

2017 EXPENDITURE GUIDELINES

EFFECTIVE OCTOBER 1, 2017



THE UNIVERSITY OF BRITISH COLUMBIA

VP Finance & Operations

TO: UBC Community
FR: Andrew Simpson, Vice-President Finance & Operations
RE: Expenditure Guidelines

Effective Date: October 1, 2017

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Responsible Executive: Vice-President Finance & Operations

Approval: UBC Executive

This Expenditure Guidelines provide supplemental guidance regarding the following:

- Expenditures and reimbursements made under the authority of UBC Policies 83 (and the related Administrative Directive), 84, and 115,
- Additional operational activities and purchases, and
- Additional expenses and reimbursements not covered by the policies.

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Objective

To improve transparency and enhance stewardship of public funds by defining what are reasonable and appropriate expenses and reimbursements.

Scope

Applies to all University expenditures and reimbursements incurred to conduct University business paid by all types of University funds for travel, donations, gifts, hospitality and entertainment, computers, mobile devices, and home internet connections. Granting agencies' guidelines, terms of contracts or a unit's own more stringent internal policies take precedent over these expenditure guidelines. These guidelines set the maximum allowable limits.

Guiding Principles

Employees must use University funds, and will be reimbursed, for expenses incurred to conduct University business, which are reasonable and appropriate.

Questions to ask when considering what is reasonable and appropriate include the following:

- a) Does the expense need to be incurred and is there value for UBC?
- b) Is there an alternative that is less expensive but still appropriate, safe and convenient?
- c) Would this expense be considered excessive/unreasonable from the general public's view?
- d) Is it an arm's length transaction (i.e. no conflict) that conforms to sound business practice?

Reimbursement Claims

1. Original detailed receipts from vendors must support all non-per diem expense reimbursement claim items. Credit card slips are not acceptable documentation in lieu of the original receipt. Missing receipt declarations are to be used when it is impossible to obtain a copy or no receipt is available. Claimant must acknowledge receipts are missing and certify the expense is for UBC related business and that it will not be claimed elsewhere. Approval is required from one administrative level higher.
2. All expense claims should be submitted for reimbursement within 30 days of the expense date unless the total reimbursement <\$50 in which case claims can be accumulated up to 90 days for submission.
3. Certain expenditures must have one administrative level higher pre-approval, while specific expenditures require the approval of either the Unit Head or the Dean/VP or President, where noted within the following sections.

Computers and Home Internet Connection Services

1. A UBC employee will generally be issued one computer or laptop for work purposes.
2. If more than one is required, one administrative level higher pre-approval is required with appropriate justification.
3. UBC purchased or reimbursed computers must be purchased through your unit's IT support team or approved delegate, or through UBC Information Technology depending on your unit's support arrangements. Computer purchases must be provisioned in accordance with [UBC Policy 104](#) and associated Guidelines and where applicable, must access negotiated preferred vendor rates from preapproved suppliers.

Please note:

- If accessing UBC systems and/or storing UBC data, all computer systems regardless of origin (eg purchased with UBC or personal funds, or donated) must be encrypted. If for some reason encryption is determined by IT staff to be impractical, arrangements must be made for the storage of Personal Information in a secure manner.
- Current UBC enterprise systems are designed to work with most popular internet browsers on both Apple (Mac OS) and Windows operating systems. This includes Internet Explorer, Firefox, Safari and Chrome. The version of browser supported depends on the application being accessed and in older applications, an older browser version is typically required. UBC IT has recommendations and best pricing on systems that are known to work best in our environment.
- All computer hardware purchased with UBC funds remains the property of the University and any disposal or removal of equipment prior to the end of its useful life at UBC may require compensatory payment. Disposal should follow UBC guidelines, ensure the appropriate protection of university data, and follow best practices for environmentally sustainable disposal methods.

Note: [Faculty PD funds](#) is another eligible source of funding that can be used to purchase computers, tablets and mobile devices.

4. Home internet services are only reimbursable by the University in the following circumstances:
 - If pre-approved by one administrative level higher and should only apply if the employee is required to be on-call outside of office hours on a regular basis, or
 - When faculty members use their Faculty PD funds.

Donations

1. University funds are generally not used for donations to other charitable organizations.
2. Sponsorships and non-research grants are permitted as these are contributions made to other organizations where UBC may receive advertising, promotion, product, service or another advantage. Account code 658400 should be used for UBC sponsorship and non-research grant expenses.



3. In limited circumstances, a donation may be permitted in lieu of another expense item (i.e. a speaker's fee) to a qualified donee (Crown or another registered charity). In these cases, please contact DAE Finance at dae.finance@ubc.ca for further guidance.

Gifts

1. Gifts offered to a visiting dignitary, donor, volunteer, member of Senate, member of the Council of Senates, member of the Board of Governors, or member of faculty or staff are meant as a symbolic gesture of respect. They should be of a moderate value, and do not represent an honorarium or performance-related prize, nor do they constitute an event.
2. There is a long-standing tradition at UBC that members of faculty and staff voluntarily and spontaneously contribute funds toward gifts in honour of fellow members of faculty and staff. Nothing in this guideline is intended to discourage this tradition.
3. Gifts are normally tokens of appreciation or support and generally should not exceed \$100 for reimbursement from or expenditure from the University. Exceptions can be made only with pre-approval by the Unit Head or their designate.
4. Gifts of alcohol will not, however, be reimbursed by University funds.
5. It is recommended that non-cash gifts and awards be given to employees to recognize accomplishment and service as these are considered [non-taxable](#) per CRA policy.
6. Gifts of near cash equivalents (i.e. gift cards and gift certificates) are only to be given to employees in cases where pre-approval has been given by the respective Dean/VP or President. In these cases, information regarding the gift date, amount, and purpose must be submitted to [Payroll](#), as they are considered a taxable benefit regardless of the cost as per [CRA policy](#).

Hospitality and Entertainment (H & E)

1. H & E includes business related meals that involve University guests, external customers and donors. It also includes department-wide events held exclusively for UBC employees, such as team building events, celebration of achievements and December holiday gatherings.
2. All H & E expenses must be pre-approved by the Unit Head. The approver should consider the optics of the H & E and the benefit and value the H & E has for the University.
3. While it is UBC's preference not to incur alcohol costs, a reasonable amount of alcohol when conducting University business is permissible (e.g. one glass per person). Bottles of wine ordered should be chosen from the lower end of the price range and alcohol ordered should be reasonable in relation to the food component of the bill, generally not exceeding 30% of the total bill.
4. Maximum expense/person permitted for H & E are as follows:
 - Daytime Event (up to 6:00pm)..... \$40/person
 - Evening Event..... \$80/person

The above rates are all inclusive of venue rental, food, alcohol, taxes and gratuities at 15%.

5. Total expenses in excess of the maximum expense per person must be pre-approved by the respective Dean/VP or President before moving forward with the commitment.
6. A detailed receipt documenting the business purpose, names of attendees and associated organizations must always be provided as support for reimbursement.
7. Expenses incurred on personal life events that are of a recurring nature are not eligible for reimbursement from University funds (i.e. birthdays, anniversaries, etc.). The celebration of these events is not intended to be discouraged as faculty and staff can voluntarily hold events to honour these individuals.

Meetings

1. For meetings that do not fall under the H & E guidelines above (i.e. business-related meetings held exclusively between UBC employees), the [UBC per diem rates](#) will apply.
2. The frequency of food and refreshments offered at meetings during University business hours should be reasonable. Discretion should be exercised regarding the amount and type and restrictions associated with funds used. For example, it is reasonable to have refreshments at meetings that generally last more than 2 hours or over a lunch period.
3. Amounts in excess of UBC per diem rates must be approved by the Unit Head.

Mobile Devices

1. University employees requiring a mobile phone for their work should enroll with a UBC plan, which will be paid directly by the unit or in certain circumstances may remain on their personal plan. Only amounts up to the first level of the corporate rates negotiated by UBC will be reimbursed to the employee or paid for the employee, unless a higher volume plan is justified and approved by one administrative level higher.
2. Other positions who are required to be connected to the University at times outside the normal business hours or who are mobile in their roles (e.g. Building Operations, Infrastructure Development, SHHS and UBC IT) can access mobile phone pools but will not have a dedicated phone assigned to them unless approval from one administrative level higher is obtained.
3. UBC has negotiated competitive plans and phone options, which have resulted in an excellent selection of zero cost phones; however, a maximum allowance up to \$200 can be contributed by the unit towards the purchase of a mobile phone for:
 - a. All executives/deans/directors/senior managers, and
 - b. Other individuals who must be accessible due to job requirements (if pre-approved by one administrative level higher with appropriate justification).

Please provide a copy of the invoice to support the allowance paid out; otherwise, it will be considered a taxable benefit.



4. The [corporate and personal plans are referenced here](#). Please go to the bottom of the page and click on the link: 'Procure to Pay on the Finance website' and sign in with CWL login.
5. Any additional charge incurred as a result of personal use must be repaid to the University.
6. When using your mobile phone or other device on University business travel, please discuss reimbursement arrangements with one administrative level higher in advance (i.e. regarding plan changes to accommodate travel). See [Travel: Mobile Device Tips](#).
7. Please note:
 - a. Employees who use their mobile phones for work purposes must maintain adequate security over the device (e.g. [encryption](#)) as required by the Information Security Standards.
 - b. Employees who store any work-related records on their devices should keep in mind that these records are owned by the University and may need to be produced in response to Freedom of Information (FOI) requests, lawsuits, and disciplinary investigations. Employees who cease to work at the University must destroy all work-related records in their possession unless otherwise authorized by the University.
 - c. Telephone numbers assigned to employees by the University for their mobile phone will be considered confidential unless it has been printed on a business card or otherwise made public.

Procurement Services with Vendors

UBC has a list of preferred vendors with whom best rate pricing has been negotiated. Please refer to [this listing](#) when procuring goods to ensure a preferred vendor is utilized where available.

Travel: Accommodations

1. The standard for reimbursement of accommodations while travelling should be based on the lowest price of a standard room in a business class hotel.
2. Luxury accommodations or rooms on Executive Floor, suites, concierge or Executive Premium level rooms will not be reimbursed unless pre-approval is obtained from their respective Dean/VP or President and proper justification is provided to support the request.
3. Generally, bookings at the conference hotel would be appropriate.
4. Rooms should ideally be booked through our preferred travel agencies to ensure UBC receives government or corporate rates where available. Please refer to [CAUBO](#) or [Provincial Government negotiated rate](#) sites.
5. UBC also has negotiated corporate rates with preferred hotels. See the [UBC Travel website](#).
6. Non-preferred hotel booking websites may offer cheaper rates but require 100% prepayment of fees, have higher cancellation/change fees and there is no ability for UBC's travel vendors to assist traveller for cancellations and rebooking in case of emergency in any unforeseen circumstances.

7. Where short-term lodging is provided at no charge, a gift or payment in appreciation may be provided up to \$50.00/day with a maximum of \$150.00 for the entire duration of the stay. Please see [Travel and Related Expense Policy 83 Procedures - Section 5.1](#) for more details.
8. For visitors coming to UBC, it is strongly recommended wherever feasible to consider on-campus guest accommodations before considering external downtown options. Please see these options for on-site accommodations: [UBC-V](#) and [UBC-O](#).

Travel: Air

To ensure that travel expenses are minimized, utilize the following cost saving measures:

- Use the [UBC Concur online travel service](#) in partnership with UNIGLOBE One Travel for flight reservations, hotels and car rentals.
- For full service, contact [UNIGLOBE](#).
- Familiarize yourself with the [UBC Travel program website](#).
- Always request the following best rates if dealing directly with hotel or vehicle vendors:
 - [BC Provincial Government rates](#)
 - [Canadian University Rates \(CAUBO\)](#)

Travel has a large impact on the environment and increases the University's carbon footprint. University travellers should strive to use available technology as a substitute for face-to-face meetings where possible (i.e. Skype/videoconferencing/teleconferencing).

In keeping with the travel guidelines developed by the University:

1. All travellers are to obtain pre-approval from one administrative level higher who is responsible for the budget before scheduling their travel plans. Planning for travel should ideally start at least 14 days in advance for North American travel and 21 days in advance for international travel in order to obtain the best value and support for the traveller.
2. All air travel should be at the lowest available economical fare on the most direct route. Any exception to economy travel, such as Premium Economy and Business Class, must be pre-approved by the respective Dean/VP or President with justification. Typical justifications would include, for example, medical certificates and flights outside North America where flight segments > 6 hours. The approver should ensure appropriate budget funding is available.
3. Stopovers or combination of personal and business travel arrangements are permissible if the total cost of the trip does not exceed the cost of the direct economy flight to the final destination. Pre-approval from one administrative level higher and supporting documentation are required.
4. If the lowest direct economical fare is not available for the required date of travel, pre-approval from one administrative level higher is required and documentation must be submitted as justification for the higher rate (i.e. screen shot from Concur or UNIGLOBE showing the lower rate not being available for that date of travel) with the expense claim.

5. UBC reimbursement of use of flight passes is not permitted, as they are not considered the most economical cost (i.e. Latitude/Flex).

Please see the [Travel and Related Expenses Policy 83 Procedures and Directive](#) for more details.

Travel: Automobile and Other Transportation

1. Vehicle rentals are permissible if they are deemed to be the most economical option when conducting UBC business. Cost of luxury, sport and full-size vehicles are non-reimbursable; however, exceptions may exist for full-size vehicles only if pre-approved by one administrative level higher.
2. Typically, a vehicle rental is only permitted for out of town travel. 'Out of town' is defined as outside of the Lower Mainland and Bowen Island. For UBC-O, this would be outside of the Central Okanagan area.
3. Always refuel vehicle prior to return to avoid high refuel costs charged by the agency.
4. Payment for vehicle rental with a UBC individual credit card is ideal as it includes Collision Damage Waiver (CDW/LDW) insurance coverage for most vehicle types and durations. If you are paying the vehicle rental on a non-UBC personal credit card, ensure that a Collision Damage Waiver is available. [Risk Management Services](#) offers coverage at \$5/day if arranged with them in advance.
5. In Canada and the United States, including Alaska and Hawaii, decline 3rd party liability insurance as UBC carries a policy that covers you while you are on UBC business. In all other countries, you will have to purchase coverage.
6. Mileage reimbursement on private vehicles is permissible at the [UBC approved rate of reimbursement](#) for kilometres in excess of kilometres normally incurred directly to and from work. Distance calculated starts either from the place of work or home to the destination in the most direct route and should only be considered if the excess km calculation plus accommodation and meals do not exceed the cost of an economy priced airline ticket.
7. [Google Maps](#) should be used to substantiate kilometres driven and be submitted as part of travel claim.
8. Parking fees are reimbursable if travelling to and from meetings, to and from airports, events and meeting places other than your place of employment.
9. [Mileage reimbursement](#) when attending meetings locally at any UBC place of business is reimbursable unless it forms part of your commute back home. UBC places of business include Robson Square and any of the Hospital sites.
10. Limousine costs are not reimbursable unless, due to the number of UBC travellers or specifics of the destination (such as distance from the airport), it is more economical to do so. A specific expense justification and a list of travellers must be provided at time of reimbursement.
11. Taxi, Uber, ride sharing or other public transportation costs are eligible expenses incurred while conducting University business and when travelling between meetings if a personal vehicle is not available. Receipts must be obtained from the taxi driver to support the fee with gratuities not exceeding 15%.

12. Car sharing costs on economical vehicle types are also permissible if it is a more economical mode of travel.
13. Taxi costs are reimbursable in lieu of airport parking if this is the more economical expense when travelling out of town.

Travel: Conference (PD Travel)

1. Conference travel as part of professional development requires pre-approval from one administrative level higher, with a cost estimate provided and benefit to the University clearly outlined.
2. Conference travel is not the only means of pursuing professional development. Where possible, the most economical means of obtaining professional development should be considered.
3. Any professional development identified must benefit and add value to your current position.
4. UBC personnel should access their Professional Development (PD) Funds to supplement the PD funds provided by the unit.

Travel: Meals – Out of Town or Conferences for UBC Personnel

1. To facilitate timely and efficient reimbursement, UBC individual travellers should use per diems to claim for out-of-town meal expenses; receipts do not need to be provided for individual per diem meal claims.
2. Only the individual traveller can claim [UBC per diem rates](#).
3. [UBC per diem rates](#) represent what the University deems to be a reasonable cost, and are as noted in the current [UBC Travel and Related Expenses Policy](#) and [Directive](#). 'Out of town' is defined as outside of the Lower Mainland and Bowen Island. For UBC-O, this would be outside of the Central Okanagan area.
4. [UBC per diem rates](#) cannot be claimed if meals have been included in another reimbursable item (i.e. conference fee, transportation, accommodation).
5. [UBC per diem rates](#) also cannot be claimed in the following situations:
 - a. Any meetings/seminars that take place during the course of the day either on or off campus
 - b. Where another member of the University has submitted a claim for the same meal
 - c. Where meals are offered by the event organizer.
6. Where grant or contract funding have per diems different from the University's per diem rate, the traveller may claim the differential amount from the University and charge the research PG with the maximum allowable rate.
7. If a group meal expense is submitted when dining with donors/special guests, an itemized receipt should be submitted as support for the expense, indicating the purpose and attendee names with gratuities generally not exceeding 15% unless the vendor has a higher pre-set gratuity.

Please see [Travel and Related Expense Policy 83 Procedures - Section 4](#) for more details.

Travel: Mobile Device Tips

1. Use the least expensive means of communication such as landlines to make local calls, free secured WIFI whenever possible, or purchase prepaid phone cards.
2. Be aware of the roaming rates including airtime minutes, text messages and data usage (i.e. Skype, Voice over Internet Protocol (VoIP)). Review your cellular rates at the travel destination to determine the appropriate economical travel option.
3. Having an unlocked phone for travel use with a purchased SIM card for the destination of travel, or adding a travel package to your existing cellular plan are other options to mitigate the costs.
4. Track and monitor your usage where possible.
5. Minimize cellular data usage by turning off data roaming, fetch data and background apps.
6. The University will not reimburse excessive roaming costs incurred by the UBC traveller; it is the responsibility of the traveller to manage this. Attempts to reduce the cost incurred through negotiation with vendor should be made to determine the final cost for reimbursement. Generally, excessiveness would be more than \$100, which would be the cost of buying a data travel plan.
7. Access to the internet should be conducted through free WIFI when travelling, using VPN. Temporary data packages for phone or laptop can be purchased prior to travel if approved by one administrative level higher as necessary.

Please refer to [UBC IT Costs](#) for more information.

Travel: Minor Reimbursable Items

While travelling, an incidental amount of up to \$10/day, to a maximum of \$50/trip, may be claimed. The incidental amount is to compensate for non-receipted items such as meter parking, transit fares and housekeeping gratuities. Note that research granting agency rules may not permit non-receipted items, in which case missing receipt documentation is required.

Please see [Travel and Related Expense Policy 83 Procedures - Section 6.2](#) for more details.

Travel: Non-Reimbursable Items

Please see [Travel and Related Expense Policy 83](#) for more details.