

**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. Reference: <https://www.ontario.ca/page/appendix-allowable-expense-rules>

**PROCEDURE:**

9. Employee Expense Claim and mileage claim forms may be obtained through **Lutherwood's ALL STAFF** Teams.
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. In order to be eligible for reimbursement, expense claims need to be submitted by the end of the following month.
11. To ensure that expenses are recorded in the proper fiscal year, considered for reimbursement and charged to the appropriate program year, expense reports relating to the month of March must be submitted by the end of the first week of April, as determined by the CAO or designate or as required by the Program Funder. The Finance Department will issue an all staff e-mail notification by March of specific year end outlining eligible submission timeline requirements for reimbursement.
12. Instructions for completing the employee expense claim form and the mileage claim form are included with the forms.

**Travel**

13. Employees are eligible to be reimbursed for distance traveled for agency business with their personal vehicle at a rate set by the CAO or designate, as programmed into the current mileage claim form posted on the **Lutherwood’s ALL STAFF** Teams
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 **Lutherwood office site** (or other supervisor approved site) deemed to be a **home base(s)**. This is true whether the employee is working from home or working in a Lutherwood office.
17. The employee is expected to deduct their calculated commute from their personal home to their Lutherwood home base, in both directions, from their overall mileage for the day.
18. Mileage may be claimed when a distance is traveled greater than the kms deemed to be their home base commute.

19. Kilometers related to personal errands, lunches, and appointments should not be included in the overall daily kilometers reported.
20. In order to respond to gas increases in a more timely and responsive way, the following system was introduced effective April 1<sup>st</sup>, 2011:
  - All mileage reimbursement forms are preset with the mileage for the month.
  - Mileage rates are set using the gas prices from the previous 2 months averages of the average from the 2 regions reported by the Ministry closest to the Waterloo Region.
  - 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.
21. Daily trip logs will be maintained to ensure tracking of business and personal use of **Lutherwood's** vehicles.
22. 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.
23. 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.
24. 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

1. Lutherwood reimburses the cost of meals incurred based on actual cost. Therefore, a receipt must be submitted to validate the expenditure.
2. Lutherwood reimburses the cost of meals incurred for business purposes. These include primarily meetings with representatives of current or potential Agency funders.
3. Cost of meals with co-workers during the regular course of business is not considered an eligible expense.
4. 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.
5. Generally, Lutherwood will reimburse the cost of meals including applicable taxes and gratuities but excluding alcoholic beverages. Gratuities paid will not exceed 18% for reimbursement.

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

Breakfast	\$ 16.00
Lunch	\$ 21.00
Dinner	\$ 33.00
Daily	\$ 70.00

The daily limit and/or total of meals not covered with conference expense 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 and/or meals not covered. Staff members have the discretion to allocate the full \$70.00 and/or meals not covered among the meals when applicable.

7. These rates are not an allowance. They are for individual meals that have been eaten in order to submit a claim for reimbursement.
8. 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.
9. 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. Original receipts are acceptable in electronic form only.

### Personal Device Reimbursement

1. 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 as set by Senior Leadership.
2. Eligible reimbursements are subject to review and can be subject to change. Notice of any changes in reimbursement rates must be given 6 months in advance to allow staff to make changes to their existing plans and/or change to a Lutherwood administered plan.
3. 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 or designate and approved by the CAO or designate.

**Guidelines for Claiming Other Expenses**

4. Other expenses incurred by the employee may be reimbursed by submitting an employee expense claim.
5. For those staff eligible to work at home the following guidelines should provide assistance on eligible vs. non-eligible expenses. The lists below are not intended to be exhaustive. Generally, Lutherwood will be expecting to reimburse equipment and will not be reimbursing paper-based supplies and equipment.

**Eligible expenses**

- Second monitors
- Headsets
- Mouse
- Cords
- Ergonomic equipment
- Chairs

**Non-eligible expenses**

- Paper
- Pens
- Printers
- Printer Ink
- File folders

**Non-eligible home expenses**

- Heat
  - Hydro
  - Internet
  - Water
  - Property taxes
  - Rent
6. For any non-eligible expenses, staff are encouraged to keep their receipts and/or records as a portion of these expenses **may** be claimable on their income taxes.
  7. If deemed necessary by CRA, T2200's will be issued for home-based staff claiming expenses on their income taxes.
  8. All expenses should be reviewed for eligibility and preapproved by their supervisor.
  9. Staff are encouraged to investigate Lutherwood vendors (Grand and Toy, Staples etc.) for competitive pricing before opting to purchase individually.
  10. Equipment reimbursement over \$500 will become the property of Lutherwood and will be expected to be returned upon termination of employment.
  11. A vendor receipt must clearly indicate the vendor (i.e. restaurant) name, date, items, amount and applicable taxes to be eligible for reimbursement.
  12. The purpose for incurring the expense should be noted on the back of the receipt submitted for reimbursement.

13. For all staff the following expenses are non-eligible for reimbursement:

**Personal expenses**

- Recreational purposes;
- Personal items;
- Traffic and parking violations;
- Professional dues;
- Social events that do not constitute hospitality;
- Alcoholic drinks; and
- Friends or family members.

**Approval**

14. Employee expense claims must be approved by the employee's assigned manager or designate within the limits of the manager as defined in Policy *D 3.1 – Approval of Purchases*.
15. 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.
16. All approved expenses and accompanying receipts, if applicable, should be submitted electronically to [ap@lutherwood.ca](mailto:ap@lutherwood.ca). Hard copy expenses will no longer be accepted.
17. 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**

18. 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.

Date Policy Issued:	May, 1999
Date Policy Revised:	October, 2020
Date Policy to be Reviewed:	November, 2022
Applies to:	All Staff Students Volunteers