



# Procedure

Procedure Name	<b><i>Employee Expense Reimbursements</i></b>		
Procedure #	FO 3.1	Parent Policy	FO.3.0 Employee Expense Reimbursements
Policy Owner	Vice President Administration and Chief Financial Officer	Effective Date	April 24, 2023
Procedure Owner	Associate Vice President, Finance and Corporate Services	Next Review Date	April 24, 2028
Approved by	Associate Vice President, Finance and Corporate Services	Approval Date	April 24, 2023

## 1.0 Purpose/ Background

The following procedures will provide guidance on what is considered fair and reasonable costs associated with travel, conference and employee expense reimbursement. Whenever possible staff should use NAIT purchasing procedures (e.g. Purchase requisition, request for payment, p-card, or NAIT's travel provider) to have expenses paid directly by NAIT. In the cases where employees are required to pay out-of-pocket for expenses related to NAIT business, NAIT will support the reimbursement of the resultant expenditures. Excessive or unreasonable amounts may not be approved and will be at the discretion of supervisor and any disputes will be escalated to the Vice President for final decision.

## 2.0 General Principles & Procedures

### 2.1 Approval in Advance

Travel or expenses that are directly related to an individual employee should be authorized by the employee's supervisor prior to being incurred. This can be done formally through a travel authorization form or through discussions with the supervisor. If required by the Department, a Travel Authorization form should be completed in advance of travelling. As well, in the case of multiple travelers, for the purpose of coordinating attendees and maximizing NAIT's attendance at events, preapproval is preferred. For example, when staff are required to travel on a regular basis as part of a normal course of their employment with NAIT, an exception may be granted by their supervisor to not require a Travel Authorization form.

The supervisor will be responsible for monitoring the preparation of the travel authorization form. The authorization of the expense claim or the invoice by the employee's next level supervisor will constitute authorization of the expense.

### 2.2 Approval of Expenses

The authorization of an individual's expenses will require the individual's direct supervisor to approve up to the dollar value allowed in the Delegation of Signing Authority and the Signing Authority matrix. Exceptions are described throughout the procedure as include but are not limited to:

- a) Expenses that exceed the signing level of the supervisor as per Delegation of Signing Authority and the Signing Authority Matrix as described in the Procurement policy will need to go to higher level.



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- b) Hosting expenses that include alcohol or exceed \$1,000 require minimum Dean/Executive Director/Associate Vice President (Level 4) approval
- c) Expenses being claimed by an individual that related to an event where the direct supervisor was in attendance for the majority of the event will require the next level supervisor approval.
- d) Expenses reimbursements to the President and CEO will be authorized by the VP Administration and CFO for payment and reported quarterly to the Finance Committee of the Board and publicly disclosed following the Public Disclosure of Expenses policy and procedure.
- e) Expenses related to events where Board members or President and CEO were in attendance will be authorized by the VP Administration and CFO for payment and reported quarterly to the Finance Committee of the Board and publicly disclosed following the Public Disclosure of Expenses policy and procedure.

### **2.3 Appropriate Use of Funds**

The appropriate use of funds will be considered in the validity and reasonability of all expense reimbursements. As NAIT is a publicly funded institution, it is accountable for the stewardship of these funds and NAIT will not support any expenditure that could damage the reputation of NAIT or the trust of the public, irrespective of the source of funding for the related expenses.

### **2.4 Documentation of Expenses**

Except where reimbursement using allowances (e.g. per diems or mileage) or intra-city public transportation or coin-metered parking are claimed, expense will have appropriate documentation and evidence to validate and substantiate the expenses. Expenses claimed need to be supported with appropriate documentation – original or scanned receipts, web receipt (online bookings) or similar. Debit or credit card receipts are acceptable only if they provide detail on what was procured and include a tax breakdown (credit card chits, most commonly only indicate something was paid and not what was included in the transaction).

Any exceptions will require documentation and explanation and are subject to approval by the supervisor.

### **2.5 Combining Business and Personal Travel**

When personal activities or family travel are combined with business travel, the following principles shall apply:

- a) No expenses related to personal activities or family travel shall be claimed from NAIT.
- b) Reimbursement for accommodation, meals and related expenses shall be paid for the days which can reasonably be associated directly with Institute business.
- c) Reimbursement for travel expenses shall be based on the most economical method of travel.



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### **2.6 Double Compensation**

Under no circumstances shall the travel procedures herein be interpreted in such a manner as to result in double compensation for the claimant, for any given expense.

### **2.7 Business Travel by Vehicle (Personal, Rental, Taxi)**

#### **Personal:**

For non-local travel, the use of personal vehicles is discouraged, as in the event of an insurance claim it will be the responsibility of the personal vehicle insurer.

In the event that a personal vehicle is used, it is the traveler's responsibility to ensure their personal insurance carrier will cover them for business travel and assumes all related risks.

No mileage allowance is provided for travel from a traveler's residence to their regular place of employment. Canada Revenue Agency views mileage allowance for travel to/from a residence to the regular place of employment as a taxable benefit.

#### **Claiming Mileage:**

When a personal vehicle is used, mileage can be claimed in accordance with the rates set out in the Appendix to this Procedure. If the section on the Expense Claim is insufficient, use the Expense 3 form to provide further detail. This allowance is intended to cover the cost of fuel, insurance, and vehicle "wear and tear" including minor damages such as chipped windshield or scratches.

#### **Rental:**

Travelers may book vehicle rentals directly with a rental agency. NAIT has agreements with a number of vehicle rental agencies to obtain a preferred rate – available at <https://www.caubo.ca/discover-caubo/member-discounts>. NAIT provides insurance coverage in the event of an incident.

Do not purchase additional insurance from the rental agency – not only is this extremely costly, but duplicates NAIT's insurance, which is the first insurer in any event.

The use of a rental vehicle should be appropriate for the circumstances. In most cases a mid-sized car would be considered appropriate. Where warranted, and where approved with appropriate reasons, a van, truck, SUV or full-sized car may be rented.

#### **Taxi:**

Reimbursement of taxi fares is by receipt. The actual expense shown on the invoice plus a gratuity of up to 20 percent shall be reimbursed. Hiring a town car, limousine or similar vehicle is reimbursable only if there is a valid business reason to use this service.

If a receipt is not obtained, a reasonable allowance may be claimed subject to supervisory approval (at the Dean/Executive Director/Associate Vice President (level 4) as a minimum) or through a "Lost Receipt Declaration" form.



### 2.8 Business Travel by Air

#### **Booking:**

The use of NAIT's designated travel agent is preferred for travel by air as it allows NAIT to be billed directly for the airfare, NAIT to realize benefits due to volume, and NAIT to have record of employee's destination and dates of travel in case of emergency. Travelers are permitted to book directly with the air carrier, using the lowest logical airfare consistent with the purpose of travel.

Booking with third-party agencies, such as Expedia or Travelocity, is not recommended for business travel as they do not provide the traveler with sufficient protection or assistance in the event of an emergency such as a catastrophe or unexpected disruption in ability to travel. For example, should a weather event cancel your flight, these types of bookings are lowest priority (behind travel agency, air carrier, and new bookings) and it may take days to be rebooked.

#### **Consideration to Cost:**

Travel arrangements should be at the lowest logical airfare consistent with the purpose of the trip and with due consideration to total travel time and departure and arrival times. The traveler is entitled to take the appropriate time off to compensate for time used outside of normal work hours for authorized work travel.

#### **Class of Air Travel:**

Air travel shall be by economy class. Travel that encompasses a flight segment longer than seven (7) hours or total travel time of more than ten (10) hours, with no shorter alternatives, may be booked at a class higher than economy. If a medical condition necessitates an upgraded travel class a medical note may be required.

### 2.9 Accommodations

It is recommended that the traveler utilize hotels with due consideration to cost, comfort and location. Excessive or unreasonable hotel room rates may not be approved.

It is the traveler's responsibility to provide timely cancellation notice when and where appropriate. The traveler will be responsible for costs incurred when failing to provide timely cancellation notice unless approved by their Dean/AVP/Executive Director (Level 4a or 4b in the NAIT Signing Authority Matrix) or supervisor if the employee is equivalent or above this level.

For periods of travel that are scheduled to exceed 14 consecutive calendar days at the same location, accommodation at corporate residences, apartments, kitchen-equipped motels, or similar arrangement is encouraged.

If using private overnight accommodation (example: staying with friends or family), a per diem may be claimed as provided in the Appendix to this Procedure.

### 2.10 Meals and Incidental Expenses

Meals and incidentals may either be claimed on a per diem basis, amounts for each provided in the Appendix to this Procedure or on a receipt basis plus gratuity of up to 20 percent. If the meal allowance is insufficient for the area of travel, receipts can be retained and claimed rather



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than claiming a meal allowance. In this case, all meals will require receipts and no meal allowance may be claimed.

Meals provided elsewhere (part of conference fee, included in the hotel charge, or hosted by someone else) cannot be claimed as part of a per diem.

Meals hosted by the traveler are subject to FO 9.0 Hospitality, Celebrations and Working Sessions Policy.

Personal incidental expenses may be claimed for each day the traveler is away from the normal work site, including day of departure if away for significant part of the day. This is intended to cover those incidental expenses such as bottled water, snacks, coffee newspapers, bell-hop tips, etc.

Traveler and approver discretion is required as to what portion of the allowances are claimed each day.

Certain NAIT employees cannot submit meal receipts for reimbursement, as per the Government of Alberta's ["The Reform of Agencies, Boards and Commissions Compensation Regulation"](#). Per diems must be claimed at rates detailed in section 4 in Schedule "A" of this procedure, which directly align with the Government of Alberta's *Travel, Meal and Hospitality Expenses Directive*. This applies to the following NAIT employees:

- The President and CEO
- "Tier A" staff – NAIT employees who directly report to the President and CEO, and
- "Tier B" staff – NAIT employees who directly report to "Tier A" Staff

### 2.11 International Travel

For travel outside Canada or the United States the staff member should contact Human Resources to ensure adequate coverage is in place (refer to Insurance Policy/Procedure).

The Treasury Board of Canada Secretariat website provides the maximum expenditure allowed by countries outside of Canada or United States and can be found at:

[Travel Directive, Appendix D - Allowances - Module 4 \(njc-cnm.gc.ca\)](#). These rates will be used for all international travel (converted into Canadian currency expense).

### 2.12 Advances

Advances are available for employees and can be requested by using the Employee Self Service menu in PeopleSoft Finance. If the traveler is incurring out of pocket expenses prior to traveling, or will be paying cash for accommodations or other travel expenses, an advance of up to 75% of the estimated cost may be requested.

The request needs to be submitted to Accounts Payable at least ten (10) business days prior to the date the advance is required to provide sufficient time for processing.

Advances received are to be accounted for within twenty (20) days of returning to work following the travel.



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### 2.13 Expense Claim

Following completion of the travel, the traveler needs to complete an Expense Claim form for all expenses and when accounting for travel advance, if applicable. Timely filing of a claim is strongly encouraged while details of the travel are fresh (and receipts are in hand). If an advance was received, the claim should be filed within twenty (20) days following return to work.

Expense claims should have all supporting documentation attached, in the order that the amounts appear on the claim including the signed copy of the Travel Authorization if one was prepared.

Any currency not in the Travel and Expense module are to be converted to Canadian dollars. Either a copy of a charge card monthly statement, or an on-line version can be used to support the amount, or can be converted using an online currency converter using Interbank +3% (typical credit card rate) using the “ask” rate not the “bid” rate.

<http://www.oanda.com/currency/converter/>

### 2.14 Direct Payment to Vendors

Wherever possible, it is preferred that the vendor bill NAIT directly for travel-related costs rather than issuing invoices in the name of an individual. Payments for items such as conference or registration fee may be made directly by NAIT to the vendor.

The request must be received by Accounts Payable with sufficient time to be processed to meet the vendor’s terms. Requests (vendor invoice, registration form, cheque requisition) need to ensure appropriate accounting coding and authorization, including a copy of the Travel Authorization, if applicable. If the benefit of the expense is directly attributed to the individual, it must be authorized by their next level supervisor.

### 2.15 Conference Registration Fees

The conference registration is allowable if the conference has demonstrable relevance to the employee’s role and NAIT sphere of activity. Consideration should be given to participants’ absence from NAIT and the number of other NAIT attendees. As well, in the case of multiple travelers, for the purpose of coordinating attendees and maximizing NAIT’s attendance at events, preapproval is preferred. Optional conference activities such as golf tournaments or group tours should be scrutinized as to relevance and reasonableness.

### 2.16 Alcoholic Beverages

Alcoholic beverages will not be reimbursed on NAIT travel unless it is in accordance with FO 10.0 Liquor Sale, Service, and Consumption Policy.

### 2.17 Professional Memberships

Employees may claim for reimbursement of a professional membership, where appropriate, for the performance of the employee’s job. The membership of the employee will require the employee’s next level supervisor to authorize the payment of or reimbursement of the expense. Where an institutional membership can be acquired, due diligence to ensure NAIT does not



already have a membership should be taken, or where an intuitional membership should be acquired other parties should be considered.

### **2.18 Retreats, Meetings and Hosting**

Claimants and Approvers shall strive to minimize retreat, meeting and hosting expenses where possible, considering the nature, size, and intended business purpose of the event.

The claimant may claim hosting expenses if the hosting:

- (a) Is provided in an economical and consistent manner;
- (b) Facilitates NAIT business
- (c) Is considered reasonable as a matter of courtesy or protocol

If the event is expected to cost more than \$1,000 or include alcohol regardless of value, the event should be approved in advance by the Dean/Executive Director (Level 4) or next level supervisor if the Dean/Executive Director will be in attendance of the majority of the event. Where the Dean/Executive Director are only attending a small portion of the event and are not partaking in the meals or alcohol, they will be considered a non-attendee and will be allowed to authorize the event.

In the cases where alcohol is being provided, arrangements must ensure that alcohol is provided in a responsible manner (e.g. food must always be served). Please refer to the Retreat and Hospitality – Alcohol Management Procedure for specific requirements.

The Claimant for the event shall ensure that:

- (a) The list of attendees are documented and justified;
- (b) The number of attendees of the event are minimized and limited to those who have the most direct involvement with the business purpose of the event;
- (c) Partners of the invitees attend only when required by protocol.

All claims for reimbursement of Retreats, Meetings or Hospitality events shall include the following details documented:

- (a) Purpose
- (b) Date(s)
- (c) Location; and
- (d) Type of event (e.g. breakfast, lunch, dinner, reception, etc.)

### **2.19 Use of NAIT Facilities and Food Services**

Where possible and practical, NAIT facilities and food services should be utilized for all events (see detailed procedures included in the Retreats and Hospitality Guideline). If NAIT facilities or food services cannot be used, the claimant is responsible to ensure safe handling of food including preparation, storage, refrigeration, etc. Where possible commercial catering or restaurants should be used rather than non-professional food suppliers.



## 2.20 Employee Gifts and Recognition

Where gifts or prizes are provided as part of an event, claimants are responsible to follow and understand what constitutes a taxable benefit to staff in accordance with Canada Revenue Agency guidelines and NAIT’s policy. If gifts or prizes are deemed a taxable benefit, they must be reported to NAIT’s Pay and Benefits for inclusion on the employees T4.

Examples of taxable benefits include individual gifts that are in excess of \$500 value (or annually accumulated to \$500 value to individual employees) or cash or near cash (gift cards) of any value. Small tokens such as mugs, jackets etc. are considered non-taxable.

## 3.0 Exceptions to the Procedure

**3.1** Exceptional circumstances occur that may not be addressed within this Procedure. In such a situation, written full disclosure of the situation should accompany the expense claim, and the approval of the appropriate Dean/Executive Director (level 4) at a minimum should be obtained in order to not delay processing of an expense claim.

**3.2** Exceptions to this procedure must be documented and formally approved by the Policy Lead.

Procedure exceptions must include:

- The nature of the exception
- A reasonable explanation for why the procedure exception is required
- Confirmation that the exception aligns with the general principles
- Any risks created by the procedure exception and how they will be managed.

## 4.0 Related Documentation

GE 3.0 Delegation of Authority

GE 3.01 Delegation of Authority Procedure

GE 3.01 Appendix A: NAIT Signing Authority Matrix

LC 3.0 Public Disclosure of Expenses

LC 3.1 Public Disclosure of Expenses Procedure

### Document History

<i>Date</i>	<i>Action/ Change</i>
September 9, 2016	Approved by Executive Committee
October 1, 2019	Updated link in 2.11
January 30, 2023	Updated link in 2.11
March 2023	Review complete
January 15, 2024	Updated per diem rates in Schedule A
August 21, 2025	Updated per diem rates in Schedule A, Mileage rates, and Meals and Incidental Expenses within Canada (President, Tier A and Tier B Executive level staff only).



**SCHEDULE "A"**

**SPECIFIC REIMBURSEMENT RATES**

Schedule A is intended to provide specific reimbursements rates for expenses that are not receipted. The VP Administration and CFO approve changes as required.

**1. Mileage Rates**

- 1.1. Mileage will be reimbursed at a rate of **\$0.57** Canadian per kilometer.
- 1.2. Standard travel between Metro campuses shall be claimed at the following distances, unless circumstances prevent normal travel such as construction or weather:

Mileage Matrix	Distribution Centre	Main Campus	Patricia Campus	Souch Campus	Spruce Grove Campus
Distribution Centre		3.5 kms	5.0 kms	6.5 kms	29 kms
Main Campus	3.5 kms		6.5 kms	8.5 kms	33.5 kms
Patricia Campus	5.0 kms	6.5 kms		13.0 kms	28.0 kms
Souch Campus	6.5 kms	8.5 kms	13.0 kms		34.0 kms
Spruce Grove	29.0 kms	33.5 kms	28.0 kms	34.0 kms	

- 1.3. Home campus to/from airport reimbursement distances shall be claimed based on estimated actual mileage to/from airport.
- 1.4. Standard travel to/from other communities (and including travel within each community) shall be claimed at the following distances unless circumstances prevent normal travel such as construction or weather:

Edmonton to/from:

<b>Red Deer</b> 157 kms	<b>Calgary</b> 298 kms	<b>Lethbridge</b> 513 kms	
<b>Vermillion</b> 190 kms	<b>Fort McMurray</b> 460 kms	<b>Grande Prairie</b> 460 kms	<b>Peace River</b> 488 kms

Travel to/from communities (and including travel within each community) not listed above shall be based on a reasonable estimate of kilometers.

**2. Accommodation**

The accommodation allowance for private overnight accommodations will be \$20.15/night.



### 3. Meals and Incidental Expenses within Canada

The meal and incidental allowances for travel of 14 days or less are:

- \$15.00 for breakfast,
- \$17.00 for lunch,
- \$30.00 for dinner,
- \$10.00 for incidentals.

### 4. Meals and Incidental Expenses within Canada (President, Tier A and Tier B Executive level staff only)

The meal and incidental allowances for travel of 14 days or less are:

- \$13.00 for breakfast,
- \$18.00 for lunch,
- \$28.00 for dinner,
- \$7.35 for incidentals within Canada,
- \$14.65 for incidentals outside of Canada,
- Overtime meals actuals expense amount up to \$10.35.

### 5. Meals and Incidental Expenses within the United States

The meal and incidental allowance for travel to the United States are the same as in Canada (section 3) except for amounts being converted to US funds. This will be converted into Canadian funds at the conversion rates in effect at the time of travel. This can be computed from the actual rate paid for purchase of US dollars substantiated by a receipt, or rates as quoted on your credit card statement, or from a website such as [www.oanda.com/converter/classic](http://www.oanda.com/converter/classic).

### 6. Meals and Incidental Expenses outside Canada and United States

The meal and incidental allowance for travel to countries outside the United States and Canada will be reimbursed using the Treasury Board of Canada Secretariat maximum expenditure allowed and can be found at:

[Travel Directive, Appendix D - Allowances - Module 4 \(njc-cnm.gc.ca\)](http://www.njc-cnm.gc.ca). These rates will be used for all international travel (converted into Canadian currency expense). This will be converted into Canadian funds at the conversion rates in effect at the time of travel. This can be computed from the actual rate paid for purchase of US dollars substantiated by a receipt, or rates as quoted on your credit card statement, or from a website such as [www.oanda.com/converter/classic](http://www.oanda.com/converter/classic).

### 7. Vehicle Rental Rates

The vehicle rental rate reflects the rates NAIT has contracted through the Canadian Association of University Business Officers (CAUBO). The vehicle rental rate allowance is \$45.00 per day.