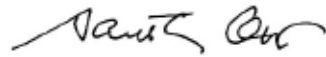


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| SUBJECT | POLICY 83 – TRAVEL AND OTHER BUSINESS-RELATED EXPENSES |
| MEETING DATE | APRIL 18, 2019 |

Forwarded on the Recommendation of the President

**APPROVED FOR
SUBMISSION**



Santa J. Ono, President and Vice-Chancellor

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| DECISION REQUESTED | IT IS HEREBY REQUESTED that <i>approval be granted for proposed Policy 83 (Travel and Other Business-Related Expenses) and associated Procedures in the form attached as Schedule A, and the repeal of policies 79 (Travel Assistance for Graduate Students), 80 (Travel Expenses - Recipients of Honorary Degrees), 84 (Entertainment), and 115 (Gifts) all effective on such date as determined by the Vice-President Finance & Operations.</i> |
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| Report Date | March 8, 2019 |
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Presented By Hubert Lai, Q.C., University Counsel
 Peter Smalles, Vice-President Finance & Operations

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| <i>If this item was previously presented to the Board, please provide a brief description of any major changes since that time.</i> | <p>This policy proposal was presented to the Audit Committee of the Board of Governors for information and input at the November 2018 meeting of the Audit Committee.</p> <p>Major changes made to the policy proposal since November 2018 are described in the "Description" section below.</p> |
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EXECUTIVE SUMMARY

The purpose of the proposed Policy 83 (Travel and Other Business-Related Expenses) and associated Procedures (together, the "**Proposed Policy**") is to update, consolidate, and create a principle-based policy to govern the incurring of expenses on behalf of UBC and claims for reimbursement of such expenses. The Proposed Policy was published for community consultation, resulting in comments from two sources. The policy development committee for the Proposed Policy (the "**Policy 83 Committee**") reconvened to review the feedback received and the Proposed Policy, and recommends various clarifying amendments, which are summarized in the "Description" section below. The Policy 83 Committee unanimously recommends to the Board for approval: (i) the Proposed Policy; and (ii) the repeal of policies 79 (Travel Assistance for Graduate Students), 80 (Travel Expenses- Recipients of Honorary Degrees), 84 (Entertainment), and 115 (Gifts) (the "**Current Policies**").

Attachments

1. A clean copy of the Proposed Policy being presented to the Board for approval attached as Schedule A to the report;
2. A blacklined copy of the Proposed Policy showing the differences between the proposed version presented to the Audit Committee on November 20, 2018 and the version now being presented to the Board for approval attached as Schedule B to the report; and,
3. Table summarizing community consultation, including responses from the Policy 83 Committee (the "**Community Consultation Summary**") attached as Schedule C to the report.

Copies of the current policies and related documents are available at:

- [Policy 79 – Travel Assistance for Graduate Students](#)
- [Policy 80 – Travel Expenses – Recipients of Honorary Degrees](#)
- [Policy 83 – Travel and Related Expenses](#)
- [Directive to Policy 83 – Issued January 17, 2019](#)
- [Policy 84 – Entertainment](#)
- [Policy 115 – Gifts](#)
- [Expenditure Guidelines](#)

STRATEGIC CORE AREAS SUPPORTED

a People and Places Research Excellence Transformative Learning Local / Global Engagement

DESCRIPTION The Policy 83 Committee was given a mandate to review the Current Policies and the current version of Policy 83 (Travel and Related Expenses) (“**Current Policy 83**”) and determine the appropriate revisions necessary to produce a consolidated policy that would govern the incurring of business-related expenses on behalf of UBC and reimbursement thereof in a manner that is clear, concise, and user-friendly, and that will remain up-to-date for a long period of time.

Policies 79 (Travel Assistance for Graduate Students) and 80 (Travel Expenses – Recipients of Honorary Degrees) were created over 40 years ago to address very narrow issues. With the more recent creation of broader-based policies, such as Current Policy 83, it is unhelpful to continue to address the narrow issues in Policies 79 and 80. Policies 84 (Entertainment) and 115 (Gifts) are related to expenses and the principles in these policies can be consolidated into the Proposed Policy.

UBC is undergoing a reorganization of its financial processes through the Integrated Renewal Program, which will ultimately significantly change the manner in which business-related expenses are managed. The Proposed Policy sets out a specific process to create formal rules governing the incurring of business-related expenses on behalf of UBC and claims for reimbursement of such expenses (“**Rules**”). This principle-based approach ensures that frequent monitoring and revisions of the Proposed Policy will not be required as the information in the Proposed Policy is unlikely to become outdated. The principles outlined in the Proposed Policy will continue to apply regardless of the expense management system that is implemented at UBC from time to time. The ability to create and modify Rules facilitates greater flexibility to adapt to changing conditions in a timely manner.

Structure of the Proposed Policy

The Proposed Policy articulates a high-level framework in respect of the expenditure and reimbursement of funds incurred by persons carrying out their duties for UBC. The policy section of the Proposed Policy sets out the principles that apply to incurring expenses on behalf of UBC and reimbursement of such expenses, and provides high-level guiding principles regarding expenses incurred for purposes of travel, entertainment, gifts, and business-related work tools.

The common theme set out in the Proposed Policy is that expenses incurred on behalf of UBC must be appropriate, reasonable, and financially prudent.

The procedures section of the Proposed Policy establishes approval requirements, the process for submitting claims for reimbursement, audit rights of UBC in respect of business-related expenses incurred on behalf of UBC, and a process to create additional Rules in connection with the subject matter of the Proposed Policy.

Amendments to Version of Proposed Policy Previously Presented to Audit Committee

The Policy 83 Committee reconvened in February 2019 to review the comments received regarding the Proposed Policy and to finalize the policy proposal. As a result, the Policy 83 Committee recommends various clarifying amendments to the version of the Proposed Policy that was presented to the Audit Committee in November 2018, which amendments are summarized below:

- **Third Party Requirements:** The Proposed Policy states that if third party requirements are more restrictive than the requirements of the Proposed Policy or any Rules, the third party requirements will govern. The Policy 83 Committee has included an additional sentence which clarifies that in the event that third party requirements are less restrictive than those of the Proposed Policy or any Rules, such less restrictive third party requirements will only be permitted if expressly allowed by the Rules.
- **Definition of Electronic Systems:** The Policy 83 Committee has added “computerized systems” to the definition of Electronic Systems to ensure that this definition includes all systems that are intended to be covered by the Proposed Policy. In the revised Proposed Policy, “Electronic Systems” means “computerized and electronic systems to, among other things, process expenses and claims for reimbursement”.
- **Composition of Advisory Committees for Creation, Amendment, or Repeal of Rules:** The Policy 83 Committee has added clarifying wording to provide that the advisory committees which are established to create, amend, or repeal Rules will include representatives from both the UBC Okanagan and the UBC Vancouver campuses who are representative of the units responsible for the subject matter of the Rules and the primary constituencies that would be impacted by the Rules.
- **Reporting of Creation, Repeal, or Material Amendments of Rules:** The Policy 83 Committee has included a requirement that the Responsible Executive report the creation or repeal of, or material amendments to, Rules, to the Board at the Board’s next scheduled meeting or as soon as practicable thereafter.

BENEFITS Learning, Research, Financial, Sustainability & Reputational

The Proposed Policy establishes an up-to-date, principled, and flexible approach to govern business-related expenses incurred on behalf of UBC and reimbursement of such expenses. More particularly, the Proposed Policy:

1. allows for the repeal of the Current Policies while consolidating the principles in Policies 83 (Travel and Related Expenses), 84 (Entertainment), and 115 (Gifts) into one policy in furtherance of the Board’s direction to reduce and consolidate policies where appropriate;
2. provides an integrated, principle-based framework to govern use of UBC funds in connection with business-related expenses;

3. creates a more streamlined approach which provides faculty members, staff, students, and other persons authorized by UBC to incur expenses on behalf of UBC with a user-friendly, clear, and concise policy regarding expenditures and reimbursements;
4. provides an enduring framework that will facilitate the continued application of the Proposed Policy regardless of the type of expense management system implemented by UBC;
5. provides greater flexibility for the Responsible Executive to create Rules in connection with the subject matter of the Proposed Policy, which Rules may include detailed requirements governing the incurring of expenses and reimbursement thereof; and,
6. provides a more nimble and efficient process to respond to changing circumstances.

RISKS
Financial,
Operational &
Reputational

There are no associated risks with the amendments of Current Policy 83 as set out in the Proposed Policy or with the proposed repeal of the Current Policies.

SCHEDULE
Implementation
Timeline

It is recommended that the Proposed Policy come into force when a set of Rules is available for implementation. The Office of the Vice-President Finance & Operations plans to commence the process to establish Rules in the fall of 2019 in accordance with the procedure set out in the Proposed Policy. This timeline will allow the advisory committee for the establishment of the Rules to consider and address relevant issues prior to the implementation of the Workday system (pursuant to the Integrated Renewal Program).

Upon completion of the first set of Rules, the Vice-President Finance & Operations will confirm that the Proposed Policy has come into force. The Current Policies will stay in place until the Proposed Policy comes into force, at which time the Current Policies will be automatically repealed.

By obtaining Board approval of the Proposed Policy in advance of its effective date, the Proposed Policy will be ready for implementation simultaneously with the set of Rules that are to apply to business-related expenses incurred on behalf of UBC. This will ensure a smooth and efficient transition to the establishment of any new Rules and new expense management systems. As required by the Proposed Policy, the Vice-President Finance & Operations will report to the Board once the Rules are issued and the Proposed Policy comes into force.

CONSULTATION
Relevant Units,
Internal & External
Constituencies

The Office of the University Counsel constituted the Policy 83 Committee, which is comprised of the following members, who have relevant knowledge and experience in the areas of expense management from a finance, academic, research, and administrative perspective, from both the Okanagan and Vancouver campuses:

- Mark Crosbie, Associate University Counsel (Chair);
- Lorena Vlad, Legal Counsel (Secretary);
- Stuart Mackenzie, Acting Comptroller and Director, Financial Reporting & Budgeting;
- Trish Pekeles, Executive Director, Financial Operations;
- Linda Casey, Benefits Manager, Human Resources;

- Jenny Lum, Director of Finance, Provost Portfolio, Office of the Vice-President Academic;
- Karen McKellin, Executive Director, International Student Initiative;
- Evelyn Miguel, Associate Director, Research Finance;
- Sandy Tanaka, Assistant Dean & Director, Finance, Accounts & Payroll Office, Sauder School of Business;
- Jennifer Ann Love, Professor, Chemistry, UBC Vancouver;
- Jean Chang, Senior Audit Manager, Internal Audit;
- Jamie Armer, Faculty Administrator, Health & Social Development Dean's Office, UBC Okanagan; and,
- Stephen Foster, Professor, Head of Creative Studies, UBC Okanagan.

When preparing the Proposed Policy, the Office of the University Counsel and members of the Policy 83 Committee undertook a review of similar policies at other institutions including:

- The University of Toronto;
- The University of Victoria;
- Simon Fraser University ;
- The Province of British Columbia; and,
- Tri-Agency Financial Administration Guide (the Tri-Agency are the three major federal research funding agencies – CIHR, NSERC and SSHRC).

Over the course of the review process, the Policy 83 Committee considered comments received from the community consultation process, practices of other institutions, input from the UBC Executive, and input from the Board's Audit Committee.

The Proposed Policy proposal was published on the website of the Office of the University Counsel under a call for comments on December 6, 2018 with the comment period being open until February 1, 2019. The Office of the University Counsel provided notice of the call for comments on December 6, 2018 and a reminder on January 17, 2019 to the recipients that have registered to receive news updates from the Office of the University Counsel. The call for comments regarding the Proposed Policy proposal was also published in two editions of UBC Today (one on January 8, 2019 and the second on January 22, 2019) and on the homepage news feed of the Vice-President Finance & Operations website and the announcement feed on the homepage of the Finance.ubc.ca website mid-January 2019.


Comments were received from two sources: (2) a UBC employee; and (2) the Faculty of Medicine Finance Committee. The comments were in support of the Proposed Policy, but included some questions regarding the application of the Proposed Policy. The Policy 83 Committee reviewed such comments and determined that no consequential revisions are necessary to the Proposed Policy. The attached Community Consultation Summary sets out a summary of the comments received and the responses of the Policy 83 Committee. The comments received were generally operational in nature. The Proposed Policy addresses the principles underpinning the operational questions raised and the specific operational issues can be more specifically addressed in the Rules that are developed in accordance with the Proposed Policy.

While the Policy 83 Committee determined that no consequential amendments are required to the Proposed Policy as a result of the feedback received during the community consultation period, the Policy 83 Committee did determine that the amendments summarized in the “Description” section above provide helpful clarification to the UBC community regarding less restrictive third party requirements, the meaning of “Electronic Systems”, and the composition of the advisory committees that will create, amend, or repeal Rules.

Previous Report Date November 5, 2018

Decision The University Counsel presented the Proposed Policy to the Board’s Audit Committee for information and input, following which community consultation was to be undertaken.

Action / Follow Up The Proposed Policy was to be published for community consultation. Following community consultation, the University Counsel would bring forward the final policy proposal to the Board for approval at the Board’s April 2019 meeting.

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|  | The University of British Columbia Board of Governors | Policy No.: 83 | Approval Date: November 2000 Revision Dates: June 2005; [x] |
| | | Responsible Executive: Vice-President, Finance and Operations | |
| Title: Travel and Other Business-Related Expenses | | | |
| Background & Purpose: <p>UBC is a public institution which aims to use its resources in a reasonable, appropriate and financially prudent manner. Accordingly, all persons must be reasonable, financially prudent and exercise care when incurring expenses on behalf of UBC.</p> <p>This Policy governs the expenditure and reimbursement of funds incurred by persons carrying out their duties for UBC and articulates controls for accountability and ensuring the reasonable, appropriate and financially prudent use of UBC funds.</p> <p>In connection with these purposes, this Policy sets out (1) the principles governing the circumstances in which travel and other business-related expenses may be incurred on behalf of UBC; (2) when and how reimbursement in respect of such expenses may be claimed; and (3) the process for establishing rules regarding allowable expenses and reimbursement of expenses.</p> | | | |

1. Scope

- 1.1. This Policy applies to business expenses, including travel, accommodation, meal, entertainment, gift, business-related work tools and hospitality expenses, paid or reimbursed from all UBC-administered funds, including, without limitation, funds from third party grants and contracts, research funds, endowments, donations, revenues and monies managed by UBC on behalf of third parties.
- 1.2. This Policy has UBC wide application and applies to all UBC faculty members, staff members, students and other persons authorized by UBC to incur expenses on behalf of UBC.

2. Business Expenses

- 2.1. The following principles apply to incurring expenses on behalf of UBC and their reimbursement:
 - 2.1.1. the expenses should be incurred in support of business undertaken on behalf of UBC and should be necessary, reasonable, appropriate and financially prudent in the circumstances;
 - 2.1.2. claims for reimbursement should be made and approved in a timely fashion;
 - 2.1.3. the individual incurring the expense is responsible to demonstrate the expense was actually incurred with appropriate supporting documentation; and
 - 2.1.4. an individual should neither accrue financial gain nor suffer financial loss from the process of incurring expenses and claiming reimbursement in accordance with this Policy.
- 2.2. UBC will reimburse expenses incurred by members of UBC faculty and staff and, in some cases, students or other persons, provided that:
 - 2.2.1. the person incurring the expense was authorized to do so;
 - 2.2.2. the expense is incurred in accordance with this Policy, the Procedures, and any Rules;
 - 2.2.3. the expense is incurred (where applicable) in accordance with the policies, rules and regulations of any applicable third party granting agency and the terms of any applicable funding contract (collectively, “**Third Party Requirements**”); and
 - 2.2.4. the person submits the claim for reimbursement through such systems and in such format as required by UBC.
- 2.3. In the event that any Third Party Requirements relating to expenses and other spending are more restrictive than the requirements of this Policy, the Procedures or any Rules, such Third Party Requirements shall govern in respect of any funds provided by the applicable third parties. In the event that any Third Party Requirements relating to expenses or other spending are less restrictive than the requirements of this Policy, the Procedures or any Rules, such less restrictive Third Party Requirements are only permitted if expressly allowed by the Rules.
- 2.4. The Procedures to this Policy may provide for the creation of specific Rules (as defined in the Procedures) which outline in more detail the requirements and procedures governing expenses and their reimbursement.

3. Travel Expenses

- 3.1. Travel expenses should be reasonable and appropriate in the circumstances, taking into consideration safety, practicality, reasonable comfort, and efficiency.

4. Entertainment and Hospitality Functions

- 4.1. Expenses may be incurred in respect of entertainment and hospitality functions, the primary purpose of which is to host non-UBC persons as a matter of courtesy and as part of furthering UBC activities, provided that they are reasonable and appropriate in the circumstances.
- 4.2. Expenses may be incurred in respect of departmental events such as holiday receptions and periodic team-building events, provided that they are reasonable and appropriate.
- 4.3. Expenses may be incurred for meals or refreshments for meetings, the primary purpose of which is work-related, provided that they are reasonable and appropriate.

5. Gifts

- 5.1. There are certain circumstances and occasions in which gifts from UBC to volunteers, donors, visiting dignitaries, or other persons are warranted and appropriate. Such gifts are intended to be a gesture or token of appreciation and should be of moderate value.
- 5.2. Any gifts made to UBC faculty and staff using UBC funds must be made in accordance with any applicable Rules.
- 5.3. There is a long-standing tradition at UBC of members of faculty and staff voluntarily and spontaneously contributing for gifts in honour of fellow members of faculty and staff. Nothing in this Policy is intended to discourage this tradition.

6. Business-Related Work Tools (Computing Devices; Home Internet; Mobile Devices)

- 6.1. Some UBC faculty and staff or other persons acting on behalf of UBC may require certain business-related work tools or services such as a mobile phone, laptop computer or other computing devices or telecommunication services to efficiently conduct their UBC duties. The cost to UBC of any such business-related work tools must be reasonable and appropriate in the circumstances.

PROCEDURES

Approved: November 2000

Revised: August 16, 2010; [x]

Pursuant to Policy #1: Administration of Policies, "Procedures may be amended by the President, provided the new procedures conform to the approved policy. Such amendments are reported at the next meeting of the Board of Governors." Note: the most recent procedures may be reviewed at <http://www.universitycounsel.ubc.ca/policies/policies.html>.

Below are the Procedures to Policy #83 Travel and Other Business-Related Expenses (the "Policy").

1. Approval Requirements

- 1.1. It is the responsibility of any person incurring expenses on behalf of UBC to ensure that they have the authority to do so. Prior written approval from one administrative level higher (the "**Approver**") than the person claiming the reimbursement (the "**Requestor**") may be required for certain types of expenses and seeking approval prior to incurring any expenses in respect of which the Requestor wishes to claim reimbursement is recommended.
- 1.2. It is the independent responsibility of both the Requestor and the Approver to ensure that claims for reimbursement of expenses are made and approved in accordance with this Policy.

2. Submitting Claims for Reimbursement

- 2.1. A Requestor must submit a claim for reimbursement of expenses in accordance with the Rules. The claim for reimbursement must have:
 - 2.1.1. a clear statement of the purpose for incurring the expense(s);
 - 2.1.2. clearly detailed expense(s) supported by dated receipts or other approved documentation as authorized by the Rules;
 - 2.1.3. the original signature or other form of confirmation of the Requestor as authorized by the Rules certifying that all information is correct; and
 - 2.1.4. approval of the expense(s) from the Approver, in writing or in such other form of approval authorized by the Rules.
- 2.2. A Requestor must submit any claim for reimbursement in a timely manner.
- 2.3. All claims for reimbursement of any expenses must be supported with original, detailed receipts or such other form of documentation as is set out in the Rules unless otherwise provided for in the Rules (for example incidental expense or per diem allowances). In the event that the receipt or other applicable documentation is not available or missing, the Requestor must submit a missing receipt declaration in the format specified in the Rules.

- 2.4. UBC increasingly uses computerized and electronic systems to, among other things, process expenses and claims for reimbursement (the “**Electronic Systems**”). The Policy and these Procedures must be read taking into account such Electronic Systems. The Policy and these Procedures apply in the context of such Electronic Systems and the Rules will reflect any changes to the process for expense reimbursement that may be required to reflect the Electronic Systems or any modifications to, or replacements of, the Electronic Systems that are made by UBC from time to time.

3. Audits

- 3.1. All expenditures and claims for reimbursement of expenses or allowances are subject to audit by UBC, regardless of whether such expenses or allowances have been approved by the Approver, and, in addition to any other actions that may be available, UBC may reverse any reimbursed claims or allowances made and may require other steps to be taken (such as amending reports to funding agencies), if the expenses incurred as part of such claims or allowances were not incurred in accordance with all of the requirements of the Policy and these Procedures.
- 3.2. Expenses funded through third party granting agencies or funding contracts may additionally be subject to third party audits and UBC will comply with such audits and provide to the applicable auditors all information it is legally required to provide, or, that in the opinion of the Responsible Executive is reasonably requested by the auditors.


4. Rules

- 4.1. The Responsible Executive may issue and maintain rules (“**Rules**”) regarding the subject matter of the Policy and these Procedures, provided that such Rules must not be inconsistent with the Policy or these Procedures. The Rules may be contained in one or more documents. Prior to creating or substantively revising the Rules, the Responsible Executive will establish an advisory committee which will consist of representatives from the Office of the University Counsel and of persons from both the UBC Vancouver and the UBC Okanagan campuses who are representative of units responsible for the subject matter of the Rules and the primary UBC constituencies that would be impacted by the Rules. Any proposed new Rules or substantive amendments to existing Rules must be published publicly for a period of at least two weeks on a UBC website designated by the Responsible Executive with a request for feedback to the advisory committee. The advisory committee, upon receipt and consideration of such feedback, will provide advice to the Responsible Executive on the form and content of the new Rule or amended Rule.
- 4.2. Without limiting the foregoing, the Rules may:
 - 4.2.1. vary for different types of UBC employees and different sources of funding;
 - 4.2.2. provide for preferred or mandatory vendors for certain goods or services;

- 4.2.3. delineate what expenses are reasonable in certain circumstances or in respect of certain classes of expenses;
 - 4.2.4. require prior authorization for certain classes of expenses;
 - 4.2.5. prohibit certain types of expenses or require preconditions prior to incurring certain types of expenses;
 - 4.2.6. include a process for seeking variances to the standard Rules provided any such variation complies with the Policy and these Procedures;
 - 4.2.7. provide for mandatory methods of payment for certain goods or services;
 - 4.2.8. require specific procedures to be followed for the approval and reimbursement of expenses including the use of the Electronic Systems; and
 - 4.2.9. provide a process for how administrative units may, in certain circumstances, apply to have unit-specific Rules approved.
- 4.3. Notwithstanding anything to the contrary in these Procedures, the Responsible Executive may from time to time amend monetary reimbursement rates (for example incidental expense and per diem allowances rates, vehicle usage reimbursement rates, acceptable gratuity percentages) and preferred suppliers (for example, travel or car rental companies) in the Rules without establishing an advisory committee, provided that notice of such changes will be provided to the UBC community in a timely manner.
- 4.4. The Rules may set out the ability for a unit to vary the Rules as applied in that unit in certain circumstances, provided that the variation is in accordance with the Policy and these Procedures and approved in accordance with the process set out in the Rules.
- 4.5. The Responsible Executive will report the creation or repeal of any Rules and any material amendments to any Rules at the next scheduled meeting of the Board of Governors or as soon as practicable thereafter.

5. Variations

- 5.1. Exceptions or variations to the Rules may be made in certain circumstances if the exception or variation is approved in writing by the Responsible Executive or his or her delegate.

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|  <p>The University of British Columbia Board of Governors</p> | <p>Policy No.:</p> <p>83</p> | <p>Approval Date: November 2000</p> <p>Revision Dates: June 2005; [x]-2019</p> |
| | <p>Responsible Executive: Vice-President, Finance and Operations</p> | |
| <p>Title:</p> <p>Travel and Other Business-Related Expenses</p> | | |
| <p>Background & Purpose:</p> <p>UBC is a public institution which aims to use its resources in a reasonable, appropriate and financially prudent manner. Accordingly, all persons must be reasonable, financially prudent and exercise care when incurring expenses on behalf of UBC.</p> <p>This Policy governs the expenditure and reimbursement of funds incurred by persons carrying out their duties for UBC and articulates controls for accountability and ensuring the reasonable, appropriate and financially prudent use of UBC funds.</p> <p>In connection with these purposes, this Policy sets out (1) the principles governing the circumstances in which travel and other business-related expenses may be incurred on behalf of UBC; (2) when and how reimbursement in respect of such expenses may be claimed; and (3) the process for establishing rules regarding allowable expenses and reimbursement of expenses.</p> | | |

1. Scope

- 1.1. This Policy applies to business expenses, including travel, accommodation, meal, entertainment, gift, business-related work tools and hospitality expenses, paid or reimbursed from all UBC-administered funds, including, without limitation, funds from third party grants and contracts, research funds, endowments, donations, revenues and monies managed by UBC on behalf of third parties.
- 1.2. This Policy has UBC wide application and applies to all UBC faculty members, staff members, students and other persons authorized by UBC to incur expenses on behalf of UBC.

2. Business Expenses

- 2.1. The following principles apply to incurring expenses on behalf of UBC and their reimbursement:
 - 2.1.1. the expenses should be incurred in support of business undertaken on behalf of UBC and should be necessary, reasonable, appropriate and financially prudent in the circumstances;
 - 2.1.2. claims for reimbursement should be made and approved in a timely fashion;
 - 2.1.3. the individual incurring the expense is responsible to demonstrate the expense was actually incurred with appropriate supporting documentation; and
 - 2.1.4. an individual should neither accrue financial gain nor suffer financial loss from the process of incurring expenses and claiming reimbursement in accordance with this Policy.
- 2.2. UBC will reimburse expenses incurred by members of UBC faculty and staff and, in some cases, students or other persons, provided that:
 - 2.2.1. the person incurring the expense was authorized to do so;
 - 2.2.2. the expense is incurred in accordance with this Policy, the Procedures, and any Rules;
 - 2.2.3. the expense is incurred (where applicable) in accordance with the policies, rules and regulations of any applicable third party granting agency and the terms of any applicable funding contract (collectively, “**Third Party Requirements**”); and
 - 2.2.4. the person submits the claim for reimbursement through such systems and in such format as required by UBC.
- 2.3. In the event that any Third Party Requirements relating to expenses and other spending are more restrictive than the requirements of this Policy, the Procedures or any Rules, such Third Party Requirements shall govern in respect of any funds provided by the applicable third parties. In the event that any Third Party Requirements relating to expenses or other spending are less restrictive than the requirements of this Policy, the Procedures or any Rules, such less restrictive Third Party Requirements are only permitted if expressly allowed by the Rules.
- 2.4. The Procedures to this Policy may provide for the creation of specific Rules (as defined in the Procedures) which outline in more detail the requirements and procedures governing expenses and their reimbursement.

3. Travel Expenses

- 3.1. Travel expenses should be reasonable and appropriate in the circumstances, taking into consideration safety, practicality, reasonable comfort, and efficiency.

4. Entertainment and Hospitality Functions

- 4.1. Expenses may be incurred in respect of entertainment and hospitality functions, the primary purpose of which is to host non-UBC persons as a matter of courtesy and as part of furthering UBC activities, provided that they are reasonable and appropriate in the circumstances.
- 4.2. Expenses may be incurred in respect of departmental events such as holiday receptions and periodic team-building events, provided that they are reasonable and appropriate.
- 4.3. Expenses may be incurred for meals or refreshments for meetings, the primary purpose of which is work-related, provided that they are reasonable and appropriate.

5. Gifts

- 5.1. There are certain circumstances and occasions in which gifts from UBC to volunteers, donors, visiting dignitaries, or other persons are warranted and appropriate. Such gifts are intended to be a gesture or token of appreciation and should be of moderate value.
- 5.2. Any gifts made to UBC faculty and staff using UBC funds must be made in accordance with any applicable Rules.
- 5.3. There is a long-standing tradition at UBC of members of faculty and staff voluntarily and spontaneously contributing for gifts in honour of fellow members of faculty and staff. Nothing in this Policy is intended to discourage this tradition.

6. Business-Related Work Tools (Computing Devices; Home Internet; Mobile Devices)

- 6.1. Some UBC faculty and staff or other persons acting on behalf of UBC may require certain business-related work tools or services such as a mobile phone, laptop computer or other computing devices or telecommunication services to efficiently conduct their UBC duties. The cost to UBC of any such business-related work tools must be reasonable and appropriate in the circumstances.

PROCEDURES

Approved: November 2000

Revised: August 16, 2010; [x], ~~2019~~

*Pursuant to Policy #1: Administration of Policies, "Procedures may be amended by the President, provided the new procedures conform to the approved policy. Such amendments are reported at the next meeting of the Board of Governors."
Note: the most recent procedures may be reviewed at <http://www.universitycounsel.ubc.ca/policies/policies.html>.*

Below are the Procedures to Policy #83 Travel and Other Business-Related Expenses (the "Policy").

1. Approval Requirements

- 1.1. It is the responsibility of any person incurring expenses on behalf of UBC to ensure that they have the authority to do so. Prior written approval from one administrative level higher (the "Approver") than the person claiming the reimbursement (the "Requestor") may be required for certain types of expenses and seeking approval prior to incurring any expenses in respect of which the Requestor wishes to claim reimbursement is recommended.
- 1.2. It is the independent responsibility of both the Requestor and the Approver to ensure that claims for reimbursement of expenses are made and approved in accordance with this Policy.

2. Submitting Claims for Reimbursement

- 2.1. A Requestor must submit a claim for reimbursement of expenses in accordance with the Rules. The claim for reimbursement must have:
 - 2.1.1. a clear statement of the purpose for incurring the expense(s);
 - 2.1.2. clearly detailed expense(s) supported by dated receipts or other approved documentation as authorized by the Rules;
 - 2.1.3. the original signature or other form of confirmation of the Requestor as authorized by the Rules certifying that all information is correct; and
 - 2.1.4. approval of the expense(s) from the Approver, in writing or in such other form of approval authorized by the Rules.
- 2.2. A Requestor must submit any claim for reimbursement in a timely manner.
- 2.3. All claims for reimbursement of any expenses must be supported with original, detailed receipts or such other form of documentation as is set out in the Rules unless otherwise provided for in the Rules (for example incidental expense or per diem allowances). In the

event that the receipt or other applicable documentation is not available or missing, the Requestor must submit a missing receipt declaration in the format specified in the Rules.

- 2.4. UBC increasingly uses computerized and electronic systems to, among other things, process expenses and claims for reimbursement (the “**Electronic Systems**”). The Policy and these Procedures must be read taking into account such Electronic Systems. The Policy and these Procedures apply in the context of such Electronic Systems and the Rules will reflect any changes to the process for expense reimbursement that may be required to reflect the Electronic Systems or any modifications to, or replacements of, the Electronic Systems that are made by UBC from time to time.

3. Audits

- 3.1. All expenditures and claims for reimbursement of expenses or allowances are subject to audit by UBC, regardless of whether such expenses or allowances have been approved by the Approver, and, in addition to any other actions that may be available, UBC may reverse any reimbursed claims or allowances made and may require other steps to be taken (such as amending reports to funding agencies), if the expenses incurred as part of such claims or allowances were not incurred in accordance with all of the requirements of the Policy and these Procedures.
- 3.2. Expenses funded through third party granting agencies or funding contracts may additionally be subject to third party audits and UBC will comply with such audits and provide to the applicable auditors all information it is legally required to provide, or, that in the opinion of the Responsible Executive is reasonably requested by the auditors.

4. Rules

- 4.1. The Responsible Executive may issue and maintain rules (“**Rules**”) regarding the subject matter of the Policy and these Procedures, provided that such Rules must not be inconsistent with the Policy or these Procedures. The Rules may be contained in one or more documents. Prior to creating or substantively revising the Rules, the Responsible Executive will establish an advisory committee which will consist of representatives from the Office of the University Counsel and the of persons from both the UBC Vancouver and the UBC Okanagan campuses who are representative of units responsible for the subject matter of the Rules ~~as well as representatives of~~ and the primary UBC constituencies that would be impacted by the Rules. Any proposed new Rules or substantive amendments to existing Rules must be published publicly for a period of at least two weeks on a UBC website designated by the Responsible Executive with a request for feedback to the advisory committee. The advisory committee, upon receipt and consideration of such feedback, will provide advice to the Responsible Executive on the form and content of the new Rule or amended Rule.
- 4.2. Without limiting the foregoing, the Rules may:
 - 4.2.1. vary for different types of UBC employees and different sources of funding;

- 4.2.2. provide for preferred or mandatory vendors for certain goods or services;
 - 4.2.3. delineate what expenses are reasonable in certain circumstances or in respect of certain classes of expenses;
 - 4.2.4. require prior authorization for certain classes of expenses;
 - 4.2.5. prohibit certain types of expenses or require preconditions prior to incurring certain types of expenses;
 - 4.2.6. include a process for seeking variances to the standard Rules provided any such variation complies with the Policy and these Procedures;
 - 4.2.7. provide for mandatory methods of payment for certain goods or services;
 - 4.2.8. require specific procedures to be followed for the approval and reimbursement of expenses including the use of the Electronic Systems; and
 - 4.2.9. provide a process for how administrative units may, in certain circumstances, apply to have unit-specific Rules approved.
- 4.3. Notwithstanding anything to the contrary in these Procedures, the Responsible Executive may from time to time amend monetary reimbursement rates (for example incidental expense and per diem allowances rates, vehicle usage reimbursement rates, acceptable gratuity percentages) and preferred suppliers (for example, travel or car rental companies) in the Rules without establishing an advisory committee, provided that notice of such changes will be provided to the UBC community in a timely manner.
- 4.4. The Rules may set out the ability for a unit to vary the Rules as applied in that unit in certain circumstances, provided that the variation is in accordance with the Policy and these Procedures and approved in accordance with the process set out in the Rules.
- 4.5. The Responsible Executive will report the creation or repeal of any Rules and any material amendments to any Rules at the next scheduled meeting of the Board of Governors [or as soon as practicable thereafter](#).

5. Variations

- 5.1. Exceptions or variations to the Rules may be made in certain circumstances if the exception or variation is approved in writing by the Responsible Executive or his or her delegate.

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Proposed Policy #83 (Travel and Other Business-Related Expenses) – Community Consultation Summary

| No. | Comment | Applicable Section(s) | Category | Committee Recommendation |
|-----|---|--------------------------------|--|---|
| 1. | <p>Comment in Support of Proposal with Question Regarding Reimbursement Rates</p> <ul style="list-style-type: none"> The individual expresses that simplifying the various travel policies previously existing was a fantastic idea, and that the trimming of information from the current versions makes a lot of sense. The individual points to section 2.1.4 of the proposed Policy which provides that an individual should neither accrue financial gain nor suffer financial loss from the process of incurring expenses and claiming reimbursement in accordance with the Policy, and asks how the reimbursement rate of \$0.49/km in connection with driving for UBC errands, supply runs, or travel is calculated to adequately cover the costs of driving. The individual also asks if this figure has recently been updated to reflect increased fuel costs or wear and tear on someone’s personal vehicle. The individual points to the British Columbia government allowance rates of \$0.54 for the first 5,000 kilometres and \$0.48 per kilometer thereafter. | 2.1.4; current Directive | Principles, Reimbursement Rates | <p>No Changes Required</p> <p>The proposed Policy creates an overarching principle-based framework but does not provide details such as rates of reimbursement. Currently, the reimbursement rates are set out in the Directive to Policy #83 and the Vice-President, Finance and Operations may issue a new or amended Directive to modify these rates from time to time.</p> <p>The proposed Policy #83 also grants permission to the Vice-President, Finance and Operations to set reimbursement rates. In so doing, the Vice-President, Finance and Operations will be required to comply with the principles set out in the proposed Policy, including the principle set out in section 2.1.4 regarding financial gain or loss from incurring and claiming reimbursement of expenses in accordance with the proposed Policy.</p> <p>Accordingly, the proposed Policy does not require consequential amendments.</p> |
| 2. | <p>Comment in Support of Proposal Subject to Clarification of a Few Concerns</p> <p>The Faculty of Medicine Finance Committee has expressed that it generally supports the streamlined approach of the proposed Policy #83, but raised the following concerns:</p> <ul style="list-style-type: none"> This proposal could have an impact on the process recently implemented in the Faculty of Medicine, which allows Department heads to approve exceptions to the guidelines. Exceptions are recorded and approved by the Faculty of Medicine Finance Committee. This process has been successful in reducing | 1.1 1.2 2.3 5.1 | Scope, Third Party Requirements, Exceptions | <p>No Changes Required</p> <ul style="list-style-type: none"> The system for granting exceptions in the Faculty of Medicine has worked well but no revisions are required to the proposed Policy. The proposed Policy provides that the Rules may allow for exceptions so the proposed Policy already contains the required flexibility to accommodate the Faculty of Medicine’s procedure. Funds held in Z accounts are typically used on an exceptional basis for UBC-related activities such as conferences, student activities, or hosting guest speakers. Faculty or staff members might contribute personal funds to Z accounts. The proposed Policy applies to all funds administered by UBC, including Z funds held in UBC |

Proposed Policy #83 (Travel and Other Business-Related Expenses) – Community Consultation Summary

| No. | Comment | Applicable Section(s) | Category | Committee Recommendation |
|-----|--|-----------------------|----------|--|
| | <p>administration requirements and with the exceptions being reasonable so far.</p> <ul style="list-style-type: none"> • The revised Policy may apply to Z fund amounts. The Faculty of Medicine has some Z funds which the Faculty has traditionally treated as not being subject to UBC policies. • The UBC travel and expense policies may cause problems in the Faculty of Medicine where they differ from hospital policies. Accordingly, there is a need to consider the impact of variations in rules of other parties and how they impact someone at UBC who might need to comply with those rules and with UBC rules. • It may be helpful if the Policy expressly states that units can have more restrictive rules than the UBC Rules without the need for further approvals (i.e. no Rule variation approval required under section 5.1 of the proposed Policy). | | | <p>accounts. The Policy #83 Committee has discussed whether it would be appropriate to exclude Z funds from the scope of the proposed Policy but concluded that all UBC accounts must be subject to the Policy. If any funds are administered by UBC or held in UBC accounts, then such funds must be under UBC control and subject to UBC policies on use of funds.</p> <ul style="list-style-type: none"> • There are many organizations that have affiliations with UBC and that may have expense policies which differ from those of UBC. Accordingly, it would be too complicated to commit to aligning UBC policies with those of all of these other organizations. Further, the proposed Policy addresses the concern in section 2.3, which provides that to the extent that these organizations are providing funds in accordance with rules which are more restrictive than UBC’s rules, then the more restrictive rules will govern. • The Committee is reluctant to set a right in the proposed Policy allowing units to implement more restrictive rules as there may be certain requirements to be met before a unit can implement such rules. For example, the applicable unit may have to report the variance to UBC Finance or the electronic system used to track expenses may require revisions to its settings to allow for the variance. While the proposed Policy does not expressly allow units to set rules that are more restrictive, Section 4.2.6 of the procedures to the proposed Policy does contemplate that the Rules may include a process to seek a variance from the Rules. This may include a variance to adopt rules that are more restrictive than the Rules. |