

## 2.02 Employee Expense Reimbursement

### POLICY

Catulpa is bound by the Broader Public Sector Expenses Directive issued by Management Board of Cabinet effective April 1, 2011 and is accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses reimbursed to employees, board members and consultants or contractors engaged by the organization must be in support of business objectives of Catulpa and comply with the Policy and Procedures outlined in this document.

The Executive Director has the authority to establish additional rules regarding expenses provided they are consistent with the rules set out in this Policy and are necessary to meet specific operational needs. Any additional rules do not replace existing rules outlined in this Policy.

### PROCEDURES

#### 1. Accountability

All approved business related expenses incurred by employees are submitted to the Finance Department for reimbursement on a completed and signed *Employee Expense Reimbursement Form* on a **monthly basis**.

In addition to above, employees making claims (claimants) are required to:

- Obtain all appropriate approvals before incurring expenses.
- Submit original, itemized receipts with all claims.
- Provide a written explanation to accompany documentation when an original receipt cannot be provided. Credit card and debit card payment notices are not considered original receipts so these claims must be accompanied by a written explanation. The Executive Director or Manager of Finance must approve the other documentation as being sufficient or complete before such claim will be processed.
- Submit claims for expenses **prior to the last day worked** if leaving employment with Catulpa.
- Submit information on the expense (mileage) form that includes the following information: Location you are starting from – to your destination(s), include subject details; indicate if the travel is 'return' or one-way (o/w).

NOTE: Claims which fall outside 90 days after the date of which the expense was incurred may not be approved.

Catulpa will maintain original receipts and records for verification and audit purposes.

---

## 2. Approval of Travel, Meal and Hospitality Expenses

Staff expenses for travel, meal and hospitality expenses will be approved by their reporting Supervisor. In the absence of the Supervisor designate, expenses can be approved by the Manager of Finance or Executive Director and the Supervisor will be copied with the approval.

Every effort will be made to process expense reconciliations within five working days of submission, but within a maximum of 30 business days.

Individuals approving expenses (approvers) are accountable for their decisions which must be:


- Subject to good judgement and knowledge of the situation
- Exercised in appropriate circumstances; and
- Comply with the principles and mandatory requirement set out in this Policy and Procedures

When situations arise and discretion needs to be exercised, approvers should consider whether the request for discretion is:

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

## 3. Travel Expenses

- a. Catulpa Staff are not required to obtain prior written approval for travel expenses within their assigned work area in Ontario unless otherwise directed by their Manager.
- b. Any travel claimed must be related to Catulpa work responsibilities. Only the kilometers via the **most direct route** to your destination may be claimed.
- c. Catulpa does not reimburse staff to travel to and from work. Therefore, mileage claims are calculated based on the km travelled to conduct Catulpa business. When working from an Approved Home location, reimbursement claims will only be accepted where these exceed km travelled by Catulpa staff and from the assigned Catulpa Office location. Further, if working from your approved home location on a designated work from home day (per your assigned cohort) and you are required to go into the office, you will not be eligible to claim mileage for this. See Expense Reimbursement Form sample on the following page and description with examples in Appendix 1.
- d. In exceptional circumstances, in order to balance travel with hours of work and/or other related expenses a review of reimbursement eligibility may be requested. Any arrangements confirmed must have prior approval by the Executive Director.

1	EMPLOYEE EXPENSE REIMBURSEMENT FORM						
2			<b>Worker Name:</b> Stephanie Rumball		<b>Assigned Office:</b> Barrie		
3	<b>Approve Home Location Address:</b>		<b>KMS form Home office to</b>		<b>Program:</b> Communications		
4	226 Midland Point Rd, Midland ON L4R 5G8		<b>Assigned Office:</b> 50				
5	<b>Note: Please provide receipts for Meals, Accom and Other</b>						
6	<b>Location Start:</b>	<b>MM/DD</b>	<b>Details: Starting Point, Other locations attended(if applicable), <i>Final Destination</i></b>	<b>KMS</b>	<b>Meals \$</b>	<b>Accom \$</b>	<b>Other \$</b>
7	Approved Home	23-Feb-23	AHL to 22 First St. Collingwood (Survey Focus Group) (62-50=12) o/w	12.0			\$0.00
8							\$0.00
9	Approved Home	24-Feb-23	AHL to 129 Young Street, Alliston (Marketing meeting) (91km-50km) to 3740 Line 13 BWG, Cookstown (ARAO Committee) (22km) to 17345 Leslie St Newmarket (Survey Focus Group) (32km) to AHL (107km-50km) Calculation: 41 +22 +32 +57 =152	152.0			\$0.00
10							\$0.00
11							\$0.00

- e. Travel expenses outside of Ontario require prior approval from the Executive Director.
- f. Least costs travel methods may include car rental or other means of travel. Managers will work with staff to manage travel costs.
- g. Catulpa assumes no financial responsibility for the use of personal vehicles other than paying the current kilometric rate.
- h. Reimbursement will be provided for necessary and reasonable parking and tolls for bridges, ferries and highways when driving for Catulpa purposes.
- i. Catulpa does not reimburse for traffic or parking violations.
- j. When planning any travel, business continuity must be considered when determining whether senior management or key individuals with specialized knowledge should travel together.
- k. Hotel/airport shuttles should be used wherever possible.

#### 4. Insurance

Employees who are required to use a vehicle in the performance of their duties or for work related travel must:

- Retain and carry a valid driver's license
- Carry proof from their insurance carrier confirming that they have \$2,000,000.00 of liability insurance and ensure that they have the appropriate insurance coverage type for their specific vehicle
- Ensure that their vehicle is in good working order at all times
- Assume sole responsibility for their individual Policy and payment of insurance premiums; and

- Assume full responsibility for the cost of fines resulting from traffic violations, parking tickets, theft, loss or damage to their vehicle etc. while driving on agency business.

## **5. Accommodation**

- a. Reimbursement will be made for accommodation when travelling outside of the Catulpa office areas for single accommodation in a standard room.
- b. Penalties that are incurred for non-cancellation of guaranteed hotel reservations will be the claimant's responsibility and will only be reimbursed in exceptional circumstances.
- c. There will be no reimbursement for hotel suites, executive floors or concierge levels.
- d. In the normal conduct of Catulpa's business, reimbursement for overnight accommodation within your office area will neither be authorized nor approved.
- e. Private stays with friends and family are acceptable, and a cash payment or gift may be provided to the friends or family. A maximum of \$30 per night is allowed for accommodation including any meals with friends or family. Instead of a receipt, the claimant must submit a written explanation on the expense claim form describing the purpose of the trip, identifying the host and the number of days stayed. The \$30 value may also be given in the form of a small gift in which case the claim for reimbursement must be accompanied by a receipt.

## **6. Meals**

- a. Alcohol will not be reimbursed as part of a travel or meal expense. There are no exceptions to this rule. If alcohol is ordered with a meal the claimant is required to request separate receipts for the meal and alcohol consumed. Only the receipt for the meal expense is eligible for reimbursement.
- b. Reasonable and appropriate meal expenses may be reimbursed for:
  - Meal expenses are consistent with the provisions of the collective agreement.
  - Meal expenses incurred for Catulpa's business purposes while the claimant is away from the office locations.
  - In exceptional circumstances, meals for business meetings at a Catulpa office location are eligible for reimbursement if the meeting occurs over a meal period.
- c. Original, itemized receipts are required and reimbursement must not exceed the actual amount spent on meals. Taxes and gratuities are included in the meal rates. Refer to gratuities procedures in #7c. If reimbursement is for restaurant/prepared food and for appropriate groceries, receipts must be provided.
- d. Reimbursement will not be provided for meals consumed at home or those included in the cost of transportation, accommodation, seminars or conferences.

e. Reimbursement for meal expenses incurred in Canada is subject to the maximum rates set out below. These rates include taxes and gratuities.

- Breakfast - Maximum Amount - \$15.00
- Lunch - Maximum Amount - \$20.00
- Dinner - Maximum Amount - \$30.00

The rates are not an allowance. They are for individual meals - you must have eaten the meal to be able to submit a claim for reimbursement.

When more than one meal is claimed for any day, you may allocate the combined maximum rates between the meals. The maximum rate for the multiple meals becomes the total for the meals consumed, regardless of what you spend on each meal. It is not possible to claim a combined rate and not to have consumed that number of meals.

## **7. Other Expenses**

- a. Individuals requiring a cash advance for the purposes of travel must complete a Request for Payment form at least two weeks in advance of the event. This form must be properly approved by the Manager and the Executive Director or Manager of Finance.
- b. Individuals will not be reimbursed for personal or recreational items including pay per view movies and items from the mini bar.
- c. Reimbursement for reasonable gratuities for porter, hotel room services and taxis will be allowed. Claimants are required to keep a record of gratuities paid.

Reasonable amounts for gratuities include:

- 10% - 15% on a restaurant meal
- 10% on a taxi fare
- \$2 - \$5 per night for hotel housekeeping for up to 2 nights, \$10 maximum for a longer stay
- \$2 - \$5 per bag for a porter

Individuals are permitted to use company cell phones and mobile internet devices for business purposes when travelling within Canada, alternative arrangements must be approved by your Manager and implemented through the Senior Executive Assistant prior to your departure. Should business include travel outside of Canada, cell phone/mobile internet device usage will be reviewed with your Manager and IT. Wherever possible, individuals are expected to use the least expensive means of communication.

## **8. Hospitality**

Hospitality is the provision of food, beverage, accommodation, transportation and other amenities at public expense to individuals who are not engaged in work for the Catulpa. Functions involving only people who work for Catulpa are not considered hospitality functions.

With the approval of the Executive Director or Board Chair, hospitality may be extended in an economical and consistent manner when it facilitates the business of the Catulpa and is considered desirable as a matter of courtesy or protocol.

Staff appreciation and recognition events and staff retirement events are examples of expenses that do not fit the definition of hospitality. Expenses for such events will be allowable under the condition that such events are conducted with due consideration for the prudent and responsible use of taxpayer dollars, and for government direction on accountability and transparency. Costs should be minimized where possible with due regard for the guests' status, the size of the event and the intended business purpose.

For hospitality events where guests may include current or prospective vendors, care should be taken to avoid actual and perceived preferential treatment of any vendor.

Appropriate token gifts of appreciation, valued up to \$30, may be offered in exchange for gifts of service or expertise to people who are not engaged in work for the Catulpa. Gifts valued over \$30 must have prior approval of the Executive Director.

## **9. Expenses for Consultants and Other Contractors**

Consultants and other contractors will not be reimbursed for any hospitality incidental or food expenses, including:

- Meals, snacks and beverages
- Gratuities
- Laundry or dry cleaning
- Valet services
- Dependent care
- Home management
- Personal telephone calls

## **10. Responsibilities for Agency Expenditures**

Chair, Vice Chair or Treasurer of the Board of Directors are responsible for:

- Approving expenses of the Executive Director in accordance with this Policy

Board Member expenses are to be approved by the Board Chair or designate. Executive

Director is responsible for:

- Approving travel expenses for Managers and any expenses outside of Ontario
- Delegating approval authority to the appropriate levels
- Ensuring that all persons covered by this Policy are aware of their responsibilities
- Reviewing board member expenses verifying alignment with the Expense Policy prior to submission to the Board Chair for approval

- Ensuring all employees and appointees are made aware of their responsibilities under this Policy
- Ensuring this Policy is applied and monitored appropriately
- Ensuring staff with delegated authority are able to effectively apply this directive

Manager of Finance is responsible for:

- Ensuring the principles and rules of this Policy are implemented and monitored, including implementing processes that support the Policy
- Ensuring there is an appropriate records retention system and that documents including claims and approvals are maintained and stored
- Ensuring that claims are fully documented by ensuring regular spot checks
- Ensuring that the Policy is maintained and updated as required, consistent with applicable government directives
- Being aware of relevant statutes, directives, Policies and Procedures

Managers are responsible for:

- Carrying out any delegated authorities and assigned tasks in accordance with this Policy
- Exercising managerial discretion judiciously
- Ensuring staff are aware of the requirements of this Policy
- Seeking timely direction when there are questions of application
- Taking appropriate action in the case of non-compliance
- Being aware of relevant statutes, directives, Policies and Procedures

Individuals are responsible for:

- Following the principles and rules set out in this Policy
- Being aware of any conflict-of-interest rules that apply to their situation
- Being aware of relevant statutes, directives, Policies and Procedures

Payments are processed through bank transfer or by cheque on a weekly basis or on the 1st day of the month. Should there be a discrepancy in the information included in an invoice or expense payment, processing of payment will be delayed while appropriate confirmation/documentation is provided. All invoices are typically processed within five business days of submission, but within a maximum of 30 business days.

## INDICATORS

1. Catulpa reimbursed all business-related expenses incurred by employees.
2. All expense reimbursement forms were completed with the information required.
3. Catulpa maximizes the value they receive from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total lifecycle cost.

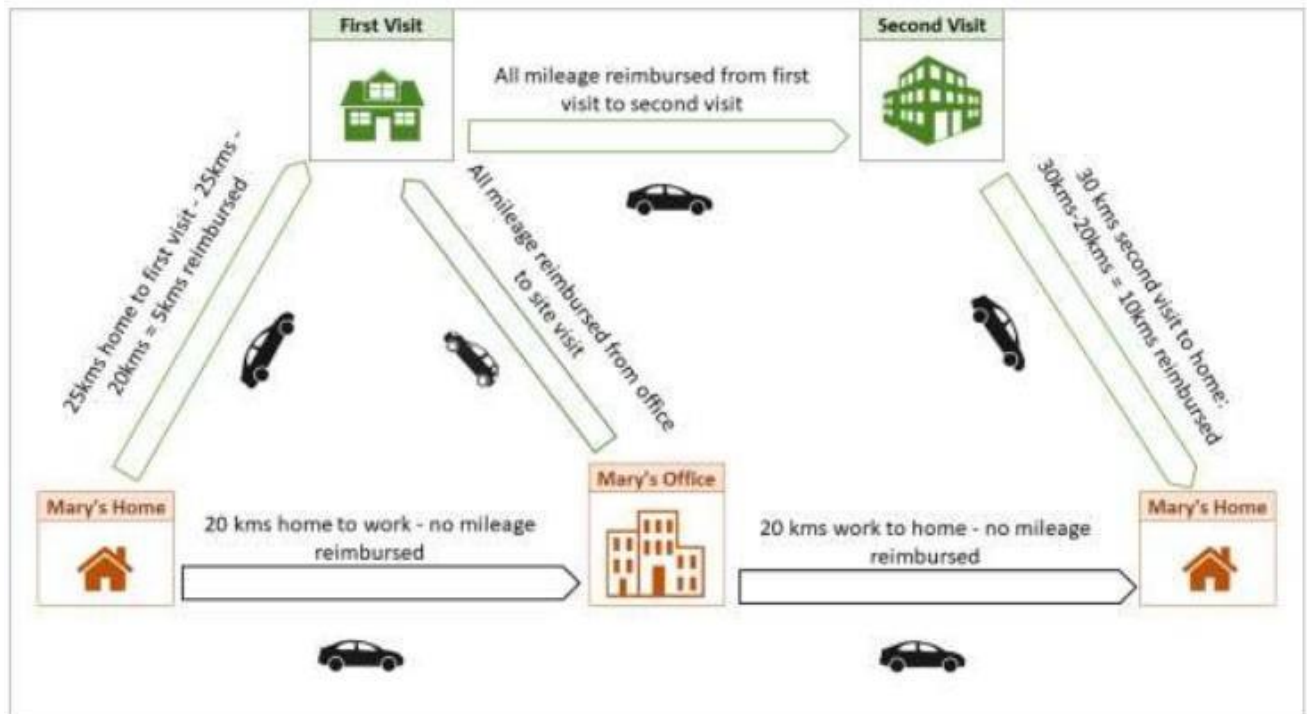
Next Review	June 2023
-------------	-----------

Date	Action (Approval, Revision, Review)	Signature
Feb. 1, 2023	Revision	<i>Karen Christwood</i>
July 2014	Review	<i>Karen Christwood</i>
July 2018	Revision	<i>Karen Christwood</i>
November 2019	Revision	<i>Karen Christwood</i>
November 2020	Review	<i>Karen Christwood</i>
March 2021	Review	<i>Karen Christwood</i>
November 2021	Revision	<i>Karen Christwood</i>
October 2022	Revision	<i>Karen Christwood</i>



## APPENDIX 1

The following illustration provides clarification for calculation of expense reimbursement claims.



**NOTE:** The following examples are intentionally written in first person to provide greater clarity for eligible expense reimbursement claims.

I don't get reimbursed to travel to a first meeting of the day from my Approved Home location nor, do I get paid to travel back home from my last meeting of the day, **unless** the distance travelled is greater than what I would travel to go to or from my Catulpa assigned office. I do get reimbursed for any work-related km travelled **over and above** the distance required to travel to my Catulpa Assigned office.

**EXAMPLE 1:** Stephanie lives in Midland (designated home office location) and works out of the Barrie Common Roof on her designated in-office days. The distance from her designated home office location in Midland to her designated Catulpa office location in Barrie is 50 KM

If Stephanie is traveling from her designated home office in Midland to her first meeting of the day in Penetanguishene (4.6 KM from Stephanie's designated home office location) she would not claim mileage.

**EXAMPLE 2:** If Stephanie is traveling from her designated home office location in Midland to her first meeting of the day in Collingwood (62 KM from Stephanie's designated home office location) she would subtract 50 KM (the distance from her designated office location in Barrie) from 62 (the distance to get to her first meeting in Collingwood) and claim 12 KM in mileage for travel to her first meeting.

All other travel from Stephanie's first meeting to her other appointments would be added to the 12 KM.