

Policy History
Policy No. FM5
Approving Jurisdiction: Board of Governors
Administrative Responsibility: Vice President Finance & Administration
Effective Date: September 19, 2018

Business and Travel Expense Procedure

A. DEFINITIONS

- 1. Employee Engagement Fund:** An amount equal to \$50 per employee per calendar year is set aside within each department’s budget for Employee Engagement. These funds are to be used at the discretion of the Department Head for employee engagement, such as a holiday lunch or team-building exercise. These funds are not directly payable to employees, nor are the funds spent at the employees’ discretion. Gifts and refreshments (i.e. cake) for employee farewell gatherings are not eligible expenses.
- 2. External client:** A guest, visitor, prospective employee or student, benefactor or stakeholder (spouses/partners/family members of University employees are not considered external clients).
- 3. Flexible travel arrangement:** Arranging for travel such that the individual combines personal travel with business travel. This must be approved by the direct Supervisor and is only permitted as long as no additional expenses are incurred by KPU.
- 4. Hospitality:** The provision of food and beverages for social or recreational activities, events and functions. Events that only involve KPU personnel are specifically excluded.
- 5. One-over-one approval requirement:** Individuals claiming a payment to themselves or for their own benefit are expected to obtain a signature from their direct supervisor as well as an individual who has signing authority on the fund/organization paying for the expenditure, who may be the same individual. This is also a requirement for grantees where the grantee is also a claimant on their own fund.
- 6. Travel status:** Travel by an employee, outside the University region on University business, where authorization for such travel has been requested in advance on the appropriate form, and has received one-over-one approval. Does not include travel to other KPU campuses.
- 7. University region** Also known as the [Metro Vancouver Regional District](#).

8. **University-wide Agreement or UWA:** A mandatory arrangement negotiated by Procurement Services with external suppliers. A full list of university-wide agreements can be found on the Procurement Services website.

B. RELATED FORMS

1. Employees should review the relevant forms and instructions before incurring business expenses or planning travel:
 - a. [Travel Request Authorization Form](#)
 - b. [Expense Claim and Mileage Form \(Expense Report\)](#)
 - c. [Intercampus Mileage Guideline](#)
 - d. [Honorarium Request Form](#)
 - e. [Hospitality and Entertainment Pre-Approval Form](#)
 - f. [Missing Receipt Declaration Form](#)
 - g. [Weekly Timetable and Kilometer Report](#)
 - h. [Request for Reimbursement for ICBC Business Rate Class Insurance](#)

C. PROCEDURES

1. **Prior to Travel Procedures**
 - a. Preapproval
 - a. The employee completes the [Travel Request Authorization Form](#) to obtain one-over-one preapproval at the earliest available opportunity prior to the expected travel date.
 - b. International travel plans, including annual international recruitment travel plans, require preapproval from the Provost and Vice President Academic, or the Vice President, Finance and Administration. The President's travel plans require approval from the Board Chair.
 - c. Employees can contact the Director, Financial Operations to request a travel advance. Advances will only be based on per diem meal rates and anticipated local travel costs (i.e. taxis) for the number of days the employee will be on travel status. The minimum travel advance is \$200.
 - b. Flexible Travel Arrangements
 - i. If flexible travel arrangements are approved by a direct Supervisor, the employee must retain evidence and calculations of savings and/or incremental costs for submission for payment of expenses. The University will only pay the lesser of:
 - 1) the actual travel expenses; or
 - 2) an estimate of the minimum acceptable expenses that would have been incurred if the flexible travel arrangements were not made.
 - c. Travel Insurance
 - i. KPU employees with Extended Health Care ("EHC") Benefits are eligible for Emergency Travel Assistance services through Manulife without preapproval from Human Resource Services. KPU employees without EHC Benefits require preapproval through a Health and Benefits Specialist within Human Resource Services in advance of any business travel. If an employee is unsure as to whether or not that have EHC Benefits, they should check with Human Resource Services.

- ii. Employees are encouraged to review the Employee Travel Assistance brochure available on the Human Resource Services SharePoint site prior to planning travel to ensure appropriate travel coverage.

2. Travel Expenses

- a. Obtaining rental vehicle insurance
 - i. For insurance purposes, the value of the vehicle must be less than \$75,000 CAD.
 - ii. Employees shall book economy class vehicles, unless four or more persons are travelling together, or there is a need to transport a significant amount of work-required equipment or materials, or the traveler is driving in northern British Columbia in winter conditions (October to March).
 - iii. Wherever possible, employees shall secure rental vehicles under a University-wide Agreement (“UWA”) which already includes some insurance for employees of KPU.
 - 1) When renting a vehicle in British Columbia, travelers should select a provider by consulting the Province of BC’s Daily Vehicle Rental Suppliers by Community. Renters need to ensure that the Corporate Identifier Number (found on the Daily Vehicle Rental Suppliers by Community list) appears on the rental agreement. Renters must identify that they work for the university.
 - 2) When renting a vehicle outside of British Columbia, travelers should use an international car rental agency that is listed in the Province of BC’s Daily Vehicle Rental Suppliers by Community list whenever possible.
 - iv. Employees shall ensure that the names of all drivers are provided to the rental agency (officers or employees of KPU only) and are covered by any available insurance.
 - v. Rental vehicle insurance for periods greater than 30 days is the responsibility of the employee and is reimbursable.
 - vi. For rental periods less than 30 days, refer to one of the three categories below:
 - 1) *Rental vehicles under a UWA*
 - i) Third party Liability: Do not purchase third party liability insurance as this is covered under the UWA.
 - ii) Collision damage waiver/loss damage waiver: Do not purchase this insurance as it is covered under the UWA.
 - 2) *Rental vehicles in Canada or the USA not under a UWA*
 - i) Third party Liability: Purchase a minimum limit of \$1 million third party liability if available.
 - ii) Collision damage waiver/loss damage waiver: If charging the rental to a corporate credit card that provides insurance for rental vehicles as a benefit, confirm with Credit Card Company that vehicle type and use is covered. Even if no credit card insurance is available, decline the Collision Damage Waiver/ Loss Damage Waiver coverage.
 - 3) *Rental vehicles outside Canada or the USA*
 - i) Third party Liability: Purchase a minimum limit of \$1 million third party liability if available.
 - ii) Collision damage waiver/loss damage waiver: If charging the rental to a corporate credit card that provides insurance for rental vehicles as a benefit, confirm with Credit Card Company that vehicle type and use is covered. Purchase an appropriate amount of insurance if credit card insurance is not available or to supplement credit card insurance.
 - vii. For questions regarding rental vehicles, or other insurance related questions, employees can contact the Risk Management Department.

- b. Booking Accommodation
 - i. Reimbursement for accommodations is limited to reasonable amounts in the circumstances and normally will not exceed the rate of a single standard room unless pre-approved by the President, the Provost and Vice President Academic, or the Vice President, Finance and Administration, or Board Chair. Government rates or Canadian Association of University Business Officers (“CAUBO”) rates are to be requested at hotels in Canada. KPU is a CAUBO member and, as such, its employees are entitled to various discounts at hotels within Canada. A listing of such hotels can be found on the [CAUBO Member Discounts](#) webpage.
 - ii. Employees are only eligible for reimbursement for accommodation that has been pre-approved and is outside of the University region.

- c. Meal Per Diem
 - i. Receipts are not required to claim the meal per diem. Employees must not use their University PCards (Purchase Cards) to pay for meals when claiming per diems. The applicable rate can be found in either [Appendix A, Table A3](#) or for BCGEU employees in the *BCGEU Collective Agreement*.
 - ii. When claiming per diem expenses for reimbursement for international travel, the traveler converts the amount to Canadian dollars at the exchange rate in effect at the time of reimbursement. See Appendix A, Table A3 for international per diem rates.
 - iii. Meal per diems may only be claimed where meals have actually been consumed.
 - iv. The traveler shall not claim meal per diems in respect of a meal that was provided at no expense to the traveler, such as meals already included in conference fees, transportation carriers, hosts, or as a part of field or course work. Where a per diem is claimed, no additional amount may be claimed for the same meals.

- d. Other Travel-related Procedures
 - i. To ensure appropriate telecommunication expenses, employees who travel internationally shall contact relevant IT staff prior to travelling, in order to determine the most cost effective means of internet connectivity.
 - ii. Employees shall use the lowest cost alternatives available such as SKYPE, e-mails instead of faxes, and free wireless hot spots where available.

3. Business Expenses

a. Mileage

- i. When a personal vehicle is used for travel inside the Metro Vancouver Regional District and Lower Mainland on University business, for authorized travel from one’s normal place of work to a destination and return, mileage is calculated by applying the mileage (kilometer) rate ([Appendix A, Table A4](#)) to the driving distance travelled.
- ii. Appendix A, Table A2 outlines eligible mileage expenses as well as additional parameters of claiming mileage for reimbursement. Employees are required to provide support for any mileage claim outside of the standard distances between KPU campuses provided in Appendix B, table B1 (i.e. distances listed through Google Maps).
- iii. Where the use of a personal vehicle for University business outside the Metro Vancouver Regional District and Lower Mainland is selected by personal preference, employees can claim the mileage driven by the most direct route which should not exceed full economy airfare. Mileage is calculated by applying the mileage (kilometer) rate ([Appendix A, Table A4](#)) to the driving distance travelled.
- iv. To verify that the correct insurance rate class has been applied on personal vehicles used for KPU business, employees must consult with an ICBC representative. In the

event that an ICBC representative deems it necessary for an employee to obtain business class vehicle insurance due to their KPU related work requirements, KPU will reimburse the employee for the difference between the cost of such insurance and that which would have been paid without the business class insurance by having the [Request for Reimbursement for ICBC Business Rate Class Insurance form](#) completed and submitted with their expense report.

- v. Faculty claim mileage when traveling between campuses for teaching purposes using the [Weekly Timetable and Kilometer Report](#). All other kilometers traveled by faculty (for meetings, conferences, other off-campus travel, etc.) is to be claimed using the standard [Expense Report](#) form.

b. Hospitality

- i. Hospitality charges incurred in support of the University's mission will be paid by the University provided the expenses are authorized, reasonable and appropriately documented.
 - 1) Preapproval is required for all hospitality expenses by the administrator or department head responsible (one-over-one approval is required) by using the [Hospitality and Entertainment Pre-Approval Form](#).
 - 2) Refreshments and meals for internal meetings attended only by University employees are not normally considered business expenses. Exceptions require Dean or department head pre-approval.
 - 3) Purchases of alcohol will not be reimbursed by KPU.

c. Donations

- i. Incidental charitable donations receipts obtained as a result of attending an externally hosted event must be filed with the related expense claim and may not exceed \$100. By requesting payment, the claimant is not eligible to use the charitable donation receipt for personal income tax purposes. Donations can only be made and claimed by Directors, Deans, Vice Presidents and Presidents.

d. Honoraria

- i. Preapproval is required for any payment for honoraria and must be obtained using the [Honoraria Approval Form](#).
 - 1) Employees are paid honoraria payments through Payroll, subject to statutory source deductions, without KPU benefits (i.e. no pension benefits).
 - 2) Non-employees are paid honoraria payments through Accounts Payable.

4. Expense Reimbursement

- a. A completed and approved [Expense Report](#) is required for reimbursement of all expenses. Where required, original receipts must be attached to the expense report, including itemized receipts for hospitality expenses.
- b. If a receipt is required, any expense submitted without a receipt is not reimbursable by the KPU, with the exception of meal per diem, mileage and private accommodation.
- c. Approval of the [Expense Claim and Mileage Form](#) is completed by the fund/organization signing authority or delegate. The President's expenses are approved by the Board Chair.
- d. Any employee claiming reimbursement to themselves or for their own benefit must obtain a signature from their direct supervisor and a signing authority on the fund/organization paying for the expenditure, who may be the same individual. This is also a requirement for grantees who are expensing their own fund. Approvals will be reviewed by Financial Services for compliance with policies.

- e. The original completed and approved [Travel Request Authorization Form](#) is kept with the employee or with their assistant. A copy of the completed and approved form is then attached to the employees' Expense Claim and Mileage, which is then sent to Financial Services.

D. RELATED POLICY

AD3 Purchasing Policy

FM5 Business and Travel Expense Policy

GV4 Signing Authority Policy / Procedures

HR6 Service Recognition Policy

RS4 Administration and Control of Research and Special Funds Policy / Procedures

Human Resource Relocation Guidelines

Appendix A: Eligible Expenses

The following rates apply except in those circumstances where otherwise specified in a collective agreement or contract:

Table A1: Eligible Expenses

Travel
<ul style="list-style-type: none"> • Mileage driven in a personal vehicle (not to exceed full economy airfare) • Rental vehicle fees and insurance (when used to save time and costs and not strictly for personal convenience) – refer to Section 2(a) • Economy class air travel (including one checked luggage and one seat selection fee) • Taxis, parking fees, tolls (if incurred outside of the individual’s normal route to/from their designated home campus), ferries and airport shuttles • Overnight accommodation, including private accommodation as listed in and in Appendix A, Table A4. • Meals according to the per diem rates listed in Appendix A, Table A3. • Communication expenses for business purposes (e.g. internet, phone) • Dry cleaning and laundry costs are allowable after seven days of travel
Business
<ul style="list-style-type: none"> • Mileage (rates outlined in Appendix B, Table B1) • Meals for persons other than the traveler for mealtime business meetings may be reimbursable • Gifts under certain circumstances – refer to Appendix A, Table A4. • Donations – refer to Section 3(c) • Employee Engagement Fund – per person maximum listed in Appendix A, Table A4. • Additional cost of the insurance required for a personal vehicle when used for business purposes – refer to Appendix A, Table A4. • Honoraria – refer to Section 3(d) and <i>Honorarium Request Form</i>

Table A2: Eligible Mileage Expenses

Travel From	Travel To	Claimable
Home	Designated home campus	Cannot be claimed
Home - Call Out (outside of regular working hours)	Worksite(s)	Traveler claims
Home	Alternate campus/worksite/business meeting/trip	Traveler claims
Home	Airport on approved travel status	Traveler claims
Home Campus	Alternate Campus/worksite/business meeting/trip	Traveler claims

Table A3: Meal / Per Diems (including tips and taxes) while on Travel Status

Meals received without charge or paid for from public funds should not be claimed (e.g., when an outside party covers the costs or the meal included as part of a conference fee).

Maximum Rates (including taxes & gratuities)	Travel within Canada CAD \$	Travel within USA USD \$	Travel within Great Britain GB \$	Travel within Europe Euros \$	Travel rest of the world CAD \$
Breakfast	\$20	\$20	\$20	\$20	\$20
Lunch	\$20	\$20	\$20	\$20	\$20
Dinner	\$35	\$35	\$35	\$35	\$35
Total for Day	\$75	\$75	\$75	\$75	\$75

Table A4: Other Expenses

Reimbursement	Rates
Private Accommodation	\$50.00/night Receipts not required
Gratuities on Meals (Business meeting expense)	15% maximum
Personal Vehicle Usage	\$0.53/kilometer Receipts not required Insurance on personal vehicles is included in the mileage (per kilometer) reimbursement rate. Additional cost of insurance coverage beyond to and from work is reimbursable at the department's expense only where the frequency of use necessitates this coverage. For externally funded research projects, the expense is conditional on this being defined as an eligible expense by the funding agency.
Gifts for KPU Employees	\$75.00 maximum, Gifts for employees are reimbursable only for employee recognition such as retirements, achievements, and similar purposes. All other employee gifts are not reimbursable (i.e. cake, lunches, flowers for employees leaving). Exceptions: Entertainment and gifts are ineligible on externally sponsored grants and contracts unless written sponsor approval has been provided. Gifts of alcohol or gift cards of a direct supplier of alcohol are not reimbursable.
Employee Engagement Fund	\$50.00 per employee per year
Honoraria	\$500.00 maximum Up to \$2,500.00 with Presidential approval

Appendix B: Standard Distances between KPU Campuses

Table B1

	Richmond Campus	Langley Campus	Cloverdale Campus	Surrey Campus
From SURREY Campus to:				
<i>One Way</i>	24 km	19 km	14 km	-
<i>Return</i>	48 km	38 km	28 km	-
From LANGLEY Campus to:				
<i>One way</i>	43 km	-	7 km	19 km
<i>Return</i>	86 km	-	14 km	38 km
From CLOVERDALE Campus to:				
<i>One Way</i>	37 km	7 km	-	14 km
<i>Return</i>	74 km	14 km	-	28 km
From RICHMOND Campus to:				
<i>One Way</i>	-	43 km	37 km	24 km
<i>Return</i>	-	86 km	74 km	48 km