate and financially prudent manner. Accordingly, all persons must be reasonable, financially prudent and exercise care when incurring expenses on behalf of UBC.

This Policy governs the expenditure and reimbursement of funds incurred by persons carrying out their duties for UBC and articulates controls for accountability and ensuring the reasonable, appropriate and financially prudent use of UBC funds.

In connection with these purposes, this Policy sets out (1) the principles governing the circumstances in which travel and other business-related expenses may be incurred on behalf of UBC; (2) when and how reimbursement in respect of such expenses may be claimed; and (3) the process for establishing rules regarding allowable expenses and reimbursement of expenses.

1. Scope

- 1.1 This Policy applies to business expenses, including travel, accommodation, meal, entertainment, gift, business-related work tools and hospitality expenses, paid or reimbursed from all UBC-administered funds, including, without limitation, funds from third party grants and contracts, research funds, endowments, donations, revenues and monies managed by UBC on behalf of third parties.
- 1.2 This Policy has UBC wide application and applies to all UBC faculty members, staff members, students and other persons authorized by UBC to incur expenses on behalf of UBC.

2. Business Expenses

- 2.1 The following principles apply to incurring expenses on behalf of UBC and their reimbursement:
 - 2.1.1 the expenses should be incurred in support of business undertaken on behalf of UBC and should be necessary, reasonable, appropriate and financially prudent in the circumstances;
 - 2.1.2 claims for reimbursement should be made and approved in a timely fashion;
 - 2.1.3 the individual incurring the expense is responsible to demonstrate the expense was actually incurred with appropriate supporting documentation; and
 - 2.1.4 an individual should neither accrue financial gain nor suffer financial loss from the process of incurring expenses and claiming reimbursement in accordance with this Policy.
- 2.2 UBC will reimburse expenses incurred by members of UBC faculty and staff and, in some cases, students or other persons, provided that:
 - 2.2.1 the person incurring the expense was authorized to do so;
 - 2.2.2 the expense is incurred in accordance with this Policy, the Procedures, and any Rules;
 - 2.2.3 the expense is incurred (where applicable) in accordance with the policies, rules and regulations of any applicable third party granting agency and the terms of any applicable funding contract (collectively, “**Third Party Requirements**”); and
 - 2.2.4 the person submits the claim for reimbursement through such systems and in such format as required by UBC.
- 2.3 In the event that any Third Party Requirements relating to expenses and other spending are more restrictive than the requirements of this Policy, the Procedures or any Rules, such Third Party Requirements shall govern in respect of any funds provided by the applicable third parties. In the event that any Third Party Requirements relating to expenses or other spending are less restrictive than the requirements of this Policy, the Procedures or any Rules, such less restrictive Third Party Requirements are only permitted if expressly allowed by the Rules.
- 2.4 The Procedures to this Policy may provide for the creation of specific Rules (as defined in the Procedures) which outline in more detail the requirements and procedures governing expenses and their reimbursement.

3. Travel Expenses

- 3.1 Travel expenses should be reasonable and appropriate in the circumstances, taking into consideration safety, practicality, reasonable comfort, and efficiency.

4. Entertainment and Hospitality Functions

- 4.1 Expenses may be incurred in respect of entertainment and hospitality functions, the primary purpose of which is to host non-UBC persons as a matter of courtesy and as part of furthering UBC activities, provided that they are reasonable and appropriate in the circumstances.
- 4.2 Expenses may be incurred in respect of departmental events such as holiday receptions and periodic team-building events, provided that they are reasonable and appropriate.
- 4.3 Expenses may be incurred for meals or refreshments for meetings, the primary purpose of which is work-related, provided that they are reasonable and appropriate.

5. Gifts

- 5.1 There are certain circumstances and occasions in which gifts from UBC to volunteers, donors, visiting dignitaries, or other persons are warranted and appropriate. Such gifts are intended to be a gesture or token of appreciation and should be of moderate value.
- 5.2 Any gifts made to UBC faculty and staff using UBC funds must be made in accordance with any applicable Rules.
- 5.3 There is a long-standing tradition at UBC of members of faculty and staff voluntarily and spontaneously contributing for gifts in honour of fellow members of faculty and staff. Nothing in this Policy is intended to discourage this tradition.

6. Business-Related Work Tools (Computing Devices; Home Internet; Mobile Devices)

- 6.1 Some UBC faculty and staff or other persons acting on behalf of UBC may require certain business-related work tools or services such as a mobile phone, laptop computer or other computing devices or telecommunication services to efficiently conduct their UBC duties. The cost to UBC of any such business-related work tools must be reasonable and appropriate in the circumstances.



PROCEDURES ASSOCIATED WITH THE BUSINESS EXPENSES POLICY

Pursuant to the Regulatory Framework Policy, the President may approve Procedures or the amendment or repeal of Procedures. Such approvals must be reported at the next meeting of the UBC Board of Governors or as soon thereafter as practicable.

Capitalized terms used in these Procedures that are not otherwise defined herein shall have the meanings given to such terms in the accompanying Policy, being the Business Expenses Policy.

1. Approval Requirements

- 1.1 It is the responsibility of any person incurring expenses on behalf of UBC to ensure that they have the authority to do so. Prior written approval from one administrative level higher (the “**Approver**”) than the person claiming the reimbursement (the “**Requestor**”) may be required for certain types of expenses and seeking approval prior to incurring any expenses in respect of which the Requestor wishes to claim reimbursement is recommended.
- 1.2 It is the independent responsibility of both the Requestor and the Approver to ensure that claims for reimbursement of expenses are made and approved in accordance with this Policy.

2. Submitting Claims for Reimbursement

- 2.1 A Requestor must submit a claim for reimbursement of expenses in accordance with the Rules. The claim for reimbursement must have:
 - 2.1.1 a clear statement of the purpose for incurring the expense(s);
 - 2.1.2 clearly detailed expense(s) supported by dated receipts or other approved documentation as authorized by the Rules;
 - 2.1.3 the original signature or other form of confirmation of the Requestor as authorized by the Rules certifying that all information is correct; and
 - 2.1.4 approval of the expense(s) from the Approver, in writing or in such other form of approval authorized by the Rules.
- 2.2 A Requestor must submit any claim for reimbursement in a timely manner.
- 2.3 All claims for reimbursement of any expenses must be supported with original, detailed receipts or such other form of documentation as is set out in the Rules unless otherwise provided for in the Rules (for example incidental expense or per diem allowances). In the event that the receipt or other applicable documentation is not available or missing, the Requestor must submit a missing receipt declaration in the format specified in the Rules.

- 2.4 UBC increasingly uses computerized and electronic systems to, among other things, process expenses and claims for reimbursement (the “**Electronic Systems**”). The Policy and these Procedures must be read taking into account such Electronic Systems. The Policy and these Procedures apply in the context of such Electronic Systems and the Rules will reflect any changes to the process for expense reimbursement that may be required to reflect the Electronic Systems or any modifications to, or replacements of, the Electronic Systems that are made by UBC from time to time.

3. Audits

- 3.1 All expenditures and claims for reimbursement of expenses or allowances are subject to audit by UBC, regardless of whether such expenses or allowances have been approved by the Approver, and, in addition to any other actions that may be available, UBC may reverse any reimbursed claims or allowances made and may require other steps to be taken (such as amending reports to funding agencies), if the expenses incurred as part of such claims or allowances were not incurred in accordance with all of the requirements of the Policy and these Procedures.
- 3.2 Expenses funded through third party granting agencies or funding contracts may additionally be subject to third party audits and UBC will comply with such audits and provide to the applicable auditors all information it is legally required to provide, or, that in the opinion of the Responsible Executive is reasonably requested by the auditors.

4. Rules

- 4.1 The Responsible Executive may issue and maintain rules (“**Rules**”) regarding the subject matter of the Policy and these Procedures, provided that such Rules must not be inconsistent with the Policy or these Procedures. The Rules may be contained in one or more documents. Prior to creating or substantively revising the Rules, the Responsible Executive will establish an advisory committee which will consist of representatives from the Office of the University Counsel and of persons from both the UBC Vancouver and the UBC Okanagan campuses who are representative of units responsible for the subject matter of the Rules and the primary UBC constituencies that would be impacted by the Rules. Any proposed new Rules or substantive amendments to existing Rules must be published publicly for a period of at least two weeks on a UBC website designated by the Responsible Executive with a request for feedback to the advisory committee. The advisory committee, upon receipt and consideration of such feedback, will provide advice to the Responsible Executive on the form and content of the new Rule or amended Rule.
- 4.2 Without limiting the foregoing, the Rules may:
- 4.2.1 vary for different types of UBC employees and different sources of funding;
 - 4.2.2 provide for preferred or mandatory vendors for certain goods or services;
 - 4.2.3 delineate what expenses are reasonable in certain circumstances or in respect of certain classes of expenses;

- 4.2.4 require prior authorization for certain classes of expenses;
 - 4.2.5 prohibit certain types of expenses or require preconditions prior to incurring certain types of expenses;
 - 4.2.6 include a process for seeking variances to the standard Rules provided any such variation complies with the Policy and these Procedures;
 - 4.2.7 provide for mandatory methods of payment for certain goods or services;
 - 4.2.8 require specific procedures to be followed for the approval and reimbursement of expenses including the use of the Electronic Systems; and
 - 4.2.9 provide a process for how administrative units may, in certain circumstances, apply to have unit-specific Rules approved.
- 4.3 Notwithstanding anything to the contrary in these Procedures, the Responsible Executive may from time to time amend monetary reimbursement rates (for example incidental expense and per diem allowances rates, vehicle usage reimbursement rates, acceptable gratuity percentages) and preferred suppliers (for example, travel or car rental companies) in the Rules without establishing an advisory committee, provided that notice of such changes will be provided to the UBC community in a timely manner.
- 4.4 The Rules may set out the ability for a unit to vary the Rules as applied in that unit in certain circumstances, provided that the variation is in accordance with the Policy and these Procedures and approved in accordance with the process set out in the Rules.
- 4.5 The Responsible Executive will report the creation or repeal of any Rules and any material amendments to any Rules at the next scheduled meeting of the Board of Governors or as soon as practicable thereafter.

5. Variations

- 5.1 Exceptions or variations to the Rules may be made in certain circumstances if the exception or variation is approved in writing by the Responsible Executive or his or her delegate.