



## Travel Expense Policy

**Category:** Financial;

**Jurisdiction:** Vice President, Administration and Finance; Board Finance & Operations Committee;

**Approval Authority:** Board of Governors;

**Established on:** July 1, 2005;

**Amendments:** November 1, 2005; August 15, 2007; March 31, 2012; January 30, 2015; March 2, 2017 effective May 1, 2017.

---

### Policy:

Recognizing that employees may be required to travel from time to time on University related business, it is the policy of Lakehead University to reimburse faculty, staff, and other individuals for reasonable travel expenses associated with the various operations of the University.

This policy applies to travel expenses chargeable to operating budgets, ancillary operations, research, trust funds and any other accounts or projects administered by the University.

It is the responsibility of individuals with budget signing authority to ensure that employees whose expenses are to be charged to one of their accounts are familiar with the University's Travel Expense Policy prior to taking a trip. Pre-trip authorization will ensure health and safety and other insurance coverages are maintained while the employee is travelling.

*Note: Individuals and organizations eligible for reimbursement under this policy will be referred throughout by the word "employee".*

**General:****1. Personal Expenses**

Only expenses related to University business are covered by this policy and expenses of a personal nature will not be reimbursed. Some examples of the most common ineligible expenses include personal entertainment, sight-seeing and side trips. Expenses for a spouse or other individual accompanying the employee will not be reimbursed.

**2. Sponsors or Funding Agencies' Policies**

Where sponsors or funding agencies have their own travel expense policies, the policies of these bodies will have precedence providing the University agrees to this arrangement in advance. If sponsors or funding agencies do not have travel expense policies or if certain matters are not included in their policies, the Lakehead University Travel Expense Policy will prevail.

When contemplating travel funded by external agencies, it is important to understand the guidelines that must be followed. A review of the agency policy guidebook or terms of contract will usually indicate the guidelines. If it is unclear which travel procedure should be adhered to, contact the Office of Financial Services for clarification.

If extensive travelling is anticipated (for example, a three-month field trip), the traveller should contact the Office of Financial Services in advance of departure to avoid any delays in obtaining an advance and to establish the appropriate method of reporting expenses.

**3. Billing to Outside Agencies**

Where all or a portion of travel expenses are to be paid by a third party, the employee or his/her supervisor should provide appropriate details to the Office of Financial Services - Accounts Receivable who will prepare and forward a University invoice to the funding organization. (<http://finance.lakeheadu.ca/forms/>)

**4. Currency**

All Lakehead University employees will be reimbursed in Canadian funds equivalent to the actual expenses incurred. Expenses must be listed on the Travel Expense Statement in the currency that was used for the actual expenditures.

Travellers will be reimbursed for foreign transactions based on a copy of their credit card statement which includes the expenses. Alternatively, they may provide a receipt from the banking institution where the foreign currency was purchased. In the absence of Exchange Rate Documentation, the University will apply the average daily Bank of Canada Exchange Rate that was in effect at the time of the travel.

Visitors from the U.S.A. may accumulate expenses in U.S. dollars on the Travel Expense Statement. A U.S. cheque for the total amount claimed may be requested.

Other foreign visitors can request a bank draft.

In all cases, the University accounts will be charged in equivalent Canadian dollars.

## **Procedures and Guidelines:**

### **1. Summary**

Since all travel is paid on a "reimbursement basis" and travel agencies are not able to bill the University directly for airline tickets, employees will be required to provide some means of payment at the time of booking (or ticketing). In this regard, an RBC Corporate Card is available for University faculty and staff. Details on the University's RBC Corporate Card program are available from the [Office of Financial Services](#). While employees are personally responsible for all charges made against their card, the University guarantees that travellers will be promptly reimbursed for all monies owing upon the timely submission of the approved Travel Expense Statement.

The general procedures for travelling on University business are as follows:

- a) Prior to making travel arrangements, acquire approval for the trip from the appropriate signing authority using the Travel Authorization Form (paper-based

- process) available on the web or an electronic Request available on the Concur Expense system (please see the Reporting Procedures & Approvals section). The immediate supervisor must ensure that regular duties will be maintained during the absence, that the travel is appropriate, and that the necessary travel funds are available. Approval will ensure that health and safety and other insurance coverages are maintained while the employee is travelling.
- b) Make travel arrangements (airline bookings, hotel accommodation, etc.) as early as possible in order to take advantage of any available discounts.
  - c) Acquire appropriate receipts during the trip to support expenditures.
  - d) Prepare travel expense statement, attach appropriate receipts, and ensure the statement is approved by the appropriate signing authority, within 10 working days of completing the trip. Completed paper-based claims are to be forwarded to the Office of Financial Services – Accounts Payable. Electronic claims will be processed through the Concur Expense system.
  - e) Paper-based travel claims with all original receipts will be housed within the Office of Financial Services. The use of electronic travel expense claims will require the traveller (claimant) to retain all the original receipts and documents supporting their expense claims for a minimum of 7 years.

## **2. Air Transportation**

- a) Employees travelling on University business must make their own travel arrangements.
- b) Air travel should be via the most economical and direct route.
- c) The original stub of the airline ticket or some other form of proof of travel must be attached to the travel expense statement. When using an e-ticket, the invoice and the boarding passes, if available, must be submitted.
- d) Economy (coach) class will be considered the standard option. Pre-approval from the President, Provost or the responsible Vice-President will be required for any other type of fare (e.g. business class). Considerations for making decisions will be based on circumstances such as accommodation, length of travel, and health and safety.

## **3. Ground Transportation**

**a) Use of Personal Automobile**

When it is necessary to travel out of town by personal car, refer to Lakehead University's Use of Personal Vehicle for Business policy.

**b) Automobile Rental**

- i. Generally, employees should make their own arrangements for automobile rentals. A listing of car rental rates in major centres is available from the Office of Financial Services home page (<http://finance.lakeheadu.ca/links/>). The original receipt from the rental agency should be attached to the Travel Expense Statement for reimbursement.
- ii. Employees should charge the rental to their RBC Corporate credit card. One of the benefits of charging the rental to the RBC Corporate credit card is that the daily Collision Damage insurance (excluding liability and bodily injury) charge may be waived. Insurance coverage provided by the RBC Corporate credit card covers small to mid-size vehicles (up to seven seats, no trucks) for periods up to 48 consecutive days and the rented vehicle cannot be towing or pulling. Lakehead requires drivers to be at least 21 years of age but drivers may be subject to a higher age requirement depending on the rental provider. The insurance provided by the RBC Corporate credit card requires that the cardholder pickup and return the rental vehicle. Other driver restrictions may be in place depending on the rental agency being used.
- iii. Lakehead University will not reimburse travellers for insurance coverages available through the University's credit card program.
- iv. Rental terms greater than 31 days should be contracted through an electronic purchase order in compliance with Lakehead University's Purchasing Policy.

**c) Taxi, Limousine, Bus**

Receipts for these services are required unless the cost is less than the amount shown on Appendix A under Incidental Expenses.

**4. Accommodations**

- a) Employees are responsible for making their own accommodation arrangements. The University enjoys preferred rates with hotels in most major centres and employees are encouraged to use such facilities. A listing of hotel rates in major centres is available on the [Office of Financial Services page](#).
- b) Reimbursement for hotels, motels and other lodging will be limited to reasonable amounts in the particular circumstances and should not exceed the single occupancy rate. Itemized receipts are required. Employees should give due consideration to location and economy prior to making arrangements for accommodations.
- c) Claims for private accommodations with friends or relatives in lieu of hotels, motels or other lodging will be reimbursed at the rate set out in Appendix A.

## 5. Meals

Expenses for meals excluding alcoholic beverages will be reimbursed. A meal per diem up to a maximum of the ceiling amount as outlined in Appendix A may be claimed.

Meals included in a conference fee or registration fee should be shown as a conference or registration expense. The respective meal allowance will be adjusted accordingly.

The cost of meals associated with hospitality is not to be included with travel-related expenses. A separate hospitality expense claim will have to be completed.

## 6. Travel Insurance

Flight Cancellation insurance is an allowable expense for international travel and should be obtained when there is a possibility that the claimant may be unable to travel or when the ticket purchased is "non-refundable". A receipt is required.

Expenditures for air travel accident insurance will not be reimbursed.

Health care insurance (e.g. Blue Cross) for travel outside Canada is allowable for claimants who are not regular full-time employees of the University. Although full-time employees are covered for travel outside Canada under existing insurance coverage, it is acceptable to supplement this coverage with additional health care insurance and

claim the cost on the travel expense statement. If a private vehicle is used on approved University business, refer to Lakehead University's Use of Personal Vehicle for Business policy.

### **7. Incidentals**

Reasonable small expenditures where it is either impractical or impossible to acquire receipts may be claimed. Such expenditures would include such items as meter parking, coin telephone, subway tokens, reasonable gratuities for baggage assistance, etc. (See Appendix A for maximum amount).

### **8. Entertainment**

The cost of entertainment is normally considered a personal expense and is ineligible for reimbursement.

### **9. Prepaid Travel & Travel Advances**

Costs will be reimbursed in advance of travel for expenses incurred in order to obtain discounts (e.g. airline tickets purchased in advance in order to obtain discounted pricing).

Travel advances will not be given to employees unless the funds are required for goods or services that cannot be paid for by a credit card, or if extensive travelling is anticipated (for example, a three-month field trip). In both of these instances the request for funds must be accompanied by a completed Travel Authorization Form for paper-based claims (<https://www.lakeheadu.ca/faculty-and-staff/departments/services/finance/forms/>) or an electronic Request using the Concur system.

All advances must be cleared by submitting a Travel Expense Statement within 10 working days of completing the trip. If an amount is to be returned to the University, a personal cheque in the correct amount, payable to Lakehead University, must be submitted to the Office of Financial Services - Accounts Payable.

In the event of a trip, for which a travel advance was requested, is postponed or cancelled, a refund of the advance should be forwarded immediately to the Office of Financial Services Accounts Payable.

In the event of a trip, for which a travel advance was requested, is postponed or cancelled, a refund of the advance should be forwarded immediately to the Office of Financial Services Accounts Payable.

## Reporting Procedures & Approvals:

### 1. Travel Expense Statement

- i. Paper-Based Reports (Note: after September 1, 2017, paper-based reports will only be accepted from non-faculty and -staff.)
  - a) The University Travel Expense Statement AND Travel Authorization Form shall be submitted to the Office of Financial Services - Accounts Payable no later than 10 working days after returning from a trip. These expense statements must be properly itemized and appropriate original itemized receipts (photocopies are not acceptable) must be attached. They should also identify the University Budget Account to be charged and are to be approved by the appropriate budget signing authority. Separate expense statements should be submitted for each trip.
  - b) The University will not reimburse expenses for travel expenses that are older than 6 months.

Note: Reimbursement of expenses does not itself constitute final approval and all expense statements are subject to audit and subsequent adjustment if necessary.

- ii. Electronic Based Reports (Concur System) (Note: by September 1, 2017, all Lakehead University faculty and staff must submit their travel reports electronically.)
  - a) The traveller must submit an electronic Request using the Concur Expense System prior to any expenses being incurred. Using a pre-



determined work flow, the electronic system will seek the appropriate approval and notify both the approver and the traveller as to the progress of the Request and the resulting expense claim. Using electronically captured receipts, the expense claim is submitted using the Concur Expense system, giving the traveller the option of entering expenses as they occur or after the travel has ended. The use of electronic travel expense claims will require the traveller (claimant) to retain all the original receipts and documents supporting their expense claims for a minimum of 7 years.

## 2. Signing Authorities

- a) Normally the signing authority is the individual responsible for the budget account to be charged. The individual approving the expense statement is responsible for ensuring that the expenses are for University purposes and comply with this policy. Signing approval limits are the same as those specified in the Approval Authority Policy. (<http://finance.lakeheadu.ca/all-policies/>)
- b) Expenses incurred by the grantee or principal investigator of a research grant or contract shall be approved by his/her Department Chair/Director. Such approval will provide the necessary audit verification that the expenses incurred conform to the policy guidelines but will not restrict the grantee or principal investigator from deciding whether a particular trip is appropriate.

**UNDER NO CIRCUMSTANCES MAY AN EMPLOYEE AUTHORIZE HIS/HER OWN TRAVEL EXPENSES.**

## Policy Interpretation

Associate Vice-President Financial Services is responsible for clarifying all aspects of this policy as required.

Vice-President (Administration & Finance) will review this policy within three years to determine whether amendments are necessary.

## **Appendix A**

### **Effective Rates**

**Meal Per Diems** (Maximum including taxes & gratuities – No detailed receipts required)

Breakfast: \$16.00

Lunch: \$16.00

Dinner/Supper: \$43.00

TOTAL: \$75.00

Rates established for international travel by the National Joint Council (NJC) will be applied to all travel outside of Canada and the United States. Rate can be found at: [http://www.njc-cnm.gc.ca/directive/app\\_d.php?lang=eng](http://www.njc-cnm.gc.ca/directive/app_d.php?lang=eng)

### **Mileage Rates – Effective**

Per Kilometre .55

### **Accommodation with Friends or Relatives**

\$50.00 CAD per night

### **Incidental Expense**

Actual individual expenditures of under \$17.00

**Review Period:** 3 years;

**Date for Next Review:** 2020-2021;

**Related Policies and Procedures:** None;

**Policy Superseded by this Policy:** Travel & Hospitality Expense Policy – March 31, 2012.

The University Secretariat manages the development of policies through an impartial, fair governance process, and in accordance with the Policy Governance Framework. Please contact the University Secretariat for additional information on University policies and procedures and/or if you require this information in another format:

Open: Monday through Friday from 8:30am to 4:30pm;

Location: University Centre, Thunder Bay Campus, Room UC2002;

Phone: 807-346-7929 or Email: [univsec@lakeheadu.ca](mailto:univsec@lakeheadu.ca).