

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

The descriptions and definitions used in this guide will prevail in determining the applicable guidelines and treatment of each type of payment for processing, tax and other purposes. Please note:

- These guidelines cannot be circumvented by changing the name of a payment (e.g. an award cannot be called a grant).
- These guidelines are intended to regulate how various payments may be made to or on behalf of individuals. Units are not obligated to pay all of the expenses described.

Any questions regarding these guidelines should be referred to the department APO or Senior Financial Officer.

| DEFINITIONS | |
|---------------------|---|
| Payee | The categorization (as an employee or a non-employee) of the individual receiving the payment or on whose behalf a payment is made. A payee may be both an employee and a non-employee according to the definitions below. In such cases, the purpose of each payment will guide in determining whether the payment is being made in the individual's capacity as an employee or a non-employee. |
| Employee | Individuals employed by the University of Alberta on a full-time, part-time, continuing or temporary basis under the following staff agreements: <ul style="list-style-type: none"> - Association of Academic Staff of the University of Alberta (AASUA) - Non-Academic Staff Association (NASA) Employees - Excluded Staff groups - Academically Employed Graduate Students (AEGS) Agreement Payments to employees are made through payroll processes using appointment forms, except reimbursements which are paid through PeopleSoft Travel & Expense. |
| Non-Employee | Individuals not included in the definition of employee: <ul style="list-style-type: none"> - Undergraduate and graduate students (where the payment relates to the individual's capacity as a student and not as a University of Alberta employee as defined above) - Visitors (speakers, guest lecturers, researchers, dignitaries, donors, other guests visiting the UofA on an occasional basis) - Volunteers - Prospective students and prospective employees - Board of Governors and Senate members - Individuals engaged as independent contractors with the University of Alberta - Academic colleagues defined in Appendix A (Definition and Categories of Academic Staff and Colleagues) of the Recruitment Policy - Professors emeriti of the University of Alberta* - Post-doctoral fellows* - Post-graduate medical and dental residents* Except for honoraria which are paid through Payroll Operations, non-employees are paid as vendors through the accounts payable process pursuant to the submission of approved invoices, Payment Requests and Non-Employee Travel Expense Payment forms. *Due to the long-term nature of these individuals' relationships to the University, reimbursements to professors emeriti, post-doctoral fellows and post- |

UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS

| | |
|---|--|
| | graduate medical and dental residents are processed in the same manner as employee reimbursements (PeopleSoft Travel & Expense). |
| Reimbursement | A payment for expenses that have been incurred personally on University business by an individual. A reimbursement must be supported by detailed receipts as evidence that the expenses were incurred. A reimbursement cannot be made from University funds where the expenses are to be recovered from a third party. |
| Accountable Allowance | An amount to defray certain University business expenses that are incurred personally. The allowance is determined and paid in advance of the expenses being incurred. The payee is required to account for the use of the allowance by submitting a claim, vouchers or receipts. |
| Non-Accountable Allowance | An amount paid to an individual for certain University business expenses that are incurred personally and for which no details or receipts are required to be submitted by the payee. In order to be non-taxable, the amount of the allowance must be reasonable (i.e. it cannot exceed the actual University business-related cost incurred by the individual). |
| HAP (Hotel Authorization Payment) | A department issued purchase order used for the booking of accommodations with a select group of hotels, located mainly in Edmonton, other Alberta locations, and across Canada. Refer to the Travel Expense Procedure . |
| TAP (Travel Authorization Payment) | A department issued purchase order used for air, train, bus bookings, and related expenses through the University's Travel Management Consultant (TMC). Refer to the Travel Expense Procedure . |
| Consequences of Not Following Guidelines | |
| Consequences | <ul style="list-style-type: none"> - Violation of employment terms and conditions outlined within NASA or AASUA collective agreements. - Possible violation of federal and provincial tax regulations that require mandatory deductions from employment income. - Possible violation of the Employment Standards Act (ESA) if the services/work performed is in fact employment in nature. - Potential reassessment by the Canada Revenue Agency (CRA) requiring the University of Alberta to pay the employer and employee share of taxes (i.e. CPP, EI, WCB) plus fines and penalties. - Violation of purchasing requirements if the individual being paid is deemed an independent contractor. - Damage to the University's reputation. |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|--|---|---|-------------------------------------|--|-----------------|--|---------------------------------|-------|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| Award (Employee) Account: <ul style="list-style-type: none"> • Payroll award – coding determined by HRS • other (purchase of item) – Supplies & Services General (502101) | An award can be given to an employee only where a program exists to recognize a limited number of employees in accordance with defined criteria and, except in the case of a long service or retirement award, and there is a nomination and evaluation process. Human Resources Services provides various employee recognition programs. In order to be treated as non-taxable, an employee award can only be given in the form of an item within the limitations specified in the Gift Expenditure Procedure . All other employee awards are paid through Payroll, including, but not limited to, awards for teaching or learning support, research, outstanding service or service excellence, contribution, achievement, leadership, citizenship and retirement. | Yes – submit Appointment/ Pay Action form | No | Yes - to purchase items to be awarded (no gift cards) | No | Yes - to purchase items to be awarded (no gift cards) | No | No |
| Award – Academic Standing (Student) Account: <ul style="list-style-type: none"> • Payroll award –see Appointment/Pay Action form • non-Payroll award (purchase of item) – Supplies & Services General (502101) | An item of monetary and/or other value given to a student primarily on the basis of academic standing and completion of requirements outlined in the award description or terms of reference. These types of awards may be referred to as scholarships, prizes, University medals, and general awards. See also: <ul style="list-style-type: none"> • Bursary (payments based on financial need rather than academic standing) • Prize – Prescribed (payments based on meritorious achievement rather than academic standing) | Yes | No | Yes - to purchase items to be awarded (e.g. books, medals) | No | Yes - to purchase items to be awarded (e.g. books, medals) | No | No |
| Award – Other (Student) | An item of monetary and/or other value, given to a UofA or non-UofA student for a meritorious achievement other than that based on academic standing. | See Prize - Prescribed | | | | | | |

¹ In addition to adhering to UofA regulations, the budget owner is responsible for ensuring expenses are eligible against the funding source. If donor/sponsor terms are silent with regard to a particular expense, these UofA guidelines are to be followed.

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|---|---|--|-------------------------------------|--|-----------------|--|---|---|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| Bursary Account: see Appointment/Pay Action form | An item of monetary value given primarily on the basis of demonstrated financial need to enable a student to pursue education at the UofA. Various forms of bursary are provided by the UofA including tuition remission and payment of personal travel or living expenses to attend the UofA. Bursaries are paid through Payroll only. A bursary cannot be paid in lieu of compensation for services rendered (e.g. teaching, marking, research work). | Yes | No | No | No | No | No | No |
| Cell phone (Employee-owned) | If the unit requires the employee to use a personally owned cell phone for work purposes, the unit may pay an appropriate non-accountable monthly allowance (non-taxable) through Payroll representing the cost applicable to the business use. | Yes – request Mobility Allowance Approval/ Termination form from HRS | No | No | No | No | No | No |
| Cell phone (UofA-owned) Account: Cellular Telephone Charges (503026) | If the unit provides an employee with a cellular phone or other handheld communication/smart device to help carry out his or her duties, the business use is not a taxable benefit. | No | No | Yes | No | Yes | No | Yes - indent (from IST - TAMIS) |
| Clinical trial participation | A payment for participating in a clinical trial is processed in the same manner as research subject payments. | See Research Subject Payments | | | | | | |
| Gift (Employee) Account: Supplies & Services General (502101) | A modest token of appreciation to a UofA employee in recognition of a special occasion unrelated to work performance, a serious illness, or in sympathy. Refer to Gift Expenditure Procedure . | No | No | Yes - to purchase gift (no gift cards) | No | Yes - to purchase gift (no gift cards) | Yes – if p-card cannot be used to purchase gift | Yes <ul style="list-style-type: none"> • personal contribution to gift from fellow staff • indent (e.g. Bookstore) • petty cash |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|--|---|---|-------------------------------------|--------------------------------|-----------------|--------------------------------|---|--|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| Gift (Non-Employee) Account: Supplies & Services General (502101) | A modest token of appreciation to an external individual (student, visitor, volunteer, donors, host institutions) in recognition of a contribution to the UofA. Refer to Gift Expenditure Procedure . | No | No | Yes - to purchase gift | No | Yes - to purchase gift | Yes – if p-card cannot be used to purchase gift | Yes • indent (from Bookstore ²) • petty cash |
| Internet - home (Employee) | Only eligible support staff may receive payment for home internet charges. Payment is processed through Payroll as a non-accountable allowance. Refer to Home Internet Allowance for Support Staff Procedure . | Yes – use Home Internet Access Approval/ Termination form | No | No | No | No | No | No |
| Living allowance or expense (Employee) Account: applicable travel expense account | Living expenses such as the cost of meals, board or lodging and utilities are considered to be personal expenses and therefore may not be paid by the UofA, except in the following circumstances: <ul style="list-style-type: none"> Where the employee is required by the unit to live temporarily in a remote location (e.g. for field research, student supervision) that is located too far to travel on a daily basis from the employee’s permanent residence, living expenses at the remote location may be paid for a maximum of 2 months. Where the employee is on sabbatical, living expenses at the sabbatical leave location (other than the employee’s permanent residence) may be paid for a maximum of 15 days as this is considered to be related to travel. Where the terms of the funding explicitly allow the payment of living expenses (e.g. Alberta Innovates Health Solutions visiting scientist grant). | No | No | Yes - direct payment to vendor | No | Yes - direct payment to vendor | Yes | No |

² Various merchant gift cards, which are permissible gifts for non-employees within the limits stated in the Gift Expenditure Procedure, are available for purchase from the University Bookstore (Students’ Union Building).

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|---|---|---|-------------------------------------|---------|-----------------|---------------------------|---------------------------------|-------|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| Living allowance or expense (Student) | Some units assist students temporarily with living expenses that they incur to attend the UofA such as meals, board or lodging and utilities. These payments must be processed as bursaries. | see Bursary | | | | | | |
| Living allowance or expense (Visiting Professors, Scholars and Researchers) Account: applicable travel expense account | The cost of meals and accommodation may be reimbursed or paid, along with other travel expenses, for visiting professors, scholars and researchers for a maximum of 30 days. If the visit exceeds 30 days these expenses must be covered personally by the visitor as they would be taxable income if paid by the UofA. | See Travel Expense (Other Non-Employee) | | | | | | |
| Membership dues (Employee) Account: Professional Memberships Indiv (502185) | Dues for individual membership in a professional association may be paid if the requirement for membership is directly related to the employee's position. Staff are encouraged to use Professional Expense Reimbursement or Personal Spending Account funds to pay these dues. As the University of Alberta Faculty Club is not a professional association, individual Faculty Club memberships will not be paid by the UofA. | No | No | Yes | No | Yes | Yes | No |
| Moving expense (Employee) Account: applicable travel expense account or T&E expense type | The cost of relocating to Edmonton to take up employment at the UofA may be paid directly by the University or reimbursed on a non-taxable basis. Refer to Moving Expenses and Relocation Benefits for Academic Staff Members Procedure. | Yes | No | Yes | No | Yes | Yes | No |
| Moving expense (Student) | A payment to a student toward the cost of relocating to Edmonton to attend the UofA is processed as a bursary. | see Bursary | | | | | | |
| Parking at UofA (Employee) | The cost of parking at UofA paid on behalf of employees (including sessionals) is generally a | No | No | No | No | Yes - for occasional | Yes - for occasional | Yes |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|--|--|--|-------------------------------------|---------|-----------------|---|-------------------------------------|---|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| Account: Parking Permits (502471) | taxable benefit and therefore permitted only: <ul style="list-style-type: none"> if the unit is paying for a secondary permit to enable the employee to parking at other lots on a regular basis as required by the employee's duties; or for occasional parking at a lot other than the one for which the employee holds a permit (e.g. to attend meetings at another UofA location) Refer to Parking Services for details on payment options. | (Note: employee may pay for parking through payroll deduction) | | | | parking at another UofA parking lot | parking at another UofA parking lot | <ul style="list-style-type: none"> indent petty cash |
| Parking at UofA (Guest) Account: Parking Permits (502471) | The cost of parking at UofA may be paid on behalf of guests (individuals not employed by the UofA or enrolled in a course). Refer to Parking Services for details on payment options. | No | Yes | No | No | No | Yes | Yes <ul style="list-style-type: none"> indent petty cash |
| Prize (Employee) | An employee prize can be made only in accordance with UofA employee award guidelines. | See Award (Employee) | | | | | | |
| Prize – Academic Standing (Student) | An item of monetary and/or other value given to a student primarily on the basis of academic standing at the UofA and completion of requirements outlined in the prize description or terms of reference. This type of prize is processed as an award. | See Award – Academic Standing (Student) | | | | | | |
| Prize – Prescribed (Student) | In accordance with Canada Revenue Agency regulations, a prescribed prize is an item of monetary and/or other value that is given to a UofA or non-UofA selected from a group of potential recipients, for a meritorious achievement in the arts or the sciences that has high public awareness. This excludes prizes based on academic standing (refer to above). An example of a prescribed prize is a prize (of monetary or other value) for an essay or poster competition. | No | No | No | Yes | Yes – to purchase items to be awarded (e.g. gift cards) | No | Yes – indent (e.g. Bookstore <small>Error!</small> Bookmark not defined.) |
| Research subject | Payment for participation in a research study or | Yes –if | No - refer to | No | Yes – for | Yes – | No – (e.g. | Yes – petty |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|---|--|---|---|---|---|--|---|---|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| payment (excluding travel expenses) Account: Research Subject Payments (502676) | clinical trial to recognize the participant's time or inconvenience and/or as an incentive to participate. Records must be kept in the unit indicating participant names and amount paid per participant. If paid in cash, the participants must sign to acknowledge they received the payment. | payment per participant exceeds \$500, contact Payroll (Canada Revenue Agency requires T4A reporting) | Travel expense (Other Non-Employees) if reimbursing research subject travel expense | | maximum payment of \$500 per participant (Note: paid to participant, not to researcher) | recommended method for maximum payment of \$500 per participant, to provide gift cards in lieu of cash or cheque payment (Note: various online services offer these) | Principal Investigator not to use travel advance or incur out-of-pocket expense to pay research subjects) | cash for maximum payment (to be made in person) of \$250 per participant |
| Royalty Account: Royalties (502191) | A royalty is a payment for the use of, or right to use, a copyright or patent. Refer to Payment Procedure . | No | No | No | Yes | No | No | No |
| Subsistence | Payment of subsistence costs (e.g. meals, accommodation, utilities) is regulated according to whether the costs represent living expense or travel expense. | See Living Allowance or Expense and Travel Expense | | | | | | |
| Travel expense (Employee) Account: applicable travel expense account or T&E expense type | Employee travel expense is regulated by the Travel Expense Procedure . Travel expenses that the employee/unit will recover from another source are not to be paid or reimbursed by the UofA. | Yes – if paid as a monthly allowance | No | Yes –for conference registration fee if cannot use p-card | No | Yes – recommended method to pay conference registration fee | Yes – for expenses that cannot be paid any other way (e.g. meals, ground transportation, non HAP hotels, baggage and seat selection fees) | Yes <ul style="list-style-type: none"> • TAP (preferred method to pay for airfare, rail, bus) • HAP (where applicable, preferred method to pay for hotel) • petty cash • Diner's Card (UofA travel card) |
| Travel allowance | Where reimbursement for student travel expenses incurred to fulfill course requirements (e.g. to | No | No | No | Yes – use Payment | Yes – to pay conference | No | Yes |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|--|---|-------------------|-------------------------------------|---|----------------------------------|---|---------------------------------|---|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| (Student) Account: applicable travel expense account | attend a conference or a practicum) is inefficient such as when small payments are to be made to numerous students, or if the student requires cash to pay expenses while travelling, the unit may provide an allowance of up to \$500 per trip instead of reimbursing for actual expenses after the travel. The allowance cannot include expenses that the unit can pay through TAP and HAP. The unit should obtain subsequent proof that the travel was completed. Travel allowances for students are strongly recommended in order to reduce the need for large numbers of small expense reimbursements requiring approval by budget owners (e.g. Chair). Refer to Bursary for UofA regulations regarding payment of an allowance to assist with student personal travel expenses that are not related to a specific UofA course (e.g. travel to attend UofA). | | | | Request Multiple Payee Worksheet | registration fee or, where permitted by merchant, to purchase prepaid Visa (Visa gift card) up to \$500 | | <ul style="list-style-type: none"> • TAP (required to pay for airfare, rail, bus) • HAP (where applicable, to pay hotel costs) • petty cash for allowance up to \$250 |
| Travel expense reimbursement (Student) Account: applicable travel expense account | Expenses reimbursed to, or paid on behalf of, a student to assist in fulfilling course requirements (e.g. to attend a conference or a practicum). The unit must pay as much of the expense as possible directly to the vendor (e.g. through TAP, HAP, p-card) to minimize the need for reimbursement. Refer to Bursary for UofA regulations regarding payment of expenses to assist with student personal travel that is not related to a specific UofA course (e.g. travel to attend UofA). | No | Yes | Yes – to pay conference registration fee if cannot use p-card | No | Yes – to pay conference registration fee | No | <p>Yes</p> <ul style="list-style-type: none"> • TAP (required to pay for airfare, rail, bus) • HAP (where applicable, to pay hotel costs) • petty cash for expense up to \$250 per student |
| Travel expense (Other Non-Employees) Account: applicable | Guidelines for travel expense incurred by non-employees, other than students, are provided in the Travel Expense Procedure . | No | Yes | Yes – independent contractor may invoice UofA for cost and | No | No | No | <p>Yes</p> <ul style="list-style-type: none"> • TAP (preferred method to pay for |

**UNIVERSITY OF ALBERTA
GUIDELINES FOR PAYMENTS TO OR ON BEHALF OF INDIVIDUALS**

| PURPOSE OF PAYMENT & ACCOUNT CODE | DESCRIPTION AND UofA REGULATIONS ¹ | METHOD OF PAYMENT | | | | | | |
|---|---|--|-------------------------------------|-----------------------------|-----------------|-----------------------------|--|--|
| | | Payroll | Accounts Payable | | | P-Card (Procurement Card) | T&E (Employee Travel & Expense) | Other |
| | | | Non-Employee Travel Expense Payment | Invoice | Payment Request | | | |
| travel expense account | | | | attach receipts | | | | airfare, rail, bus) • HAP (where applicable, preferred method to pay for hotel) |
| Tuition or training expense (Employee) Account: • travel expenses – refer to Travel expense (Employee) • other expenses - Supplies & Services General (502101) | Expenses reimbursed to or paid on behalf of an employee for tuition and training, including associated expenses (e.g. books, meals, travel and accommodation), must primarily benefit the UofA (i.e. directly relate to the employee's position and, in the case of tuition, the courses must lead to a degree). Non-credit tuition fees are taxable. If the employee does not remain employed by the unit for a reasonable time, (12 months), after tuition fees have been paid on their behalf, the unit must recover an appropriate amount representing the personal benefit received by the employee. | Yes – for non-credit tuition (e.g. Faculty of Extension) complete Taxable Benefit Form | No | Yes – to pay fees to vendor | No | Yes – to pay fees to vendor | Yes – refer to Travel expense (Employee) | Yes • UofA tuition remission (for UofA credit courses only) • indent (for on-campus training fees) |
| Tuition fees (Student) | Tuition paid on behalf of a UofA student (tuition remission) is processed as a bursary. | see Bursary | | | | | | |