

LAMBTON COUNTY DEVELOPMENTAL SERVICES POLICIES AND PROCEDURES MANUAL			
Section:	Administration & Financial	Ref. No.	AF5.140
Subject:	<b>Expenses</b>		
Issued By:	LCDS Board of Directors	Page:	1 of 9
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## 1 POLICY

- 1.01 It is the policy of LCDS to be accountable for the public funds it receives and that the requirements of the Broader Public Sector (BPS) Expenses Directive issued under the Broader Public Sector Accountability Act, 2010 are met.
- 1.02 It is also the policy of LCDS that all employees, volunteers and appointees will be reimbursed for reasonable and justifiable out-of-pocket expenses incurred while travelling on authorized trips or outings and when making authorized purchases on behalf of the agency.

## 2 PURPOSE/OUTCOME EXPECTED

- 2.01 The policy will ensure compliance with the BPS Accountability Act, 2010 and the BPS Expenses Directive.
- 2.02 The policy will ensure that use of public funds will meet the agency's needs in the most economical and efficient manner through processes that conform to the following principles:
- **Accountability:** LCDS is accountable for use of public funds. All expenditures will be used to support the Agency mission, vision, ethical values and guiding principles. All expenditures will support agency objectives.
  - **Transparency:** LCDS is transparent to its stakeholders and the rules for perquisites are clear and easily understood.
  - **Value for Money:** LCDS will use funds, including public funds, prudently and responsibly.

## 3 SCOPE

- 3.01 This policy applies to all LCDS employees, volunteers, appointees and the Board of Directors.

## 4. RESPONSIBILITY

- 4.01 *The Executive Director, Directors, Managers and all staff* are responsible for ensuring the agency complies with the policies and procedures as well as all legislation and regulations, including the BPS Expenses Directive.

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## 5. DEFINITIONS

5.01 In this policy,

**“Approval Authority”** means the authority delegated by LCDS to a person designated to occupy a position to approve on its behalf expenses claimed subject to applicable legislation, regulations and procedures in effect at such time.

**“Approver”** means person approving claims for LCDS.

**“BPS”** means Broader Public Service.

**“Claimant”** means person claiming or submitting an expense for reimbursement by LCDS.

**“Managerial Discretion”** means the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with the Policy and Procedure.

## 6. PROCEDURES

### 6.01 Allowable Expenses

Acceptable expenses for pre-approved, out of town trips include: meals, accommodations, rental vehicle, parking, taxi and public transportation.

**Expenses must be:**

- Work related
- Modest and appropriate
- Strike a balance between economy, health and safety and efficiency of operations

### **Non-Reimbursable Expenses**

Expenses of a personal nature will not be reimbursed. Such expenses include, but are not limited to:

- Recreational purposes (i.e. video rentals, mini-bars)
- Costs resulting from unlawful conduct
- Personal items (i.e. toothpaste, razor)
- Traffic/parking violations
- Expenses incurred on behalf of friends/family

### 6.02 Posting of Expense Policy and Procedures

LCDS Expense Policy and Procedures will be posted on the agency website.

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### 6.03 **Approval Authority**

- i) Approver's are required to:
  - Be a manager or in a leadership position
  - Be in a more senior management/leadership position than the claimant
  - Approve expenses in writing
  - Provide approval only for expenses that were incurred in the performance of LCDS business
  - Provide approval only for claims that include all appropriate documentation
  - Expenses for a group can only be claimed by the most senior management position present
  
- ii) Approver's cannot:
  - Approve their own expenses
  - Submit individual expenses that were incurred by a more senior staff member

The Executive Director will have expenses approved by the President of the Board of Directors or designate.

LCDS reserves the right to reject unreasonable expense claims.

#### iii) **Managerial Discretion**

Approvers are accountable for their decisions, which should be subject to good judgment and knowledge of the situation, exercised in appropriate circumstances, comply with the principles and mandatory requirements, and be fully documented. All decisions made under the expenses rules should be made very carefully and take into consideration the ability to stand up to scrutiny by auditors and members of the public, be properly explained and documented, be fair and equitable, be reasonable and appropriate.

### 6.04 **Claiming Expenses**

Claimants are required to:

- Obtain all appropriate approvals before incurring expenses
- Submit original, itemized receipts showing taxes paid with all claims
- Submit claims on prescribed forms (mileage, request for reimbursement or workshop request forms) and sign the form(s) prior to submission to the approver

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- Submit claims within 30 days of incurring the expense or by March 31 if less than 30 days to fiscal year end for LCDS.
- If the information above is not available, submit a written explanation with the claim to provide the approver with adequate information for decision making
- Repay any overpayments - it is considered a debt owing to LCDS
- If leaving employment with LCDS, submit any claims for expenses before last day of employment.

#### 6.05 **Documentation**

All submitted reimbursement forms must be completed in full and have all appropriate and corresponding receipts and invoices attached.

All reimbursement forms and supporting documents will be kept on file with the Finance Department as per standard document retention guidelines.

#### 6.06 **Travel**

##### 6.06.1 **Agency Provided Vehicles**

Receipts for gasoline purchases, parking charges and applicable tolls must be submitted with the expense reimbursement form. The use of toll highways, including but not limited to Highway 407 (ETR) is allowable and should be pre-approved *whenever* possible.

##### 6.06.2 **Personal Vehicles**

Employees approved to use their personal vehicle for business use shall follow the guidelines set out in the Vehicle Use and Maintenance Policy (HS12.100). Mileage will be reimbursed to all employees at the per kilometre rate set out in the Financial Policy - AF2.520 (Schedule of Reimbursements – Appendix A). A rental vehicle may be deemed a more economical and affordable method of travel please reference Financial Policy - AF2.520 (Enterprise Rent-a-Car Procedure – Appendix C).

##### 6.06.3 **Rail Transportation**

Travel by rail is permitted when this is the most practical and economical way to travel. The standard is economy class. Business class travel must be approved prior to the trip and supported with an explanation for same.

##### 6.06.4 **Air Transportation**

Travel by air is permitted when this has been determined to be the most practical and economical way to travel. The standard is economy class.

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#### **6.06.5 Travel Outside of Ontario, North America and International Travel**

Travel outside Ontario, North America and International Travel requires the pre-approval of the Executive Director, Director or Manager responsible for those travelling and must include written rationale to demonstrate that the travel is critical to the organization's priorities; and documentation to demonstrate that the requested travel arrangements (i.e. transportation mode, accommodation, etc.) are cost-effective, including an itemization of all anticipated expenses that will be incurred.

Travel outside Ontario as it relates to the Executive Director will require preapproval by the President of the Board of Directors.

Travel outside Ontario as it relates to the Board of Directors, will require pre-approval of the Executive Director and/or President.

#### **6.07 Accommodations**

- Employees will use the most economical accommodation available (generally a standard quality hotel room) that is convenient to the event being attended.
- Employees are responsible for all room charges and must review the hotel bill carefully to ensure all charges are correct.
- A detailed copy of the hotel bill must be attached to the expense claim form for reimbursement.
- Employees will not be reimbursed for personal telephone calls, entertainment, laundry service, pay TV or movies, special facility charges.
- While travelling on LCDS business, additional business expenses not otherwise covered may be reimbursed, such as computer access charges, photocopying, word processing services, facsimile transmissions, internet connections, rental and transportation of necessary office equipment, provided the charges incurred are reasonable and related to LCDS business.

#### **6.08 Meals**

The meal allowance is applicable to workshops, seminars, conferences and pre-approved activities with persons supported (if not covered by the person supported) and must be supported by receipts attached to the request for reimbursement form. Meal allowances will be reimbursed to employees at rates set out in the Financial Policy - AF2.520 (Schedule of Reimbursements – Appendix A).

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### 6.09 Alcohol

Alcohol is not a reimbursable expense, unless it is part of a fundraising event or similar member event. Advance approval must be obtained from the Executive Director or board chair (or designate). For the purpose of certain recognition events, the Executive Director or designate may approve limited tickets/vouchers for alcoholic beverages on a per person basis.

### 6.10 Hospitality

6.10.1 Is the provision of food, beverage, accommodation, transportation and other amenities paid out by LCDS funds to people who are **not** engaged to work for:

- Designated BPS organizations, or
- Any of the Ontario government ministries, agencies and public entities covered by the Ontario Public Sector Travel, Meal and Hospitality Expenses Directive (available on the *Ministry of Government Services* website).
- Activities involving only those people in the organizations listed above are not considered hospitality and cannot be reimbursed. This means that hospitality may never be offered solely for the benefit of anyone covered by the BPS Expenses Directive or by the OPS Travel, Meal and Hospitality Expense Directive.

#### 6.10.2 General Hospitality Rules and Allowable Hospitality

- Hospitality should be extended in an economical, consistent, and appropriate way when it will facilitate LCDS business or is considered desirable as a matter of courtesy.
- Hospitality may be extended on behalf of LCDS when: engaging representatives of other agencies, the government, industry, public interest groups
- Sponsoring formal conferences for representatives of service provider organizations, government, business, or labour groups
- Providing persons from national or international organizations and charitable organizations with an understanding and appreciation of the developmental services sector or the workings of LCDS
- Honouring distinguished persons from the developmental services sector in recognition of exceptional public service
- Conducting prestigious ceremonies that are attended by government and/or distinguished persons from the private or public sector
- Functions that are exceptions to the above must have prior approval of the Executive Director/designate

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### 6.10.3 **Service of Alcohol as Hospitality**

- The decision to provide alcohol as part of hospitality is to be made by the Executive Director/designate and should be consistent with the procedures of this expense policy.
- In circumstances where alcohol is approved, prior to the event, appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and cost of alcohol to be provided.
- Food should always be served when alcohol is available.

### 6.11 **Gratuities**

Employees may claim for reasonable and customary gratuities not to exceed 20% for any reimbursement.

### 6.12 **Guests**

Unless specifically authorized, staff may not claim any expenses for guests of any kind.

### 6.13 **Accompanying a Person Supported by LCDS**

Support workers are required from time to time, as part of their job, to attend an activity with a person supported. With pre-approval from the employee's Manager/Director, the agency may reimburse expenses for the support worker. People supported are expected to pay their own expenses, and may also as part of pre-approval plan, assist with costs for the support worker. Please refer to HR4.337 - Supporting People on Vacations - Compensation, Hours of Work, Conduct and SP2.200 – Supporting People on Vacations

When accompanying a person supported by the LCDS to activities, the following guidelines apply:

- Prior approval and pre-planning will be undertaken by support workers to ensure that all avenues have been explored in order to reduce expenses. This includes consideration and investigation of costs, attendant rates, and volunteer involvement, scheduling and support requirements.
- Each situation will be considered on an individual basis.
- On the rare occasion where expenses such as parking and mileage are not covered by the person supported, these expenses can be submitted for reimbursement

Under no circumstances should an agency employee, support worker or volunteer accept direct payment for anything from a person supported by LCDS, their family or other representative. Any offsetting payments must be processed through the LCDS Administration Office. If attending a vacation as a support worker, expense payments must be approved by the Director

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Operations or designate prior to any agreements with the person supported and/or family. The Travel Package/Traveller's Checklist must be completed and submitted to the Director of Operations prior to the vacation.

#### 6.14 **Consultants and Other Contractors**

In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between an organization and a consultant or contractor.

Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it. Therefore, they cannot claim or be reimbursed for such expenses, including:

- meals, snacks and beverages
- gratuities
- laundry or dry cleaning
- valet services
- dependent care
- home management
- personal telephone calls

### 7. **REFERENCES and RELATED POLICIES**

AF2.520	Financial Policy - Schedule of Reimbursements (Appendix A)
AF2.520	Financial Policy – Guidelines for Use of Organizational Credit Card (Appendix B)
AF2.520	Financial Policy - Enterprise Rent-a-Car Procedure (Appendix C)
AF5.100	Procurement
	BPS Accountability Act, 2010
	BPS Expenses Directive, 2011
	Community Living Brant, Expense Reimbursement
	Community Living Elgin, Financial Policies, Expense Claims
	Community Living London, Finance Policies, Expenses
	Community Living Wallaceburg, Expense Claims
HR3.110	Seminars and Conferences
HR4.337	Supporting People of Vacations – Compensation, Hours of Work, Conduct
HS12.100	Vehicle Use and Maintenance Policy
	Ontario Public Sector Travel, Meal and Hospitality Expenses Directive
SP2.200	Supporting People on Vacations



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**8. FORMS or OTHER RELATED DOCUMENTS**

Mileage Reimbursement Form  
Request for Reimbursement Form  
Travel Package/Traveller's Checklist

<b>REVISION HISTORY</b>		
<b>Date</b>	<b>Revision</b>	<b>Effective Date</b>

