

Original Approval Date: January 16, 2009

Most Recent Editorial Date: September 6, 2012

Parent Policy: [Supply of Goods and Services](#)

Expense Reimbursement - Goods and Services Procedure

Office of Administrative Responsibility:	Supply Management Services
Approver:	Associate Vice-President (Finance and Supply Management Services)
Scope:	Compliance with this university policy/procedure extends to all Academic Staff and Colleagues and Support Staff as outlined and defined in Recruitment Policy (Appendix A and Appendix B).

Contact for questions about this procedure:	SMS Customer Service 780-492-4668 customerservice@sms.ualberta.ca
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Overview

The University has implemented several distributed methods (e.g. Corporate Purchasing Card, Preferred Supplier Agreements and the Low Dollar Purchase System) to facilitate the purchase of lower value goods and services. These methods are detailed in the procedures attached to the Supply of Goods and Services Policy.

The use of personal financial resources to purchase goods and services for University requirements is generally discouraged. However, it is recognized that in rare circumstances this could be the most practical method available.

Purpose

The purpose of this procedure is to:

- Facilitate reimbursement of personal resources used for the purchase of goods and services on behalf of the University with a total value not to exceed \$1,000 CDN per receipt. Such purchases are made in support of the University's operations, while maintaining appropriate controls and accountability.
- Ensure only properly documented and supported costs are reimbursed.

PROCEDURE

Summary:

1. [CLAIMING AN EXPENSE REIMBURSEMENT](#)
2. [SUPPORTING DOCUMENTATION](#)
3. [GOODS AND SERVICES](#)
4. [APPROVAL OF EXPENSES](#)
5. [RECORD RETENTION](#)

1. CLAIMING AN EXPENSE REIMBURSEMENT

Expense reimbursements are processed with a PeopleSoft Expense Claim. All claims must be **reasonable** and reflect prudence, good judgment, due diligence to reasonable economy and be defensible to a reasonable and impartial observer. Reimbursement of expenses can only occur once the goods or services have been received; there is no reimbursement of expenses in advance of a purchase. Claims for reimbursement of expenses must be submitted within 30 days of the date the expenses were incurred.

2. SUPPORTING DOCUMENTATION

Original Receipts must be attached to support expense claim items.

3. GOODS AND SERVICES

The Expense Reimbursement Procedure is primarily intended to facilitate the reimbursement of out-of-pocket expenses for the purchase of minor goods and services in the regular course of conducting business, teaching or research at the University. If purchases are expensed using this procedure the total value for each receipt cannot exceed \$1,000 CDN. Multiple receipts may be submitted on a single claim.

It is expected that other University purchase options *Preferred Supplier Agreement, Corporate Purchasing Card, Low Dollar Purchase, Purchase Order* be considered before ultimately resorting to the use of personal resources. Under no circumstances should personal resources be used to purchase restricted or controlled goods, or to circumvent University purchasing policies and procedures.

a. Domestic Suppliers

Expense Claims for the reimbursement of goods and services purchased from suppliers located in Canada.

Examples:

- orders for goods or services placed by phone, fax or internet from Canadian suppliers
- expenses for parking etc. to attend local meetings or conduct business
- expenses for incidental goods purchased locally, such as computer software, computer cables, books, office supplies, photocopying, etc.
- Catering expenses (account 502167) are used when it includes provisions and service of food and/or beverages when the "host of the function" is a department or faculty and the guest list could include people both internal and/or external to the University.

b. USA and Foreign Suppliers

Expense Claims (non-travel) for the reimbursement of **tangible goods** and services purchased from suppliers located outside of Canada, which will be ultimately used or consumed in Canada are strongly discouraged. Where the use of personal resources to purchase goods from outside of Canada is the only viable purchase option, the claimant must ensure that the importation of the goods and services is compliant with the University's obligations under the *Customs Act* of Canada. Detailed information is available in the *Acquisition of Foreign Goods and Services Procedure* (see RELATED LINKS below).

- i. The University's obligation and responsibilities as a diligent and compliant importer require that:
 - **commercial goods** be reported to and released by Canada Border Services Agency (CBSA) upon entry into Canada;
 - duties and taxes (including GST) are paid; and
 - We retain for 6 years after the year of importation, documentation relating to: origin; marking; purchase; importation; cost and value of the goods; payment to the foreign supplier; and the disposal of the goods in Canada.

- ii. To satisfy these obligations, claimants must ensure:
 - the goods are shipped to the University of Alberta campus (SMS Central Receiving) via a commercial courier or transportation company
 - shipments are accompanied by a commercial invoice accurately describing the goods, their use, purchase value, country of manufacture and the name of the University's customs broker who will handle the customs clearance
 - In all cases the original receipt issued by the foreign supplier must be attached to and filed with the expense reimbursement claim. This receipt must clearly specify the goods purchased and the price paid to the foreign supplier. In the event of a customs audit, verification or examination, CBSA, at their discretion, may request additional personal financial records to verify the proof of payment to the foreign supplier (e.g. credit card statements, bank account statements, cancelled/cashed cheques).
- iii. Failure to report commercial goods, obtain release and to keep and provide the above mentioned documents at the request of CBSA will result in monetary penalties (Administrative Monetary Penalty System-AMPS) assessed against the University of Alberta. AMPS penalties may range from \$100 to \$25,000 depending upon the type and frequency of the contravention. Payment of penalties assessed against the University of Alberta will be the responsibility of the claimant's approving department.

c. Restricted or Controlled Goods

Restricted or controlled goods must be requested using a Purchase Requisition. The following goods are examples and are ineligible using this procedure. For further details refer to the *Purchase of Restricted Items Procedure* (see RELATED LINKS below)

- i. Controlled Substances
- ii. Radioactive and infectious disease materials (exception is radioactive material from Perkin Elmer; the Preferred Supplier Agreement may be used)
- iii. Laser and X-Ray equipment
- iv. Pressure equipment
- v. Commercial lab alcohols
- vi. Laboratory and research animals
- vii. Any substance requiring an import permit or license when purchased from out of Canada.

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4. APPROVAL OF EXPENSES

Both the claimant and the approver are accountable for ensuring that claims for expenses are in accordance with appropriate policies and procedures, and that the expenses were incurred for University business purposes only.

To be reimbursable purchases made using personal resources must comply with the same policy, procedure, legislation, and donor/sponsor terms and conditions, as do other University methods of purchasing. It is the responsibility of the individual seeking reimbursement to ensure compliance with all terms and conditions. In cases where donor/sponsor regulations do not address a particular situation, University policy and procedures will apply.

Prior to approval expenses for goods and services charged to research and special purpose funding are required to undergo independent review for compliance and eligibility with donor/sponsor restrictions.

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5. RECORD RETENTION

Units are required to maintain orderly and secure records for six prior years plus the current fiscal year. Detailed information regarding records retention can be found in the Guide to Financial Management under *Retention and Filing of Source Documents*.

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6. SUBSEQUENT AUDIT AND ADJUSTMENT

Expenses claims for goods and services are subject to subsequent review and audit procedures which may result in adjustments, including the possible repayment by the claimant to the University.

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DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [\[▲Top\]](#)

Reasonable	Expenses that are moderate, defensible, practical, fair, tolerable and inexpensive
Original Receipts	The detailed receipt provided by the merchant/supplier. An original VISA or MasterCard chit is not considered the original receipt
Tangible goods	Material assets having physical substance and intrinsic monetary value
Commercial Goods	Goods imported into Canada for sale or for any commercial, industrial, occupational, instructional, or other similar use.
Restricted or controlled goods	Goods, upon import into Canada, requiring an Import Permit, License or Certificate under any act of parliament. i.e. Radioisotopes, Commercial Alcohols, Live Animals, Drugs, Precursor Chemicals

FORMS

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[Employee Expense Reimbursement Worksheet](#) (for claimants with authorized data entry only)

[Travel & Expenses Journal Entry Form](#) (for corrections to processed expense claims)

RELATED LINKS

Should a link fail, please contact uappol@ualberta.ca. [\[▲Top\]](#)

[Acquisition of Foreign Goods and Services Procedure](#)

[Hospitality, Working Sessions/Meetings and University Employee Functions Procedure](#)

[Retention and Filing of Source Documents](#) (Guide to Financial Management)