

Policy

TRAVEL AND BUSINESS EXPENSES POLICY

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Finance and Administration
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Associated Procedures: Travel and Business Expenses Procedures

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1.0 PURPOSE

The purpose of this policy is to ensure that University-related travel and business expenditures are managed in a consistent and cost-effective manner that supports the University's mission.

2.0 PRINCIPLES

- 2.1 As a publicly funded institution, the University, through its governing bodies, employees, and volunteers, is accountable for the effective use of its resources and for ensuring those resources are deployed in the best possible way. University funds may be used for reasonable and appropriate expenditures incurred to conduct University business.
- 2.2 Travellers, and others arranging University travel, should make the most economical travel arrangements possible, consistent with the purpose of the travel, while also considering the effective use of a traveller's time.

3.0 SCOPE

- 3.1 This policy applies to all travel and business expenditures paid from University administered funds unless expressly indicated otherwise by the funding organization.
- 3.2 External funders may have specific restrictions or allowances that differ from the University's policies, in which case the policies and procedures of the funding agency apply.
- 3.3 Unless there are specific procedures established elsewhere, by contract or external agency, these procedures apply to all travel and business expenses incurred on behalf of the University.
- 3.4 Unless otherwise noted in these procedures, if an individual seeks exception to the policy or procedures, the individual must obtain prior approval of their supervisor and/or one-over-one authority and the Procedural Officer. The individual seeking exception must provide: a written description of the exception being sought, the rationale for seeking the exception, confirmation that the exception will be covered by the applicable Unit's budget, and any other documentation requested by the supervisor and/or one-over-one authority and the Procedural Officer.

4.0 DEFINITIONS

For the purpose of this policy and related procedures, the following definitions apply:

- 4.1 **Appropriate Documentation** includes receipts and other supporting documents, as well as a statement of the purpose of the expenditure.
- 4.2 **Budget (or Fund) Holder** authority for travel and business expenses may only be delegated one level down from the Budget Holder to a position in a direct reporting relationship.
- 4.3 **Business Expenses** include all expenses that advance the University's mission including hospitality, entertainment, food, beverages, and social or recreational activities.
- 4.4 **CRA** means Canada Revenue Agency.
- 4.5 **Direct Costs** are essential expenditures that would not have been incurred if the activity or program had not been undertaken.
- 4.6 **Expense/Expenditure** refers to the dollar amounts incurred for travel and/or business expenses.
- 4.7 **External Client** A guest, visitor, prospective employee or student, benefactor or stakeholder. (NOTE: spouses/partners/family members of University employees are not considered external clients.)
- 4.8 **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:
 - 4.8.1 hosting an external individual – guest, visitor, prospective faculty, staff or student, benefactor, or stakeholder; or
 - 4.8.2 employee-only activities such as work meetings, social functions, gifts, and awards.
- 4.9 **“One-over-one” Authority** refers to the individual at the next higher level in the University from the traveller with authority to approve expenditure of University

funds for the transaction being approved; in many cases, this individual is the traveller's supervisor.

- 4.10 **Per Diem** A fixed allowance for which no receipts are required.
- 4.11 **Personal Gain** refers to a benefit or advantage to a particular person rather than a program, activity, or the University.
- 4.12 **Properly Approved** expenses must normally be signed off by the traveller's supervisor or "one-over-one" authority.
- 4.13 **Reasonable and Appropriate** expenses are deemed to be based on sound judgment and moderation.

The following questions should be considered when determining whether an expense is reasonable and appropriate:

- 4.13.1 Does the expense need to be incurred and is there value for UNBC?
 - 4.13.2 Is there an alternative that is less expensive but still appropriate, safe and convenient?
 - 4.13.3 Are there alternatives to travel that mitigate the production of greenhouse gas emissions?
 - 4.13.4 Would this expense be considered excessive/unreasonable from the general public's view?
 - 4.13.5 Is it an arm's length transaction (e.g., no conflict) that conforms to sound business practice?
 - 4.13.6 In the case of research activities, does the expense contribute to the direct costs of the research/activities for which the funds were awarded? Is the expense effective and economical, not resulting in personal gain for members of the research team?
- 4.14 **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.

- 4.15 **Traveller** The employee, student, or member of the Board of Governors who is travelling on behalf of the University and is the claimant.

5.0 POLICY

- 5.1 All employees and others incurring expenses on behalf of the University have a fiduciary responsibility to use UNBC funds in a responsible manner. All expenses must be incurred in accordance with this Policy and the *Travel and Business Expenses Procedures*.
- 5.2 University funds may be used for travel and business expenditures of members of the Board of Governors and Senate, employees, students, and others incurred on university business in support of the University's mission.
- 5.3 Travel and business expenditures incurred must be properly approved, reasonable and appropriately documented in accordance with the procedures issued by the Vice- President, Finance and Administration.
- 5.4 Expenses that are not directly related to a University activity, exceed reasonable amounts, or do not comply with this or other policies, are the responsibility of the individual who incurred them.
- 5.5 Travel and business expenditures be paid for using the University's corporate purchasing card, where possible, or by the individual traveller requesting reimbursement.
- 5.6 When booking travel, consideration is to be given to the potential risk and impact on University operations of several senior management members or members of one department travelling together on the same flight, vehicle or other mode of transportation. Travellers are expected to weigh the benefits of the travel against the environmental costs of travel.
- 5.7 University funds may be used for expenditures during a sabbatical leave if the expenses are directly related to the research. Subsistence and accommodation expenses incurred while on sabbatical leave are not eligible.

- 5.8 Expenses and advances must be properly approved by the budget holder or an individual in an authorized position for that department/unit, in advance of the travel. Expenses of the budget holder must be approved by a person in an authorized position for that department/unit, who is at a higher level on the organization chart than the budget holder.

6.0 AUTHORITIES AND OFFICERS

The authorities and officers for this policy are as follows:

Approving Authority: Board of Governors
Designated Executive Officer: Vice President, Finance and Administration
Procedural Authority: Vice President, Finance and Administration
Procedural Officer: Associate Vice President, Financial Services

7.0 RELEVANT LEGISLATION

Income Tax Act of Canada

Canadian Revenue Agency [T4130 - Employers' Guide to Taxable Benefits and Allowances](#)

8.0 RELATED POLICIES AND OTHER ASSOCIATED DOCUMENTS

Travel and Business Expense Procedures