
Title	Business and Travel Expense		
Effective Date	2019 Jan 01 until further notice	Oversight & Responsibility	VP & CFO; Finance
Approval	Executive		

This directive is applied in a manner consistent with applicable statutory and legal obligations, including university collective agreements and terms of employment, and the parent policy.

NOTE: The most up-to-date versions of our approved directives are posted on the policy & procedure website. If you printed this directive, check the website to be sure you have the current version.

1. Definitions

- 1.1 **Approver** – The person with authority to make approvals of expense claims under the Business and Travel Expense Directive
- 1.2 **Claimant** – Any person making a claim under the terms of the Business and Travel Expense policy
- 1.3 **Employees** – all persons on the payroll of the university
- 1.4 **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:
 - a) The hosting of an external individual;
 - b) Employee only activities; or
 - c) Gifts to external individuals or employees.
- 1.5 **Managerial discretion** – The administrative authority to make decisions and choices with a reasonable degree of flexibility while maintaining compliance with this policy
- 1.6 **Travel and meal expenses** – The costs and allowances incurred by an individual in the course of university business and include:
 - a) travel, including transportation, accommodation, meals and incidentals incurred on behalf of a claimant as outlined in this directive, and
 - b) expenses paid by reimbursements of expense claims, purchases on university issued procurement credit cards and expense related to the above activities.
- 1.7 **Trip** – A trip relates to travel outside of the Greater Victoria area. A trip begins the date a traveller leaves their home base and ends the date a traveller returns to their home base. A trip may include multiple purposes, cost centres, and personal travel.

2. Managerial Discretion

- 2.1 There is no discretion to depart from the intent and policy statements of the Business and Travel Expense policy.
- 2.2 When exercising discretion within this directive, the rationale must be documented and filed with the Expense Claim form.
- 2.3 Approvers are accountable for their decisions, which must be:
 - a) subject to good judgement and knowledge of the situation;
 - b) exercised in appropriate circumstances; and

c) compliant with the intent and mandatory requirements as set out in the Business and Travel Expense policy and directive.

2.4 When a request arises and discretion needs to be exercised, approvers must also consider whether the request is:

- a) able to stand up to scrutiny by the auditors and members of the public;
- b) properly explained and documented; and
- c) reasonable and appropriate.

3. Pre-Approval Requirements

3.1 **Pre-approval Requirements** - All business and travel requires pre-approval. Approval levels are:

Destination	Approver	Documentation
Within Canada	Individual one level up from claimant on org chart and appropriate spending authority if individual one level up does not have spending authority	Travel Approval form
International (outside Canada)	Minimum of Vice President of relevant business unit* or President	Travel approval form

*The relevant business unit is determined based on the business unit to which the costs will be charged.

3.2 **Pre-approval form** - The claimant will provide the pre-approver with a Travel Pre-Approval form which outlines the business purpose for travel and shows the estimated costs in foreign (if applicable) and Cdn dollars. The Travel Pre-Approval form will include information on amounts that are reimbursable from a third party, including research funding agencies, to facilitate third party billing.

The Travel Pre-Approval form will include the following information on meals that are included in conferences, courses and flights and itineraries to support meal per diems:

- Conference/Workshop/Training Course agendas and airline tickets showing the meals included in the fees, and
- Travel itineraries or transportation receipts with departure time and return time where per diems for meals and/or incidentals will be claimed.

This documentation must be submitted with the expense claim for reimbursement to the claimant.

3.3 **Responsibilities of Pre-approver** - When pre-approving and approving the business and travel expenses, the approver is accountable for ensuring that the nature/purpose of the business and travel and the quantum of the estimated and actual costs comply with the policy and this directive.

A copy of the signed Travel Pre-Approval Form must be submitted by the pre-approver to Financial Services prior to the business travel.

3.4 **Assigning of Business Travel Number** – Financial Services will assign a sequential reference number to the business travel and communicate the trip number to the traveller.

4. General Principles

- 4.1 **Modes of Travel** - When travel is authorized, the most direct, practical, and cost effective route and mode of transportation should be used. Additional costs for luxury modes of travel, such as business or first-class airfare or luxury model car rentals, are generally not reimbursable expenses.
- 4.2 **Third Party Funding** - Expenses incurred that are to be funded by a third party, including research funding agencies, must adhere to the policies and procedures of the funding agency, in addition to those of the university. Where an expense is permitted by the third party, but not the university, the expenses may be reimbursed from the funding agency, at the discretion of the university.
- 4.3 **Loyalty Programs** - Generally, air fares must be billed directly to the university (i.e. not paid by the employee personally). Where expenses have been paid personally, the university allows benefits accrued under such programs to be used for business and personal use. Staff that use the benefits for personal use are reminded that the benefits have been funded by the university or third party sponsors and should ensure compliance with the Canada Revenue Agency rules related to self-reporting of loyalty points. <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/bnfts/lylty/menu-eng.html>
- 4.4 **Net Expense** - Where an employee receives a discount, credit, or bonus for travel that reduces the original travel cost, only the net expense may be claimed. This subsection is not applicable when the claimant receives a rebate, credit or privilege for using a personal credit card.
- 4.5 **Claimable Expenses with a Receipt** - When travelling on university business, a claimant may claim the expenses outlined in this Directive. All reimbursements (other than per diems) must be supported by receipts (Electronic or hard copy). Airline travel must be supported by a boarding pass.

5. Air Travel

- 5.1 **Booking of Flights** – Air travel will be reimbursed at actual cost for an amount not exceeding the lowest economy fare travelling by the most direct route. Wherever possible, claimants must take advantage of discounts by booking in advance or using the university's advanced purchase fares (i.e. helijet, etc.). Claimants should as far as practical use travel agents determined by the university to arrange flights and arrange for payment to be made by the university's Financial Services Department.
- 5.2 Travel by air at a class higher than economy requires approval by the Vice-President of the claimant's business area or the President. These instances should be rare and only in circumstances where the trip is over eight hours.
- 5.3 **Cancellation of Flights** – The university will reimburse the claimant where cancellation has occurred prior to the scheduled departure which necessitated by:
- a) Sickness, bodily injury or death of the traveller,
 - b) Complications related to pregnancy of the traveller,
 - c) The traveller being required to attend jury duty or being subpoenaed as a witness,
 - d) The unilateral cancellation of a business meeting by the person with whom the meeting has been arranged in advance,
 - e) Non-issue of a travel visa for reasons beyond the control of the traveller, other than late application, and
 - f) Redirection of activities by the university.

6. Ground Transportation

- 6.1 **Reasonable Expenditures** – Reasonable expenditures for taxis and public transportation to and from airports, between appointments, hotel locations and meeting locations are reimbursable, including gratuities for service.

6.2 Vehicle Rentals – Vehicle rental is required for trips over 200 kilometers return. When procuring a rental vehicle, an intermediate or smaller car is preferred; however, the size and type of rental car should be appropriate for the number of people in the car, road conditions, and nature of need. Reimbursable expenses include: rental fees; kilometer/mileage charges by the car rental agency; liability, collision and comprehensive insurance costs and fuel charges. In-car navigation systems and electronic toll payments (where appropriate) are reimbursable expenses; however, all other convenience options are non-reimbursable.

6.3 Eligible Vendors – The university is eligible for BC Government Corporate Supply Agreement (CSA) rates for vehicle rentals within BC. To identify a rental agent within BC, travellers must refer to the list of approved suppliers on the BC Government's Procurement Services website <https://www2.gov.bc.ca/gov/content/governments/services-for-government/bc-bid-resources/goods-and-services-catalogue/daily-vehicle-rentals>.

6.4 Government Rates - To obtain the Government rate, renters must quote the corporate ID number listed for the approved supplier. Renters should ensure the Corporate Identification number appears on the rental agreement to ensure the correct rates and terms and conditions are applied.

6.5 Rental Vehicle Insurance - All required insurance is already included for in-province business and travel in vehicles rented under the Province's Vehicle Rental CSA. Travellers must not therefore purchase any additional insurance (collision, personal accident etc.). Accepting any other 'special' offer may invalidate the existing insurance.

Important note: if you are renting a vehicle that is not described in the CSA, then insurance may not be included. Obtain written assurance that the terms and conditions of the government CSA will apply, or purchase necessary insurance.

6.6 Out-of-Province Rentals - Renting vehicles while out-of-province or from a non-participating (non-CSA) in-province rental agency presents extra risks. Renters should follow the instructions provided at: <http://www2.gov.bc.ca/gov/topic.page?id=DE9F5D24BA214171B7DBF0B8CF8C7DE1>

to ensure the university and themselves are adequately covered regarding risk and liability.

The renter must ensure that adequate liability, collision and comprehensive insurance are covered. Liability, collision and comprehensive insurance costs are eligible for expense claims for vehicles rented out of province.

6.7 Reimbursement Rates - Business travellers using their private automobile for university business will be reimbursed at a rate set out in the Business and Travel Rate Schedule.

6.8 Calculation of Kilometres - For staff based at the university, distances should be claimed from the university campus except where the traveller is departing from home and the distance from home is shorter than the distance from the campus.

Travel to and from work is considered a personal expense and is not claimable.

6.9 Private Vehicle Insurance - Business travellers who use their private vehicles for university business are responsible for obtaining appropriate vehicle insurance. The cost of insurance coverage is considered a part of "operating costs," which is covered by the cents-per-kilometer reimbursement.

6.10 Buses and Taxis – Claims for taxi costs while travelling on business will be reimbursed only when other more economical means of transportation are either unavailable or unsuitable.

6.11 Ferries – Ferry fares and reservation fees will be reimbursed at the rate shown on the original ferry receipt. Reservation service costs should only be made during peak travel periods. Individuals are responsible for the costs associated with cancellations, except in exceptional circumstances (i.e. they are involved in a traffic accident enroute).

6.12 Miscellaneous Costs - Miscellaneous transportation expenses such as parking and road tolls are reimbursable subject to the presentation of original receipts where possible.

7. Meals and Accommodations

7.1 Reasonable Accommodations – When a claimant is travelling on university business and overnight accommodation away from the claimant's residence is necessary, reimbursement will be made for the actual cost of reasonable accommodation in a hotel, motel or other similar establishment with the required detailed receipt or paid invoice. When travelling in B.C., claimants are to use BC. government established rates or Canadian Association of University Business Officers (CAUBO) rates where available: <http://csa.pss.gov.bc.ca/businesstravel/> http://www.caubo.ca/supplier_contracts/hotels

Travellers should be mindful of the university's public sector status when choosing hotels. The university will not reimburse the cost of luxury hotels (5 star rated hotels), except when the traveller can demonstrate that the choice of hotel was the most economic or practical option or no alternative accommodation was available. Guaranteed late arrival charges are permissible.

Additional costs for the use of a kitchen unit in a hotel/motel cannot be claimed. South Vancouver Island accommodation is not reimbursable for claimants ordinarily resident in the region.

7.2 Additional Occupant – If the hotel charges include additional charges for additional occupants not travelling on university business, the additional charges for the additional occupants are personal and not reimbursable expenses.

7.3 No-Show Charges - No-show charges will only be reimbursed if incurred due to external travel circumstances beyond the business traveller's control such as a delayed flight, cancellation, or medical emergency.

7.4 Private Accommodations –Business travellers may be reimbursed for modest gratuitous gestures of appreciation for colleagues, relatives or friends who provide accommodation or meals, up to amounts outlined in the Business Travel Rate Schedule.

7.5 Meals and Per Diems - When a claimant is travelling on university business, reimbursement will be made for meals and other incidentals in accordance with the per diem rates and rules established in the Business Travel Rate Schedule.

The university will not reimburse a claimant for meals which are already included in another expense (i.e. training courses, conference fees, or airline tickets). If hospitality expenses are incurred as part of the trip the hospitality policy rules and limits will apply.

8. Other Travel Costs

8.1 Local and Long Distance Charges –Local and long-distance business and internet business usage charges are claimable expenses. Personal calls and internet usage that allow business travellers to stay in reasonable contact with their immediate family are also reimbursable. It is the claimant's responsibility to ensure that the most cost-effective means of communication is used.

8.2 Call Plans - Call plans arranged by the university or its operations outside of Canada should be used if and where applicable when it is the most cost-effective means of communication. For example,

purchases of international phone cards in the host country to minimize communication expenses are permitted, providing this is the most economic means of communication.

8.3 Courier and Mail Charges - Courier and mail charges are reimbursable for business-related materials being shipped to/from the business traveller's location.

8.4 Gratuities - Tips/gratuities are a reimbursable expense and should be appropriate to the location, service level and local protocol and will not exceed the rates shown in Business Travel Rate Schedule.

8.5 Dependent Care - Overnight dependent care expenses when travelling may be required under special circumstances. Dependent care expenses must be pre-approved by the Vice-President of relevant business unit of claimant.

8.6 Spousal Travel – Travel expenses for a spouse are allowable if it can be shown that the spouse's presence is essential and directly contributes to the accomplishment of the university's mission. In these limited instances, faculty and staff must obtain the following written approval in advance:

- President – approval by the Chair of the Board
- Vice-President – approval by the President
- Other faculty and staff – the Vice-President responsible for their functional area

8.7 Combining Personal Travel – Pre-approved travel that combines university and personal business will be reimbursed at the lesser of actual transportation expenses that would be incurred if the personal travel had not taken place. Additional expenses arising from personal extensions to business travel are the employee's responsibility. Documentation submitted with the expense report must include support to verify the quantum of the additional costs.

9. International Travel

9.1 Travel Advisories – It is the traveller's responsibility to verify there are no travel advisories for their destination, through consultation with the Director of International Programs and Global Advancement and by checking the Government of Canada Travel Advisory website:
<http://travel.gc.ca/travelling/advisories>.

9.2 Reimbursable Expenses - For international travel, the university will reimburse costs of all necessary inoculations and preventative medication, less any amounts reimbursed by the business traveller's health and extended health plans. Passport fees, photo fees, and visa fees can be claimed if they were obtained for the purposes of business travel.

9.3 Foreign Exchange - Foreign exchange fees and traveller's cheque fees may be claimed with original receipts. Actual exchange rates charged on supporting documentation (e.g. credit card statement, currency exchange slips) should be used if available. Where an exchange rate is not available, currency should be converted to CAD \$ at the average exchange rate that was in force over the duration of the trip. The Bank of Canada rates should be used and must be attached to the foreign expense claim.

10. Ineligible Costs

10.1 Ineligible Personal Costs – The following expenses are considered personal expenses and will not be considered on expense claims:

- Interest charges on outstanding credit card balances
- Annual or monthly fees charged on bank accounts or credit cards
- Uninsured losses from vehicles
- Travel insurance for university employees, without evidence that the university's existing insurance was not available to the claimant
- Parking and traffic fines

- Personal expenses including hotel pay movies, sporting events, excursions and similar items
- Laundry and dry cleaning on trips of less than a week
- Lost or stolen tickets, cash or personal property. Travellers need to ensure that their personal insurance provides adequate coverage for personal property
- Hairdresser/barber or other personal care
- Spa/massage fees or club fees
- Mini bar purchases
- Excess personal baggage (except where it relates to teaching and promotional materials)
- Alcoholic beverages
- Political donations
- Charity donations
- Hotel room damage or cleaning charges.

This list should not be considered an exhaustive or definite list. Claimants must have due regard to the public environment that the university operates in when submitting expense claims. Claimants are also reminded that the university reserves the right to deny reimbursement of expenses considered outside the scope of this Policy and Directive. Individuals in doubt as to whether an item is claimable should seek clarification from either their manager or Financial Services before incurring costs.

11. Insurance

11.1 Travel Insurance - The university's employees are covered through group benefits provided under the University's Group EHB. This insurance provides 100% co-insurance for travel, out-of- country emergencies for employees, spouses, and dependent children. However, travellers should contact Manulife before travelling to verify coverage. For further details please refer to the Manulife Benefit Booklet, or contact Human Resources. As employees are covered through the university's group policy, additional travel insurance will not ordinarily be a reimbursable expense.

11.2 Health Insurance - Regular ongoing or temporary, full-time and part-time, faculty and staff covered by the Basic Medical Services Plan and by the university's Group Extended Health Benefit Plan (EHB) are insured for out-of-province hospitalization and physician costs. For details please refer to the Manulife Benefit Booklet, or contact Human Resources.

11.3 General Liability Insurance – All employees on university business have general liability coverage through the BC University, College & Institute Protection Program. Further details of the insurance and requests for proof of liability insurance, can be obtained from the Director of Financial Services.

11.4 Workers' Compensation Board - faculty and staff who are injured while performing university business away from their normal place of work may be eligible for BC Workers' Compensation benefits. Inquiries concerning WCB coverage for specific situations should be made to Human Resources.

12. Travel Advances

12.1 Approval – Individuals should where possible arrange payment of travel and accommodation costs using the Financial Services Department. However, travel advances can be issued in the following circumstances:

- Travel is planned to a remote (usually overseas) location where credit cards have limited application.
- Anticipated expenditures are unlikely to be chargeable to a credit card.
- The lengthy duration of an overseas trip precludes being reimbursed for the requested portion of the advance before credit card charges can be paid
- The employee does not have a corporate credit card that they can use for travel purposes.
- When approved in other extenuating circumstances to a maximum of CAD \$2,000 by the Director of Financial Services, or for higher amounts by the Vice-President responsible for the business area of the claimant.

- The amount to be advanced cannot exceed the estimated reimbursable travel costs (less any amounts to be paid in advance by the university or on a corporate credit card).

Non-employees are not eligible for travel advances.

Travel advances are not available for amounts less than CAD \$400.00

12.2 Deadline for Submission - Requests for travel advances must be submitted in writing on a Travel Advance Request Form no later than ten (10) business days before the advance is required and be signed by the Vice-President responsible for the business area of the claimant. Approved advances will be paid no sooner than five (5) business days in advance of the departure date.

12.3 Clearing of Cash Advance - The claimant must submit an expense claim within twenty (20) calendar days of the return of the trip. The claimant is personally responsible for clearing the cash advance balance through the submission of an expense claim form with appropriate receipts or paid invoices and reimbursing the university for any outstanding portion of the advance. Each travel advance will be applied to a specific trip #. If previous expense claims have not been submitted where a travel advance is given – processing of subsequent claims may be delayed.

13. Submission of Expense Claims

13.1 Expense Reports – All expense claims must be submitted using the appropriate Expense Claim Form and signed by the claimant and the pre-approvers outlined in Section 3. Expense report must also be signed by the account holder for research staff claims. The expense form must include the trip number assigned by Financial Services when the pre-approval form was submitted and provide details on other travel expenses for the trip which have been paid by the university (either directly through Financial Services Accounts Payable or to the claimant prior to the trip). This will allow Financial Services to review the total trip costs against the pre-authorized travel submission.

13.2 Multiple Trips - Where an individual is claiming for multiple trips, each trip should be submitted on a separate expense form.

13.3 Deadline for Submission - All expense forms must be submitted by the earlier of:

- Within 20 business days of completion of travel, or
- By the fiscal year end (March 31) of the year in which the travel was completed, whichever is earlier.

13.4 Documentary Support – In addition to the Expense Claim Form, the following documents must be submitted for processing of an expense claim:

- Receipts for all expenditures in accordance with subsection 4.5 attached to the relevant Claim Form (or in a sealed and named envelope where there is a large number of receipts),
- Expense forms and accompanying documentary support not submitted in accordance with the above policies will be returned unpaid to the approver for re-submission.

13.5 Denial of Claim for Reimbursement – The university reserves the right to deny reimbursement of expenses where the expense report is not submitted within this deadline or with the appropriate supporting documentation.

13.6 Ineligible Expenses Charged to a University Credit Card – The university reserves the right to obtain reimbursement from an employee for charges incurred on a university credit card that do not comply with the Business Travel Expense Directive.

Related Documents and Information

List of related RRU policies

- [Business and Travel Expense](#)

Related documents and information

- [Business and Travel Expense Rate Schedule](#)

Review and Revision History

Date	Action
2019-Jan-01	Approved by Executive; current version
2021-Oct-22	Transfer to web template – no content change
2022-Jun-28	Administrative revisions; revision to links under “Related Documents and Information”; revised “Next Review” date
Next Review	
2022-Oct-22	For review