



Reimbursement Policy

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Office of Accountability:	Finance Department
Administrative Responsibility:	Director, Finance
Approver(s):	President and Vice-President, Finance & Administration

1. Purpose

This policy establishes guidelines for reimbursement of reasonable expenses incurred by OCAD University (“OCAD U” or “the University”) faculty and staff for business travel and other reimbursable expenses on a fair basis, providing the greatest possible flexibility. It relies on the goodwill, discretion and honesty of the faculty and staff, while at the same time allowing the University to meet its stewardship obligations as a publicly-funded institution. It also identifies expenses that are eligible for reimbursement and sets out the mechanism for the claim and reimbursement of approved travel and other expenses.

2. Scope

The policy applies to all faculty, staff, students and others who incur expenses on behalf of OCAD U.

3. Policy

OCAD U reimburses faculty and staff for reasonable and authorized expenses associated with University-related business.

All employees who incur and/or approve travel and related expenses should be aware of the policies the University has adopted herein prior to initiating any travel or related expenses.

As with all OCAD U expenses, travel and related expenses may be subject to review by a member of the Finance Office, and/or external or funding agency auditors.

It is the claimant’s responsibility to request reimbursement for actual out-of-pocket expenses as supported by original receipts, or at the per diem and flat kilometrage/mileage rates established by the Finance Committee (see expense reimbursement form). The expense reimbursement form can also be found in the “Finance” folder on the ‘I Drive’. All reimbursement forms must be signed by the claimant who, by so doing, certifies that the expenses are for University business purposes and in accordance with this policy.

Approval

All expense reimbursements are to be approved by at least one administrative level higher than the claimant. In the case of the President, approval shall be by the Chair, Board of Governors (or designate). The approver’s signature confirms the expenses were incurred for OCAD U business and are in accordance with this policy. It is the responsibility of the approver to ensure that claims for reimbursement are business-related expenses supported by original receipts. Authorization for the transaction requires either a hard copy signature(s) or electronic signature(s).

No individual is allowed to solely authorize payment to her or himself.

Please note that the use of a signature stamp for granting approval is not acceptable. Responsibility for approving expense reimbursements may not be delegated, except to the administrative level higher than the normal approver.

Eligible expenses

In general, the University recognizes an expense incurred by an individual while conducting University business is eligible for reimbursement provided that:

- the expense was necessary
- goods and services were acquired in accordance with OCAD U's Purchasing Policies & Procedures Manual and related policies
- the most economical option was selected
- funding exists for the expense
- the expense is not specifically ineligible (see Ineligible Expenses)
- the expense is supported by the original receipt (under exceptional circumstances, an expense may be reimbursed without original receipt, provided the claimant provides a plausible, written explanation for the lack of receipt, and the approver accepts such explanation)

The University recognizes the following as **normal travel expenses**:

- economy class air fares, train or bus tickets
- ground transportation charges
- airport fees
- flight cancellation insurance for travel cost >\$500
- accommodation
- personal meals and associated reasonable gratuities (generally not to exceed 15%)
- rental vehicle
- reasonable telephone charges that are business related
- taxi/cab fares
- parking, highway tolls and gasoline charges
- facsimile, photocopying, internet and email charges
- reasonable laundry/dry cleaning after 7 consecutive days of business travel
- currency exchange charges

Air/train/bus Travel

Airline/train/bus tickets will be reimbursed upon submission of a properly approved reimbursement form and an original receipt from the travel agency or airline. Boarding passes must be included with the reimbursement forms upon the completion of the trip regardless of how tickets have been paid.

Accommodation

Reimbursement for reasonable accommodation expenses (hotels, motels, guest houses and other lodgings) will be limited to single occupancy, standard room unless such accommodation is not available. Claimants are expected to request rates negotiated by the Canadian Association of University Business Officers (CAUBO). The information on CAUBO rates can be obtained from <http://www.caubo.ca> under Procurement.

If an accommodation reservation must be cancelled, it is the responsibility of the traveler to ensure that cancellation is made in sufficient time that a financial penalty is avoided.

Meals

Reasonable meal expenses plus related gratuities may be claimed based on original receipts or per diem rates with no receipts.

When meals are included in the transportation fare or in the cost of conference registration fees, no claim for meals may be made in the per diem claim. Similarly, if the staff or faculty travels via train in business class which includes a meal, a per diem meal allowance may not be claimed for this portion of the trip.

The per diem allowance (\$35CDN/day) may be claimed in lieu of actual expenses, but not in addition thereto. Where receipts are not available, the per diem should be claimed, otherwise, meals will be reimbursed on the basis of receipts submitted.

Vehicle Rental

Under normal circumstances, travelers are expected to rent standard automobiles (allowable exceptions could include rental of a minivan, if being used to transport several employees). Under normal circumstances luxury vehicle rentals are not reimbursable. Employees are required to purchase a collision damage waiver (CSW) and the liability insurance from the licensed car rental agency at the time of rental, unless the employee uses a personal credit card for the rental, which includes such coverage.

Use of Employee Owned Vehicle

The payment OCAD U makes to its employees for use of their own personal vehicles is based on a flat rate per kilometer/mile travelled on University business. Flat rates are calculated to reimburse fuel costs and a reasonable share of insurance costs and wear and tear on the vehicle. When kilometrage/mileage is claimed, no receipt is required; however, no additional gas or repair expenses may be claimed.

The use of a private vehicle should be limited to those trips where the vehicle is most economical and effective considering all factors such as costs, time constraints, convenience and efficient use of the employee's time.

Use of a personal vehicle is reimbursed at \$0.45/kilometer or \$0.72/mile. All rates are CAD.

Ineligible expenses

OCAD U will not reimburse the following expenses:

- expenses not incurred for business purposes
- claims for purchases that are required to be made under a University purchase order in accordance with the Purchasing Policies and Procedures Manual.
- claims that are not completely or properly prepared
- expenses not properly approved
- expenses not supported by receipts or other documentation
- expenses which are being claimed by an employee as a tax deduction
- expenses which are being claimed by another employee
- expenses which are recoverable from a third party
- claims for stipends or other forms of remuneration
- interest charges levied on overdue invoices
- service charges, interest charges or annual fees associated with personal credit cards
- memberships in social or health clubs, where there is no demonstrated benefit to the University
- beverages (coffee, tea, fruit juices, soft drinks) and refreshments for the general use of faculty and staff (this does not include seminars, meetings or specially approved events)
- donations to charitable organizations or political parties/fundraisers unless approved by the President
- University parking permits

The following is the list of **ineligible travel expenses** that are inclusive but not restricted to:

- upgrades to higher classes of service for air or train travel
- excess or oversize baggage charges (except when necessary for business travel, e.g. a portable exhibition system)
- costs related to making stopovers for personal reasons
- movies in hotels
- sightseeing trips that are not part of a business travel package
- surcharges and expenses related to spouses or other individuals who are not on OCAD U business
- items lost or stolen in transit
- passport fees
- flight cancellation insurance for travel cost <\$500
- tickets and fines for traffic and parking violations
- towing, repair or gas charges while using a personal vehicle on University business
- unreasonable food or alcohol purchases

Research grants may have additional restrictions on eligible expenses imposed by the granting agencies.

In instances not covered by these guidelines or in unusual circumstances, the claimant and the approver should apply judgement to ensure that the expense is reasonable and prudent in the circumstances.

Hospitality of guests

Reasonable costs of hospitality for a specific business purposes are reimbursable. Such hospitality might include social, athletic, and cultural events. There must be clear documentation as to the business purpose of the hospitality (e.g. taking out a guest lecturer for a meal), noting the names of all individuals in attendance. Entertainment of guests should be limited to the cost of meals and beverages furnished in a hotel dining room or restaurant of an equivalent quality.

Any employee hosting a business lunch, dinner or other entertainment event should limit the employees and other participants attending only to those who can be expected to contribute directly to the accomplishment of the business purpose.

Hospitality of fellow employees

Normally the cost of entertaining fellow employees is not reimbursable, except in special circumstances. Such circumstances would include extended work day and employee promotion. A full explanation of the business purpose for entertaining a fellow employee must be provided on the expense report.

Reimbursement process

Original detailed receipts are normally required to substantiate expense claims within 30 days upon incurring those expenses. There are some exceptional cases where receipts are not easily obtained or normally issued, and for which expenses may be claimed without a receipt (e.g. parking meters, coin telephones).

The Finance Office is responsible for ensuring expenses are properly authorized and documented and that the University's institutional policies are followed to ensure the accountable and responsible use of public funds.

Expenses for which a receipt has been lost or misplaced will be reimbursed only at the discretion of the employee's immediate supervisor. No GST/HST will be processed for lost receipts.

Employees must submit their complete and approved Expense Reimbursement Form to the Accounts Payable/Receivable Clerk weekly on Wednesday by 12:00 p.m. Any requests received after this date and time will be processed the following week. Reimbursement cheques will be ready for distribution Fridays after 2:00 p.m.

Employees using an OCAD U Purchasing Card must forward the complete and approved Purchasing Card/Cash Advance Reconciliation Form to the Finance Office. The statement and all original receipts must be attached with the form. Forms must be submitted to the Accounts Payable/Receivable Clerk in the Finance Office by the 20th of each month.

Costs incurred must be in Canadian dollars at the rate of exchange in effect at the date of conversion.

Reimbursement is normally made by cheque. Minor expenses, generally under \$20, will be reimbursed from petty cash fund.

It is the responsibility of the claimant to satisfy all required information including the complete 10 digit general ledger account number.

Original receipts submitted for reimbursement become the property of OCAD U.