Introduction

The monthly bulletin is a useful tool to share information and resources with the University community, including answers to frequently asked questions that are raised to the Comptroller’s Office.

This month’s bulletin covers claims for reimbursement, including:

- Expenditures that are eligible for reimbursement,
- Expenditures that are ineligible for reimbursement, and
- Points to remember when submitting claims for reimbursement

Policies and Procedures when preparing Claims for Reimbursement

In general, all claims for reimbursement must be compliant with the following:

1. The University Policy and Procedure on Claims for Reimbursement, located at:
   
   http://www.yorku.ca/univsec/policies/

2. Charges against Professional Expense Reimbursement cost centres must be compliant with Professional Expense Reimbursement Guidelines, located at
   

3. Charges against cost centres related to externally funded research (Fund 500) must be compliant with the specific terms and conditions of the grant or contract. 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. In the event that the research grant or contract has no specific guidelines on what is an eligible expenditure, the University’s Policy and Procedure on Claims for Reimbursement will serve as the reference.

Eligible Expenditures

The following is a list of common expenditures that are eligible for expense reimbursement, when such expenditures are incurred for general University purposes. Expenditures charged against Professional Expense Reimbursement cost centres must also be in compliance with Professional Expense Reimbursement Guidelines. Expenditures charged against externally funded research grants and contracts must also be in compliance with the specific terms and conditions of the grant or contract.

Travel:

- Employees shall be reimbursed for the most direct and economical mode of travel available, considering all of the circumstances.
- Personal automobile use for business travel will be reimbursed only by way of an all inclusive mileage allowance at a rate to be established from time to time. This allowance is designed to reimburse the claimant for all costs, including fuel, insurance, repairs, and maintenance, and 407 ETR charges.

Accommodation:

- Employees shall be reimbursed for reasonable accommodation expenses, considering all of the circumstances.

Meals:

- Employees shall be reimbursed for reasonable and appropriate meal charges actually incurred while on University business and shall be guided by the per diem rate.

October 2008
Hospitality:
  o Employees shall be reimbursed for hospitality expenses incurred in the course of University business, as appropriate.

Appropriate hospitality charges include:
  o events hosted or sponsored for the purpose of promoting the University's work or enhancing its image;
  o meals which are related to the transaction of University business; and
  o hosting fellow employees in circumstances where the nature and sensitivity of the University business discussion requires privacy.

Claims for hospitality reimbursement shall be accompanied by original receipts and shall clearly state the business purpose and identify the parties involved.

Expenses associated with the social hosting of fellow employees normally require authorization in advance and are eligible only in certain circumstances; for example: situations related to an extended workday or to the recognition of job performance, promotion or retirement. As per the University procedure, the most senior individual should prepare and submit the Claim for Reimbursement, for approval.

In addition, charges for hospitality charged to a Professional Expense Reimbursement cost centre must also be in compliance with the Professional Expense Reimbursement Guidelines and charges for hospitality charged to an externally funded research cost centre must be in compliance with the guidelines for such charges as specified by the granting agency.

Ineligible Expenditures

The following is a sample list of expenditures that cannot be reimbursed by the University, in accordance with the University’s procedure on Claims for Reimbursement, found at


The University will not reimburse the following expenses:
  o expenses which are being claimed by an employee as a tax deduction;
  o expenses which are recoverable from a third party;
  o payments which would be taxable income in the hands of the recipients, including claims for stipends or other forms of remuneration of any sort;
  o claims for purchases of goods or services that do not comply with the University Policy and Procedure on the Procurement of Goods and Services;
  o late payment interest on credit cards;
  o parking, traffic or other fines and penalties;
  o insurance coverage available through the University’s credit card;
  o reimbursements for the value of travel reward points;
  o expenses not incurred for business purposes;
  o expenses related to travel companions;
  o credit card annual fees;
  o gift purchases for employees

October 2008
Alcoholic Beverages

The University’s procedure on Claims for Reimbursement addresses alcohol, as follows:

Section 4.5.1 Alcoholic beverages are considered acceptable hospitality expenditures where consumption is nominal or moderate. Faculty and staff are required to exercise sound judgment in this regard when hosting.

Section 4.5.2 Alcoholic beverages are not eligible for reimbursement from (externally funded Fund 500) research grants.

Recent Guidance Provided by Finance

In the last number of months, Finance has provided the following guidance in respect of a number of claims for reimbursement:

- Claim for reimbursement for accommodation was denied because there was no bona fide research/academic objective for the charge.
- Claims for reimbursement for furniture related to home offices were denied because the Professional Expense Reimbursement Guidelines do not allow for this type of expenditure.
- Claims for reimbursement of personal digital assistants (such as a BlackBerry, Palm Pilot, Pocket PC, and cell phones), rental or purchase, including usage charges are eligible charges against a Professional Expense Reimbursement provided these expenditures are necessary for the performance of the professional duties of the faculty member. However, the primary purpose of the devices or usage charges must be to assist the faculty member in carrying his/her duties on a regular basis. It would be expected that any personal usage charges would not be reimbursed by the University. Please note, however, that CIHR, SSHRC and NSERC have issued the following specific guidance in this area:

  Cellular phone or personal digital assistants (PDA) (such as BlackBerry, Palm Pilot, Pocket PC) rental or purchase, including service plans, long distance, local charges or pre-paid cell phone cards are not eligible expenses against CIHR, SSHRC AND NSERC grants. However, CIHR, NSERC and SSHRC would allow these types of expenses if the cellular telephones are required for the safety of the research personnel while on a fieldtrip in isolated areas or are necessary/critical for data collection. In order to ensure that these types of expenditures will be eligible against these grants, it is essential that these expenditures be approved in advance by the granting agencies. Principal investigators should send such requests to Research Accounting, who will communicate the requests to the agencies.

Points to Remember

Original Receipts
Each claim must be supported by original receipts. The University will not accept duplicate receipts, photocopies, or credit card statements.

In rare circumstances, original receipts may be unavailable. In these instances, the claimant may complete the Travel and Expense Declaration Affidavit found on the Finance website.

For claims against funds 400 and 500, the receipts must accompany the expense claim submitted to the Finance Department. For claims against other funds, the department is responsible for filing the receipts and keeping this documentation for the requisite archive period.

October 2008
Boarding Passes
All claims for airline travel must be supported by boarding passes.

Payroll and Consultant Compensation
Compensation of individuals who would otherwise normally be considered employees should be processed through Human Resources (Payroll Department). These individuals must not be compensated directly by claimants, who then subsequently submit claims for reimbursement.

Similarly, fees paid to third party service providers, such as consultants, must conform to the University’s policy and procedure on Procurement of Goods and Services. Third party service providers must not be compensated directly by claimants, who then subsequently submit claims for reimbursement. Payment of third party service providers should be processed through Accounts Payable.

Approval of Claims for Reimbursement
Please refer to the following matrix: http://www.yorku.ca/finance/documents/Approval%20Matrix.pdf