UNIVERSITY OF ST ANDREWS

HUMAN RESOURCES

UNIVERSITY EXPENSES POLICY

1. Introduction & Scope

This procedure provides guidance to all individuals claiming reimbursement of travel, subsistence or other expenses incurred in connection with University business, and will ensure that individuals operate within Court Standing Financial Instructions 8 and 11.6

This procedure is mandatory to all staff. Failure to comply with this procedure may result in disciplinary action.

The policy applies to all expenditure and all Schools and Units, regardless of funding source, and covers all personal business expenses irrespective of the payment method applying equally to credit card transactions, petty cash purchases, purchase invoices and individual expense claims. The policy reflects the need to manage our activities efficiently, keeping bureaucracy to a minimum, while complying with tax and other statutory obligations.

2. Authorisation of expenses

2.1 All expenses must be authorised and no claimant may authorise their own claim. By authorising transactions, the authoriser is confirming that the costs have been incurred and incurred necessarily for the purposes of the University business, that there is sufficient budget to cover the expense and that supporting documentation, such as a receipt, is presented.

2.2 Where an individual staff member incurs expenses frequently as part of their routine duties, we recommend applying for a credit card to facilitate payment. More guidance can be found at http://www.st-andrews.ac.uk/staff/money/Corporatecards/

2.3 Expense forms can be obtained at: www.st-andrews.ac.uk/hr/payroll/eform

The following individuals must authorise expenses:-

2.3.1 Claims by individual members of staff shall be authorised by the Head of School/Units, (Heads of School/Units may delegate this authority to other individual members of staff within the School/Unit). Staff on grants should have their claims authorised by their Principal Investigator. Claims should be authorised as soon as possible to minimise delay in settlement.
2.3.2 Individuals who are not members of staff must have their expense claims authorised by the authorised signatory for the appropriate cost centre. This can be found at: http://www.st-andrews.ac.uk/staff/money/Authorisedsignatories/

2.3.3 Heads of School/Units shall have their claims authorised by the appropriate member of the Principal’s Office.

2.3.4 Members of the Principal’s Office (excluding the Principal) shall have their claims authorised by the Principal.

2.3.5 The Principal shall have his/her claim authorised by the Senior Governor.

2.4 Any amendments made to forms should be initialled by the claimant and the individual authorising them.

2.5 Authorised forms should be forwarded promptly to the Salaries Office once they have been completed to minimise risks of delayed payment.

2.4 Any attempt to submit a false claim form will be treated as a serious disciplinary offence.

3. Expense payment procedure

3.1 Credit cards – The University may, at its discretion, issue credit cards to certain individuals for business use. The normal procedures for reclaiming business expenditure, as set out in this policy, will also apply to credit card expenditure. If you have been issued with such a credit card, you should endeavour to use this facility where possible.

3.2 In order to comply with HM Revenue & Customs requirements expenses reimbursed to you will only be made on production of receipts or invoices, except in the limited instances specified below in which expenses are reimbursed by the way of fixed rate allowances for which receipts are not required.

3.3 You may claim the actual cost of expenses incurred wholly exclusively and necessarily in the performance of University business. Ordinarily a claimant should only claim travel costs for themselves. Where a claim is made for multiple costs, all others including designations should be listed. You are expected to minimise costs without impairing the efficiency of the University.

3.4 All claims must be supported by receipts in order for expense payments to be made. Non-attachment of receipts will mean that the item(s) may be disallowed from the claim. Mileage claims do not require receipts unless fuel is being claimed for.
3.5 Expenses incurred on behalf of the University are to be recorded in detail on expense claim forms. These forms must be supported by receipts.

3.6 You must sign the declaration on the claim form, and the form must be authorised under the procedures described under “Authorisation of expense claims”.

The form should be submitted within three months from the end of the month in which the expense is incurred. Staff should submit their claim to the Salaries Office for payment with your salary, all other claimants should forward claims to Accounts Payable, Finance. All individuals are encouraged, where appropriate, to submit expense claims on a monthly basis.

Discretion may be allowed in the case of late submission of expenses claims for staff where legitimate explanations exist for delays. Such explanations should be made available to the Payroll & Pensions Manager who will arbitrate in such situations.

4. Cash Advance

4.1 Members of staff who are about to embark on extended travel and will be required to incur expenditure while on the trip may claim cash advances. Requests for cash advances should be made well in advance of travel to allow for payment with the salary payment immediately before the travel date. Late claims for cash advances may not be fulfilled. As part of the claim you should state how much you require, the purpose for which this is required and the planned dates of travel. You must also state on the claim that it is an advance. The requirement for authorisation for cash advances is the same as for other expenses claims.

4.2 Within 21 days of returning from your travel you must provide an expenses claim and/or reimbursement of the advance to the Salaries Office. Failure to do so will result in the cash advance being recovered from your next Salary payment. Please note that all expenditure must conform to University policy.

5. Payments direct to external suppliers

Certain expenses and benefits are provided by way of direct payment to external suppliers of goods and services, for example, registrations for organised conferences. The conditions laid down in the relevant section of this policy must be satisfied before the expenditure may be incurred. Any item not covered by this policy must be referred to the Payroll & Pensions Manager for guidance, before any commitment is made to incur the expense, otherwise there is no guarantee that payment will be reimbursed.
6. Petty Cash

6.1 Petty cash vouchers are to be used only for small items of actual expenditure (not round sums or salary payments: all such payments should be paid via payroll). The maximum amount which may be claimed in respect of any item through the petty cash system is £25.

6.2 Any item claimed on a petty cash voucher must be necessarily incurred for University business. An appropriate description, detailing the purpose for which the expense was incurred must be provided on the Petty Cash Reimbursement form. All claims must be signed by an authorised signatory for the relevant cost centre. An itemised receipt must also be attached to the form for each item of expenditure.

6.3 For working lunches please refer to section 12.

6.4 The following items are not allowable through Petty Cash or expenses claims, however this is not an exhaustive list and approval must be sought through the Payroll & Pensions Manager as the items may be considered Benefits In Kind.

- Cash Advances
- Birthday, retirement and other types of cards
- Flowers, gifts or vouchers
- Christmas presents
- Any other miscellaneous items which are not for business use.

7. Entertainment

7.1 Necessary costs of entertaining business contacts will be reimbursed on production of receipts. For this purpose, “business contacts” do not include other employees of the University or of any organisation or company associated with the University. University staff in attendance must be proportionate with the number of visitors. The University regards a maximum ratio of 3 University staff to every 1 visitor to be proportionate for these purposes. The following information must be shown on the claim form, or bill if payment is being made directly between the University and restaurant:

- the name(s) of attendees:
- the organisation which they represent and,
- the purpose of the entertainment (for example, “negotiation of contract”)

It should be noted that where practicable, all entertainment expenditure must be authorised by the Head of School or Unit before it is incurred.
7.2 There will be occasions when it is appropriate to provide catering to visitors from outside the University utilising restaurant facilities, rather than internal University resources. In such cases the University will reimburse the costs involved including the costs of gratuities, up to a level of 10% of the total bill (15% in the USA). However, in such cases the level of expense must be proportionate with the nature of the related business activity and the number of university staff in attendance must proportionate with the number of visitors. The University regards a maximum ratio of 3 University staff to every 1 visitor to be proportionate for these purposes. The claim form must record the names of the people in attendance at such meals, their organisation and the purpose of the meeting. Where the University is invoiced directly, these details should be appended to the Purchase Invoice. Where the numbers of University staff attending are not proportionate, the University may charge the Income Tax and NIC implications arising against individual members of staff’s salaries.

7.3 Costs that are incidental to business entertainment costs (for example, the cost of a taxi to a restaurant where a contact or customer is to be entertained), should be described as business entertainment on the expense claim for (and not, for example, claimed under “Travel”).

8. Out of Pocket Expenses

8.1 You may claim the cost of small out of pocket business expenses as described under section 3 above where it is not normally possible to obtain receipts. Examples of such expenses are parking meters (but not fines), tube tickets, bridge toll charges and telephone calls from public call boxes. Where it is possible, receipts should be retained and attached to claims. Claims must be limited to the actual amount of expense incurred and not claimed as a round sum allowance. All items claimed should be itemised and described as fully as possible on the claim form.

9. Relocation Expenses for staff

9.1 Relocation costs as set out below will be borne by the University, to a maximum of £8000 for qualifying purposes dependant on Relocation package (Section 9.3), a copy of the full policy can be found at: http://www.st-andrews.ac.uk/staff/policy/hr/

You will be entitled to removal costs if you change your only or main residence as a result of:-

a) You are a newly appointed member of staff.
b) You move from a location of more than 30 miles from the University to a location nearer to the University.
c) Your initial contract is for a period of more than 12 months (minimum of 366 days) and the post is funded by the University and not external money. (Staff
appointed to posts financed by outside bodies are NOT eligible for grants towards removal expenses unless exceptional circumstances are approved by the Master or the Quaestor and Factor).

d) There is only one relocation package per household – e.g. if a husband and wife are both employed by the University and are moving from the same address, only one partner can make a claim for reimbursement.
e) Your claim is submitted within 12 months of the start of your employment.

Relocation expenses will only be paid if they have been authorised by the Payroll & Pensions Manager as part of the agreement for any of the three instances outlined above. This element of the procedure applies to all staff, with initial contracts for over 366 days, which are funded through general funds. Expenses for staff funded by outside bodies will not normally be reimbursed unless exceptional arrangements are approved in advance by a member of the Principal’s Office.

9.2 The reason for the relocation must be in order to allow you to have your only or main residence within an appropriate distance from the University that will enable you to perform your duties. This will not apply where your former residence is within a reasonable daily travelling distance of that place of work. The University will:-

9.2.1. Make payments to you on receipt of a properly completed expenses claim supported by receipts; or

9.2.2. Make payments on your behalf on receipt of an invoice addressed to the University of St Andrews.

9.3. Reimbursement will only be for items of qualifying expenditure. Qualifying expenditure will be restricted to the following items.

9.3.1. Removal (by sea and/or land) of furniture, and personal effects based on the lowest of three estimates. Members of staff may wish to use a removal firm other than the one, which submitted the lowest estimate. In these circumstances the University will reimburse the cost of the lowest estimate and the member of staff must pay the difference.

9.3.2 Costs of storage if there will be a delay between vacating your former residence and entering your new residence.

9.3.3 Stamp duty.

9.3.4 Reasonable property valuation expenses.
9.3.5 Legal fees connected with the buying of a new residence and/or the selling of your former residence.

9.3.6 Advertising costs and/or estate agent costs incurred in selling your former residence.

9.3.7 Short-term rental costs for periods where you are incurring rental costs in addition to mortgage costs associated with your former residence in advance of sale of the former residence.

9.3.8 For staff relocating from overseas, the cost of an economy air flight for the member of staff, partner and children. Airfares in excess of economy level will not ordinarily be reimbursed. [In certain circumstances, it may be more convenient and/or less expensive for an individual to move their belongings themselves, e.g. by hiring a van or making one or more car journeys. Please contact the Payroll & Pensions Manager for confirmation that this will be acceptable.

Please note that pets are not included in any qualifying costs.

It must be noted that if you resign from your post within 2 years then you will be required to reimburse the University any relocation expenses that have been paid to you. The following rates will apply:-

- 6 months or less 80%
- 6 months – 1 year 60%
- 1 year – 18 months 40%
- 18th months – 2 years 20%

9.4 How to claim Reimbursement

9.4.1 The three original estimates for removal expenses (or email attachments on headed paper) should be forwarded to the Payroll & Pensions Manager for approval.

9.4.2 The receipted invoice from the removal company for actual expenses incurred and receipts for travel expenses should be submitted to the Payroll & Pensions Manager on a staff expenses claim form. Agreement with the University via the Payroll & Pensions Manager is to be sought in advance. If the member of staff wishes the University to pay the company direct they must inform the company of this and then the invoice should be sent direct to the Payroll & Pensions Manager.
9.4.3 The University reserves the right to refuse to meet costs, which are not covered by the regulations and have not been agreed in advance by the Payroll & Pensions Manager.

10. Spectacles for Display Screen Equipment (DSE) Users

10.1 If you are required to operate Display Screen Equipment in order to carry out your duties as a member of staff you will receive appropriate training to do so. To arrange recovery of costs, employees should contact the University’s Occupational Health Service. In this regard the University may make a payment of up to £50 towards the costs of frames or lenses, in so far as their requirement relates to the use of Display Screen Equipment.

Any payment by the University towards the costs of spectacles will be limited to the specified amounts. Claims should be made using the staff expense claim form and should be authorised by the Occupational Health Office.

11. Subsistence

If your duties require you to travel you are entitled to claim the cost of meals taken en route. If however you are attending a catered conference you can only claim personal incidental expenses (see section 15.4). Only the costs of meals taken in the course of business journeys will be borne by the University in the circumstances described below. You may claim either the actual, reasonable costs of food and drink, supported by receipts, or, as an alternative, scale subsistence expenses as follow. The payments should be claimed on the staff expenses claim form.

11.1 Day subsistence allowance (lunch) - £5.00

If you have a permanent workplace you may claim up to this sum without the need for receipts in respect of each day on which you purchase a meal while away from both home and the permanent workplace and provided that you are more than 5 miles away from each and absent from each for a period for more than 5 hours spanning the normal lunchtime.

11.2 Day subsistence allowance (lunch and dinner) - £15.00

If you have a permanent workplace you may claim this sum without the need for receipts in respect of each day on which you purchase meals whilst away from both home and the normal place of work and are more than 5 miles away from each and absent from each for a period for more than 10 hours spanning the normal meal times.
11.3  Personal Incidental Expenses

You may claim the actual costs of personal incidental expenses such as newspapers, private calls, laundry, drinks etc provided that the total amount spent on such items amounts to no more than £5 per night (where the night is spent in the United Kingdom) or £10 per night (where the night is spent outside the United Kingdom). No receipts will be required to support such a claim, but staff should claim only the costs incurred up to the limit, rather than claiming a round sum allowance. The average may be calculated only over the duration of an unbroken business trip. Any nights not spent away from home on the business trip will break the period. The University will monitor claims for personal incidental expenses to ensure the HM Revenue & Customs limits are not exceeded.

12.  Working Lunches

In order to comply with HMRC rules, working lunches for staff members can only be claimed when lunch is consumed on University premises, considered light (i.e. sandwiches/crisps/biscuits/soft drinks). It must also be taken in the place where the meeting is held (i.e. a break in the meeting). If you are responsible for arranging refreshments, supplied by the University internal facilities, in connection with a meeting or training event which carries on through the normal lunch break, you should ensure that the total costs are modest.

13.  Training courses

13.1  The University provides training courses to enable employees to improve their effectiveness at work. The University organises training courses in-house and the costs of these courses are borne by the University. Where it is necessary for you to travel to attend such courses, any travel and subsistence expenses incurred may be claimed as business expenses under the rules indicated in the sections 11 and section 15 of this procedure.

13.2  Additionally, at its discretion, the University will bear the cost of external training courses. The University may agree to meet the cost of courses where the training leads to the acquisition or improvement of knowledge, skills or personal qualities which are likely to prove useful to you in carrying out the duties of the employment, or which better qualify you to undertake the duties of another employment with the University in due course.
14. **Travelling Expenses**

All travel for business purposes should be booked through the DP&L ([st-andrews@dpandl.co.uk](mailto:st-andrews@dpandl.co.uk)), where possible and certainly for long-haul flights. If it is not possible to book your travel through the travel service then please claim as below.

14.1 **Air/Rail/Bus/Taxi Fares**

14.1.1 Air Fares – employees who need to travel by air should travel at tourist or economy class. Business class is permitted on any long-haul flight in excess of 7 hours, where there is no rest period between landing and working. Approval must be sought from the budget holder in advance of travel being booked.

14.1.2 Train fares- As part of the University Travel Plan and to encourage behaviours to minimise the University’s carbon footprint, you may choose to travel 1st class or in sleeper accommodation.

14.1.3 ‘Trading down’ of travel tickets i.e. travelling by a less expensive class in order to claim an extra ticket for a family member or friend is not permitted.

14.1.4 Details of any rail/flight/bus/taxi costs for which reimbursement is sought should be claimed on a staff expenses claim form, as for other public transport expenses.

14.1.5 Air miles collected from business travel must be reported by the individual to HM Revenue & Customs as this is classed as a ‘Benefit in Kind’.

14.2 **Car Parking**

Parking costs incurred in the course of business travel may be claimed via the expenses system, but the costs of parking otherwise at the normal place of work may not be claimed.

14.3 **Hotel Accommodation**

When you are travelling on business you should obtain accommodation in a reasonable quality hotel (the University defines a ‘reasonable quality hotel’ as being one of up to 3* standard). However if a reduced rate for 4* or above can be obtained and would be the equivalent to a 3* price or if there is no other accommodation available at 3* then this would be acceptable. The University will bear the cost of the room, evening meal and breakfast [and certain personal incidental expenses – see 11.3.3.]. Where meals are not taken in the hotel separate restaurant receipts should be obtained or alternatively you may charge only the room cost to the hotel bill and claim all other meal and incidental costs by way of the subsistence allowance under the rules described in section 11 above.
Staff can find information about Hotel Accommodation at:

http://www.st-andrews.ac.uk/media/expotel_hotelbooking.pdf

Where it will be possible to benefit from preferential rates agreed in advance by the University.

14.4 Using your own car on business

14.4.1 If you use your own private car on University business you must seek prior authority to do so from your Manager. You should ensure that your insurance cover extends to business use and the insurer should, if necessary, be asked to endorse the certificate to confirm that driving in the performance of the University’s business is covered by the insurance policy. Alternatively, you can arrange to have business cover extended to your vehicle under the University’s Insurance arrangements. This can be done via Finance Office on (01334 462465).

If you seek to utilise University insurance you should wait until this cover has been confirmed prior to travelling.

14.4.2 Before travelling, individuals are required to compare standard class public transport costs, and, if cheaper and practical, should opt for rail travel when a direct rail service is available.

14.4.3 Where authority is granted by the University, expenses incurred whilst on University business out with St Andrews will be reimbursed at the rate of 45p per mile for the first 10,000 miles in any tax year (6th April – 5th April), dropping thereafter to 25p per mile. The University shall only fund the cost of mileage within Scotland and Northern England.

14.4.4 If you are authorised to use your own car on University business you should claim following the procedure described below.

14.4.5 Full details of the journey, including date, reason for journey, starting points and destinations, should be shown in the appropriate columns of the staff expenses claim form.

No tax or NIC liability arises in respect of mileage claimed for the use of the employee’s own car under the above rules and details need not be reported in personal tax returns.

14.5 Use of a motorcycle for business

Should you require to use a motorcycle for business travel, then an allowance of 24p per mile may be claimed. Staff should ensure that they have appropriate insurance arrangements in place for the use of a motorcycle for business purposes.
14.6 Use of bicycle for business

The University’s stated policy is to minimise the use of the car for travel. Should staff wish to use a bicycle for business travel, and then an allowance of 20p per mile may be claimed.

14.7 Fuel-University hired cars & vans

The cost of fuel used for business purposes in cars and vans hired by the University should be entered on the staff expenses claim form under travel.

15. Uniforms

15.1 The University will provide uniforms for some employees. The provision of clothing will be arranged by the University. Costs may not be claimed by way of reimbursement in cash.

15.2 The University logo will be imprinted/stitched into or otherwise permanently attached to all clothing provided, other than safety helmets.

15.3 Expenses of laundering the clothing referred to above may be claimed in accordance with the procedures laid down in section 3 of this procedure.

15.4 No tax or NIC liability arises in respect of clothing or laundry costs provided under the terms described above and details need not be reported in personal tax returns.

16. Professional subscriptions

Personal Professional subscriptions for members of staff are the personal responsibility of individual members of staff. No University reimbursement shall be provided for such costs, although individual staff members may be able to claim tax relief for such costs either through their tax code or on their own tax self-assessment returns. However, if there are benefits to the University as a whole, by being a member of an organisation, payment may be allowable but this must be agreed, prior to the expense being incurred, by the Payroll & Pensions Manager.

17. Telephone calls and IT related expenses

17.1 Home and telephone calls –University staff that are required to make business calls on their home or mobile telephones must attach the appropriate bill to the staff expenses claim form with the relevant business calls highlighted and only these will be reimbursed. If you are away on business overnight and need to make essential personal calls see section 11.3

In all cases provision of top up cards for Pay as you Go services are not permitted as HM Revenue & Customs rules cannot be met.
17.2 Broadband and Internet Connections – The University will not reimburse staff for broadband or internet connections as the University cannot demonstrate sole and exclusive business use to satisfy HM Revenue and Customs guidelines.

17.3 The University recognises there will be exceptional cases where it is an absolute necessity for staff to work from home, using a dedicated internet connection. In these circumstances the University shall arrange for direct provision of the service, following approval by both the Head of School/Unit and the appropriate member of the Principal’s Office.

If you have any queries regarding this policy please contact the Payroll & Pensions Manager.

Human Resources
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