

Policy History
<b>Policy No.</b> FM5
<b>Approving Jurisdiction:</b> President
<b>Administrative Responsibility:</b> Chief Financial Officer
<b>Effective Date:</b> October 1, 2024

## 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. Examples of reimbursable expenses in this category include: team lunch, holiday lunch, team-building event, meeting refreshments, cake and card for employee farewell gathering, and flowers in the case of bereavement. Please note that gifts for employees are not reimbursable under this category (please see Table A4 in this Procedure) and alcohol is not reimbursable. Additionally, these funds are not directly payable to employees, nor are the funds spent at the employees’ discretion.
  
- 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. Reasonable Expense:** An expense that, in its amount and nature, demonstrates prudence, good judgement, and due diligence; reflects moderation and

defensibility to an impartial observer. KPU will accept and reimburse out-of-pocket, University business travel and related expenses that are legitimate, reasonable, and appropriate for the business activity undertaken. The claimant may not request reimbursement on behalf of another individual.

7. **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.
8. **University region** Also known as the [Metro Vancouver Regional District](#).
9. **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. [Honarium 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. Pre-approval
    - i. The employee completes and submits the online Trip Request via the Concur/Vision Travel website, or completes the Travel Request Authorization Form, to obtain one-over-one pre-approval at the earliest available opportunity **prior** to the expected travel date.
    - ii. International travel plans, including annual international recruitment travel plans, require **pre-approval** from the corresponding Vice President. Those employee's reporting directly to the President require the President's pre-approval. The President's travel plans require approval from the Board Chair.
    - iii. 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, ride sharing) for the number of days the employee will be on travel status. The minimum travel advance is \$200.

- iv. In the event that the actual costs incurred for a business trip exceed the original dollar amount approved through the pre-approval process by the greater of 15% or \$500, the reimbursement of the expense(s) will be put on hold. At this time Financial Services will follow-up with the employee and the employee's one-over-one approver for additional details on why the actual amount incurred exceeds the amount approved. If the difference is deemed reasonable, the reimbursement will proceed. If not, the excess amount over what was approved may not be approved or reimbursed.

If an employee seeks reimbursement above what was approved, by the greater of 15% or \$500, more than two times in a 12-month period, and the difference was not deemed reasonable on those two occasions, the employee's ability to travel on University business may be suspended for a period not to exceed one-year. Continued violation of this procedure, beyond the initial one-year travel suspension, may result in disciplinary measures, including but not limited to further travel suspensions.

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:
  - a. the actual travel expenses; or
  - b. 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 Resources. KPU employees without EHC Benefits require preapproval through a Health and Benefits Specialist within Human Resources in advance of any business travel. If an employee is unsure as to whether or not they have EHC Benefits, they should check with Human Resources.
- ii. Employees are encouraged to review the Employee Travel Assistance brochure available on the Human Resources SharePoint site prior to planning travel to ensure appropriate travel coverage.
- iii. KPU does not provide, or reimburse for, travel insurance for lost or damaged personal property.

d. Flight Cancellation Insurance

Flight cancellation insurance enables travelers to be reimbursed for the cost of cancelled airline flights when the cancellation was due to events that are not under the control of the traveler (i.e. medical reasons). The cost of flight cancellation insurance is a reimbursable expenditure. In the event that such insurance is used (e.g. the travel cancels their flight for medical reasons) that amount reimbursed by the insurance provider is to be remitted to KPU.

e. Tickets Purchased using Loyalty Program Points or personal airline vouchers/credits

Travelers should not use their personal points from loyalty programs or personal airline vouchers/credits for KPU related travel. Should they choose to do so, they shall not claim reimbursement for the 'equivalent' cost of the airline ticket. KPU will only reimburse the cost of taxes and surcharges actually paid by the traveler.

f. Visas and Travel Papers

Travelers are eligible for reimbursement for expenses related to securing travel visas and travel papers for KPU related travel.

**2. Original Receipts**

- a. Original itemized receipts must be submitted for all Purchase Card (PCard) charges and expense claim charges, with the exception of the per diems listed in Table A3 below. In circumstances where the original itemized receipt is missing or lost, a Missing Receipt Declaration form must be completed and signed by the PCard holder, or the person claiming the expense, as well as their one-over-one supervisor.
- b. Employees who fail to submit original itemized receipts more than three times in a 12-month period may have their travel and/or expense charging privileges revoked.

**3. 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). The rental of luxury or sports cars will not be reimbursed.
  - iii. Wherever possible, employees shall secure rental vehicles under a University-wide Agreement (“UWA”) which already includes some insurance for employees of KPU.

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.

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:
  - a. *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.
  - b. *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.

c. *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

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. 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.

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 may not use their University PCards (Purchase Cards) to pay for meals unless the meal qualifies as a Hospitality expense as defined above and has been pre-approved. The applicable rate can be found in [Appendix A, Table A3](#).
- 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 and 6.b. for additional information on foreign exchange transactions
- 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 meal.

d. Acceptable Modes of Transportation

- i. KPU employees travelling on University business can use, and will be reimbursed for, the following modes of transportation:
  - a. Air
  - b. Bus
  - c. Train
  - d. Rental Car
  - e. Taxi

- f. Uber/Lyft or other recognized commercial ride hailing service
    - g. Use of personal vehicle, when the reimbursement for such does not exceed the cost of full economy airfare to the same destination
  - ii. Receipts are required for all transportation charges, with the exception of the per km rate applicable to the use of personal vehicles.
- e. 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.
- f. Travel Expenses that are not reimbursable include, but are not limited to:
- i. Interest charges on outstanding charge card balances whether or not such interest is calculated on reimbursable expenses
  - ii. Loss or damage to personal items
  - iii. Personal expenses for kennel fees, movies and mini-bar charges
  - iv. Expenses of family members unless pre-authorized as KPU business
  - v. Expenses for failure to cancel transportation or hotel reservations
  - vi. Passport expenses
  - vii. Excess personal baggage

#### 4. 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.

- vi. Parking and traffic fines are not reimbursable.
  
- 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. KPU employees will not be reimbursed for tips/gratuities in excess of 15%.
    - a. 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.
    - b. 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.
    - c. 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.
    - a. Employees are paid honoraria payments through Payroll, subject to statutory source deductions, without KPU benefits (i.e. no pension benefits).
    - b. Non-employees are paid honoraria payments through Accounts Payable.

## **5. 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. Any expense submitted without a receipt is not reimbursable by the KPU, with the exception of meal per diems, mileage and private accommodation or a duly approved Missing Receipt form.
- 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.

- f. Expense Reports submitted more than one year after the travel occurred may not be reimbursed without the approval of the Executive Director, Financial Services. All expense reports must be submitted for payment in the same financial (fiscal) year as the expenses were incurred.

## **6. General**

- a. WorkSafe BC Insurance Coverage
  - i. WorkSafe BC coverage may be applicable and available to employees who are injured while performing University business away from their normal place of work. Inquiries about this coverage should be directed to the Occupational Health and Safety department.
- b. Foreign Exchange Rate
  - i. For expenses that were incurred in a currency other than Canadian dollars, one of the two following methods will be used to calculate the foreign exchange:
    - i. Where supporting documentation (i.e. a credit card statement) has been provided that clearly shows the foreign exchange rate used and the Canadian dollar equivalent charged, this rate will be used for reimbursement purposes. Please note that personal declarations of the foreign exchange rate will not be accepted.
    - ii. When supporting documentation, such as a credit card statement, has not been provided, Accounts Payable will use the Bank of Canada's ending day exchange rate for the date on which the transaction occurred.
- c. Technology and Software Purchases
  - i. All technology and software purchases must be purchased through KPU's Information Technology (IT) department.
  - ii. Employees will not be reimbursed for technology or software purchases through the expense report submission process unless they are an employee of the IT department and the purchase has been pre-approved by a Director in IT, or the employee has been directed by IT to purchase the item on their own (proof of such direction from IT is required in order for reimbursement to occur).
  - iii. A University PCard may not be used to purchase technology or software. Failure to follow these procedures may result in the employee's PCard being suspended or canceled.
- d. Capital Expenses
  - i. Employees will not be reimbursed for capital asset purchases, such as: computers, furniture and equipment, through the expense report submission process. All capital purchases must follow the Procurement policies and guidelines.
  - ii. A University PCard may not be used to purchase capital assets. Failure to follow these procedures may result in the employee's PCard being suspended or canceled.

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

**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).

The Incidental allowance listed in the table below is meant to provide for gratuities and other minor fees or costs that are attributed to a period of work related travel, but for which no other reimbursement or allowance is provided. Examples of incidental expenses that would be covered by this allowance include: bagger handler tips, hotel staff gratuities (i.e. room cleaning service), water, coffee, light snacks, bus/tram tickets, phone calls, plant watering, and home security checks.

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	\$22.80	\$22.80	£20.55	€20.55	\$22.80
Lunch	\$23.05	\$23.05	£34.70	€34.70	\$23.05
Dinner	\$56.60	\$56.60	£45.55	€45.55	\$56.60
Incidental allowance	\$17.30	\$17.30	£32.26	€32.26	\$17.30
<b>Total for Day</b>	<b>\$119.75</b>	<b>\$119.75</b>	<b>£133.06</b>	<b>€133.06</b>	<b>\$119.75</b>

**Table A4: Other Expenses**

Reimbursement	Rates
Private Accommodation	\$50.00/night This amount is intended to allow the employee to afford a gesture of appreciation for hosts who have provided accommodations at no cost. Claimants must familiarize themselves with <b>Policy No. HR1 Conflict of Interest.</b>
Gratuities on Meals (Business meeting expense)	15% maximum
Personal Vehicle Usage	\$0.575/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.

<p><b>Gifts for KPU Employees</b></p>	<p>\$75.00 maximum,</p> <p><b>Gifts for employees are reimbursable only for employee recognition such as retirements, achievements, and similar purposes. All other employee gifts are not reimbursable.</b></p> <p><b>Exceptions:</b> Entertainment and gifts are ineligible on externally sponsored grants and contracts unless written sponsor approval has been provided.</p> <p>Gifts of alcohol or gift cards of a direct supplier of alcohol are not reimbursable.</p>
<p><b>Employee Engagement Fund</b></p>	<p>\$50.00 per employee per year</p> <p>Please refer to <a href="#">Section A.1.</a> above for examples of reimbursable items.</p>
<p><b>Honoraria</b></p>	<p>\$500.00 maximum</p> <p>Up to \$2,500.00 with Presidential approval</p>

## Appendix B: Standard Distances between KPU Campuses

**Table B1**

	Civic Plaza Campus	Richmond Campus	Langley Campus	Cloverdale Campus	Surrey Campus
<b>From SURREY Campus to:</b>					
<i>One Way</i>	8 km	24 km	19 km	14 km	-
<i>Return</i>	16 km	48 km	38 km	28 km	-
<b>From LANGLEY Campus to:</b>					
<i>One way</i>	22 km	43 km	-	7 km	19 km
<i>Return</i>	44 km	86 km	-	14 km	38 km
<b>From CLOVERDALE Campus to:</b>					
<i>One Way</i>	17 km	37 km	7 km	-	14 km
<i>Return</i>	34 km	74 km	14 km	-	28 km
<b>From RICHMOND Campus to:</b>					
<i>One Way</i>	34 km	-	43 km	37 km	24 km
<i>Return</i>	68 km	-	86 km	74 km	48 km
<b>From CIVIC PLAZA Campus to:</b>					
<i>One Way</i>	-	34 km	22 km	17 km	8 km
<i>Return</i>	-	68 km	44 km	34 km	16 km