



## CHILDREN'S AID SOCIETY OF ALGOMA POLICY MANUAL

### ADMINISTRATIVE RESOURCES

**Section:** Finance - Accounting

**Subject:** Travel Expenses

**Licensing Requirement/Standard #:** N/A

### Reimbursement for Expenses

#### Policy

This policy applies to any of the following individuals who may incur personal and miscellaneous expenses in the course of their work for and with the Society, including:

- Appointees
- Board Members
- Non-Union Employees
- Employees (who are entitled to reimbursement in accordance with the Collective Agreement)
- Consultants and Contractors engaged by the Society

The following principles will govern travel expense reimbursement practices.

- The Society is accountable for public funds used to reimburse travel, meals and hospitality expenses. All such expenses must support the business objective of the Society. Rules governing the Society's expense management are posted on the Society's website to ensure public accessibility.
- The Society's transactions are transparent to all stakeholders. The rules for incurring and reimbursing travel, meals, accommodation and hospitality expenses are clear, easily understood and available to the public.
- Public funds utilized by the Society are used prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health & safety.
- Legitimate and authorized expenses incurred during the course of the business of the Society are fairly reimbursed.
- The Society ensures that all authorized expenses comply with travel, meal and hospitality expense directive with the Broader Public Sector guidelines unless the collective agreement states differently.

The Society assumes no obligation to reimburse expenses which do not comply with this policy. In the event of an overpayment of travel expense claims, such overpayment will be recovered promptly from the payee. Employees are obliged to familiarize themselves with this policy and to seek clarification from their managers, if required. Individuals approving expense claims are

responsible for ensuring compliance with this policy and for taking remedial action in situations of non-compliance.

This policy will be subject to a review cycle of at least once every four years.

## **Process**

### **Non-Reimbursable Expenses**

Expenses of a personal nature will not be reimbursed. Such expenses include but are not limited to:

- Recreational purposes (e.g.: video rentals, mini-bars)
- Personal items
- Traffic/parking violations
- Alcoholic drinks
- Expenses incurred on behalf of friends/family

### **Receipts**

Original receipts (not photocopies) must be submitted with all expense claims when hard copy is requested for audit. Credit card slips by themselves are not sufficient to support a claim for reimbursement.

In the event of missing receipts, an exception to this directive may be made at the individual discretion of the manager or supervisor and only with appropriate documentation from the claimant that a receipt has been misplaced. (See "Responsibility of Approvers")

Original receipts plus credit card slips, if applicable, obtained through the use of Society credit cards must, in all cases, be submitted to accounting for reconciliation to the credit card statement.

Travel expense claims records will be retained in the same format and for the same time period as all agency accounts payable claims.

### **Time Limit for Claims**

The Society assumes no obligation to pay expenses submitted more than 90 days after the date they are incurred. Exceptions will only be at the discretion of a Director or Executive Director. However, expense claims submitted after the 15th of April for the previous year will be subject to supervisory review and may not be accepted.

All expense claims for mileage or other travel expenses incurred in the course of the work/training of the Society must be completed and forwarded to the Departmental Supervisor by the 7th of the month for the previous month and forwarded to accounting by the 10th. This will ensure payment to staff by the 20th of each month or the last working day prior to the 20th. Claims for all meal allowances or mileage must be submitted on an agency expense claim form. The supervisor will record, verify and sign off hours the staff person was out of their Municipality (i.e. the time left and time returned) or when kilometers per trip exceed 35 kilometers (with explanation when a agency car is available to the staff person).

## **Verification**

Managers having responsibility for approving expense claims are responsible for monitoring compliance with this policy. Expense approval limits are as defined in the agency's designated signing authority policy.

## **Guidance on Exceptions**

Requests for reimbursement should not be rejected solely because they arose from mistakes or misinterpretations of the requirements of this policy. Decisions whether to approve exceptional reimbursement must be reviewed on a case by case basis. The approval requires two signatures, one must be the Manager of Finance or Executive Director and the employee's Director of Service. A decision to make an exception to a claim will be guided by the following principles:

- Trust – use discretion and latitude to act in a fair and reasonable manner
- Flexibility – management decisions respond to persons' needs and interests and to consider unforeseen circumstances
- Stewardship – to ensure consistent, fair and equitable application of this policy giving consideration to all circumstances while maintaining the shared responsibility of wise and prudent use of agency resources

Where a Director decides to exercise discretion in making an exception and in order to ensure a proper record for audit purposes, the rationale for the exception must be documented and accompany the expense claim.

## **Travel Advances**

In general, the Agency does not extend travel advances. Where travel is expected to be of a longer duration (more than two days) a cash advance may be provided at the discretion of the Departmental Supervisor. Travel advances from petty cash or in amounts lower than \$100.00 will not be provided. Exceptions may be made from time to time based on specific needs. These exceptions are to be approved by the Departmental Supervisor and documented.

## **Loyalty Programs**

Staff may participate in loyalty programs (i.e.: frequent traveler programs) provided they select the most cost-effective means of travel and that the presence or absence of such a program has no impact on the choice of travel or accommodations or the company used.

## **Approval for Travel**

- Assignment of case carrying responsibilities for workers includes approval for normal travel to the case within the Society's geographical jurisdiction as defined below.
- Normal travel related to a direct service or other Society business and within the Society's area of jurisdiction does not require prior approval – such claims are approved after incurrence. Normal agency expense guidelines will govern reimbursement claims. This applies to travel within the agency's "geographical jurisdiction".
- For purposes of this policy "geographical jurisdiction" is defined to include the district of Algoma.

- Travel outside the agency's jurisdiction requires prior approval from an employee's immediate supervisor. Normal agency expense guidelines will govern reimbursement claims.
- Travel outside of Ontario requires prior approval from a Director of Service or Executive Director. Normal agency expense guidelines will govern reimbursement claims.
- Travel outside of Canada outside the Society's "geographical jurisdiction" requires prior approval from the Executive Director. A detailed proposed cost of travel will be inherent in the approval process but in no circumstances will expenses of a personal nature be reimbursed by the Agency. A proposal for travel outside of Canada must include a written rationale to demonstrate that the travel is critical to the organization's priorities; and documentation to demonstrate that the requested travel arrangements (i.e.: transportation mode, accommodation, etc.) are cost-effective, including a detailed itemization of all expenses that will need to be incurred. The Executive Director's travel outside of Canada requires prior approval from the Board of Directors.

### **Medical/Health Insurance**

Employees will not be reimbursed for the cost of privately arranged medical/health insurance for travel within Canada or outside of Canada since coverage in the event of illness, injury or death is provide through WSIB or the agency's health insurance plan.

### **Vehicle Insurance**

Only employees with valid drivers' licenses are authorized to drive their own or other vehicles in the course of agency business.

Personal vehicles used for agency business must be insured at the vehicle owner's expense for personal motor vehicle liability. Coverage should be equal to or greater than the minimum liability specified in the Insurance Act. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicles. The agency does not reimburse costs of business use coverage or collision and liability coverage.

The agency assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate when used for agency business. The agency is not responsible for reimbursing deductible amounts related to insurance coverage. Those driving a personal vehicle on agency business cannot make claim to the agency for damages as a result of a collision except for those circumstances that would be covered under AR-HR-ER.17 Reimbursement for Accidents – Malicious Damage to Vehicles.

Accidents must be reported immediately to local law enforcement authorities, the rental car agency (if applicable), the automobile insurance company (if using a personal vehicle) and the person's immediate supervisor.

### **Car Rental**

The size of the rental car is not to exceed a mid-size car; unless travel is required for service issues in inclement weather then four-wheel drives maybe rented for health and safety reasons. Upgrades to full-size cars are permitted if the rate charged does not exceed mid-size car rental rates. Exceptions are to be documented and approved in writing. In no case will luxury or sports car rentals be reimbursed.

The rental car must be refueled before returning it, in order to avoid higher gasoline charges imposed by the rental car agency.

For any single day trip where the round trip distance is to exceed 200 kms, reimbursement for personal vehicle use will be limited to 200 kms at the prevailing rate per kilometer **any exception must have Senior Management/Board President approval.** Employees are advised to rent cars to avoid assumption of personal cost for unpaid mileage. Rental cars are to be arranged through the agency's preferred vendor.

Staff may claim travel expenses from the employee's permanent office location to the designated location of required travel. In all cases, travel is reimbursed from the employee's permanent location to their destination. Travel from home to location of work is not reimbursable.

For emergency call out or on call section 24.03 of the collective agreement will be followed. Mileage for on call services will be paid at the current rate from home and to any destination required as a result of the call out and return.

In some circumstances a staff person may be approved to use their own vehicle instead of renting a car. The Society will reimburse the staff person for a flat daily fee of \$47/day including taxes, and gas used during the required Society travel. To claim for gas, like a car rental, the staff person's vehicle should be refilled after the work related travel and a receipt(s) for the gas must be submitted.

#### **Kilometre Reimbursements Rates for Personal Vehicle Use**

- Rates of reimbursement are pursuant to the agency's collective agreement for all staff, including non-bargaining unit.
- Rates of reimbursement for Board Member, Appointees, Foster Parents, Volunteers and Consultants and Contractors will be reviewed at the time of the agency's collective bargaining but are not necessarily tied to the negotiated rate.

Expense claims are to be submitted using iexpense in CPIN and must include:

- Case name / number or Purpose of Expense
- Starting address
- Ending address (or institution name)
- Kms traveled including the beginning and ending odometer reading (as per the collective agreement)
- Date of travel

Staff are required to save detailed receipts and will attach to the printed iexpense form and must save for three months should their expense claim be chosen for audit. If audited, staff will submit printed iexpense and detailed original receipts to the finance department.

#### **Taxi travel**

Where practical, local public transit/hotel shuttles must be used. Receipts for reimbursement are not required.

Where other means of travel are not available, taxi travel will be reimbursed only with receipts.

### **Air Transportation**

Travel by air is permitted when this is the most practical and economical way to travel. The standard is economy class. Travel in fare classes above economy class will only be reimbursed at the economy class rate. The lowest rate should always be used for air travel.

### **Other Travel Expenses**

Reimbursement for hotel accommodation in the Agency's geographical jurisdiction area will not normally be made. Exceptional or emergency situations may arise where personnel who reside out of town are required to remain in the agency's jurisdiction overnight – for example extended collective bargaining, large IT projects, etc. and these may be approved at the Manager's discretion.

For any overnight accommodation, manager approval must be secured prior to the expenditure.

Reimbursement will be made for the cost of a single accommodation in a standard room.

Private stays with family and friends are encouraged. A maximum of \$35.00 per night for gratuitous lodging is allowed. No receipt is required.

For extended stays out of town at a single location, long term accommodation must be approved on the approval of the Manager of Finance, to take advantage of lower weekly or monthly rates. This may include the rental of a housekeeping facility.

### **Other Out of Pocket Expenses**

Reasonable gratuities for meals, hotel room services and taxis will be reimbursed. Likewise reasonable expenses related to parking meters, bus tickets and subway tokens will be reimbursed. Receipts are not necessary to support reimbursement of these expenses.

### **Calls to Home**

Reimbursement will be made for reasonable costs for necessary personal calls home for each night away. Wherever possible, cell phones should be used to minimize cost.

### **Additional Business Expenses**

While travelling on agency business, additional business expenses may be incurred not otherwise specifically contemplated in this policy. Such reasonable expenses such as business calls, air/rail phones, computer access charges, photocopying, fax expenses will be reimbursed with receipts.

### **Meal Expenses**

Reasonable and appropriate meal expenses will be reimbursed subject to an employee's Supervisor, Manager, or Director approval, when employees are required to be away from his or her work location over a normal meal period.

Examples:

- If a worker spends an entire day (9:00 a.m. to 4:00 p.m.) away from the office, the worker may claim the amount spent on lunch, as per current allowances.
- If a worker is away for 2 days including travel, lunch and dinner on day one and breakfast and lunch on day two would be allowable.

Original, itemized receipts must be provided. Reimbursement must not exceed the amount actually spent, (including taxes and gratuities) as validated by a receipt.

Reimbursement of actual meal expenses that exceed the rates set out in this policy may be approved by managers if the reimbursement is consistent with the policy statement on page 1 of this document. Every claim for reimbursement must be accompanied by an original receipt and a written explanation with sufficient detail when the meal rate is exceeded.

Reimbursement of meal costs in no case will include cost of alcoholic beverages.

No reimbursement will be made for meals consumed at home prior to departure or on return, or for meals included in the cost of transportation, accommodation, seminars and/or conferences.

**Meal Rates:**

Meal	Allowance	Leave Municipality	Arrive Back In Municipality
Breakfast	\$12.00	Before 8:00 a.m.	(over night)
Lunch	\$15.00	Before 11:30 a.m.	After 2:00 p.m.
Supper	\$30.00	Before 6:00 p.m.	After 6:00 p.m.

For a full day of meal claims, (i.e.: breakfast, lunch AND dinner) employees have the discretion to allocate the daily total three-meal rate of \$40.00 for a single meal (in Algoma) or \$50.00 (out of Algoma) for a single meal.

For less than a full day of meal claims, employees are to be guided by the schedule of rates above.

**Meal Expenses – Clients**

We recognize that there are circumstances where workers may purchase meals/coffee for clients. In cases where this is authorized by the Supervisor/Director, these expenses will be reimbursed within the same limits as Meal Expenses above. If a worker is in doubt about whether an expense is appropriate, they should consult their Supervisor/Director PRIOR to making the expenditures.

In every case where a worker takes a client to lunch, the claim for expense must be substantiated with a detailed receipt.

**Meal Expenses - Overtime**

Where an employee is working past normal working hours on approved overtime beyond three hours past normal closing time, a dinner allowance subject to the above limits will be reimbursed. Receipts will be required in all cases.

**Credit Cards**

Credit card purchases must be substantiated by DETAILED receipts provided to accounting for reconciliation of the credit card statement. A credit card slip is not deemed sufficient detail.

Refer to Credit Card Policy for more details.

### **Expenses Claimed for a Group**

Expenses for a group may only be claimed for reimbursement by the most senior person present. Expenses cannot be claimed by an individual that are incurred by his/her approver. As an example, a Supervisor may not submit an expense claim for a meal for a Manager, with the result being that the Manager would be approving his/her own expense.

### **Contractors and Consultants**

Hospitality, incidental or food expenses may not be provided to consultants and contractors engaged in work for the Society. Such expenses may not be invoiced or included in a contract with the Society.

### **Claims for Reimbursement of Expenses**

Reimbursement for allowable expenses can be claimed only when the contract with the agency specifically allows for it.

### **Hospitality**

Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at agency expense to persons who are not clients and not engaged in work for the agency. Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate agency business or is considered desirable as a matter of courtesy.

Where hospitality events are extended by the agency and where guests include collaterals, vendors, or prospective vendors to the agency, PRIOR approval from the Executive Director or designate is required to ensure that the hospitality provided does not give, or is not perceived to give, preferential treatment.

Acceptance of hospitality from vendors, current or prospective, may constitute a conflict of interest and may therefore be disallowed. Supervisors/Managers/Directors are responsible to ensure that employees are aware of their conflict of interest obligations.

Hospitality which is solely for the benefit of individuals engaged in work for BPS organizations or for any agency/public entity covered by the OPS Travel, Meals and Hospitality Expenses directive is disallowed as a reimbursable under this policy. This included office social events, retirement parties or holiday luncheons.

The provision of alcoholic beverages as part of Society provided hospitality must be pre-approved by either a Director or the Executive Director prior to the event. Approval for such service must be in writing and must accompany the expense claim or account payable record. Alcohol provided as part of the hospitality must be served in a responsible manner. As an example, food wine, beer and spirits produced in Ontario.

Hosts must ensure that hospitality expense records include:

- The circumstances of the event (why is it held?)
- The form of hospitality
- Cost supported by receipts
- Name and location of establishment
- Names, titles and companies of attendees

- Approvals by appropriate individuals in the agency

### **Recipients of Hospitality**

Gifts of appreciation may be accepted if token in nature, valued at up to \$30.00. Gifts valued above \$30.00 must be justified and approved by the Manager or Director of the recipient. In all cases where hospitality is provided to agency staff or board members, conflict of interest guidelines will prevail in determining whether such hospitality should be reasonably accepted. If in doubt, a worker should consult with his/her supervisor.

### **Responsibility of Claimants**

In arranging travel, all claims must:

- Consider alternatives to travel such as teleconferencing and videoconferencing and obtain approvals from appropriate authorities for travel
- Use service providers designated by the agency where appropriate
- Request and accept lowest common carrier fare
- Use the corporate charge card to prepay hotel accommodations and book air flights where possible
- Supply an itinerary to and notify their supervisor/manager/director of any changes so that travellers may be contacted in an emergency. Original itinerary and any changes will be attached to the travel authorization and forwarded to accounting.
- Cancel hotel bookings prior to 6:00 p.m. to avoid no-show charges
- Any flight changes that exceed original total travel cost will only be reimbursed or paid for if they are for service issues. (eg. Changing flight to save accommodation night stay)
- Submit all expense claims on a timely basis – expenses filed later than 90 days post incurrence will no longer be the agency's responsibility
- Provide explanations for unusual expenses
- Provide original receipts for all expense claims
- Provide descriptions for all expenses claimed
- In the event an employee resigns, any claims for outstanding expenses must be submitted prior to leaving the organization

### **Responsibility of Approvers**

Approvals under all sections of the policy are governed by the Society's designated signing authority schedule. (Refer to FIN-ACCT. 2 – Spending Authority & Approval Levels)

Approvers are responsible for the following:

- Ensure that expenses are consistent with this policy
- Ensure that expenses are necessarily incurred in the performance of the Society's business
- Determine and authorize when business travel is necessary
- Ensure that travel arrangements are consistent with this policy
- Consult with the employee to ensure travel arrangements accommodate both their needs and interests and the agency's travel policies
- Ensure that appropriate receipts are provided to support expense claims
- Ensure that unusual items and exceptional items referenced above are specifically signed denoting approval; having considered the following:

- Is the exception able to stand up to scrutiny by auditors and the public
- Is the exception properly explained and documented
- Is the claim fair, reasonable, equitable and appropriate
- Ensure that all workers are aware of conflict of interest guidelines

Approvers may not approve their own expenses submissions. Expense claims must be approved by a responsible individual at minimum one level higher in the organization structure.

Approved: 

Date: Jan. 12, 2022