

## Policy on Expense Reimbursement

Category :	Finance
Administrative Authority:	Vice-President, Administration
Approval Authority:	Board of Governors
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Effective Date :	February 24, 2012
Latest Revision Date :	April 2, 2007
Next Review:	February 2017

### 1. Overview

- 1.1 Laurentian University is committed to maintaining high standards for performance based on fair, ethical, legal, environmental, and professional business practices.
- 1.2 The Ontario Broader Public Sector (BPS) Expense Directive was issued by Management Board of Cabinet, effective April 1, 2011. The purpose of the Directive is to set out the requirement for the designated BPS organizations to establish policies where expenses are reimbursed from public funds.
- 1.3 The Policy on Expense Reimbursement (the “policy”) is to apply to any person in the organization making an expense claim, including appointees, board members, and employees. Consultants and contractors engaged by the organization who provide consulting or other services are also covered.

### 2. Purpose

- 2.1 This policy is intended to:
  - 2.1.1. Govern the reimbursement of expenses from all funds administered by the University, subject to the availability of such funds for reasonable expenses incurred while on approved University business including expenses of a business nature incurred with respect to guests.
  - 2.1.2. "University business" shall include teaching, research, administration and ancillary operations.

2.1.3. Certain granting agencies have established guidelines concerning expenses eligible for reimbursement. In the event of inconsistencies between such guidelines and this policy or University Guidelines for Travel and Reimbursable Expenses, the guidelines with the greater restrictions will apply.

### **3. Scope**

3.1 This policy applies to all employees, volunteer members, board members and any expense reimbursement for consultants and contractors.

### **4. Definitions in this Policy and related Program:**

4.1 The following definitions are outlined in the Broader Public Sector Procurement Directive and apply this policy and related program.

- “Accountability” means the University is accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses support business objectives.
- “Transparency” means the University is transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood, and available to the public.
- “Value for Money” means the University dollars are used prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.
- “Fairness” means legitimate authorized expenses incurred during the course of the business of the University are reimbursed.

### **5. Policy Statement**

5.1 It is the policy of Laurentian University that all travel and other expense reimbursement for University purposes are legitimate expenditures incurred for the purposes of the operations of the University, are accounted for and supported by relevant original receipts and documentation.

### **6. Responsibilities**

6.1 All expense reimbursement claims from University funds, whether operating, restricted, capital or ancillary funds, require approval on a one up basis by the person to whom a claimant reports. It is both the claimant’s and approver’s responsibility to ensure that expenses reimbursed have been incurred for legitimate university business purposes; are reasonable in the context of the university business activity; and are in accordance with this policy, with applicable granting agency guidelines, or with the terms of the specific award, **whichever imposes greater restrictions.**

It is the claimant's responsibility to incur reasonable expenses and to claim for reimbursement only actual out-of-pocket expenses for legitimate university business as supported by original receipts.

## 6.2 Signatures (Hard copy or Electronic)

6.2.1 Depending on the reimbursement method used, the authorization for the transaction would require either a hard copy signature(s) or an electronic signature(s).

Claimant signature:

- For physical paper expense form Travel and Business Expense Report or the expense requisition, the claimant must sign the form and attach receipts.
- For electronically submitted expenses, the claimant must sign and make the declaration (that all receipts represent expenses for legitimate University business and do not include items for personal use or which are eligible for reimbursement from another organization) on the envelope containing the receipts.

Final approval:

- If the paper expense reimbursement form is utilized, the final approver must sign the actual paper form.
- Electronic signature is acceptable if the approver is on-line.

## 6.3 Individuals Making Claims (Claimants):

6.3.1 Claimants must:

- obtain all appropriate approvals before incurring expenses as outlined in the policy for Travel and other Reimbursable Expenses;
- submit original, itemized receipts with all claims;
- if the information above is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making;
- submit claims within the timeframe specified by the University's Guidelines;
- if the information above is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making;
- repay any overpayments ;
- if leaving employment with the University, submit any claims for expenses before leaving the organization.

## 6.4 Individuals Approving Claims (Approvers):

6.4.1 Approvers are prohibited from approving their own expenses and expenses for a group can only be claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver.

6.4.2 Approvers must provide approval only for expenses that were necessarily incurred in the performance of University business and provide approval only for claims that include all appropriate documentation.

## 6.5 **Managerial Discretion**

6.5.1 For the purpose of this policy, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this policy and the Broader Public Service Directive and the rules. All decisions made under the expense rules should be taken very carefully.

6.5.2 When exercising managerial discretion, the rules on documentation should be followed so the rationale will be included in the claim file.

Approvers are accountable for their decisions, which should be:

- subject to good judgment and knowledge of the situation;
- exercised in appropriate circumstances; and
- comply with the principles and mandatory requirements set out in this policy and guided by the Broader Public Service Directive and the Guidelines for Travel and Other Reimbursable Expenses as posted by the University.

6.5.3 When a situation arises and discretion needs to be exercised, approvers should consider whether the request is:

- able to stand up to scrutiny by external auditors and members of the public
- properly explained and documented
- fair and equitable
- reasonable
- appropriate

## 7. **Confidentiality**

7.1 Confidentiality is required in all procedures under this policy, unless the safety of members of our community are at risk or subject to the disclosure requirements under this policy and/or the *Freedom of Information and Protection of Privacy Act, 1990* or any other applicable legislation.

## 8. **Notice of Collection of Personal Information under this Policy**

8.1 Any personal information about an individual collected in respect of this policy, is pursuant to *The Laurentian University of Sudbury Act, 1960* and a by-law passed by the Board of Governors. Such information will only be used for the purposes and functions outlined in the policy. If you have any questions about the collection, use, and disclosure of this information please contact the senior administrator responsible for the policy.

## **9. Related Legislation, Policies, Procedures and other Documents**

- 9.1 *Accessibility for Ontarians with Disabilities Act, 2005*
- 9.2 *Broader Public Sector Accountability Act, 2010*
- 9.3 *Freedom of Information and Protection of Privacy Act, 1990*
- 9.4 *Ontarians with Disability Act, 2001*
- 9.5 Collective Agreements
- 9.6 Broader Public Sector (BPS) Procurement Directive, (2011)
- 9.7 Broader Public Sector (BPS) Expenses Directive, (2011)
- 9.8 Policy on Purchasing

## **10. History of Revisions**

- 10.1 This version of the policy was adopted on February 24, 2012 by way of approval by the Laurentian University Board of Governors, following revisions made to the previous Expense Reimbursement Signing Authorization Policy approved by the Finance Committee of the Board of Governors on April 2, 2007.

## **11. Policy Review**

- 11.1 The policy comes into effect the date of its approval by the Board of Governors of Laurentian University and will remain in effect until a newly revised policy has been approved by the Board of Governors.