

Enter Policy Number Here: Travel and Business Expense Policy

Policy Title:	Travel and Business Expense Policy
Policy Number:	
Owner:	Director of Finance
Approved by:	CLT
Effective Date:	September 1, 2015
Reference:	
Links to Other Policy:	Purchasing Policies

St. Lawrence College is committed to making our resources usable by all people, whatever their abilities or disabilities. This document will be made available in alternative format upon request.

BACKGROUND

Definitions:

It is College policy to reimburse employees, Board members, consultants, contractors, and other claimants for ordinary, necessary and reasonable expenses when directly related to the transaction of approved and legitimate College business.

Legitimate College business means:

- there is the expectation of deriving some current or future benefit for the College
- the claimant is actively engaged in a business meeting or activity required by the college.
- there is a clear business purpose for entertainment.

Purpose:

This policy has been developed to provide clear and consistent guidelines on the reimbursement of travel, hospitality, and other approved College business expenses, as well as the issuance and use of College corporate credit cards.

As per the Broader Public Sector Expenses Directive this policy is based on four key principles:

Accountability

Organizations are accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses support business objectives.

Transparency

Organizations are 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

Taxpayer 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

Legitimate authorized expenses incurred during the course of the business of an organization are reimbursed.

Scope:

The expense rules apply to any person in the organization making an expense claim, including the following:

- Appointees
- Board members
- elected officials (e.g. school trustees)
- employees
- consultants and contractors engaged by the organization, providing consulting or other services

POLICY STATEMENTS

General Responsibilities

Claimant:

The claimant is responsible for ensuring that claims include only expenses which are:

- incurred while conducting College business
- reasonable and necessary and within the guidelines of this policy
- accurate and appropriately documented
- not part of any other claim to the College or to any other organization

To reduce the possibility of a claim being denied, the claimant is advised to obtain all appropriate approvals before incurring expenses. It is mandatory that all international travel and hospitality involving alcohol have approval before the expense is incurred.

Claims must be submitted within 90 days of the incurred expense. Claims over 90 days can be denied.

In the event of an expense claim for a group, the claimant must be the most senior person present.

In the event an employee is leaving the organization, all claims must be submitted before leaving.

Approver:

The person authorized to approve the expenses is responsible to certify that:

- the expenses fall within the guidelines of this policy and are reasonable and necessary
- appropriate documentation is accurate and is attached to support the claimed expenses
- explanations and prior approvals are attached to the expense claim
- the expenses are charged to the proper general ledger account code (including operating unit, department, program code and account)
- sufficient budgeted funds are available for disbursement

It is expected that claimants and approvers will exercise their best judgment to ensure “value for money” for the College. Expenses claimed in excess of what is considered reasonable will not normally be reimbursable.

College Executive Team (CET):

The CET is responsible to ensure compliance with this policy in their divisions. The CET members may make exceptions to this policy in cases of extenuating circumstances. In this case, a letter of explanation approved and signed by the CET member should be submitted with the expense documentation.

Financial Services:

Financial Services is responsible for:

- providing the college community with advice and guidance relating to the reasonability of expenses
- reviewing expense claims for accuracy, compliance to the policy, and documentation
- promptly processing properly approved and documented claims for payment
- should there be a situation where there is an overpayment to a claimant, it is considered a debt owing to the college and must be repaid.

Documentation

Requests for reimbursement of business expenses must be submitted on the Expense Report form (available on St. Lawrence College's Intranet site).

Original receipts are required for all expense reimbursement. Photocopies, credit card statements, credit card slips and cancelled cheques are not acceptable as receipts. If receipts are lost, it is the claimant's responsibility to obtain acceptable proof of the expense.

All expenses must be substantiated with adequate records. This substantiation must include information relating to:

- the amount of the expenditure
- the time and place of the expenditure
- the business purpose of the expenditure

Approvals

Expense Report forms, together with required documentation, must be signed off by the claimant's immediate supervisor for one-over-one review and approval.

In the absence of the immediate supervisor, approval from the next higher level of supervision is required. Signing authority may be delegated to another Manager in writing with CET approval. Approvers are prohibited from approving their own expenses.

Consultants and Other Contractors

Consultants and other contractors will not be reimbursed for any hospitality, incidental or food expenses, including:

- Meals, snacks and beverages
- Gratuities
- Laundry or dry cleaning
- Valet services
- Dependant care
- Home management
- Personal telephone calls

Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

Foreign Exchange

Cash transactions claimed in foreign currencies must be translated to Canadian dollars using the Bank of Canada exchange rates at www.bankofcanada.ca/rates/exchange

All other transactions must provide supporting documentation (credit card statement if applicable) and submitted with the expense claim.

Tips / Gratuities

Travelers may be reimbursed for reasonable gratuities for hotel room services, meals and taxis. It is the claimant's responsibility to keep a record of gratuities paid. An acceptable amount for gratuities would be 10%-20%.

Travel

Where practical, the most cost effective route and mode of travel must be made. For example, public transportation should be used if it is cheaper than the use of personal vehicles; and, where a number of employees are travelling to the same destination, shared travel arrangements should be made where possible.

Travel must be approved by the employee's one-over-one in advance. Employees will not be reimbursed for additional costs incurred for indirect routes or stopovers taken for personal reasons.

Insurance

Eligible college employees are covered under the employer's health insurance plans in the event of illness or injury. The cost of additional private medical/health insurance will not be reimbursed for travel within Canada. Eligible employees have basic insurance for accidental injury or accidental death. Extra insurance may be arranged at the traveller's expense. It will not be reimbursed.

Eligible college employees are covered for emergency out of country extended coverage.

Air/Rail/Bus

Employees are expected to travel using the best available fare in economy or coach. The original stub of the airline, rail, or bus ticket must be attached to the expense claim.

Travel by business class may be acceptable with prior one over one approval in limited circumstances such as:

- the need to work with a team

- choosing a travel time that allows you to reduce expenditures on meals or accommodation
- documented medical reasons

VIA Rail Agreement

The College currently has an agreement with VIA to receive a 15% discount on VIA's "best available regular public fare" at the time of purchase for staff and up to 3 additional passengers. The discount can be applied to leisure and business travel. Further information can be requested from VIA at 1-888-842-7245. To obtain discount quote

VIA Rail identification number 709508.

Personal Vehicle

The College will pay an allowance for the use of the claimant's vehicle while driving on authorized College business. The current rate is listed on the Expense Report form. The kilometer rates are inclusive of all operating costs such as gasoline, repairs and insurance, etc. therefore, gas receipts for a personal vehicle will not be reimbursed.

Rates are based on kilometres from April 1 of each year (fiscal year).

Total KM Driven Per Fiscal Year	Per KM
0 – 4,000 km	0.40
4001 – 10,700 km	0.35
10,701 – 24,000 km	0.29
More than 24,000 km	0.24

Reimbursement is provided for necessary and reasonable expenditures for parking, as well as tolls for bridges, ferries and highways. Traffic fines such as parking or speeding tickets will not be reimbursed.

If a private vehicle is used for approved College purposes, the owner must ensure that the personal car insurance on the vehicle is adequate. A minimum of \$1,000,000 third party liability is recommended. It is the owner's responsibility to ensure that the motor vehicle insurance includes coverage for business use of the vehicle. The college is not responsible for reimbursing deductible amounts related to insurance coverage. In the event of an accident, the traveler will not be permitted to make a claim to the college for any resulting damages.

Public Transportation, Taxis, Shuttle Services

When away on business the general practice is to use the lowest cost method of public transportation. Shuttle bus services should be used for transportation to or from an airport, train, or bus station if available.

Reasonable small expenditures, such as transit tickets and subway tokens, where it is either impractical or impossible to acquire receipts may be claimed on the Expense Report form with an explanation of the purpose of the expense.

Rental Cars Reimbursement

When traveling from home to a meeting or traveling from one's regular campus to another campus and then directly home, the basis for reimbursement is the incremental kilometres driven. The incremental kilometrage is the total kilometres driven less the normal round trip from home to the employee's regular campus. Details of these trips must be provided.

Reimbursement for rental cars will only be allowed when there is a demonstrated cost saving over other modes of transportation and/or other modes of transportation are not practical or available.

The College carries both property and liability insurance for non-owned autos. Therefore, when employees are required to rent a vehicle in the College's Name for College business the collision and comprehensive insurance coverage with the rental agency can be declined. The only time the rental agency insurance should be purchased is when the vehicle is rented for student use. You should be aware of the following:

- a vehicle can NOT be rented for more than 30 consecutive days;
- the College name has to appear on the rental agreement, otherwise the employee's personal insurance will be the default insurer;
- ensure ALL drivers of the vehicle are listed on the rental agreement;
- coverage is for private passenger vehicles weighing no more than 4500 lbs. with a value of no more than \$100,000;
- NO buses, exotic, antique, or expensive cars are covered and vans over 8 passengers are NOT covered;
- walk around inspection of vehicle required prior to renting;
- in event of an accident, a Police report is mandatory and all accidents have to be reported to the rental agency and Finance within 48 hrs.;
- the College deductible is payable by the department that authorizes the rental;
- whenever students are involved, as either passengers or renters on behalf of the College, all coverage should be taken through the rental agency.

If there is a need to rent a vehicle other than specified above, ALL insurance should be taken through the rental agency.

Accommodations

College employees qualify for Government of Ontario hotel room rates and should ensure that they are requested unless other lower rates apply. A standard room should be requested.

The complete itemized hotel bill must be submitted for reimbursement. Credit card receipts and express checkout receipts, which do not provide an itemized list of expenses incurred, are not acceptable documentation for reimbursement.

Penalties incurred for non-cancellation of guaranteed reservations are the claimant's responsibility and may be reimbursed only in an exceptional circumstance.

Persons staying with friends or relatives may claim \$30 per night in lieu of accommodation cost.

Meals

The College will reimburse legitimate claimants for the cost of meals while travelling on pre-approved College business away from the College. Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense.

Original, itemized receipts are required and reimbursement must not exceed the actual amount spent.

Reimbursement for meal expenses in Canada is subject to the maximum rates set out in the chart below. Taxes and gratuities are included in the meal rates.

Meals	Maximum Amount
Breakfast	\$10.00
Lunch	\$10.00
Dinner	\$20.00

Where more than one meal is claimed for any day you may allocate the combined maximum rates between meals. However, you must have incurred the meal expense to be able to submit a claim for reimbursement. For example, if you are claiming both breakfast and lunch, you can claim the combined amount of \$ 20 regardless of what you spend on each meal. With approval and receipts the maximum rate guidelines may be exceeded where necessary and within reason.

Incidental Expenses

If travelling on business for five consecutive days or more, reimbursement is allowed within reasonable limits for expenses such as:

- Laundry
- Dry cleaning
- Hotel valet services (e.g., shirt pressing, suit steaming, shoe polishing, etc.)

Business Related Hospitality

The College recognizes that it may be necessary to entertain business associates in connection with College business. Reasonable expenses are allowed. It is the responsibility of the individual approving the expenses to ensure the expenses are legitimate and reasonable in nature.

Examples include:

- official visits from outside groups
- ceremonies
- conferences and special events
- staff authorized to host guests or clients on behalf of the College
- authorized committee meetings over meal hours or beyond normal working hours.

Business-related hospitality meals and entertainment should be reported as a meeting expense, outlining the circumstances of the event, the format (meal, reception, refreshments, etc), the location, the number of participants and their affiliations. Original receipts are required for all expenses.

College Staff - Expenses are not allowed for entertainment of fellow college staff unless part of an approved College activity. These expenses must have the prior approval of the appropriate College Executive Team member.

All expenses related to expressions of appreciation, condolence, retirement etc. are the responsibility of the employee, and shall not be recoverable through college funds unless exceptional circumstances apply.

In all cases the most senior level employee present will account for the business-related hospitality expenses.

Excluded Expenses

The following expenses are not eligible for reimbursement:

- charitable donations
- alcohol (except where provided as part of a College activity as approved by a CET member)
- expenses which are recoverable from a third party

Personal expenses including, but not limited to the following, are not eligible for reimbursement:

- additional expenses related to a travelling companion (e.g. meals for second person, double occupancy charges)
- personal expenses on hotel bills such as health clubs or movie charges, etc.
- personal items such as luggage, toiletries, reading materials
- lost luggage – airlines/railways/bus companies are responsible
- service charges relating to the late payment of credit card charges
- car washes
- traffic and other fines and court costs

Business-related that should not be charged to expense claims include:

- office supplies
- computer hardware or software – all requests should be forwarded to the IT order desk
- office furniture
- honoraria, contracted services

Travel Advances

Reasonable advances will be provided to employees upon the written authorization of their supervisor where individuals are not holders of College credit cards.

All advances are to be cleared by submission of a completed Expense Report form and the reimbursement of any unexpended funds. The employee is responsible for the settlement of any advance that has been issued no later than 10 business days after the return from travel.

The College will not issue a travel advance to anyone who has failed to account for a previous advance.

Audit

All expense claims and travel advances are subject to subsequent audit. Ineligible expenses identified through an audit shall be reimbursed to the College by the claimant.

MONITORING

POLICY REVISION DATE

SPECIFIC LINKS