

Changes are here!

Here's your guide to how these changes affect you

The Government of Ontario has recently established new Procurement and Expenses Directives for open, fair and transparent financial practices at all Broader Public Sector (BPS) organizations, including The University of Western Ontario. While many of our policies and procedures already meet the requirements, there are a few essential changes that affect all of us. Some changes are big, some are small, but the message from the Government of Ontario is clear: compliance is mandatory.

Remember! Western's Financial Services team is your partner. Contact us for helpful advice and support.

WHAT'S IN THIS GUIDE:

Effective January 1, 2012, several new policies and procedures come into effect for all Western faculty and staff:

New rules for procuring consulting services	Competitive bid process required regardless of the dollar amount of the contract for all consulting services
New expense rules	Any expenses incurred by suppliers will no long be reimbursed unless allowed under a current contract
Elimination of Travel Per Diems and paper expense claim forms	Elimination of Travel Per Diems and paper expense claim forms for Western employees. New guidelines established for meal reimbursement. All expenses for faculty and staff must be submitted through the Online Travel & Expenses System and will be primarily reimbursed through direct deposit
New Alcohol Policy	New policy for reimbursing faculty and staff for the purchase of alcoholic beverages

These changes likely affect you; turn the page for more details and advice.

New rules mean important changes to Western's financial policies and procedures



BPS Directives Eliminate Travel Per Diems

Affects faculty and staff travel on or after January 1, 2012.

The BPS Directives include mandatory requirements for original, itemized receipts for all expenses.

This means that Western will no longer provide faculty and staff with a 'per diem' for travel commencing on or after January 1, 2012. As of that date, original, itemized receipts must be provided for all travel related expenses, including meals.

Employees should look to the guidelines in the new Travel & Expenses Reimbursement Procedures of \$70.25 per day for meals in Canada and the United States. This rate is constructed from the following guidelines: Breakfast \$15.35, Lunch \$14.60 and Dinner \$40.30 per day. These guidelines include gratuities and taxes. For travel outside of North America, the Treasury Board of Canada Meal Allowance guidelines (www.tbs-sct.gc.ca/pubs_pol/hrpubs/tbm_113/menu-travel-voyage-eng.asp) should be used.

New Mileage Rates

The mileage reimbursement rates for Western have recently been updated and are in accordance with the Treasury Board of Canada Travel Directive. The new mileage reimbursement rate for use of a private vehicle, while on approved University business is 54.5 cents per kilometre. (There are instances where granting agency guidelines may be more restrictive. When determining which policy/guidelines to use, the more stringent of them will apply).

Higher Approval Levels

Higher levels of approval are required for some expenses.

New policy around long haul air travel (outside of North America); Business class airfare may be used with prior approval from the traveller's Dean, AVP, VP or Vice-Provost.

Reception and hospitality expenses involving only Western employees or employees and their personal guests will only be reimbursed with prior approval from the Dean, AVP, VP or Vice-Provost.

Updated requirements for submission of receipts, advances and travel claims

Expense Reports	Must be completed and submitted no later than 60 days after the date of completion of the travel
Receipts	Must be sent to Financial Services within 15 days from final approval of claim
Cash Advances	Must be cleared by submitting an Expense Report to Financial Services within 60 days following the completion of the activity

Submit Expenses via Western's Online Travel & Expenses System

Beginning January 1, 2012, paper forms for faculty and staff reimbursement will no longer be accepted. All faculty and staff expenses must be submitted via Western's Online Travel & Expenses System. These expenses will primarily be reimbursed by direct deposit.

Expenses by suppliers will NOT be reimbursed

In keeping with the new Directives, Western can no longer reimburse any supplier, consultant or contractor for ANY expenses unless they are explicitly stated in their contract(s).

In the past, suppliers could submit expenses for reimbursement, including parking, taxis, meals and such activities as photocopying, courier or long-distance telephone charges.

These types of expenses are no longer eligible for reimbursement by any Broader Public Sector (BPS) organization, including Western. Expenses for accommodation and/or travel that are explicitly stated in the suppliers' contracts can be reimbursed or the cost can be built into their fees.

Existing supplier contracts which allow for expense reimbursement will be honoured. The new policy applies to all activity effective April 1, 2011.

New Rules for Hiring Consultants

The new BPS Directives require Western to differentiate between "consultants" and "contractors"– and how we hire them.

Consultant Vs. Contractor What is the difference?

Consultant	Contractor
<ul style="list-style-type: none">• Generally, these are companies, organizations or individuals providing 'strategic advice' or expertise;• The advice often results in a report with recommendations presented for consideration and decision-making. Sometimes we can consider these types of advisors as "thinkers";• These can include such services as business management planning, information, information technology (IT) and research and development consulting services, among others.	<ul style="list-style-type: none">• Most of the time, you are probably hiring a contractor;• These are the organizations or individuals who are "do-ers". They often have a hands-on role, actively creating, executing or handling the work;• Can include licensed professionals such as Chartered Accountants, Lawyers as well as particular specializations from IT and HR professionals, among others.

Consultant	Contractor
MUST-HAVES:	MUST-HAVES:
Before procuring, and regardless of the dollar amount, a competitive bid process is mandatory	A spend up to \$10,000: quotes are at the discretion of the Purchasing Buyer
Invitational competitions between at least three suppliers for opportunities between 0 & \$100,000	Any spend between \$10,001 & \$25,000: two verbal quotes minimum, three preferable with the awarded quote documented in writing
Any spend over \$100,000 must be submitted by Procurement Services to MERX, the Government of Ontario's online open competitive bid system	Any spend between \$25,001 & \$100,000: minimum of 3 formal quotes, five preferable, or advertised tenders preferably from a pre-qualification process
If the purchase is considered sole source, it requires an exemption under a trade agreement and approval from either the President or the Board	Any spend over \$100,000: competitively bid through an open electronic system or in the rare case sole sourced with appropriate documentation



TIP:

Remember to build in sufficient time for the competitive bid process– especially for initiatives of \$100,000 or more which must be posted on MERX, the Government of Ontario's online competitive bid system. For assistance please contact Procurement Services.



New Alcohol Policy

As part of the new BPS rules, Western has established a formal policy on reimbursing Western faculty and staff for the purchase of alcoholic beverages.

Alcoholic beverages are considered acceptable expenditures by faculty and staff where the consumption is nominal or moderate.

- Alcohol is not reimbursable or allowable if the project or program being charged is externally funded;
- Cheque requisitions cannot be used for the procurement of alcohol. Reimbursement for this type of expense must go through an online Expense Report.



Western

Contact Us Today!

Carter Scott, *Controller, Financial Services*

Ext. 85448, sscott1@uwo.ca

Svetlana Berdnik, *Manager, Accounts Payable & Travel*

Ext. 85279, sberdnik@uwo.ca

Melanie Noon, *Accounting Assistant, Travel*

Ext 85499, travel@uwo.ca

Elizabeth Krische, *Director, Procurement Services*

Ext. 84576, ekrische@uwo.ca

Alexis Fowler, *Supervisor, Procurement Services*

Ext. 85444, afowler3@uwo.ca

Financial Services

Suite 6100, Support Services Building
London, Ontario N6A 3K7

www.uwo.ca/finance

The Financial Services team is committed to helping ensure that Western's faculty and staff are able to achieve their objectives while also meeting compliance requirements.

