



Financial and Administrative Services

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M E M O R A N D U M

TO: Academic Administrators

cc: MUNFA, Senior Administrative Officers (SAOs)

FROM: Deborah Collis, Director, Financial and Administrative Services

DATE: June 3, 2019

SUBJECT: **Clarification of Incurred Expenses in Relation to PDTER Claims**

This memo is issued to provide clarity regarding the recognition of **incurred expenses** by the Department of Financial and Administrative Services in processing PDTER claims. Please note this interpretation has not changed.

The MUNFA Collective Agreement states in Clause 32.40

Each fiscal year (April through March), expenses of up to \$1,600 per year (plus any carryover amounts as per Clause 32.42) incurred during the fiscal year may be claimed by each eligible ASM. An ASM shall be reimbursed for qualifying expenditures only upon the written request of the ASM to the Administrative Head.

An expense is not recognized as "incurred" by the University until the goods or service has been received or delivered. The advance purchase by a Faculty Member for a service that will occur in the future, as in the case of a travel advance for a future flight, future conference fees, etc.), is not deemed to have been incurred by the University until the flight occurs or the conference is held. At that point the service has been received and will be recognized as an incurred expense.

Travel advances will continue to be available to Faculty Members to encourage advance purchase to avail of more economical prices without requiring the Faculty Member to be out-of-pocket for such purchases.

Faculty Members are asked to be cognizant of this clarification in the application of PDTER claims in fiscal years where an excess balance is at risk of not being used. Therefore, travel advances requested for payments made in one fiscal year will not result in the recognition of an incurred expense if the flight/conference/etc. occurs in the next fiscal year.


Deborah Collis, CPA, CA

DC:jmw