

Faculty Professional Development Allowance Plan (PDA) Policy & Procedures

Approved by the Joint Committee - April 19, 1999, Revised September 8, 2008
Approved by the Board of Governors - June 10, 1999

DISCLAIMER: If there is a discrepancy between this electronic policy and the written copy held by the Policy owner, the written copy prevails.

POLICY

McMaster University is committed to promoting the professional development activities of its faculty members. In support of these activities, an annual professional development allowance is provided to each eligible faculty member. Effective May 1, 1998, for paid research leaves beyond the first awarded to them, faculty members will be provided with a supplement to the annual allowance. This plan and its implementation will conform to Revenue Canada's regulations pertaining to taxable benefits to individuals.

1. Eligibility:

- a. Faculty member must participate in the University's Career Progress/Merit Plan. In the case of the Faculty of Health Sciences, a similar professional development allowance will be provided to Clinical Faculty (by the Faculty of Health Sciences) without the prerequisite of participation in the University's Career Progress/Merit Plan.
 - b. Continuing faculty on reduced workload will receive a pro-rated PDA.
 - c. New faculty appointed on July 1 will receive the full PDA for the fiscal year. Deans may pro-rate the PDA for faculty appointed after July 1.
 - d. For paid research leaves beyond the first awarded, faculty members who take a full year leave will be provided with a supplement equal to 40% of the PDA in effect for the fiscal year in which the leave begins, and faculty members who take a half year leave will be provided with a supplement equal to 20% of the PDA in effect for the fiscal year in which the leave begins.**
2. The funds are designated strictly for use by the individual faculty member.
 3. Expenses covered by this allowance will be related to the faculty member's professional development and will include:
 - a. professional dues and membership fees for learned societies;

- b. manuscripts, subscriptions to professional and/or learned journals and other similar professional publications;
- c. computer software and supplies used or consumed in the performance of the faculty member's duties as a scholar and teacher;
- d. travel including transportation, food and accommodation for the member to attend scholarly conferences, field trips, research visits, or workshops;
- e. expenses incurred in the preparation and completion of scholarly manuscripts, and page or reprint charges;
- f. equipment, including computers.

All goods purchased under this plan are the property of McMaster University but are available for the use of the individual faculty member for professional development activities while the faculty member is associated with the University. Disposal of such goods is at the discretion of the dean upon recommendation of the department chair; the procedures of the federal funding councils serving as guidelines for such decisions.

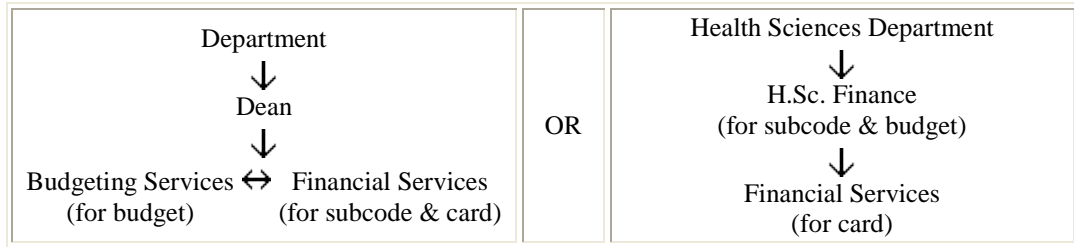
Ineligible expenses include interest charged on overdue charge accounts and other personal expenses that, under current tax legislation, would be considered a taxable benefit to the individual. These personal expenses include but are not restricted to gifts, social club (e.g. Faculty Club) membership fees and personal living expenses.

4. PDA accounts will be adjusted to budget at April 30. If a faculty member does not spend all of his/her PDA in a given fiscal year (May 1 to April 30), the unspent balance will be made available to that member in the following two years on the understanding that no more than two times the current level of PDA will be carried forward in any one year for a faculty member. In addition, faculty members are allowed to borrow against future PDA's for up to two years. Thus, in a given year, the carry-forward plus the borrowing provisions allow a faculty member to spend a maximum of five years' PDA, plus any research leave supplement awarded. Deficits are to be the first charge against future PDA's and unspent balances in excess of the maximum carry-forward revert to the department chair to use for the purpose of professional development of faculty members in that department. Any unspent balance of a PDA for a faculty member whose position becomes vacant during the year will also revert to the department chair for similar purposes.
5. Overexpenditures require the approval of the department chair and must be recovered from the faculty member or be carried forward against that individual's next-year's PDA. Over-expenditure incurred by a faculty member who subsequently leaves the University must be recovered directly from the individual faculty member, through payroll adjustment, or be charged to an account identified by the department.
6. Any PDA funds budgeted for a position which remains unfilled during the year will accrue as savings to the department. A faculty member who retires during the academic year will be entitled to at least a pro-rated amount of Professional Development Allowance using the appointment year of July 1 to June 30.

PROCEDURES

In view of the fact that the PDA is a non-taxable benefit to faculty members, the University must exercise the same control over these funds as it does for all other expenditures to ensure that the conditions applicable to non-taxable benefits are met. Consequently, the procedures for handling these funds will be as follows:

1. Each department will, each year, submit to the faculty dean (or, in the case of the Faculty of Health Sciences, to the Health Sciences Finance department) a list of those faculty members who will be eligible for a PDA during the upcoming fiscal year. Included on the list will be:
 - faculty member name, McMaster ID number and PDA account number
 - balance of unspent PDA carried over from previous year.
2. Eligible expenditures must be supported by original receipts or invoices in accordance with the University's cheque requisition policy.
3. It is the individual faculty member's responsibility to ensure that the expenses charged against his/her PDA account are legitimate costs incurred for his/her professional development.
4. In the case of travel expenses charged against the PDA, the policies and procedures outlined in the document entitled "McMaster University Travel Expenses Policy and Procedures" will be in effect. In the case of expenditures for other than travel purposes, signing authority will be in accordance with other applicable University policies.
5. The department chair or his/her delegate is responsible for confirming that there are sufficient funds to cover any expenses that are claimed or incurred. Prior to approving any claim, the chair, or his/her delegate, will ensure that the expenses claimed are both reasonable and eligible, and that, in the case of travel, they are in accordance with the McMaster University travel expense policy. If the chair or his/her delegate has any concerns about the reasonableness or eligibility of a particular claim or incurred expense, the chair will request that the faculty member concerned account for the charges. Expenses are additionally subject to auditing by the University, and the auditor may request that a faculty member account to his/her department chair for the charges.
6. In the event that the faculty member is unable to account for the charges to the department chair's satisfaction, the chair, after consultation with his/her Faculty Dean, will refuse payment, or request reimbursement if the claim has already been paid. If such action has previously been taken against the faculty member in respect of an ineligible claim, and if the chair, after consultation with his/her Faculty Dean, determines that sanctions are appropriate, he/she will initiate proceedings under the Code of Conduct for Faculty.
7. Financial Services will provide to a department, where required, the means to obtain a listing of all expenses processed against each individual faculty member's PDA account.
8. Whenever there is a new faculty member who is eligible for PDA, a notification form will be completed by the academic department and submitted to Financial Services for allocation of subcode and PDA charge card. Process would be:



9. Financial Services will absorb the cost of providing the faculty member with the original PDA charge card. There will be a charge of \$20 for any replacement card.
10. It is the responsibility of the department chair or delegate to ensure that a faculty member's PDA card is collected and destroyed when the faculty member is no longer eligible for PDA because of termination of employment or other reasons.

PROCESSING

1. Travel expenses to be charged against a PDA account will be processed in the same manner as travel charged to any other source of funds and in accordance with the University's current travel policy.
2. Purchases made through the University's purchasing system, interdepartmental charges and other on-campus purchases will be processed in the normal manner. When making PDA purchases at the University Bookstore, the PDA charge card must be used. In the event that a PDA item is charged to a faculty member's personal Bookstore account, it is the responsibility of the faculty member to clear the account.
3. In order to reimburse a faculty member for out-of-pocket expenditures made via cash or personal credit cards, the following procedures will be followed:
 - a. Faculty are encouraged to make one claim per year so as to minimize processing costs. Individual claims of \$200 or more will be accepted during the fiscal year, one claim for less than \$200 will be accepted at the end of the fiscal year so as to clear any outstanding expenses incurred over the previous twelve-month period.
 - b. The completed form with original receipts for out-of-pocket expenditures will be submitted by the faculty member to the department chair or delegate (or, in the case of the Faculty of Health Sciences, to the programme director) for approval.
 - c. The original receipts must indicate the amount paid and a description of the expenditure. For example, a cash register tape from a supplier must be supplemented by a description of the item being purchased.
 - d. The completed form and original receipts must then be forwarded directly to Accounts Payable for reimbursement. When proof of payment or a receipt is not issued by the vendor, a copy of the cheque/original credit card slip and payment notice/credit card statement for supporting documentation must be provided.
 - e. Only complete and properly authorized forms, normally covering charges no more than one year old, will be accepted for payment by Accounts Payable.

Claim forms that are not properly completed will be returned directly to the originating department.

- f. Accounts Payable will retain all original receipts for audit purposes.

Approved by the Joint Committee - April 19, 1999, Revised September 8, 2008

Approved by the Board of Governors - June 10, 1999

Contact Department: Provost / MUFA

MUFA - pdk
October 1999