

# Offsetting U of T air travel emissions

February 2023







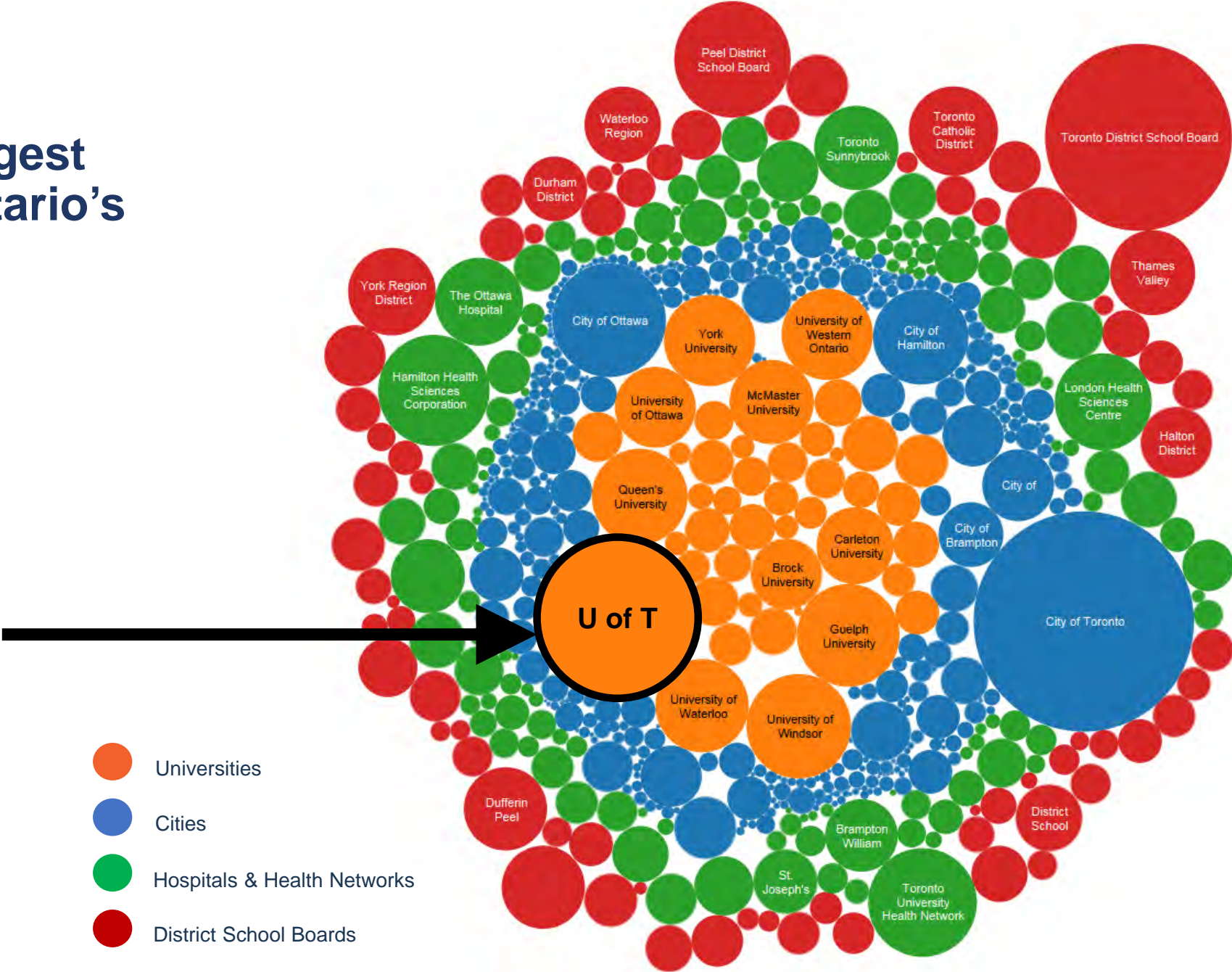
# Agenda



- An overview of the Air Travel Emissions Mitigation Initiative (ATEMI)
- Framework for mitigating emissions through offsets for unavoidable travel
- Carbon offset rates
- Impact of ATEMI on Financial Administration
- Additional fields required when processing reimbursements and invoices for airfare expenses
- Reporting on carbon offset charges
- Demonstration and additional support resources <sup>2</sup>

# U of T has the third largest carbon footprint in Ontario's broader public sector

- 1. City of Toronto
- 2. Toronto District School Board
- 3. University of Toronto





# We have a unique and short window of opportunity to reduce scope 3 emissions

## Air travel is one of the most significant drivers of scope 3 emissions

Pre-pandemic, U of T's air travel emissions:

- equaled half of scope 1 and 2 emissions combined.

While air travel is integral to the university's mission,

- it's key to balance this with the need to mitigate GHG emissions.

The pandemic necessitated the use of virtual alternatives,

- creating a unique opportunity to maintain a lower emissions baseline



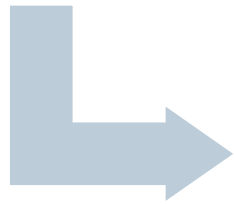
**Scope 1** = direct emissions from owned or controlled sources

**Scope 2** = indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting institution

**Scope 3** = all other indirect emissions that occur in an institution's value chain

# Using a three-pronged approach to mitigate business-related air travel emissions

1. Enable alternatives where travel isn't required, such as virtual conferences and meetings



2. If travel is necessary, encourage low-carbon and economy options, such as train, bus, or carpooling; reduce unnecessary group air travel



3. Mitigate emissions through offsets for unavoidable travel

# Framework for mitigating emissions through offsets for unavoidable travel



## Offset unavoidable business travel

- All operationally funded air travel
- Excludes research grants and restricted funds
- Rate based on distance and travel class

## Guiding principles

- Address to U of T emissions
- Avoid or capture greenhouse gases
- No third-party offsets

## Governance

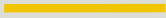
- Tri-campus advisory committee

## Accountability

- Third-party verifier project review to validate approach and outcomes
- Use lessons learned to inform future projects

## Transparency

- Annual program report



# Offset rates



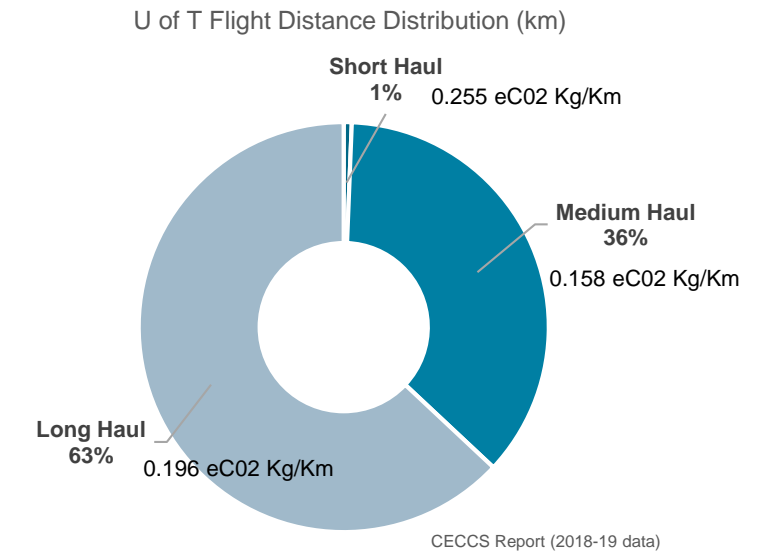
# What are other institutions doing?

Institution	Air travel mitigation strategy	Carbon emissions fee
University of Toronto	On-campus projects	\$0.0055 per km
University of Oxford	On-campus projects (Offsets starting 2030)	\$47 per flight
University of California Los Angeles (UCLA)	On-campus projects	\$25 international (round trip) \$9 domestic (round trip)
Colorado State University	On-campus projects	\$20 international \$10 domestic
Duke University	Third-party offsets	None
Western University	Encouraging alternatives	None
University of British Columbia (UBC)	Encouraging alternatives	None



# Offset rate rooted in literature and to adjust to the rising price of carbon

- Fixed kilometer-based rate of \$0.0055 per km based on:
  1. 2020 federal carbon levy (\$30 per metric tonne)
  2. Flight length emissions factors from literature
  3. Pre-pandemic distribution of U of T's flight distances (CECCS report)
- Rates will double for non-base class fares (business class and above)
- Rate can be adjusted by advisory committee over time as carbon levy rises
- Estimate of pre-covid air travel emissions 26,000 - 57,000 tonnes
  - Potential annual revenue: \$375,000



# Examples of flights and fees

Toronto to Cleveland



Toronto to Winnipeg



Toronto to Paris



Round trip from Toronto	Cleveland	Winnipeg	Paris
Total distance	621 km	3,015 km	12,074 km
Total carbon fee	\$3.41	\$16.58	\$66.41
Total GHG eCO <sub>2</sub>	0.16 MT	0.48 MT	2.36 MT
Air Canada Fee (\$20/tonne)/eCO <sub>2</sub>	\$2.40 / 0.12 MT	\$11.63 / 0.58 MT	\$46.58 / 2.33 MT

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# The Fee Process



# Fee process



# Impact of ATEMI on Financial Administration



# Key Changes



## Update to Expense Report Form

New fields for **Flight Class** and **# of KM** flown round-trip

## Additional Required fields in all Expense Reimbursement Transaction screens

**FIS** and **ERDD - Web screens** have been updated with required fields.

## Monthly Carbon Offset Fee

All university-funded air travel charged to an operating/principal investigator Funds Centers (i.e., **posted to a FC without a Fund**) are subject to a monthly carbon offset fee.

## Reporting on Carbon Offset Charge

The FI Postings line item report can be used to report on the carbon offset fee, # KM flown and flight class

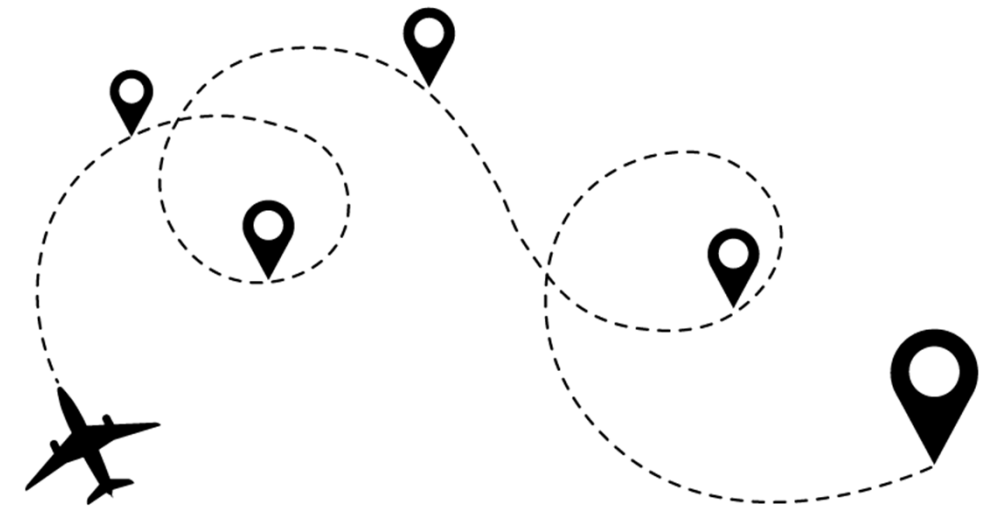


# Accounts Charged Carbon Offset Fee

The carbon offset fee is charged monthly to non-research grants/funds.

This includes:

- Operating Funds Centers (1xxxxx)
- Principal Investigator (PI) Funds Centers (2xxxxx)
- Funds in **EXP-UTFA** Commitment Items



# Updated Expense Report Form

The Expense Report form has been updated for claimants/administrators to indicate the **Flight Class** of service (i.e. Economy or Above-Economy), and enter the **# of KM** flown (round trip).



EXPENSE CATEGORIES			# OF KM (round trip)	AMOUNT	G/L ACCOUNT	TAX CODE
AIRFARE Attach proof of payment & proof of air travel (*)	ECONOMY	Travel within Canada			8 4 0 1 0	ER
		Travel to USA from Ontario			8 4 0 1 0	EE
		All other Airfare			8 4 0 1 0	E0
	ABOVE- ECONOMY	Travel within Canada			8 4 0 1 0	ER
		Travel to USA from Ontario			8 4 0 1 0	EE
		All other Airfare			8 4 0 1 0	E0



# Changes to Processing Expense Reimbursements

Similar to the form, the transaction screens have been updated to enable users to enter the Flight Class and # of KM flown to facilitate the carbon offset fee.



The transaction screens are:

- ERDD – Web application
- ZER01 – ERDD Create
- FB60 – Invoice Create screen



Visit the [ATEMI documentation and support page](#) for more information.



# Applicable Airfare G/L Accounts

The following G/L Accounts require users to enter Flight Class and # of KM flown round trip:

G/L Account	Short Text	Name
<u>840010</u>	Empl Fldtrip:airfare	Travel-Employee
841010	Empl conf/meet airfa	Travel-Employee
842010	Stdent fldtrip:airfa	Travel-Student
843010	Studentcon&meet:airf	Travel-Student
<u>844010</u>	Visitor trav:airfare	Travel-Visitor

# ERDD – Web Application

UNIVERSITY OF TORONTO | Administrative Web Services

Log off

Welcome: Rames Paramsothy

To protect the security of your data, this application will automatically terminate in 03:59:47. Unsaved work will be lost.

Welcome | Inbox | My HR Self-Service

Expense Reimbursement (New)

Expense Reimbursement (New) > Expense Reimbursement (New) Full Screen

Employee Conference Apply

Airfare

Calculator

Copy accounting information down to unfilled lines

Amount(CAD)	G/L	Tax	Cost Center	Order	Fund	Funds Center	Citm	Assignment	Flight Class ?	Total kms flown ?
1000	841010	EE	14144			165654	TRAV-EMPL		Select Class Of Service	0

Accommodations

Allowance - Meals



Use the [airmilescalculator.com](https://airmilescalculator.com) site



# FIS: ZER01 – ERDD Create

Expense reimbursement (direct deposit): Data entry screen

Create Vendor Clear Screen Get Held Doc. Hold Doc. Web based Help

Supplier: 837003 Personnel No.: 1827277 Employee name: Rames Paramsothy  
Department: Financial Advisory Servic  
Address: 215 Huron Street  
Address: Toronto, ON, CA, M5S 1A2  
Document Bal.: 0.00

Document Date: 12.01.2023  
Posting Date: 19.01.2023  
Document Type: KF  
Reference: REIMBURSEMENT  
Currency: CAD  
Doc. Header Text: CONF REIMBURSEMENT  
Claim Amount: 2,000.00

G/L acct	Short Text	D/C	Amount in doc. curr.	Earmarked f...	D...	M...	Flight Class	Number of KM	Item
840010		Debit v	1500				ECONOMY	1000	
840020		Debit v	500						

Enter the # of KM  
flow round trip and  
unit of measurement  
(km).



Use the [airmilescalculator.com](https://airmilescalculator.com) site





# FIS: FB60 – Expense Reimbursement Cheque and A/P Invoice

In the FB60 screen, when reimbursing non-employees or employees in non-CAD currency, as well as paying invoices for air travel, users will enter the additional ATEMI fields, similar to when reimbursing mileage.

Double-click the G/L account to enter the Flight Class and # of KM flown.

Enter Vendor Invoice: Company Code UOFT

Tree On Company Code Hold Simulate Park

Transactn Invoice Bal. 2,000.00-

Basic data Payment Details Tax Notes

Vendor 990004

Invoice date 09.01.2023 Reference REIMBURSEMENT

Posting Date 19.01.2023 Period 9

Document Type KE:Expense reimb...  
Cross-CC Number

Amount 2000 CAD  Calculate Tax

Text REIMBURSEMENT

Baseline Date

Company Code UOFT University of Toronto

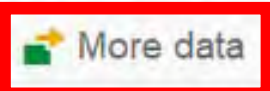
Vendor Address  
OTA Expense Reimbursement  
215 Huron Street  
Toronto ON M5S 1A2

0 Items ( Screen Variant : Line Item Entry - FB60 + FB65 )

Status	G/L acct	Short Text	D/C	Commitment itm	Assignment	Text
	843010		Debit			John Smith, airfare reimbursement
	843020		Debit			John Smith, hotel reimbursement
			Debit			

# FIS: FB60 – Expense Reimbursement Cheque and A/P Invoice

Correct G/L account item

 More data

G/L Account: 843010 Employee Field Trip: Airfare  
Company Code: UOFT University of Toronto

Item 2 / Debit entry / 40

Amount	1,500.00	CAD
Tax Code	ER	Calculate Tax <input checked="" type="checkbox"/>
Business Area	1000	
Cost Center	14144	Order
Commitment Item	TRAV-EMPL	Fund
Funds Center	164654	Earmarked Funds <input type="checkbox"/> Compl

Purchasing Doc.

Quantity:  km

Assignment

Text: John Smith, airfare reimbursement

# FIS: FB60 – Expense Reimbursement Cheque and A/P Invoice

Enter the Flight Class in the **Reference Key 3** field:

- ECONOMY
- ABOVE-ECONOMY

The screenshot shows the SAP FB60 transaction interface. The title bar includes menu options: Document, Edit, Goto, Extras, Environment, System, Help. Below the title bar is a toolbar with various icons. The main area displays the transaction details for 'Correct G/L account item'. The G/L account is 843010 (Employee Field Trip:Airfare) and the company code is UOFT (University of Toronto). The item details are as follows:

Item 2 / Debit entry / 40 / Addit.Details		
Amount	1,500.00	CAD
Amt.in loc.cur.	1,500.00	CAD
Tax Code	ER	
Reference Key 3	ECONOMY	
Settlmnt Period		

# Reporting on Carbon Offset Charges

On a monthly basis, any operating/PI Funds Centers (i.e. non-research grants) which have paid for air travel expenses will be charged the carbon offset fee.

This will be posted against G/L **899050**.

FI Postings: Line Items by Document Number (w/ addnal flds)

06.03.2023 10:53:50

FI doc.no.	G/L Acct Long Text	G/L Acct	εPymt Bdgt	Cost Ctr	Order	Funds Ctr	Fund Commitment Item	Line Item Text	P
1001863156	Air Travel Emissions Mitigation Charge	899050	25.00	13424		100919	SER-INTRL-FINANC	ATEMI Jan charge	0
1001863158	Air Travel Emissions Mitigation Charge		25.00	13424		100919	SER-INTRL-FINANC	ATEMI Jan charge	0
1001863167	Air Travel Emissions Mitigation Charge		25.00	13424		100919	SER-INTRL-FINANC	ATEMI Jan charge	1
		899050	<b>75.00</b>						
			<b>75.00</b>						



# Reporting on Flight Class and # of KM Flown

Users can also use a global layout (/ATEMI) in the ZFIR079 – FI Postings Line Item report to report on and analyze Flight Class and number of KM flown roundtrip.

## FI Postings: Line Items by Document Number (w/ addnal flds)

17.02.2023 09:26:52

FI doc.no.	Order Funds Ctr	Fund Commitment Item	Line Item Text	Posting Date	Doc. Date	UserName (FI)	Assignment	Supplier	Vendor Name	Tax	Reference Key 3	Quantity
<a href="#">230277717</a>	154654		TRAV-STDNT TEST ATEMI2	11.01.2023	09.01.2023	PARAMRAM	20230111	990004	J. Smith	ER	ECONOMY	1,000.000
<a href="#">230277721</a>	154654		TRAV-STDNT test999		04.01.2023	WONGWAHM	20230111	810986	Claire Moss	ER	ABOVE-ECONOMY	1,000.000
<a href="#">2357636363</a>	154654		TRAV-STDNT test	12.01.2023	12.10.2022	PARAMRAM	20230112	870587	Sarah Culane	ER	ABOVE-ECONOMY	5,000.000
<a href="#">1901020293</a>	154654		TRAV-STDNT test		09.01.2023	PARAMRAM	20230112	990160	J. Smith	ER	ABOVE-ECONOMY	2,000.000
<a href="#">1901020294</a>	154654		TRAV-STDNT test	13.01.2023	09.01.2023	PARAMRAM	20230113	990004	J. Smith	ER	ABOVE-ECONOMY	7,500.000
<a href="#">1901020295</a>	154654		TRAV-STDNT test	16.01.2023	09.01.2023	PARAMRAM	20230116	990160	J. Smith	ER	ABOVE-ECONOMY	5,000.000
<a href="#">230277723</a>	154654		TRAV-STDNT airfare	19.01.2023	19.01.2023	PARAMRAM	20230119	990004	John Smith	ER	ECONOMY	1,000.000
<a href="#">230277724</a>	154654		TRAV-STDNT John Smith, airfare reimbursement	20.01.2023	20.01.2023	PARAMRAM	20230120	990004	John Smith	ER	ECONOMY	1,000.000
<a href="#">2357636374</a>	154654		TRAV-EMPL PARAMSO 20230109 20230113 NYC NYC conference expen	27.01.2023	27.01.2023	PARAMRAM	Aud#:2023119328	855703	Rames Param	E0	ECONOMY	1,000.000
<a href="#">2357636338</a>	154654		TRAV-VISITOR test5	10.01.2023	04.01.2023	PARAMRAM	20230110	870587	Sarah Culane	ER	ECONOMY	1,000.000
<a href="#">230277716</a>	154654		TRAV-VISITOR test5		09.01.2023	PARAMRAM	20230110	990004	J. Smith	ER	ECONOMY	1,000.000
<a href="#">2357636344</a>	154654		TRAV-EMPL PARAMSO 20230102 20230106 NYC NYC Conf CONFERENCE	11.01.2023	11.01.2023	PARAMRAM	Aud#:2023119309	855703	Rames Param	EE	ECONOMY	2,000.000
<a href="#">230277721</a>	154654		TRAV-VISITOR		04.01.2023	WONGWAHM	20230111	810986	Claire Moss	ER	ECONOMY	1,000.000
<a href="#">2357636341</a>	154654		TRAV-VISITOR		04.01.2023	PARAMRAM	20230111	840798	W. Wong	ER	ECONOMY	1,000.000
<a href="#">2357636339</a>	154654		TRAV-VISITOR test123		04.01.2023	PARAMRAM	20230111	840798	W. Wong	ER	ECONOMY	1,000.000
<a href="#">230277718</a>	154654		TRAV-VISITOR TEST ATEMI5		09.01.2023	PARAMRAM	20230111	990004	J. Smith	ER	ECONOMY	1,000.000
<a href="#">1901020292</a>	154654		TRAV-VISITOR TEST ATEMI4		09.01.2023	PARAMRAM	20230111	990004	J. Smith	ER	ECONOMY	1,000.000
<a href="#">230277717</a>	154654		TRAV-VISITOR TEST ATEMI2		09.01.2023	PARAMRAM	20230111	990004	J. Smith	ER	ABOVE-ECONOMY	1,000.000
<a href="#">1901020293</a>	154654		TRAV-VISITOR test	12.01.2023	09.01.2023	PARAMRAM	20230112	990160	J. Smith	ER	ECONOMY	5,000.000
<a href="#">230277720</a>	154654		TRAV-VISITOR test		09.01.2023	PARAMRAM	20230112	990004	J. Smith	ER	ECONOMY	1,000.000
<a href="#">2357636361</a>	154654		TRAV-EMPL WONG WA 20221205 20221209 NYC NYC NYC		12.01.2023	PARAMRAM	Aud#:2023119317	840798	W. Wong	EE	ABOVE-ECONOMY	1,000.000
<a href="#">1901020294</a>	154654		TRAV-VISITOR test	13.01.2023	09.01.2023	PARAMRAM	20230113	990004	J. Smith	ER	ABOVE-ECONOMY	3,500.000
<a href="#">1901020295</a>	154654		TRAV-VISITOR test	16.01.2023	09.01.2023	PARAMRAM	20230116	990160	J. Smith	ER	ECONOMY	5,000.000
<a href="#">230277725</a>	154654		TRAV-VISITOR JS recruitment visit, Jan 23, airfare	06.02.2023	23.01.2023	PARAMRAM	20230206	990025	Joseph Smith	ER	ECONOMY	1,000.000



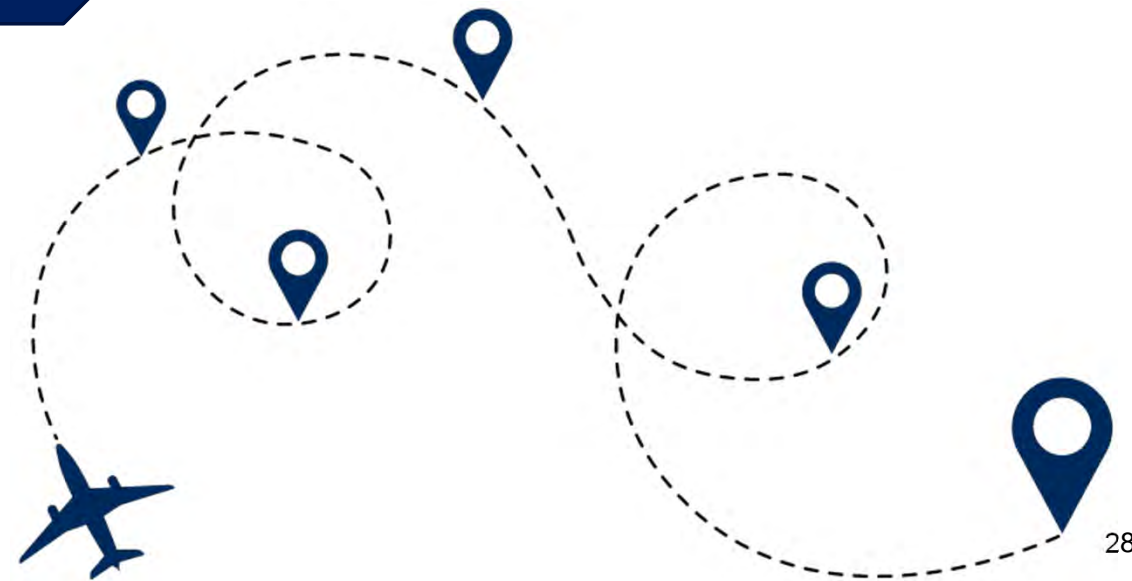
DEMO



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**Thank you**

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