

Complete Policy Title: Reimbursements to Individuals for University Business	Policy Number: AP-01
Approved by: President and Vice-Presidents	Date of Most Recent Approval: Effective Date: May 1, 2018
Date of Original Approval: March 20, 2012	Supersedes/Amends Policy dated: AP-010 (February 14, 2002); AP-030 (February 9, 2000); AP-070 (June 30, 2009); AP-080 (July 17, 2008); Social Memberships (October 26, 1998). Previous revisions AP-01: Aug 31 2012, Oct 1 2012, Mar 6 2013, Apr 1 2013, Dec 2 2013, May 1, 2015, April 1, 2016, March 1, 2017, January 29, 2018
Responsible Executive: AVP Administration and Chief Financial Officer	Enquiries: Accounts Payable
DISCLAIMER: <i>If there is a discrepancy between this electronic policy and the written copy held by the policy owner, the written copy prevails.</i>	

Introduction

- McMaster University shall provide reimbursement to individuals for reasonable expenses incurred by individuals while carrying out University business.

Purpose

- To identify the policy for reimbursement to individuals and to provide additional expense specific policy information.

Scope

- This policy applies to any individual seeking reimbursement from the University for costs incurred by an individual in carrying out University business.
- In all cases, it is the individual requesting the reimbursement who is responsible to ensure expenses conform to this policy or external restrictions before the cost is incurred.

Definitions

- Individual: Any person or corporation including but not limited to: a member of the Board of Governors and/or its sub-committees, a Faculty member, an employee, an independent contractor, a volunteer, and/or a student.

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- Reasonable cost: deemed to be based on sound judgment and moderation, reflecting consideration of accountability, business purpose, efficiency, and value for money, and does not attract a taxable benefit as defined by the Canada Revenue Agency.
- Signing authority: an individual one, or more, position level above the reimbursement requestor authorized to review purpose, reasonable cost, and approve University business reimbursements to individuals.

Policy

- The individual recipient requesting the reimbursement is responsible to ensure business expenses conform to this policy and external guidelines where applicable.
- Reimbursements shall be based on the submission of original receipt or invoice marked paid.
 - The University authorizes the use of electronic images of original paper or electronic invoices and receipts as part of the University's usual and ordinary course of business.
 - The Individual (or delegated submitter) requesting reimbursement is responsible for the quality, accuracy, reliability and authenticity of scanned images in the reimbursement system and maintaining paper copies, if externally required, for the retention period required for their specific purposes.
 - The University shall store scanned or saved electronic reimbursement related images that can be audited as required for a minimum period of 7 years (beginning in December 2013).
 - The University shall continue to store paper reimbursement requests received up to June 2015 for 7 years. After June 2015, the University shall consider the system reimbursement records its originals for business retention and audit purposes.
- Reimbursements for costs in a foreign currency will be converted at the exchange rate in effect at the date of purchase.
- Reimbursement requests shall provide an explanation of business purpose and where applicable must include a list of attendees.
- Reimbursements where the source of funding is external and additional restrictions apply guiding reimbursements the external restrictions prevail.
- University travel related expenses shall be placed on the University's corporate travel card, BMO Diners Card, issued for University business use only. If non-business expenses are unavoidable on the University card the employee must personally settle non-business expenses within 60 days otherwise the activity will be reported to Internal Audit under the Fraud Policy.
- Where individuals receive reimbursement from third parties subsequent to a reimbursement from McMaster for the same cost it is the responsibility of the individual to submit the subsequent third party reimbursement for deposit to McMaster.

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- Reimbursement requests where an expense is incurred that is not specifically covered in this policy, the individual and the signing authority shall adopt the most conservative course within the spirit of this policy.
- Reimbursement requests shall be submitted on a timely basis, ideally within fifteen (15) days of return from travel or from the date the expense was incurred and not exceeding twelve (12) months after the expense is incurred.
- Reimbursement submissions will be approved by an appropriate signing authority according to the chart below. Additional compliance testing will be performed by Accounts Payable. Internal Audit may also review reimbursement requests for policy compliance.

Individual Requestor	Signing Authority
Board of Governors and sub-committee members	Board Secretariat
President	Chair or Vice-Chair, Board of Governors, or Chair, Finance Committee
Vice-President	President, or in his/her absence, Provost and Vice-President, Academic
Dean, Associate Vice-President,	Provost and Vice-President, Academic, or in his/her absence, President
Assistant Vice-President	Vice-President
Department Chair, Associate Dean	Faculty Dean Where the account being charged is an Operating (non-research) Account the formally documented delegate of the Dean may be the Director of Faculty Administration or equivalent.
Department Chair (Health Sciences), Associate Dean (Health Sciences)	Dean and Vice-President, Health Sciences or, in his/her absence, Associate Dean (Academic) or Associate Dean (Research)
Any individual charging a research project	Principal Investigator (PI) or formally documented delegate. The delegate must have a strong understanding of the project. When the PI is the claimant, approval must be provided by an individual one, or more, position level above the claimant (e.g. for faculty members, this would be the Department Chair). Where the account being charged is a Faculty of Health Sciences research project (e.g. fund 80) the formally documented delegate of the Chair may be the Director of Administration or Department Manager.
All other roles not listed above	In accordance with Signing Authority definition.

Temporary Delegation:

- Delegation of authority is permitted during the temporary absence (for example: vacation, illness) of a person having permanent authority.
- The temporary delegation signing authority may be to a lower level position. The individual temporarily delegating the responsibility remains fully accountable for all transactions approved during the temporary delegation period.

Exceptions:

- Original invoices on company letterhead or official receipts are required for reimbursements. Where the original invoice or receipt is not issued or lost, then a copy of the official invoice or receipt or a credit card statement will be accepted as a substitute with a brief explanation and notation of “original lost” clearly indicated on the substituting support.
- A per diem allowance for incidental expenses (i.e. small expenditures where it is either impractical or impossible to acquire receipts) may be claimed in lieu of actual costs where expenses are funded by external agencies or sponsors, except agencies or ministries of the government of Ontario as per diem expenses are prohibited by the Province of Ontario.
- At times, special circumstances arise that may warrant exceptions to policy. In this case, approval in writing by the individual’s signing authority is required.

For guidance on individual reimbursable expenses, see [Guidelines for Reimbursements to Individuals](#).

Related Policies:

- [Perquisite Policy](#)
- [Fraud Policy](#)