

New/Revised Finance Policies and Procedures

Finance Department

Released August 13, 2012



Agenda



- Impetus for Change
- Procurement of Goods and Services Procedure
- Reimbursement of Expenses Procedure
- Hospitality Policy/Procedure
- Perquisites Policy

Impetus for Changes



- Services 4 Researchers Project Group Recommendations
- Broader Public Sector Accountability Act
 - Expense Directive
 - Procurement Directive
 - Perquisites Directive
- Canada Revenue Agency Regulations (taxable benefits)
- Internal Audit Recommendations
- Result of Community Focus Group Recommendations

Procurement of Goods & Services Procedure

Procurement Services

Released August 13, 2012



redefine THE POSSIBLE.



Procurement Procedure Changes



- Broader Public Sector Accountability Act
 - Procurement Directive
- New definition for Services
- Requirement for all Consulting Services to be competitively bid

Definition of Services



Consulting Services	Non-Consulting Services	Services for Resale
<p>A person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.</p>	<p>A person or entity retained under a fee-for-service arrangement that is not an employment agreement, to perform specific tasks under a clients' direction for a limited period of time.</p>	<p>A situation where the University provides open enrollment non-credit courses/seminars to the public and customized courses/seminars to third parties external to the community for the purpose of professional development and training. In this capacity, the University acts as an enabler by engaging the services of individuals/corporations with the required expertise, excluding current University employees, to develop and deliver these services. This does not apply to credit courses or programs at the undergraduate and graduate level.</p>

Established Vendors of Record



- Where the University has established contracts or agreements with Vendors of Record, the order and payment method is outlined in the contract.
- If the Vendor of Record is on **Sm@rtBuy** (York's new eprocurement system) the order and payment process is imbedded within the system and the entire transaction is completed electronically.

No Established Vendor of Record



Consulting Services NEW	Total Purchase Value under \$10K	Total Purchase Value between \$10K - \$50K	Total Purchase Value in excess of \$50K
Regardless of total purchase value, all consulting services must be competitively bid.	Departments shall determine fair market value and use the University's Procurement Card (PCard) wherever possible.	Departments shall solicit quotations from three or more vendors using the Vendor Quote Solicitation form; completing a Purchasing Requisition and forwarding with all solicited quotations to Procurement Services for Purchase Order issuance.	Departments shall contact Procurement Services who will determine the best acquisition method and shall manage the acquisition process.

Non-contracted Payment Process



Where the University has not established contracts or agreements with vendors, the following payment processes shall apply:

- Petty Cash – invoices less than \$100
- PCard – invoices under \$10,000 (if vendor does not accept PCard, a Cheque Requisition with invoice is acceptable); or Purchase Order
- Purchase Order – purchases in excess of \$10,000

Non-Competitive Procurement Procedure (formerly Sole or Single Source)



- In specific circumstances, only one vendor may be able or capable of providing goods and/or services. In such a case, a Non-Competitive Procurement Approval form is required and must be approved by the Director, Procurement Services, in advance of the Department making any commitment to the vendor/service provider.
- In the case of certain professionals for whom the Agreement on Internal Trade applies a non-application, in addition to an approved Non-Competitive Procurement Approval form, a Performance Evaluation and Engagement Renewal for Licensed Professionals is also required.
- Performance evaluations and engagement renewals must be completed every five years at a minimum.

Expense Reimbursement Procedure

Office of the Comptroller
Released August 13, 2012



Reimbursement of Expenses Procedure

- Guiding Principles
- Significant Changes
- Applicability
- Approval Matrix
- Advances
- Deadlines
- Ineligible Expenses
- Procurement of Goods & Services
- Eligibility of Specific Types of Expenses

Agenda

(continued)



- Roles & Responsibilities
- Claim Processing 101
- Corporate Card
- Points to Remember
- New Initiatives
- Useful Resources

Guiding Principles



- York will reimburse its faculty/staff for reasonable expenses incurred by them on behalf of the University or in the course of University academic or administrative business.
- York policy strives to be fair and provide the greatest possible flexibility, while still allowing the University to meet its stewardship obligations as a public institution.
- Individuals should neither gain nor lose personal funds as a result of travel assignments.
- As a general rule, claims must be submitted within 6 months of receipt date to ensure the University's financial records are correctly reported.
- Expense claims should be limited to travel and hospitality; purchases of goods or services must follow the procurement procedure, with invoices submitted directly to Accounts Payable for processing.
- Only nominal purchases of goods where the merchant is unable to bill the University will be reimbursed. Services (employment or otherwise) will not be reimbursed and should be paid through Payroll or Accounts Payable.

Significant Changes



Policy Application: *Reimbursable Expense Policy & Procedure applies to all claims regardless of source of funding unless grant guidelines or PER guidelines are more restrictive.*

What's New?

- New approval matrix:
 - Claims against Research Grant requires approval from Chair or Higher
 - Fund 400/500 and PER claims > \$5K no longer require VPRI approval
 - Senior Scholar PER claims to be approved by the Comptroller's Office
- Boarding passes to be submitted, where available
- Per diems can no longer be claimed; New meal guidelines provided
- New Procedure on Hospitality

Significant Changes

(continued)



- New guidelines for claiming telecom charges (telephone, mobile, internet)
- Deviations from procedure requires approval of Dean, AVP, or higher (Chairs & Directors can no longer approve deviations)

Clarification on Existing Practice

- All claims require “one-over-one” and cost centre signing authority approval
- Advances are no longer allowed against Senior Scholar PER
- Deadlines included in policy
 - 6 months on operating, internal research
 - 15 months on PERs
 - 15 months on external research (unless funder specifies a shorter timeline)
- Purchase of goods and services are not eligible, except nominal purchases

Significant Changes

(continued)



- Business class travel not approved except in exceptional circumstances if preapproved by a VP or higher
- Mileage reimbursed for out-of-pocket cost above and beyond their normal commute
- Affidavit is now an Attestation; Claims can be denied if excessively used
- Additional guidance/clarification provided in Appendix E - Standard University Practices

Applicability



- All claims for reimbursement must be compliant with this Procedure
 - Includes:
 - All funds
 - Research grants or contracts
 - PER
- If Research grant/contract or PER guidelines or are more stringent, these guidelines override the University Procedure.
 - If claimants are uncertain as to whether expenditures are eligible charges against their research grant or contract, they are asked to contact Research Accounting directly, at resacct@yorku.ca or at extension 20232. If Research grant/contract or PER guidelines or are more stringent, these guidelines override the University Procedure.

Applicability

(continued)



- All forms of payment must comply with this procedure including:
 - Reimbursements from Petty Cash
 - Payments by PCard
 - Payments by Cheque Requisition
 - Internal journal recoveries
 - Examples:
 - Membership fees processed on a PCard
 - Internal billings from on campus caterers
 - Travel and hospitality charges invoiced to the University
- This Procedure also applies to visitors, volunteers, and students
- This Procedure does not apply to independent contractors, consultants, or other vendors. These vendors are to invoice the University directly.
- Accountable advances will not be issued to visitors, volunteers, and students.

Approvals



- All accountable advances and expense reimbursement claims must be approved before they can be processed by the Expense Desk.
- Approval on a “one-over-one” basis, by the person to whom the claimant reports, is now entrenched in the Procedure.
- For research grants (internal or external), advance/claim must be signed by the Principal Investigator and approved by Department Chair/ Head or higher.
- All claims/advances must be signed by cost centre signing authority
- Approval of expense claims cannot be delegated (if the normal approver is not available, then the claim should be referred to the next)

Approvals

(continued)



Funding Source	Primary Approver (for all claims)	Secondary Approver (where claim exceeds \$5,000 Canadian equivalent)
Operating, special purpose, ancillary, endowment, or capital fund	Person to whom the claimant reports	Assistant or Associate Vice-President or Vice-President
Research grant (externally or internally funded)	Department Chair or higher (i.e., Dean or designated Associate Dean, Associate Vice-President, Vice-President)	Not required - Review performed by Office of Comptroller
	- and -	
Professional Expense Reimbursement (PER)	Principal Investigator One of the following individuals: ·Department Chair or Department Head; ·Dean or designated Associate Dean; ·Principal or designated Associate Principal; ·University Librarian or designated Associate University Librarian; or	Not required - Review performed by Office of Comptroller
Professional Expense Reimbursement for Vice-President	Vice-President Academic President	
Professional Expense Reimbursement for Senior Scholar	Office of Comptroller	Not required

- The complete approval matrix is contained on the next slide and can also be found at:
<http://www.yorku.ca/secretariat/policies/documents/Doc60AppendixDApprovalMatrixClaimsForReimbursement120515.pdf>

Appendix D Approval Matrix for Claims for Reimbursement

Funding Source	Primary Approver (for all claims)	Secondary Approver (where claim exceeds \$5,000 Canadian equivalent)	Deadline	Form	Receipts
Operating, special purpose, ancillary, endowment, or capital fund	Person to whom the claimant reports	Assistant or Associate Vice-President or Vice-President	6 months	Claim for Reimbursement of Expenses	Receipts supporting the Claim for Reimbursement are filed and stored in the local unit.
Research grant (internally funded)	Department Chair /Head or higher - and - Principal Investigator	Not required – Office of Comptroller will review	6 months	Claim for Reimbursement of Expenses	Original receipts are filed and stored with the Claim for Reimbursement at the Office of the Comptroller.
Research grant (externally funded)	Department Chair /Head or higher - and - Principal Investigator	Not required – Office of Comptroller will review	15 months	Claim for Reimbursement of Expenses	Original receipts are filed and stored with the Claim for Reimbursement at the Office of the Comptroller.
Professional Expense Reimbursement (PER)	One of the following individuals: <ul style="list-style-type: none"> • Department Chair /Head; • Dean/Principal or designated Associate Dean /Principal; • University Librarian or designated Associate University Librarian; or • Vice-President Academic • President 	Not required – Office of Comptroller will review	15 months	Professional Expense Reimbursement Form	Original receipts are filed and stored with the Claim for Reimbursement at the Office of the Comptroller.
Professional Expense Reimbursement for Senior Scholar	Office of Comptroller	Not required	15 months	Professional Expense Reimbursement Form (Senior Scholars Only)	Original receipts are filed and stored with the Claim for Reimbursement at the Office of the Comptroller.

Universal Approval Rules:

- Where claimant is listed as a Primary Approver, then approval must be obtained from the person to whom the claimant reports.
- Claims and advances must be authorized by a signing authority on the cost centre(s) to be charged.

Advances



- Advances are only available for travel-related circumstances
- Must be cleared within 14 days of return by submitting an expense claim
- Claimants can only have one advance outstanding at any given time.
 - If a claimant wishes a second advance, he/she must either repay the first advance or submit an expense claim to clear the first advance.
- An advance may not be issued against a Senior Scholar PER.
- Claimants cannot request large advances to make payments to individuals (either employees or third party service providers).
 - Note that payment to individuals in this manner is prohibited by the University procedure on Reimbursement of Expenses.
- Advances are closely scrutinized by the Comptroller's Office to ensure the rationale is reasonable.

Deadlines for Submission



Claims for Reimbursement must be submitted in accordance with the deadlines below:

Funding Source	Deadline (from date of expense)
Operating, special purpose, ancillary, endowment, or capital fund	6 months*
Research grant (internally funded)	6 months*
Research grant (externally funded)	15 months* (unless granting agency specifies a shorter timeline)
Professional Expense Reimbursement (PER)	15 months*
Professional Expense Reimbursement for Senior Scholar	15 months*

* In exceptional circumstances or where the faculty member or librarian is on approved leave, an extension of the deadline may be granted up to 18 months from the date of the expenditure. A written explanation detailing the reason for your request must be submitted with your claim.

Ineligible Expenditures



The University will not reimburse the following expenses:

- expenses which are being claimed by an employee as a tax deduction;
- expenses which are recoverable from a third party;
- payments which would be taxable income in the hands of the recipients, including claims for stipends or other forms of remuneration of any sort;
- **passport costs;**
- late payment interest on credit cards **(or through any other means) or overdraft interest;**
- parking, traffic or other fines and penalties;
- **407 transponder or toll charges;**
- **furniture and furnishings (to be paid through A/P or PCard);**

Ineligible Expenditures

(continued)



The University will not reimburse the following expenses:

- insurance coverage available through the University’s credit card **or** ***institutional policies;***
- reimbursements for the value of travel reward points;
- expenses not incurred for business purposes;
- expenses related to travel companions;
- credit card annual fees;
- childcare expenses; and
- gift purchases for employees

All of these items are found directly in the University Procedure on Reimbursement of Expenses. Items in ***ITALICS GREEN*** font were added to the policy for greater clarity.

Procurement of Goods & Services



- The expense claim process is intended to reimburse employees for travel-related expenses only.
- Purchases of goods and services (should be billed directly to the University and processed on a PCard or through Accounts Payable).
- Nominal purchases of goods will be reimbursed (normally where the merchant is unable to directly bill the University).
- Common disallowed claims where vendors of record could be used are:

Type of Purchase	Vendor of Record
Computers	Data Integrity*, Dell*, HP
Office Supplies	Staples*

* Purchase from these vendors can be made through Sm@rtbuy, the University's new eProcurement system

Vendors of Record



- For the benefit of the community, Procurement Services has set up a number of agreements with Vendors of Record that provide the University with preferred rates.

Sample preferred vendors are:

Type of Purchase	Vendor of Record
Car rental	Budget Rent A Car, Hertz
Hotel	Delta, Sheraton, Best Western, Radisson, Quality (depending on location)
Train	Via Rail

Full details and instructions how to use the preferred vendors can be found at: <http://www.yorku.ca/procurement/internal/vor/index.html> .

Eligibility – Travel



- Employees shall be reimbursed for the most direct and economical mode of travel available, considering all of the circumstances.
- Additional costs incurred for personal reasons (e.g. stopovers, extensions, travel companions) are ineligible for reimbursement
 - The claimant is responsible for determining the pure cost of travel associated with conducting York business.
 - Supporting documentation or calculation should be provided by the claimant as evidence of the pure cost.

Example: A researcher attends a conference in London, England from June 15th to 17th. The cost of a flight arriving on June 14th and departing on June 17th is \$850. The researcher leaves on June 1st and stops over in Paris, France for two weeks. The cost of the flight package is \$1,290.

Eligibility: Meal and hotel charges outside of the conference dates are ineligible. The incremental cost of the flight of \$440 is also ineligible. The claimant must provide a quote for the most direct flight around the conference dates to support the claim.

Eligibility – Travel

(continued)



Airfare

- The University will generally only reimburse the cost of economy airfare.
- Business class transportation may only be taken in exceptional circumstances and shall be:
 - supported by a detailed explanation (including a doctor's letter where business class is required for medical reasons), and
 - pre-approved by a Vice-President (or if the claimant is a Vice-President or a President, by whom the claimant reports).
- Claims for airline must be supported by original invoices that demonstrates payment has been made by the claimant. Boarding passes are collected if they are available.

Eligibility – Travel

(continued)



Automobile

General:

- Personal automobile use is only recommended for short journeys.
- When possible, “carpooling” is recommended to minimize the cost of travel

Mileage allowance:

- Personal automobile use for business travel will be reimbursed only by way of an all inclusive mileage allowance – currently \$0.45 / km
- Travel to and from an employee’s residence to normal place of business is not eligible for reimbursement
- Transportation between locations of the University, which is not part of the normal duties of employment, may be claimed for reimbursement.

Eligibility – Travel (continued)



Mileage allowance (continued):

- Generally, mileage should be claimed for the shortest distance between:
 - (a) an employee's residence and the destination, or
 - (b) the employee's normal place of business and the destination.
- A Mileage Log must accompany each claim for mileage.

Parking:

- On-campus parking is generally ineligible.
- Off-campus parking is generally eligible where the location is not the employee's normal place of business.

Eligibility – Travel

(continued)



Example:

An employee is required to travel off-campus to attend a business related meeting. The meeting takes place in the middle of the day so the employee is required to report to work before the meeting and return after the meeting. The employee normally takes public transit to work, however, the meeting location is not easily accessible by public transit so she brings her vehicle to work in order to drive to the meeting. The employee incurs the following expenses:

- Travel in personal vehicle – Home to York, York to Meeting, Return to York, York to Home
- Parking at York
- 407 toll charge to and from meeting
- Lunch near meeting location
- Parking at Meeting Location
- Parking fine at Meeting Location for not displaying parking voucher on dash

Eligibility – Travel

(continued)



Application:

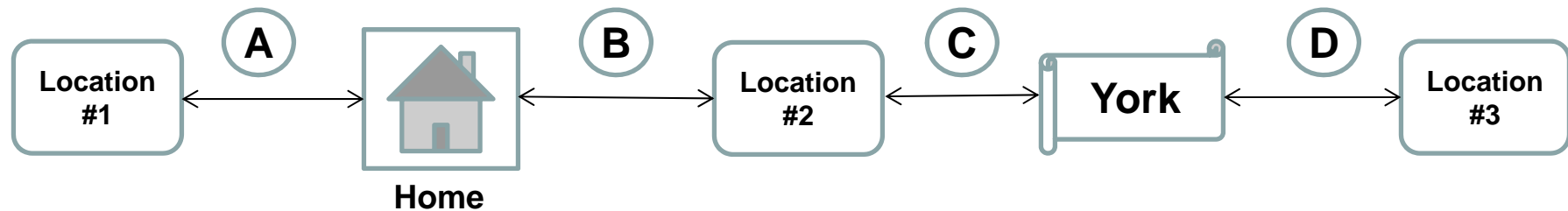
Expense	Eligibility
Travel from Home to York, York to Home	Ineligible
Parking at York University	Ineligible
Travel from York to Meeting, Return to York	Eligible (mileage allowance)
Parking at Meeting Location	Eligible
Parking fine	Ineligible
407 toll charge to/from meeting location	Ineligible
Lunch near meeting location	Ineligible

Eligibility – Travel

(continued)



Example:



Using the diagram above, what mileage would be eligible in the following scenarios:

Scenario 1:

Employee travels from Home to Location #1 and spends the day at Location #1. The employee does not normally drive to work.

Eligibility:

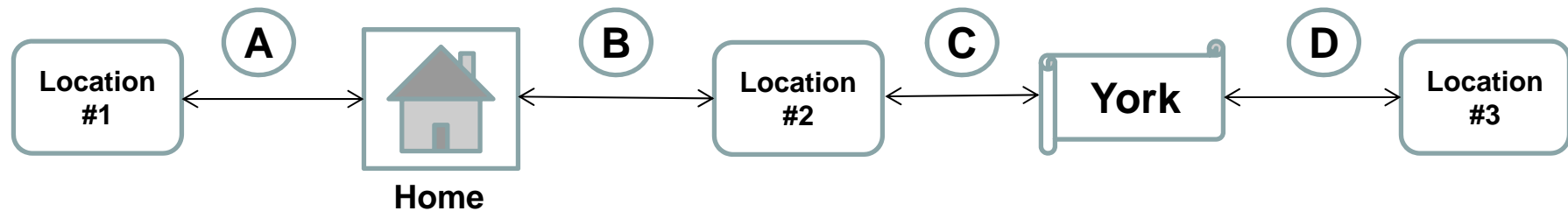
Mileage equal to **Distance A x 2 x 45 cents (i.e. round trip)** would be eligible for reimbursement as the employee does not normally drive to work.

Eligibility – Travel

(continued)



Example:



Using the diagram above, what mileage would be eligible in the following scenarios:

Scenario 2:

Employee travels from Home to Location #2 in the morning for a meeting and then travels to York to perform his normal duties. The employee normally drives to work.

Eligibility:

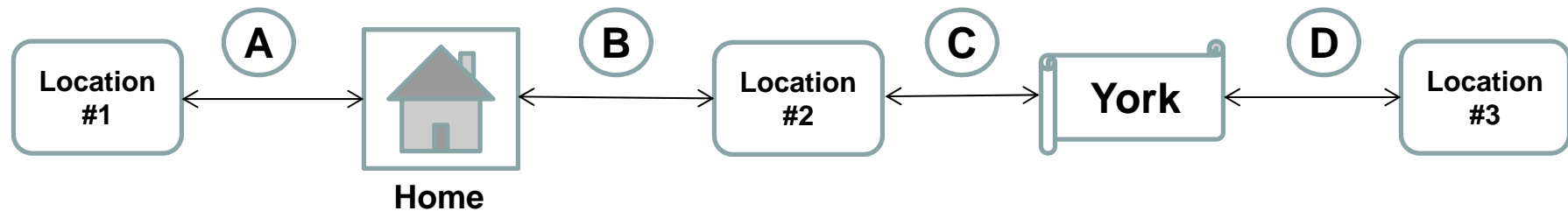
No mileage is eligible to be claimed as Location #2 is on route to the employee's normal place of business (no incremental mileage incurred).

Eligibility – Travel

(continued)



Example:



Using the diagram above, what mileage would be eligible in the following scenarios:

Scenario 3:

Employee travels from Home to York in the morning and then to a mid-day meeting at Location #2. The employee returns to York after the meeting. The employee normally drives to work.

Eligibility:

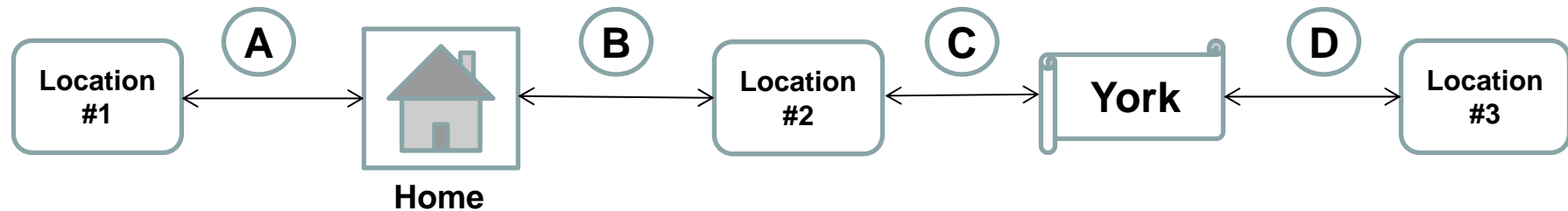
Mileage equal to **Distance C x 2 x 45 cents** would be eligible for reimbursement as the employee must travel mid-day which is above and beyond his normal commute.

Eligibility – Travel

(continued)



Example:



Using the diagram above, what mileage would be eligible in the following scenarios:

Scenario 4:

Employee travels from Home to Location #3 for a morning meeting and returns to York after the meeting. The employee has a late afternoon meeting at Location #1 and is there until the end of the workday. The employee returns home directly from the meeting at Location #1. The employee normally drives to work.

Eligibility:

Morning meeting - Mileage equal to **Distance D x 2 x 45 cents** would be eligible for reimbursement as the employee must travel mid-day which is above the normal commute.

Afternoon meeting - Mileage equal to **Distance A x 2 x 45 cents** would be eligible for reimbursement. This distance represents the additional mileage incurred by the employee above the normal commute home.

Eligibility – Travel

(continued)



Hotel and Lodging

- Reimbursement is limited to a standard room.
- Reimbursement for overnight accommodation within the Greater Toronto Area is generally not eligible.
- Booking through internet providers (e.g. Hotels.com), arrangements for weekly/monthly lodging, etc. should be evidenced by proof of payment

Eligibility – Meals & Other Travel Allowances



- Meal charges incurred while on University business are reimbursable
- Guidelines for claiming meals:
 - Generally, per diems are no longer allowed under Provincial Legislation (Exception: Federal grants/contracts with an approved per diem)
 - Must be evidenced by a receipt
 - Reimbursable up to the maximum rates set out below.

Maximum Rates:

	<u>Within Canada</u>	<u>Outside Canada</u>
Breakfast	CAD \$12	USD \$12
Lunch	CAD \$17	USD \$17
Dinner	CAD \$36	USD \$36
Total per day	CAD \$65	USD \$65

Eligibility – Meals & Other Travel Allowances

(continued)



- Claims that exceed the maximums can be approved by a Dean, Assistant or Associate Vice-President, or higher (approval to be obtained in advance).
- Claims for meals cannot be made if meals are provided through some other means (e.g. where meal is provided at a conference)

Allowance for Gratuitous Overnight Accommodation

\$15 per night (no receipt required)

Allowance for Incidental Expenses without Receipts

\$10.00 per day to a maximum of \$100.00 per trip (no receipt required)

Eligibility – Meals & Other Travel Allowances

(continued)



Example:

An employee is required to attend an out-of-town conference related to their employment from June 5th to June 8th. The employee leaves at noon on June 4th and returns in the evening of June 8th. Accommodation and lunch is included in the conference fee. The employee must pay for all other meals. The employee incurs \$35 of personal phone calls and \$25 of business phone calls while at the conference. How much is the employee eligible to claim for meals, incidentals, and other expenses?

Expense		Amount Eligible
Meals	– June 4 th	\$53 allowable (Lunch \$17, Dinner \$36)
	– June 5 th to 8 th	\$48 allowable per day (Breakfast \$12, Dinner \$36)
Long distance	- business	100% eligible to be claimed
	- personal	For this trip the employee can claim incidentals of \$50 (no receipt required) (i.e. \$10/day to a maximum of \$100/trip)

Eligibility – Meals & Other Travel Allowances

(continued)



Example:

An employee is required to travel for business purposes. He will be conducting research at an out-of-town location and is required to be in the field for 30 days. A relative of the employee, who lives near the research site, will be out of town for the same period of time and offers the York employee the use of his apartment during the 30 days. The employee accepts the offer as the apartment is within walking distance to the research site. The employee incurs the following expenses related to his meals & accommodation.

- Grocery bills for \$800
- Dinners on 3 nights for \$30 each
- Dinners on 6 nights for \$50 each
- Dinners on 2 nights for \$40 each (these dinners were for research purposes with a number of collaborators in attendance)
- Gift card purchased for relative for use of apartment for \$750 (a reasonable hotel would have cost \$120 per night or \$3,600 for the 30 days)

How much is the employee eligible to claim for meals, incidentals, and other expenses?

Eligibility

– Meals & Other Travel Allowances

(continued)



Application:

Expense	Amount Eligible
Meal relate costs – Groceries – Dinners @ \$30 – Dinners @ \$50 – Dinners @ \$40	\$800 eligible * \$90 eligible * \$216 eligible * (6 dinners x \$36 maximum allowable) \$80 eligible * (if approval to exceed \$36 maximum allowable was received in advance of travel) * Notes: <ul style="list-style-type: none"> • Total meal claim cannot exceed \$1,950 (i.e. \$65 daily maximum x 30 day). • Claim for grocery bills cannot exceed \$1,554 [\$1,950 less \$396 (i.e. 11 restaurant meals x \$36 allowable for each restaurant meal)] • Original receipts must be provided.
Accommodation	\$450 eligible (30 nights x \$15 maximum allowance for gratuitous overnight accommodation)

Eligibility – Hospitality & Alcohol



- Reimbursement of hospitality expenses including alcohol are no longer provided for in this Procedure.
- Please refer to the University's standalone policy and procedure on Hospitality
- The complete Hospitality policy and procedure can be found at:

<http://www.yorku.ca/secretariat/policies/document.php?document=210> (Policy)

<http://www.yorku.ca/secretariat/policies/document.php?document=58> (Procedure)

Eligibility – Telecommunication & Internet



These additional guidelines have been added to ensure the University complies with CRA requirements for taxable benefits.

Telecommunication

The following expenses are eligible for reimbursement:

- **Long distance** - Business calls made from home or while on a business trip
- **Purchase of a cellular device** - if (i) used for business purposes and (ii) has been approved by a department head or higher.
- **Cellular/data service fees** – Eligible for reimbursement if (i) the cost of the plan is reasonable, (ii) is a basic plan with a fixed cost, and (iii) personal use does not result in additional charges. If all three conditions are not met, fees must be prorated for the business use portion.

Eligibility – Telecommunication & Internet (continued)



The following expenses are **not** eligible for reimbursement:

- Long distance personal calls while on a business trip (reimbursed via Allowance for Incidentals)
- Monthly fixed charges pertaining to a home telephone.

Internet

Internet will only be reimbursed where:

- The employee's job requires him/her to monitor information systems overnight and such responsibilities would require significant internet access (Limit of 50%)
- Permitted by granting agencies. The monthly fees should be prorated between research and personal use.

Eligibility – Telecommunication & Internet (continued)



Example:

An employee of the University has a preapproved cellular device and incurs a monthly service fee of \$55. The employee's normal usage does not typically result in additional charges. For the month of September, the employee received the invoice for his cellular usage and incurred the following charges:

- Fixed monthly plan cost - \$55
- Personal text messages - \$10
- Long distance charges while in GTA - \$ 5 (all items were business related)
- Long distance charges while travelling for business - \$30 (50% business, 50% personal)
- Roaming charges while travelling for business - \$50 (\$30 related business calls, \$20 to personal)

Which expenses incurred by the employee are eligible for reimbursement?

Eligibility – Telecommunication & Internet (continued)



Application:

Expense	Amount Eligible
Monthly plan cost	\$55 eligible (plan cost is reasonable and fixed, personal usage does not typically result in additional charges)
Text messages	Ineligible (personal)
Long distance charges while in GTA	\$5 eligible (business related)
Long distance charges while travelling	\$15 eligible (50% of \$30 is business related) (Note: Employee should provide detailed call log and note business and personal calls to substantiate the proration)
Roaming charges while travelling	\$30 eligible (related to business calls; should be supported by detailed call log)

Eligibility – Telecommunication & Internet (continued)



Example:

The finance department receives claims for monthly internet charges from the following individuals:

1. A UIT employee required to monitor York systems overnight;
2. A researcher funded by a tri-council grant requiring internet for research purposes;
3. A researcher requiring internet for research purposes seeking reimbursement from his PER;
4. A researcher funded internal research funds; and
5. An administrative staff member who works from home in the evenings

For which employees would the monthly internet charge be eligible for reimbursement?

Eligibility – Telecommunication & Internet (continued)



Application:

Individual	Eligible	Amount Eligible
UIT employee - required to monitor York systems overnight	YES	Up to 50%
Researcher claiming on Tri council grant - requires internet for research purposes	YES	Business use portion (an explanation of how the business portion is determined is required)
Researcher claiming from his PER - requires internet for research purposes	YES	Business use portion (an explanation of how the business portion is determined is required)
Researcher claiming from internal research - requires internet for research purposes	YES	Business use portion (an explanation of how the business portion is determined is required)
Administrative staff - works from home in evenings	NO	None

Roles and Responsibilities



- **Claimants are responsible** for submitting claims, supported by original receipts, on a timely basis for actual out-of-pocket expenses.
- **Claimants and Approvers are responsible** to ensure that any contemplated travel is necessary and appropriate, that the resulting expenses are legitimate, reasonable, and in accordance with the York policy or granting agency guidelines.
- **Internal Audit** regularly audits expense claims to ensure the community has followed the pertinent expense policies and procedures.

Claim Processing



- The Claim for Reimbursement of Expenses Form is located on the Finance website under Forms: <http://www.yorku.ca/finance/forms.htm>
- The claimant must itemize their receipts by type of expenditure in the mid section of the form.
- Employees should convert foreign-denominated expenses to Canadian currency using the prevailing rate on the date of the transaction. FX rates can be found at <http://www.oanda.com/convert/classic>.
- In the next section of the form, the total expenses are then broken down by chartfield distribution.
- Any outstanding accountable advance must be deducted from the total expenditures.

Claim Processing – Accounts



For the chartfield section of the form, common account numbers are:

Type of Expense	Account	Account Description	Account Purpose	Category
Travel Expenses of Faculty	401000	Travel-General-Faculty	To record general expenses for faculty that are not categorized as mileage, airfare, hotel and conference expenses. E.g. taxi, busfare, train fare etc	Travel & Hospitality Expenses
	401100	Mileage-Faculty	To record mileage costs for faculty	
	401200	Airfare-Faculty	To record airfare costs for faculty	
	401300	Hotel Expense-Faculty	To record accommodation and food expenses for faculty (includes meals and per diems).	
	401400	Conference Fees-Faculty	To record conference fees for faculty	
Travel Expenses of Support Staff	402000	Travel-General-Support Staff	To record general travel expenses for staff that are not categorized as mileage, airfare, hotel and conference expenses. E.g. taxi, busfare, train fare etc	Travel & Hospitality Expenses
	402100	Mileage-Support Staff	To record mileage costs for support staff	
	402200	Airfare-Support Staff	To record airfare costs for support staff	
	402300	Hotel Expense-Support Staff	To record accommodation and food expenses for support staff (includes meals and per diems).	
	402400	Conference Fees--Support Staff	To record conference fees for support staff	
Travel Expenses of Others (such as students, external collaborators, etc.)	402500	Travel-General-Other	To record general travel expenses not categorized as mileage, airfare, hotel and conference expenses for other staff/students/consultants etc	Travel & Hospitality Expenses
	402600	Mileage-Other	To record mileage costs for other "staff" (not otherwise categorized) - e.g. mileage for consultants	
	402700	Airfare-Other	To record airfare costs for other "staff" (not otherwise categorized) - e.g. airfare for consultants	
	402800	Hotel Expense-Other	To record accommodation and food expenses (such as meals and per diems) not otherwise categorized. E.g. accommodation & food for consultants	
	402900	Conference Fees--Other	To record conference fees for other "staff" (not otherwise categorized)	

[http://www.yorku.ca/finance/documents/Account Usage Claims for Reimbursement.pdf](http://www.yorku.ca/finance/documents/Account_Usage_Claims_for_Reimbursement.pdf)

Corporate Card



- The University has a corporate card program with American Express (Amex).
- Amex issues a charge card in the name of the employee and the University.
- All full-time faculty and staff are eligible to apply for a corporate card.
- Among the many benefits:
 - Cardholders have various travel benefits such as travel accident insurance, car rental theft and damage insurance in Canada/USA, etc.)
 - 30 days from statement due date to settle an account before late payment charges are levied
 - Claimants can segregate their personal and business activity
- The application form, as well as an FAQ document, can be found on the Finance website under forms <http://www.yorku.ca/finance/forms.htm>.

Note that the cardholder is personally responsible for payment of the Amex bill, not York.

Points to Remember



- Compensation (to employees or services providers) cannot be reimbursed via claim. **These individuals must not be compensated directly by claimants.**
 - Payments to employees must be submitted to Payroll for proper withholding and tax reporting, as required by Canada Revenue Agency.
 - Services of third party providers (such as consultants/contractors) must be invoiced to York University and paid through Accounts Payable. This ensures compliance with the Procurement policy and that the proper tax administration has occurred.
- Purchases of goods must not be submitted on claims. Instead, the vendor's invoice must be submitted directly to York for payment. York must adhere to Procurement guidelines.
- For meals and hospitality, the most senior person attending the event must submit the receipt for reimbursement.

Points to Remember

(continued)



- Claims for expense reimbursement shall be accompanied by original receipts, invoices, vouchers, boarding passes (if available), and other original evidence of travel.
- The receipt must clearly identify the purchases. Where the receipt does not provide this information, the claimant should make a notation on the receipt (i.e. titles of publications, types of supplies, etc.).
- In rare circumstances, original receipts may be unavailable. In these circumstances, the claimant may complete the Travel and Expense Attestation found on the Finance website.
- Each claim must be signed by the claimant. In rare cases where this is impossible, the claimant must send an email to the preparer giving him/her approval to sign on the claimant's behalf. This email must be attached to the claim.

Points to Remember

(continued)



- The University has a procedure for Declaring a Conflict of Interest in the Procurement of Goods and Services.
- A conflict or the perception of conflict may exist where the potential vendor is:
 - An employee or anyone who is not at arm's length to any employee
 - A corporation/firm/other business (that is not publicly traded) where an employee or someone not at arm's length to any employee is a shareholder
- It is important that:
 - Claimants avoid conflicts of interest wherever possible.
 - If a conflict exists, claimants identify the conflict early and follow the University procedure.

Recent Non-Compliance Findings



- Claimants providing inadequate documentation to support the claim.
- Claimants flying business class.
- Claimants paying for invoices directly, thereby not adhering to Procurement policy.
- Claimants paying related parties, thereby not in compliance with procedure on Declaring a Conflict of Interest in the Procurement of Goods and Services.
- Claimants not properly computing the GST/HST rebate.
- Claimants submitting expenses beyond deadlines.
- Claimants submitting claims for luncheon meetings and not having the most senior individual submit the claim.
- Claimants submitting expenses with no details as to the nature of the meetings and no identification of the parties involved.
- Claimants submitting duplicate receipts, thus resulting in duplicate payments.

Using Scanning & Email To Expedite Payment of Claims



- Where errors/deficiencies were noted, claims are almost always returned to the claimant
- Expense desk to use scanning and email correspondence to resolve common deficiencies such as:
 - Missing / incorrect cost centre information
 - Insufficient funds in cost centre
 - Missing affiliation to grant
- Expense desk to adjust claims for small errors/deficiencies:
 - Missing receipts
 - Alcohol
 - Small calculation errors

Direct Deposit – Fast, Secure, & Green!



- Employees are encouraged to enroll in direct deposit banking for reimbursement of expense claims.
- Direct deposit is a faster, more secure method of payment and helps the University fulfill its commitment to sustainability
- The application can be found on the University's website at:
http://www.yorku.ca/finance/documents/Direct_Deposit_Employee.pdf
- EO's, FO's and AO's are asked to encourage staff in your areas to enroll in direct deposit banking
- Accounts Payable will no longer be accepting requests from the Community to pick up cheques for vendor invoices or employee expense reimbursements

Automated Travel & Expense System



- PRASE Initiative
- RFP process completed
- Vendor selected - Concur
- Product demonstrated to Deans, Executive Officers, and Finance Officers
- Awaiting final approval

Useful Resources



University procedure on reimbursement of expenses

<http://www.yorku.ca/univsec/policies/document.php?document=60>

Professional expense reimbursement guidelines

http://www.yorku.ca/finance/documents/Professional_Expense_Reimbursements_Guidelines.pdf

http://www.yorku.ca/finance/documents/Reimbursement_Senior_Scholars.pdf

Meal rates and Other Travel Allowances

<http://www.yorku.ca/secretariat/policies/documents/Doc60AppendixAPerDiemAndOtherTravelAllowances120104.pdf>

Claim forms

<http://www.yorku.ca/finance/forms.htm>

Attestation for lost/missing receipts

http://www.yorku.ca/finance/documents/Affidavit_Form.pdf

Request for an accountable advance

http://www.yorku.ca/finance/documents/Accountable_Advance_revised_August_2012.pdf

Reference Tool: Checklist and FAQ



- Our office recently published an Expense Claim Review Checklist and Frequent Asked Questions document to assist the community in filling out and reviewing claims.
- The checklist is a quick reference tool of the top 20 or so things to look out for when signing off on claims.
- The Frequently Asked Questions section covers many of the questions we often receive. It also focuses on topics that were noteworthy during internal audits.
- Found under the Forms section of our website at:
<http://www.yorku.ca/finance/forms.htm>

Final Considerations



Audits

- Provincial audits
- York internal audits
- Research agency audits
- Ernst & Young audits

Always make sure that claims for reimbursement are properly approved, with receipts, and with appropriate sufficient documentation to support the expenditures. Audits often take place months/years after the fact. Documentation is important!

Hospitality Policy & Procedure

Office of the Comptroller

Released August 13, 2012



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Agenda



- Policy
- Procedure
 - Definition(s)
 - Guiding Principles
 - Approval
 - Exemptions
 - Eligible Hospitality
 - Expenditures for Alcoholic Beverages
 - Hospitality Involving Spouses
 - Hospitality for Government Officials
 - Gift to External Individuals
 - Appreciation Items Given to Employee



- Procedure cont'd
 - Meals or Refreshments Served at Meetings
 - Retirement functions
 - Departmental Social Functions
 - Reimbursement of Eligible Expenses
 - Documentation
 - Ineligible Expenses



- Developed by Finance
- Community Consultation – Focus Group (FEO, FFO, SEO's)
- Requirement of Expense Directive – *Broader Public Sector Accountability Act, 2010*
- Approved by Board of Governors, June 2012
- VPFA Responsible for procedures, guidelines and compliance

Policy

The University recognizes that hospitality expenses may be incurred in carrying out its educational, research, and service activities. Hospitality expenditures shall be appropriate, cost effective, support the institution's mission and incurred in accordance with the associated Procedure and Guidelines.



Definition(s)

- Hospitality: *Hospitality means the provision of food and beverages, social or recreational activities, events and functions, and gifts which are purchased in support of the educational, research or service activities of York University.*
- Internal hospitality: *Hospitality organized principally for the benefit of York University employees, students and/or governors.*
- External hospitality: *Hospitality organized principally for the benefit of individuals who are not employees, students or governors. Examples would include guests, donors, alumni, representatives from external organizations, etc.*



Guiding Principles

- 1. The University is accountable for the effective and efficient use of its resources. Hospitality is accepted as having an appropriate business purpose and appropriate to the University's circumstances.*
- 2. While expenditures on celebrations of personal events in the lives of employees may not be paid from University funds, this Procedure does not intend to discourage these events or expressions from taking place. There is a venerable tradition at the University of faculty and staff voluntarily contributing personal funds for such celebrations. Where appropriate, the University allows the use of its facilities for such celebrations subject to availability, operational requirements, and prior approval of the relevant department head.*



Approval

- 1. Hospitality expenses (excluding catered business meals and large functions) shall be approved in advance by the supervisor of the most senior employee in attendance at the function.*
- 2. Catering for business meetings occurring during a normal working day shall be approved by the signing authority of the cost centre to be charged.*
- 3. Functions with 50 people or more shall be approved by the signing authority of the cost centre to be charged.*
- 4. Additional approvals may be required as outlined in the Guidelines section found in the Procedure.*

Exemptions

Any departure from this Procedure shall be made only after advance approval from a Vice-President or the President upon written justification.

Procedure



Eligible Hospitality

1. Appropriate hospitality charges include:

- i. events hosted or sponsored for the purpose of promoting the University's work or enhancing its image;*
- ii. meals at which University business is transacted; and*
- iii. hosting other employees in circumstances where the nature and sensitivity of the University business discussion requires privacy.*



Eligible Hospitality

2. Other expenditures allowable for hospitality are those incurred (cont'd):

- iv. in the recruitment of faculty and staff, including expenses of the principal individuals involved in the decision-making process;*
- v. in hosting students or student leaders, in nurturing leadership, developing affinity or recognizing contribution;*
- vi. in hosting prospective students and parents for recruitment and advancement related activities;*
- vii. in recognizing job performance;*
- viii. in hosting visitors to the University;*
- ix. for volunteer recognition events;*



Eligible Hospitality

2. Other expenditures allowable for hospitality are those incurred:

- x. for donor cultivation and recognition;*
- xi. for public relations events;*
- xii. for University sponsored receptions;*
- xiii. for receptions to acknowledge long service or other awards to faculty, staff, students, and alumni for outstanding accomplishments;*
- xiv. for receptions to honour visitors, guests, or dignitaries;*
- xv. for receptions for official openings of buildings, art exhibits, etc.; and*
- xvi. for ceremonies such as convocations or public announcements*

Procedure



Expenditures for Alcoholic Beverages

3. Alcoholic beverages will be permitted expenditures for internal hospitality functions with the advance approval of the President or a Vice-President.

4. Expenses will be reimbursed for alcoholic beverages purchased for external hospitality if incurred at a moderate level appropriate to the circumstance.



Hospitality Involving Spouses

5. Hospitality may be extended to spouses, partners or family members of York employees when approved in advance by a Vice-President or the President.

Hospitality for Government Officials

6. Hospitality shall only be extended to government officials pursuant to the Broader Public Sector Expenses Directive issued by the Ontario Management Board of Cabinet as it exists from time to time.



Gifts to External Individuals

7.Reimbursement will be made for modest gifts given to individuals as “thank-you’s” for speaking or presenting at University events such as conferences, workshops, panels or guest lectures.

8.Reimbursement will be made for modest gifts given to individuals in countries where it is a cultural norm to do so provided that ethical business practices are not compromised.

Appreciation Items Given to Employees

9.Reimbursement will be made for gifts, other than gifts of money or gift certificates, given in appreciation of employee efforts beyond normal job responsibilities. Such appreciation gifts should be token (e.g., gifts of small value, such as University crested clothing, mugs, plaques, etc.)



Meals or Refreshments Served at Meetings

10. Reimbursement will be made for meals and/or refreshments provided at meetings attended by University faculty and staff as long as the purpose of the meeting is work-related (such as planning, education, collaboration, etc.) and the cost per individual is reasonable.



Retirement Functions

11. Expenses for retirement functions for long-serving faculty and staff will be reimbursed when:

- i. hosted at a reasonable cost; and*
- ii. approved in advance by a Vice-President or the President*

Departmental Social Functions

12. Expenses will be reimbursed to departments for costs of one unit-wide social event per year for its employees when approved in advance by a Dean, Vice-President or the President.



Reimbursement of Eligible Expenses

13. Employees who pay for hospitality and entertainment expenses may request reimbursement pursuant to the Reimbursement of Expenses Procedure.

14. Expenditures for large functions shall be billed directly to the University.

Documentation

15. In order to charge the University for hospitality or to claim hospitality expense reimbursement, the following documentation is required:

- *a written account of the business purpose,*
- *number of attendees, and*
- *the names and affiliation of the attendees (i.e. the guest's home institution/organization and his or her position).*



Ineligible Expenses

16. Expenses incurred in relation to the following are considered the responsibility of the individuals participating or the employee(s) hosting the event:

- i. celebrations of birthdays, weddings, births, or other functions;*
- ii. expressions of sympathy (including flowers, cards, etc. for bereavements).*

Perquisites Policy

Office of the Comptroller

Released August 13, 2012



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Agenda



Policy

- Description
- Definition
- Applicability
- Specifically Prohibited
- Approval Authority
- Record Keeping



Description:

Deals with the provision of perquisites to employees and members of the Board of Governors.

Definition

For the purposes of this policy, a perquisite refers to a privilege that is provided to an individual or to a group of individuals, provides a personal benefit, and is not generally available to others.

Applicability

This policy applies to all employees and governors.

Resource

<http://www.yorku.ca/secretariat/policies/document.php?document=212>



Specifically Prohibited

Under the Perquisites Directive mandated under the *Broader Public Sector Accountability Act, 2010*, the University will not permit the payment or reimbursement of the following:

1. Specifically identified perquisites
 - Club memberships for personal recreation/socializing purposes (fitness, golf, social, etc.)
 - Seasons tickets to cultural or sporting events
 - Clothing allowances not related to health and safety or special job requirements
 - Access to private health clinics, medical services outside of those provided by the Provincial Health Care System or by the employer's group insured benefit plans
 - Professional advisory services for personal matters, such as tax or estate planning
2. Perquisites not specifically identified above but which are not related to business requirements



Approval Authority

In limited and exceptional circumstances, a perquisite may be granted to certain employees where the benefit is clearly required for the ongoing, effective performance of the employee's job. Application in writing shall be made to the Vice-President Finance and Administration for approval.

Record Keeping

The Office of the Vice-President Finance and Administration will maintain a log of all approved perquisites and will annually report the summary list to the Finance and Audit Committee of the University's Board of Governors. To ensure this information is publicly available, this summary list will also be posted annually on the University website under the Office of the Vice-President Finance and Administration.

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