

Policy No.: HR-57
Re: Expense Rules Procedure
Approved By: Board of Directors
Effective Date: September 2013
Revised Date: May 30, 2017
Next Review: May 30, 2021
Reference: [HR-57 - Business Expense Incl. Travel, Meals, Hospitality](#)

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PROCEDURE:

Accountability Framework

All individuals within the Society who submit expense claims are responsible for reading and understanding the Expense Policy and Expense Rules. All new employees, board members, foster parents and volunteers shall be provided with a copy of the policy and rules and will be required to sign that they have read and understood them.

All individuals within the Society who approve expense claims shall fully comply with the Policy and rules and shall exercise discretion, good judgment and flexibility. When using discretion, approvers shall consider whether the request is:

- Able to stand up to scrutiny by the auditors and the public
- Properly explained and documented
- Fair and equitable
- Reasonable
- Appropriate

When the approver has questions related to a claim, the approver shall seek clarification in a timely manner.

The Expense Policies and Expense rules apply to everyone associated with the Society, including consultants and other contractors. Under no circumstances can hospitality, incidental, or food expenses be considered allowable expenses for consultants and contractors.

Approvers are prohibited from approving their own expenses, and expenses for a group can only be claimed by the most senior person present. Expenses cannot be claimed by an individual that are incurred by his/her approver (e.g. a front line worker cannot submit a claim that includes the cost of his/her manager's lunch even if they were at the same event, with the result that the manager would thereby approve his/her own expenses.

Approvals shall be in accordance with the following:

Approval Levels

Person Submitting Expense Claim	Person Approving Expense Claim
All Board Members except President	Executive Director
Executive Director	President of the Board
President of the Board	Board Vice President or Board Vice President of Finance
Supervisors and Managers	Director of Service
Directors	Executive Director
Staff	Supervisors and Managers
Foster Parents	Resource Workers and Children's Services Workers
Volunteers	Volunteer Supervisor

The Society's Expense Policies and Expense rules shall be posted on the Society's website.

Submitting Expense Claims

The Society shall reimburse employees, foster parents, volunteers and Board Directors for business expenses that have been incurred in the performance of their duties.

Original itemized receipts (not photocopies) must be submitted with all claims. Exceptions shall be documented with an explanation and require approval at the levels set out above.

Expense claims shall be submitted in a timely manner and at least within a three month period. No expense claims submitted for a previous fiscal year shall be reimbursed.

Overpayments, namely amounts reimbursed or paid that are not in accordance with our policy or the Broader Public Sector Expense Directive, shall be recovered from the claimant.

Travel & Accommodation Expenses

The most practical and economical way to travel (including accommodation) will be chosen in each circumstance.

Consideration shall be given to whether or not the travel is necessary and if another option is available and appropriate (i.e. teleconference).

For travel by car, the use of the Society's fleet of vehicles is required when possible. Priority of the use of the vehicles shall be given to those travelling greater distances. When it is necessary to rent a vehicle, the most economical vehicle that meets the space requirements for the trip shall be used taking into account the number of occupants and safety (weather) considerations. Luxury and sports vehicles are prohibited. When using a personal vehicle, the kilometers driven & addresses shall be documented on the expense claim. Parking and toll costs are reimbursed. There is no reimbursement for traffic or parking violations.

Taxis may be justified in cases where group travel by cab is more economical than the total cost of having individuals travel separately or taking a cab allows you to meet a tight schedule for meetings.

For travel by train, economy (coach) class shall be the standard option and prior approval shall be obtained for any other type of fare. Consideration for this decision shall be based on circumstances such as accommodation and length and timing of travel.

For travel by plane, it must be demonstrated that it is the most practical and economical way to travel. Economy (coach) class is the standard option for ticket purchase.

Levels of approvals for travel:

- a) Within Ontario – prior approval is required according to the approvals chart
- b) Outside Ontario within Canada and Continental USA – prior approval is required at one level higher than the approvals chart
- c) Outside Canada and Continental USA – prior written approval of the Executive Director is required. This type of travel is very rare within the Society's work.

For travel outside Ontario the most cost-effective method of travel must be chosen, while balancing efficiency in operations. A written rationale to demonstrate that the proposed travel is necessary and that the requested travel arrangements are cost-effective, including a detailed itemization of all expenses incurred will be documented. Preapproval is required according to the Approvals Chart.

Kilometer reimbursement rates when using a personal vehicle will be pursuant to the rates set out in the collective agreement or employment contract provisions if applicable.

In computing distances traveled, the starting point shall be the Society's head office. When an individual leaves directly from home to an appointment, the applicable mileage to be paid will be either the distance between the appointment and the employee's home or the Society head office, whichever is less.

Reimbursement will be made for single accommodation in a standard room, and no reimbursement will be made for suites, executive floors, or concierge services. Sharing a double accommodation shall be encouraged when appropriate.

Private stays with friends or family are an acceptable alternative to commercial accommodation. In these instances, a maximum \$30 per night cash payment or gift may be provided to the friends/family. Instead of a receipt, a written explanation must be provided describing purposes of the trip, identifying the host and the number of days stayed.

Expenses related to a person's regular commute to work are not reimbursable.

Expenses related to passports for staff, foster parents and volunteers shall not be reimbursed.

Reimbursement for overnight accommodation within Sarnia-Lambton will not normally be approved except in emergency or highly unusual situations (emergency or crisis management, requirement to be close to the office for long periods of time in excess of standard working hours).

Meals

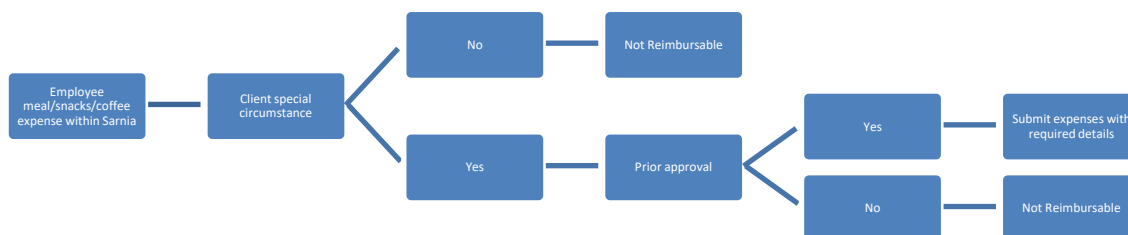
Meal expenses will be reimbursed as per terms of collective agreement or employment contract if applicable.

Employee meals/snack within City of Sarnia

For those special circumstances (ie: celebratory event; emergency; removal of children and awaiting arrival of kin, medical examination for child and waiting at the hospital) in which an employee is providing a client with a meal/snack and is to include their portion of the expense – prior approval by the Manager/Supervisor must be obtained and reimbursement will be at the rates currently in effect. In every case where a worker takes a client to lunch, the expense claim must be substantiated with a detailed receipt, client's name (or case number), and rationale or the purpose of supplying the client with a meal. If those are not present, the expenses will not be reimbursed by Finance.

Client meals/snack

There are circumstances where workers may purchase meals/snacks for clients (ie: celebratory event; emergency; removal of children and awaiting arrival of kin, medical examination for child and waiting at the hospital). In cases where this is authorized by the Supervisor these expenses should not exceed the limits established for employee meal allowances. Actual expenses will be reimbursed up to but not beyond these limits. In every case where a worker takes a client to lunch, the expense claim must be substantiated with a detailed receipt, client's name (or case number), and rationale or the purpose of supplying the client with a meal. If those are not present, the expenses will not be reimbursed by Finance.



Meals are currently reimbursed at the following rates:

Meal	Meals will be reimbursed at the rate of:
Breakfast	Up to \$12 (receipts required)
Lunch	Up to \$15 (receipts required)
Dinner	Up to \$27 (receipts required)

Meals within the county are only reimbursed if they were necessary during the course of work related activities (i.e. a business meeting that occurs over lunch).

Meals that are included in conferences or training registration fees are exempt from the meal allowance amounts above.

When more than one meal is claimed for any day, maximum rates may be combined between the meals. For example, if a person eats both breakfast and lunch out of county, the combined rate is \$24 regardless of what was spent on each meal individually.

The costs of alcoholic beverages shall not be reimbursed.

Taxes and gratuities are included in the meal rates.

Hospitality

Note: Hospitality is defined as the provision of food, beverages, accommodation, transportation or other amenities at public expense to persons who are not engaged in work for a children's aid society.

Hospitality shall be extended in an economical, consistent, and appropriate way when it will facilitate agency business or is considered desirable as a matter of courtesy.

Alcoholic beverages shall not be reimbursed.

Activities involving only those people within the Society are not considered hospitality and therefore will not be reimbursed. Examples include office social events, retirement parties and holiday lunches.

Monitoring Compliance

The Director of Finance shall implement a system of regular spot checks at intervals of no less than once a year to assure compliance with the Expense Policy and the Expense rules. Results will be shared with the Board Corporate Services committee with a plan to address any areas of concern.
