

# FINANCIAL OPERATIONS

## ACCOUNTS PAYABLE

### AP DROP IN SESSIONS – Q&A

MAY 19, 2022

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# AGENDA

- New Expense Guidelines
  - Highlight of key changes
  - Impacts for Faculty of Medicine
- Invoice Coding Delegation
- Payee invoicing
- T4A Reporting website
- Q&A/Discussion



## NEW BUSINESS EXPENSE RULES

- Effective 4/1/22 the UBC Board has revised the [Business Expense Policy](#) (formerly policy 83).
- Led by the Office of the Comptroller, and in consultation with multiple areas across the organization, a further set of [Business Expense Rules](#) was developed.
- The new Business Expense Rules replace the previous Business Expense *Guidelines*. While many of the new rules are identical to, or have slight changes versus the previous version, there are a few that should be highlighted :

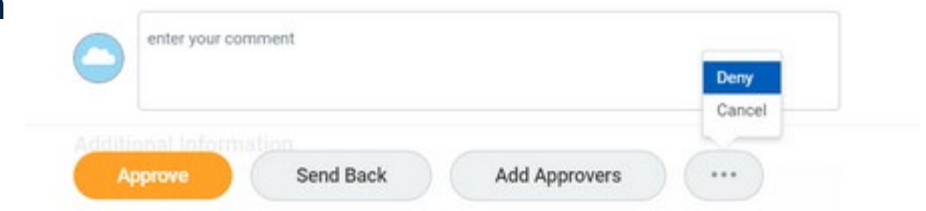


# NEW BUSINESS EXPENSE RULES – EXCEPTION APPROVAL



## Exceptions

1. Unless otherwise provided in these Rules, if an individual is seeking an exception to these Rules, the individual must obtain the prior approval from the individual's Manager and/or Head of Unit who has budgetary responsibility.
- The previous policy was somewhat ambiguous on the issue of approval of exceptions (with a few specific restrictions). Across the organization different departments developed different approaches to those exceptions. The new policy simply states that the budget owner (worktag approver in Workday terminology) may grant that approval.
  - This is largely in alignment with the established Workday process, and transactions should naturally flow to the budget owner for their approval of the expense, as well as any exceptions associated with that transaction. On a transaction by transaction basis, if budget owners want to loop in additional individuals into the approval "chain" – this can be done by using Workday's ["Add Approver"](#) function



## NEW BUSINESS EXPENSE RULES – AMOUNT CHANGES

- H&E Rates/Alcohol amounts have been updated :

Event	Permitted Amounts
Day Event (up to 6pm)	\$50.00 maximum per person with alcohol not to exceed one glass per person
Evening Event	\$95.00 maximum per person with alcohol not to exceed two glasses per person*  <i>*Note that for Internal Employee Events, the limit for both day and evening events is one glass of alcohol per person.</i>
<b>Note:</b> The above rates are all inclusive of food, alcohol, taxes, and gratuities, but not venue rental costs. As a guide, one bottle of wine would be equivalent to four glasses of wine.	

- Please note that for Tri-Council related transactions, alcohol is still prohibited entirely
- Mileage reimbursement will now be updated to match CRA's rate. As of this date those rates are \$.61/kilometer for the first 5,000km and \$.55 after that. CRA typically updates this rate annually. When this happens, Workday will be updated accordingly.

Mileage reimbursement on private vehicles is permissible at the rate set out by Canada Revenue Agency from time to time and only for kilometers travelled for UBC business in excess of those normally incurred travelling directly to and from one's regular place of work. Distance calculated starts



# NEW BUSINESS EXPENSE RULES – AP REVIEW

- As part of the AP review of Expense Reports, the new Business Expense Rules are still part of our process. We are working with the team over the coming months to ensure consistency – both in application AND in communication in instances where exceptions are found.
- For substantive questions, or questions on the development of the new Business Expense Rules, please see the [UBC Business Expense Rules FAQs](#)



## UBC BUSINESS EXPENSE RULES FAQs

The expenditure guidelines are a compilation of existing UBC policies and best practice consolidated into one document for ease of reference.

The goal is to be reasonable but not too prescriptive. In an organization as large and diverse as UBC, no single practice applies to all situations. The guidelines allow units to use judgment when assessing individual cases.

Who was involved in the development of these Business Rules?	+
What was the process of consultation that was followed?	+
Is the 30-day reimbursement requirement new?	+
Who can I contact regarding the Expenditure Guidelines?	+
Do these Business Expense Rules apply to Faculty Professional Development (PD) Funds?	+

## INVOICE CODING DELEGATION

- While Workday does have very robust delegation functions, one of the areas in which we have had issues is in the field of delegating around the Invoice process.
- At launch, the only delegation available for Invoices was to delegate the entire process (coding and approval) and there was no ability to separate delegation for the 2 steps. If a faculty member or PI was not the ideal individual to be coding spend category/worktag information, they could not assign away that task without also assigning away their approval authority.
- Working together, AP and ISC have been able to modify the delegation function in Workday to separate [delegation of the invoice](#) coding and the invoice approval steps.




# INVOICE CODING DELEGATION


UBC  5 790

## My Delegations

For [Thomas Straley](#)

**Current Delegations** | Current Task Delegations | Delegation History | Delegated Tasks | Business Processes allowed for Delegation

0 items Turn off the new tables view  

Begin Date	End Date	Delegate	Retain Access to Delegated Tasks in Inbox
 <b>No items available.</b>			

[Manage Delegations](#)





# INVOICE CODING DELEGATION



## > Business Processes allowed for Delegation

New Delegation 1 item

	*Begin Date	End Date	*Delegate	Do Inbox Tasks On My Behalf
<p>+ -</p>	<p>2022-05-19 </p>	<p>YYYY-MM-DD </p>	<p>Delegate *</p> <p><input type="text" value="x Andrew Glynn ..."/></p> <p>Use Default Alternate <input checked="" type="checkbox"/></p> <p>Alternate Delegate *</p> <p>Shanda Jordan Gaetz</p>	<p>For all Business Processes <input type="radio"/></p> <p><b>For Business Process</b> <input checked="" type="radio"/></p> <p><input type="text" value="x Supplier Invoice Event ..."/></p> <p>None of the above <input type="radio"/></p> <p>Retain Access to Delegated Tasks in Inbox <input type="checkbox"/></p> <p><b>Delegation Rule</b></p> <p><input type="text" value="x Supplier Invoice Event - Delegate Invoice Coding Step Only ..."/></p>

# INVOICE CODING DELEGATION

- Delegation can be set up for numerous finance-related Workday tasks
  - Invoice coding
  - Invoice approval
  - PO-Receipt creation
  - Expense approval (1/1 or Worktag approval)
- Delegation can also be set up for a defined period of time (useful for vacations/leave) or open ended (just leave the “end date” field blank) depending on the individual user preferences.
- There is one limitation in that delegation can only be set up BY the individual user on a one-by-one basis (e.g. you can’t do a mass delegation of all Faculty across a department).
- While completely optional, this tool can be very useful in ensuring that individuals who are most suited to a specific task will have those kinds of tasks/transactions routed to their inbox.



## PAYEE INVOICING

As part of our regular AP reviews, we have noticed that there seem to be an increasing number of cases where invoices are being created “on behalf” of payees as opposed to being issued by the payee themselves.



An invoice issued by the payee is almost always the best document for facilitating payment – however issuing an invoice on behalf of a payee negates most of that value.

While it is not against policy to create invoices on behalf of a payee, we would highly discourage this practice for several reasons :

- With the exception of items to be paid against a Purchase Order, nothing in UBC policy or procedure requires that an invoice be generated in order to facilitate payment. Every payment must have SOME form of supporting documentation, however it does not explicitly have to be an invoice. Examples of some common scenarios/backup are listed in the appendix to this slide deck

## PAYEE INVOICING

- Workday has a dedicated process ([Supplier Invoice Request](#)) to handle these kinds of situations, eliminating the need to invent an invoice solely for the purposes of facilitating payment
- Because by definition, an invoice is a document issued by the payee to the paying party, creating invoices on behalf of the payee mischaracterizes the nature of that document. If there are any errors on that invoice, UBC – as the entity that created the document, would be solely responsible.

The AP team should **ALWAYS** treat an invoice as if it had been issued by the payee, and any billing/invoicing related questions regarding that invoice will be directed to the payee.





## GIFT CARDS/CASH ADVANCES/INDIRECT PAYMENTS – T4A REPORTING

- In order to facilitate T4A reporting of indirect payments (any instance where a 3<sup>rd</sup> party was NOT paid directly through UBC AP – for example by gift card, by cash advance, through expense reimbursement) – a [website](#) has been created to collect this information



Submit a Manual T4A Request

Payee First Name	<input type="text"/>
Payee Last Name	<input type="text"/>
Payee Address (Line 1)	<input type="text"/>
Payee Address (Line 2)	<input type="text"/>
Payee Province	British Columbia
Payee Postal Code	<input type="text"/>
Payee SIN	<input type="text"/>
On Reserve?	No
Status Indian?	No Answer
Recipient Email	<input type="text"/>
Date of Payment	<input type="text"/>
Amount of Payment	<input type="text"/>
Associated Workday Ref	<input type="text"/>

For further information on partnering with Indigenous Communities,  
please reference the Indigenous Finance Guidelines:  
<https://irsi.ubc.ca/news/ubc-launches-indigenous-finance-guidelines>

- Please note that our reporting requirement is ONLY in place for Canadian payees who have been paid \$500.00 or more for services in a calendar year.
- CRA considers UBC transactions such as Honoraria, Tokens of Appreciation, Research Subject Payments to be services



- **Q&A/Discussion**

## APPENDIX – REFERENCED RESOURCES

- [Workday delegation setup](#) (the section specific to invoice coding is near the very end)
- [Supplier invoice request](#) (the Workday process to pay external parties when no invoice is available as supporting documentation)
- [UBC Expense Policy](#)
- [UBC Business Expense Rules](#)
- [T4A reporting website](#) for indirect payments exceeding \$500 in a calendar year



## APPENDIX – EXAMPLES OF NON-INVOICE SUPPORTING DOCUMENTATION

- Agreement/Receipts from non-UBC individuals (visiting faculty, lecturers, etc)
- Contracts
- Letters of Agreement/Understanding
- Research Agreements
- Collaborative Transfers
- For all of these non-invoice items, from a holistic standpoint we are looking to be able to validate :
  - Who are the parties to the payment
    - Who is receiving the payment
    - Who is making the payment (must be UBC)
  - What is the impetus, or reason for the payment – basically a description of why the amount is being paid
  - How much is being paid?
  - Any relevant details around tax treatments







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