

Date Policy Issued	May, 1999
Date Policy Revised	September, 2012
Date Policy to be Reviewed	September, 2015
Applies to	All Staff Students Volunteers

SUBJECT: EMPLOYEE EXPENSE CLAIMS

PURPOSE:

1. To ensure that employees are reimbursed for expenses incurred on behalf of Lutherwood in an accurate and timely manner.
2. To provide standards regarding admissible travel and meal expenditures to claim on expense reports.
3. To define the procedures to be followed in completing and submitting an employee expense claim.
4. To ensure **Lutherwood** is accountable for the funds it receives.

POLICY:

5. **Lutherwood** will reimburse employees for expenses incurred personally that relate to Agency programs in accordance with the standards outlined in the following procedures.
6. Employees are responsible for providing the proper supporting documentation, including eligible receipts and other documents as necessary, to substantiate all items being reimbursed.
7. Reimbursement of expenses is subject to the approval of an employees' direct supervisor or program manager within the guidelines provided by Policy *D 3.1 – Approval of Purchases*.
8. Reimbursement of expenses is subject to eligibility guidelines determined by Program Funders for each respective program.

PROCEDURE:

9. Employee Expense Claim forms may be obtained through **Lutherwood's** intranet service.
10. An expense claim should be completed and submitted each month. This enables the program managers to accurately analyze monthly operating statements and determine the current financial position of the program.
11. To ensure that expenses are recorded in the proper fiscal year and charged to the appropriate program year, expense reports relating to the fiscal year ending March 31st must be submitted by **April 7th** to be considered for reimbursement, or as required by the Program Funder. The Finance Department will issue an all staff e-mail notification in March of specific year end submission timeline eligibility requirements for reimbursement.

12. Instructions for completing the employee expense claim form are included with the expense claim form on the intranet.

Travel

13. Employees are eligible to be reimbursed for distance traveled for agency business with their personal vehicle at a rate set by Senior Management, found in the current expense claim form posted on the intranet.

14. The following chart should be used to determine the distance between Lutherwood sites (note: distances represent one-way distances traveled).

	285 Benjamin Rd.	35 Dickson St.	139/141 Father David Bauer Drive	165 King Street	41 Weber St. (BTYC)	30 Wyndham St./55 Cork St	1770 King St.	LANGS
285 Benjamin Rd.	N/A	33 km	5 km	14 Km	13 km	36 km	16 km	29 km
35 Dickson St.	33 km	N/A	30 km	25 km	26 km	28 km	17 km	6 km
139/141 Father David Bauer Drive	5 km	30 km	N/A	7 km	6 km	36 km	7 km	22 km
165 King Street	14 km	25 km	7 km	N/A	1 km	25 km	3 km	17 km
41 Weber St. (BTYC)	13 km	26 km	6 km	1 km	N/A	28 km	4 km	18 km
1770 King Street	16 km	17 km	7 km	3 km	4 km	28 km	N/A	14 km
30 Wyndham St. N./55 Cork St.	36 km	28 km	36 km	25 km	28 km	N/A	28 km	21 km
LANGS	29 km	6 km	22 km	17 km	18 km	21 km	14 km	N/A

15. Program Managers may develop individual program standards for the amount of mileage claimed for destinations unique to a program (i.e. distances to government offices, banks etc.)

16. Each employee has a home base(s) from which they work. The employee is expected to travel to their home base(s) daily with no mileage reimbursement. Mileage may be claimed when a distance is traveled greater than the distance an employee is expected to travel each day to the employees' base office(s). For example, an employee is based at 35 Dickson St. and the distance from home is 20 km. The employee is required to travel to 285 Benjamin Rd for a meeting at the start of the business day. The distance to Benjamin Rd. is

10 km. The employee then returns to Dickson St. for the remainder of the day. The employee would claim 23 kms. (i.e. 10 km + 33 km – 20 km = 23 km).

17. In order to respond to gas increases in a more timely and responsive way, the following system was introduced effective April 1st, 2011:

- If gas prices change either upwards or downwards by 10 cents for more than 30 days, then mileage rates will be adjusted on the expense form for the following month.
- Reimbursement rates will be as follows:
 - \$1.00 - \$1.09/litre 43 cents/km
 - \$1.10 - \$1.19/litre 44 cents/km
 - \$1.20 - \$1.29/litre 45 cents/km
 - \$1.30 - \$1.39/litre 46 cents/km
 - \$1.40 - \$1.49/litre 47 cents/km
- The same rationale will be used to increase or decrease rates incrementally below \$1.00 or above \$1.50/litre.

18. Daily trip logs will be maintained to ensure tracking of business and personal use of **Lutherwood's** vehicles.

19. Prior approval by the appropriate authority is required for all business travel. The most practical and economical way to travel (including accommodation) will be chosen in each circumstance.

20. When an employee is required to stay overnight for business purposes, the hotel selected should be reasonable in cost and reflect the mid range of hotels for the respective area. For example, Holiday Inn Select or Courtyards are within the appropriate standard, or when there are preferred conference rates available, these may be used. Use of luxury accommodations will not be eligible for reimbursement.

21. If an employee is required to stay overnight for business purposes and chooses to spend the night with relatives or friends in the area, in lieu of the hotel costs, the employee may offer their hosts compensation for the accommodations in the amount of \$40/night.

Meals

22. Lutherwood reimburses the cost of meals incurred based on actual cost. Therefore, a receipt must be submitted to validate the expenditure.

23. Lutherwood reimburses the cost of meals incurred for business purposes. These include primarily meetings with representatives of current or potential Agency funders.

24. Cost of meals with co-workers during the regular course of business is not considered an eligible expense.

25. Lutherwood also reimburses the cost of meals incurred during the course of business while away from Lutherwood sites (i.e. you are required to attend a full day conference in Toronto and meals are not included in the cost of the conference). This includes the cost of meals while on training courses required by the Agency.

26. Generally, Lutherwood will reimburse the cost of meals including applicable taxes and gratuities but excluding alcoholic beverages. Gratuities paid will not exceed 15% for reimbursement.

27. Meals will be reimbursed up to the following limits including taxes and gratuities:

Breakfast	\$ 16.00
Lunch	\$ 16.00
Dinner	\$ 33.00
Daily	\$ 65.00

The daily limit may be applied if business requires the employee to be out of town for business for a period extending greater than 24 hours. Expenses will be reimbursed based on actual receipts up to this daily limit. Staff members have the discretion to allocate the full \$65.00 among the meals when the daily limit is applicable.

28. These rates are not an allowance. They are for individual meals that have been eaten in order to submit a claim for reimbursement.

29. If the request for reimbursement is for more than one meal, the employee must indicate the people for whom the meal was provided and the purpose of the meeting on the expense claim. The most senior staff member in attendance should pay for the meal expenditure for all attendees and submit expense claim.

30. If the expenditure was originally paid by the employees' credit or debit card, the original itemized vendor receipt must be attached to the expense form. The credit or debit card slip is **not** sufficient supporting documentation without the vendor receipt to be eligible for reimbursement. Any ineligible amounts will be deducted from the expense claim at the time of processing the claim in accounts payable.

Personal Device Reimbursement

31. If it is deemed appropriate for a staff member to use their personal device for work purposes, staff may be eligible for reimbursement up to the maximum amount of the comparative **Lutherwood** plan. As **Lutherwood** plans can change, eligible reimbursements will be reviewed and updated on an annual basis.

32. Personal device usage must be in accordance with agency IT security guidelines. For each case, a written recommendation must be put forward by the program Assistant Director, Director or COO and approved by the Director of Finance and Information Technology or designate.

Guidelines for Claiming Other Expenses

33. Other small miscellaneous expenses incurred by the employee may be reimbursed by submitting an employee expense claim. These expenditures may include, but are not limited to, parking, reimbursement of police check fees, small office supplies, phone calls from personal residences, photocopies etc. These expenses must be supported by a receipt detailing the purchase and including the vendor's HST registration number where applicable.
34. A vendor receipt must clearly indicate the vendor (i.e. restaurant) name, date, items, amount and applicable taxes to be eligible for reimbursement.
35. The purpose for incurring the expense should be noted on the back of the receipt submitted for reimbursement.
36. Personal expenses are not eligible for reimbursement. Such expenses include but are not limited to expenses for:
 - Recreational purposes;
 - Personal items;
 - Traffic and parking violations;
 - Social events that do not constitute hospitality;
 - Alcoholic drinks; and
 - Friends or family members.

Approval

37. Employee expense claims must be approved by the employee's assigned manager within the limits of the manager as defined in Policy *D 3.1 – Approval of Purchases*.
38. Persons approving the claims for reimbursement are responsible for verifying compliance to **Lutherwood's** policies as well as authorizing the payment by approving the employee expense claim.
39. In all requests for reimbursement of expenses, the manager, with authorization of a Program Director only, may exercise his/her discretion in determining the reasonability of the expense claim. A full explanation for any exceptions must accompany the claim along with an Assistant Director or Director's authorization.

Other

40. Reimbursement of expenses through the employee expense claim is primarily intended to reimburse travel expenses and those purchases not reasonably expected to occur through the standard purchasing system (i.e. Parking, police check fees etc.). This procedure is not intended to over-ride the controls and balances inherent within **Lutherwood's** purchasing and approval policies.