

Policy Title: Expense Reimbursements	Approval Date: May 30, 2011
Policy Type: Finance	Revision Date(s): July 14, 2014; February 21, 2017; October 21, 2019, March 10th, 2020, June 24th, 2021, April 26th, 2022, October 5th, 2023 (effective November 1st, 2023), December 17th, 2024
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Cross Reference:

Accountability Agreement, FS 01 Delegation of Financial Authority Broader Public Sector Expense Directive, Public Accountability Act, FS 10 Cash Management – Payments, FS-30 Rates and Allowances

Application:

This policy applies to any individual who makes a claim to the Society for reimbursement of expenses. This would normally include Board members, volunteers, resource provider, employees and service recipients in some circumstances.

Definitions:

1. Hospitality is the provision of food, beverages and accommodation or other amenities paid from public funds.

Policy:

The Society will reimburse employees, board members, resource provider(s), volunteers for reasonable expenses in support of a Society business objective. Claimants shall not submit expenses which are of a personal nature.

Procedure:

1. General requirements:

- a. The Ministry prescribes several mandatory requirements for expenses reimbursements:
 - i. All claims for reimbursement must be approved according to the Approval Authority Schedule adopted by the Society. An individual with approval authority must have their own expense claims approved by their manager.
 - ii. Where a claim for reimbursement includes expenses for a group of two or more employees, the claim must be made by the most senior employee.
 - iii. Claims for the Executive Director will be approved by the Board President or a designated Board member.
 - iv. Claimants are required to:
 1. Obtain appropriate approvals before incurring expenses, wherever possible;

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2. Submit claims in accordance with the timelines outlined in this policy to ensure expenses are captured in the appropriate time periods to support accurate Ministry reporting and forecasts.
 3. Attach original, itemized receipts, or where submitting claims through electronic means, keep original itemized receipts for a period of 3 years.
 4. Where items i to iii have not been followed, the claimant must attach a written explanation to the claim to enable the approver to make an adequate, informed decision, using the exception to policy form.
- b. Hospitality will not be offered solely for the benefit of employees, resource provider, volunteers or board members in accordance with the BPS Expense Directive. Hospitality, where offered, must be modest and appropriate and must be approved by the Executive Director or on Board direction. For greater clarity, the Society may provide meals to employees who contribute their lunch period while engaged in training or providing service to the Society and this shall not be considered hospitality.
 - c. The Society will not under any circumstance reimburse contractors for hospitality, meals or incidental expenses. Approvals for claims for reimbursement will be made in accordance with the Approval Authority Schedule (AAS) approved by the Board of Directors.
 - d. Those with approval roles shall be familiar with the AAS and have a responsibility to review each claim they approve to ensure they are:
 - i. modest, necessary and appropriate,
 - ii. thoroughly documented, and
 - iii. consistent with Society policy.
 - e. Nothing in this policy will supersede a provision of the collective agreement.
 - f. The approvers supervisor has discretion, within their monetary limit of their authority, to approve an exception to policy under the following circumstances:
 - i. Discretion is appropriately exercised and founded on good judgement;
 - ii. The rationale is thoroughly documented, signed and attached to the claim for reimbursement;
 - iii. The decision shall withstand scrutiny by auditors, the media or members of the public.
 - g. Claimants are expected to repay any overpayment received from the Society.

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- h. Any individual who is planning to end their relationship with the Society, must submit their final claim before leaving unless circumstances do not allow.
- i. Claimants will use forms or electronic systems as prescribed by the Society to record claims for reimbursement as a measure to ensure appropriate and sufficient documentation is provided.
- j. Good record keeping practices will be in place for verification and audit purposes.
- k. Claim expense forms and supporting documentation submitted to the Finance team are uploaded and stored in CPIN .

2. Travel Expenses

- a. General Requirements
 - i. Where possible and practical, travel should be planned in advance in a manner which avoids unnecessary travel cost.
 - ii. Travel outside of the Society's catchment area and in Ontario requires the prior approval of the employee's supervisor.
 - iii. In accordance with the Provincial Auditor's recommendation, travel outside of Ontario will be documented by the employee and approved by the Director prior to making travel arrangements. Documentation must support the "essential nature of the travel," provide an itemization of the travel costs to be incurred and will provide evidence of "a cost effective use of funds." The approved documentation must be attached to the reimbursement claim.
- b. Travel between an employee's home and their usual place of work is considered a personal expense and will not be reimbursed.
- c. An employee may claim travel expenses when travelling on Society business to a destination from their usual place of work or when travelling on society business from a destination to their usual place of work. When an employee travels from home to a destination or from a destination to home, the employee may be reimbursed the lessor of the cost associated with:
 - i. the distance from the employee's home and the destination or
 - ii. the distance between the employee's usual place of work and the destination.
- d. Employees will use common carrier for travel when it is the most effective, efficient means of transportation. Taxi travel or other car services should be avoided where possible. Reimbursement will be for economy class for travel duration of 5 hours or less.

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- e. Employees are permitted to request a travel advance to cover out-of-pocket expenses such as meals. Advances must be approved by the employee's supervisor. Copies of all original receipts must be submitted through the travel expense process to support the advance given. The amount of the advance will be deducted for the ensuing travel claim. If the advance exceeds the claim, the difference must be returned to the Society at the time the claim is submitted.
- f. Employees who are involved in any type of accident while travelling will complete an incident report and forward it to Human Resources.

3. Mileage reimbursement

- a. Employees who use their vehicle to conduct Society business shall receive reimbursement as specified in Table A of the Rates and Allowances Policy. The reimbursement rate is intended as full compensation for the use of an employee's vehicle and to offset normal vehicle operating costs.
- b. Reasonable toll charges and parking fees will be reimbursed and are not considered part of normal operating expenses. Toll charges may be significant and should be approved by a supervisor when planning the trip.
- c. Fines or penalties will not be reimbursed by the Society.
- d. In the normal course of conducting their duties, employees would bear the costs of cleaning, maintaining and repairing their vehicles. There may be circumstances which are unique to Society employees in carrying out their duties which result in their vehicles requiring cleaning or repair. The associated costs should be mitigated with insurance proceeds, where applicable. In these unique circumstances, and in a manner which is consistently applied to all employees, the Society will reimburse for cleaning and repairs to the least of:
 - i. the actual costs of cleaning or repair, or
 - ii. where damage is recoverable from insurance, the amount payable directly by the employee to a maximum of \$1,000 per incident. Employees will co-operate with the Society in providing information related to insurance coverage limits, self-insured risk ("deductible") and claim recoveries.
- e. Each trip for which reimbursement is being sought shall be documented and shall include addresses of origin and destination. The distance claimed will be limited to the

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shortest distance between the origin and the destination (as determined by Google maps). Any exception must be documented and approved and must be based on safety or child well-being.

4. Car Rental for Society Business

- a. The Society has determined that car rental is the most cost efficient method of travel for trips where the average distance driven for each day of the rental period is 250 kilometers or more. Employees will not rent vehicles for trips where the expected distance driven will be less than 250 kilometers per day and if they are travelling within our jurisdiction (e.g., employee travelling from Peterborough to Haliburton county and back). Employees are encouraged to rent vehicles only for longer trips when doing so will benefit the Society financially. Any exception to this provision to claim more than 250 kilometers per day will need to be documented on an exception form including the reason why and signed off by the approver's supervisor within the monetary limit of their authority.
- b. Car rentals should be approved by a supervisor in advance of reserving the vehicle. The Society recognizes that the business hours of the car rental agency may not coincide with the departure and return times of the trip. Where trips cannot be planned to avoid employee overtime costs related to the pickup or return of a rental vehicle, the employee should not use a rental vehicle.
- c. The selection of a rental vehicle should be appropriate to the number of passengers or cargo being transported. Where two or fewer passengers are travelling, a compact car should be rented. Employees may not rent luxury or sport vehicles.
- d. Employees shall inspect rental vehicles at the beginning and end of the rental period to document any damage and to identify it to the rental company. An employee renting a vehicle will ensure it is returned to the rental agency with the same level of fuel as the beginning of the rental period. This will avoid surcharges by the rental company.
- e. Where the Society has a preferred vendor arrangement with a car rental company, the employee should make rental arrangements with the preferred vendor where the location and hours of operations permit. The employee renting the vehicle should receive a copy of the rental contract at the time of rental. This contract should be approved by the supervisor and forwarded to the Finance Team who will match the

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contract to charges appearing on the invoice. The supervisor will provide approval to the employee for car rental prior to reserving a vehicle.

- f. Employees must have their own automobile insurance coverage in order to rent a vehicle. If a rental vehicle is damaged, the employee who is the driver will report the damage to their insurer for the purpose of making a claim. The employee will assign the claims proceeds to the Society to the extent of any damage charges billed by the rental car company against the Society.
- g. Where an employee's vehicle is equipped with snow tires at times where weather conditions warrant their use, the employee shall not be required to rent a vehicle where the car rental company cannot guarantee the availability of a snow tire equipped vehicle. Beginning November 1st through to April 30th, employees travelling within our jurisdiction (e.g., Peterborough to Haliburton and back) do not need to contact a rental company, as it is approved, they can take their own vehicle if desired.

5. Meals and Accommodation

- a. Employees are required to seek approval for hotel accommodation. The principles by which the Society approves requests are outlined in the Society's policy on Hotel Accommodation. Reimbursement for accommodation will be for single accommodation in a standard room and gratuities to a maximum of 15% of the invoice price will be reimbursed.
- b. Cost for alcohol and personal entertainment will not be reimbursed.
- c. Meal cost will be reimbursed when:
 - i. the duties of an employee require them to be out of the municipality of their home office during a meal break period (including training);
 - ii. the employee is designated to represent the Society at a function;
 - iii. when the employee, with supervisor approval meets with a child in care to celebrate a milestone event or to provide counsel;
 - iv. when designated by the Society to mentor or participate in a Youth Group activity where meals are provided to the youth.
- d. Reimbursement for meal costs must always be reasonable and appropriate. Gratuities to a maximum of 15% of the invoice price will be reimbursed.

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- e. When a Senior Manager or an employee designated by a Senior Manager represents the Society at a function including meetings with leaders of community partners or other child welfare agencies, the Society will reimburse actual meal costs. Room service costs while travelling may be considered reasonable in rare circumstances: where there is concern for the safety or well-being of a child or where an employee has no option but to work through a meal break performing services for the Society. In all other circumstances meal reimbursement will be at rate determined in Table A of the Rates and Allowances Policy.
- f. Contractors and consultants providing services to the Society in other than an employment relationship may be reimbursed for expenses only when contractual terms require it.
- g. The Society will not enter into a contract which permits for the reimbursement of hospitality, incidental expenses or food or beverage expenses.

6. Responsibilities under this Policy

- a. **Claimants** will familiarize themselves with this policy, prepare claims according to its terms and attach a signature to the claim to authenticate it (a signature may include an electronic signature). Claimants will ensure all supporting receipts are attached to the claim and will co-operate in the processing of their claims. All claims must be submitted by the tenth (10th) of the following month for which the claims are incurred (ie: May claims are to be submitted by June 10th or the Friday prior to the 10th of the month if the 10th falls on a weekend. Where claims are made that are in excess of sixty (60) days beyond the required submission date, an audit of said claims will occur by the approver and a "Expense Claim Audit Checklist" report will be attached to the submission and a copy submitted to the reviewer's supervisor. The Society reserves the right to deny reimbursement for claims made outside of this policy. Claims incurred during the month of March must be submitted for approval no later than the seventh of April for consideration for reimbursement due to year end closing dates.

Claims for the Executive Director, which are approved by the Board of Directors will be submitted at the earliest date possible following approval by the Board of Directors.

- b. **Directors** will provide sufficient details on their expense claims to identify travel related expenses which must be publicly reported to comply with the Broader Public Sector Directives.

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- c. **Approvers** will be familiar with this policy, will review claim documentation and support for completeness, reasonableness and will satisfy themselves each claim is work related and follows this policy. Approvers may not approve their own claims. Approver's supervisors may approve an exception to this policy provided the exception and the rationale are documented and attached to the claim, and they are within their monetary limit of their authority. The rationale for an exception must be in the interests of both fairness and accountability. By approving the claim, Approvers acknowledges fulfillment of their responsibility. Approvers are responsible for co-operating in the smooth processing of claims and for taking corrective action in the recovery of inappropriate claims.
- d. The **Finance Team** will familiarize themselves with this policy and maintain it in compliance with Provincial requirements. The Finance team will test verify manual claim calculations, review supporting documentation for sufficiency and may make inquiries to support claim processing. The Finance team will post claim expenses to the appropriate ledger accounts and oversee payment of approved claims. The Finance team will design and maintain the process for documenting and paying employee travel and accommodation claims and will co-operate in the smooth processing of claims. The Finance team will review claims and claim trends.

Expense Claim Audit Checklist

(To be completed by Supervisor before approval of claims submitted beyond 60-day grace period or if expenses are for prior Fiscal year)

Date of Audit: _____

Name of Employee: _____

Expense Claim # & Month: _____

- ☐ Have the trips been verified against the employee's calendar?
- ☐ Have any of the trips been claimed before?
- ☐ Have you verified mileage to google maps?
- ☐ Is the employee claiming the lessor of home office to client or home to client for first and last trips of the day?
- ☐ Is a Rental vehicle being used for daily mileage in excess of 250km? i.e., are there multiple lines for the same day?
- ☐ Are detailed, legible receipts attached where required by policy?
- ☐ Is the business purpose stated clear enough for an auditor to understand why the trip was required?
- ☐ Is the employee choosing the appropriate expense category? i.e., staff versus client costs

Please circle either Yes or No

Based the results of this audit, are additional audits necessary? If so, please complete a new audit sheet for each additional claim audited and attach all of them, as well as this one to the claim that triggered the initial audit.

Supervisor (Please Print): _____

Supervisor Signature: _____

Date: _____

Please attach to the 1st line of the claim before approving and forwarding to Finance for processing once the audit is complete.