

Expense Reimbursement Policy

Policy Owner	Vice-President, Finance and Administration
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Policy Category:	Financial Services
Related Documents:	Expense Handbook – Travel and Other Reimbursable Expenses Broader Public Sector Accountability Act Broader Public Sector Procurement Directives

1. Purpose

This Policy provides a transparent, accountable framework that guides the effective oversight and use of public resources and business expenses. It ensures compliance with applicable Ontario Broader Public Sector (BPS) legislative and directive requirements.

2. Scope

This Policy applies to all employees, students, Board members, volunteers, affiliate research partners and approved external collaborators (including consultants and contractors) who incur expenses on behalf of Laurentian University, regardless of the funding source (operating, ancillary, research, trust, capital, or restricted) or payment method.

In the event of any inconsistency between this Policy and applicable legislation and/or directives, the legislation and then the directive shall prevail.

Where any provision of this Policy is inconsistent with or contravenes a collective agreement, the collective agreement shall prevail, except where that provision is derived directly from or required by applicable legislation or a directive, in which case the legislation or directive shall govern.



As outlined in the Expense Handbook, where regulations or agreements differ from University policies, the more stringent requirement takes precedence. The order of precedence is as follows:

- The BPS Accountability Act and Directives;
- Specific contracts from funding agencies or external donors;
- Collective agreements; and
- Affiliate agreements

3. Definitions

- 3.1. **Broader Public Sector (BPS):** BPS refers to the organizations that receive funding from the Government of Ontario that are not a part of the government itself (e.g., hospitals, universities, colleges, and school boards).
- 3.2. **BPS Accountability Act:** Establishes requirements in the areas of compensation, expenses, perquisites, business documents and procurement directives; designated to improve accountability and transparency across the BPS.
- 3.3. **BPS Expenses Directives:** The requirements set out in this directive raise the level of accountability and transparency for designated BPS organizations, contributing to greater alignment with the high standards expected in Ministries and agencies of the Government of Ontario.
- 3.4. **Business Expense:** A reasonable expense incurred in the course of University business or research activities for which the funds are intended.
- 3.5. **Claimant:** Individual or organization claiming a Laurentian Business Expense for reimbursement.
- 3.6. **Consultant:** Individual or entity providing professional expertise, strategic advice or related services for consideration and decision-making.
- 3.7. **Contractor:** Person(s) providing services or goods under a contract or other agreement that is not identified as an employee and where the contractor agreement allows for reimbursement.
- 3.8. **Hospitality:** Reasonable (refer to definition at 3.9) cost of food, beverages, social, and recreational activities or other amenities for the purpose of entertaining University guests, prospective employees, students, benefactors or stakeholders.



- 3.9. **Member(s) of the University Community:** Person who currently lives, works, or studies at Laurentian University. Members include students (including student groups), employees, adjunct, cross-appointments and visiting faculty, and volunteers (including Board members) at Laurentian.
- 3.10. **Principal Investigator:** The individual listed on the research grant to be responsible for the research project including financial management and reporting.
- 3.11. **Reasonable Expense:** Deemed to be based on sound judgment and moderation, with consideration of accountability, business purpose, efficiency, and value for money, and does not attract a taxable benefit as defined by the Canada Revenue Agency as defined in the Expense Handbook.
- 3.12. **Researcher:** For the purpose of this Policy, a researcher is an individual who has successfully been awarded research funds from an internal research competition or external funder.
- 3.13. **Budget Authority:** Individual with accountability and authority to approve expenses on a specified University General Ledger account. Responsible for reviewing expenses, ensuring appropriateness and accuracy.
- 3.14. **University Business:** Administrative, financial, and operational activities including research, academic, recruitment, outreach and partnership related activities.

4. Guiding Principles

As a publicly funded institution, Laurentian will use its resources prudently and responsibly, with a focus on accountability and transparency. An expense is eligible when it meets the following criteria with some exceptions in the case of affiliates:

- **Aligns** with Laurentian's Strategic Plan;
- **Supports** the business or research objectives for which the funds are intended;
- **Demonstrates** necessity, effectiveness, and economic efficiency, while respecting health and safety requirements;
- **Avoids** personal gain; transactions must be at arm's length and free of conflicts of interest;
- **Includes** sufficient supporting documentation and required approvals;



- **Complies** with all Laurentian policies, procedures, and any applicable funding-source restrictions; and
- **Follows** order or precedence set out in the scope of this Policy with respect to binding agreements.

5. Roles and Responsibilities

5.1. Claimant Responsibilities

- 5.1.1. Obtain the relevant pre-approval before making any arrangements or commitments.
- 5.1.2. Support expense claims with all supporting documentation.
- 5.1.3. Submit expense claims and advance reconciliations in a timely manner.
- 5.1.4. Return any unused cash advance funds and reimburse Laurentian for any ineligible expenditures incurred.
- 5.1.5. If terminating employment with Laurentian, submit all expense claims and reports prior to departure date.

5.2. Budget Authority Responsibilities

- 5.2.1. Only provide approval for expenses that meet all the guiding principles.
- 5.2.2. Only provide approval for expenses that meet all the mandatory requirements.
- 5.2.3. Only approve expenses on General Ledger accounts (budget) you have authority to sign on whether directly or indirectly as supervisor.
- 5.2.4. Never approve your own expense (directly or indirectly) unless you are a Principal Investigator and the claim is not for travel.
- 5.2.5. Board of Governors expense reimbursement claims are approved by the University Secretary.

5.3. Managerial Discretion

- 5.3.1. Managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this Policy, the Policy on Signing Authorities, governing rules (collective agreements, legally binding agreements, University policies) and the *Broader Public Sector Accountability Act*.
- 5.3.2. When exercising managerial discretion, documentation outlining the explanation should be accurate and complete.
- 5.3.3. Approvers are accountable for their decisions, and the documented rationale must be able to withstand audit and public scrutiny.



6. Policy

6.1. Policy Statement

All travel and other expense reimbursements for University purposes must be **legitimate, necessary, and directly related to approved University business or research activities**. Every claim must be **fully documented with itemized receipts and proof of payment, in paper or electronic form, unless otherwise permitted by the Handbook** and must comply with applicable federal/provincial legislation, University-wide policies, and any more-restrictive external-funding-agency rules.

6.2. Contractors and Consultants

- 6.2.1. Payment or reimbursement for allowable expenditures is eligible only when the contract specifically provides for it.
- 6.2.2. In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between an organization and a consultant or contractor.
- 6.2.3. Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.
- 6.2.4. All contractor and consultant engagements must follow the Policy on Signing Authorities.

6.3. Researchers

- 6.3.1. Researchers must operate in compliance with the relevant funder guidelines.
- 6.3.2. No one may initiate or authorize expenditures from a research fund without the authority of the Principal Investigator or their delegation of Budget Authority.
- 6.3.3. Laurentian has the right and responsibility to withhold and withdraw approval of expenses that contravene the funder's policies.

6.4. Non-compliance and Enforcement

- 6.4.1. Non-compliance may result in rejection, recovery of funds, audit adjustment, and other administrative or disciplinary action where appropriate. Payment by the Claimant does not, in itself, constitute ultimate approval of an expense and may be subject to subsequent audit findings. Appropriate investigation and consultation will determine the course of action should fraud or misappropriation or inappropriate use of funds be confirmed.