

	Section: 15 Finance	Pages: 5	Policy Number: 15-5
	Subject: Employee Expense Management Policy		

POLICY STATEMENT

Banyan will reimburse employees for reasonable expenses relating to pre-approved business and/or training activities. For example, this may include travel fare, mileage, parking, accommodations, meals, and purchases made on behalf of the organization. Banyan expects employees to act responsibly and professionally when incurring and submitting costs. Individuals should neither gain nor lose personally as a result of incurring expenses on behalf of the organization.

PURPOSE OF THE POLICY

This policy is based around the Broader Public Sector Expenses Directive and encompasses four key principles:

- **Accountability** – public funds used to reimburse travel, meal and hospitality expenses must support business objectives
- **Transparency** – the rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood and available to the public
- **Value for Money** – plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety
- **Fairness** – only legitimate authorized expenses incurred during the course of business of Banyan are reimbursed

A. DEFINITIONS:

- **Business meals:** Meals that are hosted by an employee for the purpose of discussing business.
- **Hospitality:** For the purposes of this policy, hospitality is the provision of food, beverage, accommodation, transportation and other amenities paid out of public funds to people who are not engaged in work for Banyan, except if it is for incentive and appreciation

B. PROCEDURES:

1. Approval Authority

The following Accountability framework identifies the authority levels for approval of travel and expense claims.

Claims Applicant	Claims Approver
Frontline Staff	Supervisor
Supervisors	Manager
Manager	Director
Directors	CEO
CEO	Board Member (s)
Board Member	Board Chair

2. Responsibilities

2.1. Employer's Responsibilities:

- Banyan is responsible for maintaining appropriate controls and checks as part of its accountability.
- The authorized approving officer is responsible for ensuring that claims are for legitimate activities, are within the conditions of the Travel and Expense Policy, are being charged to an appropriate account and are processed promptly, following procedure **15-5-1 Reimbursement Process**.
- Banyan reserves the right to deduct from the claim any expenses deemed inappropriate, unauthorized or unsubstantiated by proper receipts in accordance with the present policy.
- No person shall authorize any expense that may confer a benefit on that same person.

2.2. Employee's responsibilities include:

- Ensuring that claims for reimbursement are accurate and that all expenditures are supported by original receipts as required
- Seeking authorization from their direct supervisor before incurring any expenses (See Section 1 above).
- Ensuring that expenses are appropriate and reasonable. For example, when it is necessary to travel, travel by the most economical and efficient means.
- Submitting requests for reimbursement promptly, following procedure **15-5-1 Reimbursement Process**. Expenses should be submitted at a minimum monthly.
- Submitting all claims for expenses prior to leaving employment. No expenses will be paid after the termination date of an employee.

3. Travel Expenses

3.1. While Banyan does not pay for local travel to and from the office/program, employees who are travelling away from their primary work location for Banyan business will be reimbursed for reasonable out-of-pocket expenses.

3.2. Personal Vehicle Expenses:

- Employees travelling for business purposes using their personal vehicle will be reimbursed for mileage at a rate of \$0.52 per kilometer. Kilometers are calculated using the distance from the employee's primary work location or their residence, whichever is less.
- Banyan will not be responsible for insurance, fuel, maintenance, traffic, or parking violations.
- Use of the 407 Toll Highway requires pre-approval from a Supervisor.
- It is the personal responsibility of the vehicle owner to carry adequate insurance coverage for their protection and for the protection of any passengers. Employees must notify their insurance carrier they are using their personal vehicle for business purposes on behalf of Banyan to ensure there is adequate coverage. Any additional cost for these premiums is not a reimbursable expense.

3.3. Other Travel Expenses:

- Employees travelling for business purposes who are not using a personal vehicle may be eligible for reimbursement of other travel fares with pre-approval from a Supervisor.
- In all cases the most economical means of transportation should be taken. Group transportation should be arranged whenever possible
- Employees travelling for business purposes on extended trips may be eligible for reimbursement of accommodation expenses with pre-approval from their authorizing officer .

4. Accommodations Expenses

- 4.1. Under normal circumstances, accommodations are not necessary for round trip destinations of 100-kilometre distance radius of the Hamilton city centre or the Employee's residence.
- 4.2. In the following exceptional circumstances employees are reimbursed for accommodation expenses, subject to the approval by the employee's supervisor:
 - Where a conference is two days or more; or
 - Where evening sessions are part of the conference schedule; or
 - If the conference/event starts early (e.g. 8 am).
- 4.3. Reasonably priced single standard room rate should be requested.
- 4.4. It is recognized that certain circumstances may influence which hotel is used (e.g. conferences)
- 4.5. Employees travelling with other members of the organization are not required to share accommodation.
- 4.6. If hotel reservations must be cancelled, it is the responsibility of the employee to make sure that cancellation is made in advance so that "no show" charges will not be incurred.
- 4.7. Room service, cleaning costs, entertainment and other incidental charges are considered to be personal expenses and are not reimbursable.
- 4.8. Standard tips and gratuities are reimbursable, but must be documented on the expense report.
- 4.9. A copy of the hotel bill must be attached to the expense report

5. Food Expenses

5.1. Personal Meal Expenses:

- Employees are reimbursed for reasonable meal expenses, subject to the approval by the employee's supervisor, if expenditures are incurred while on Banyan business away from their place of work.
- Meal expenses may not exceed \$50 per employee, per day, broken down as follows: \$10 for breakfast, \$15 for lunch, \$25 for dinner. These maximums include tips, and tips should not exceed 15% of the before tax cost of the meal.

5.2. Business/Hospitality Meal Expenses:

- Hospitality, including business meals, should be extended in an economically, consistent and appropriate way when it will facilitate the organization's business or is considered desirable as a matter of courtesy.
- Hospitality expenses are never appropriate for functions involving only Banyan board members or employees except if it is for incentive and appreciation.
- Functions that are exceptions to the hospitality rules must have prior written approval of the CEO.
- Employees hosting these meals may be reimbursed for reasonable expenses with pre-approval from a Supervisor.
- When more than one employee is present at a business meal, the most senior level employee should pay and expense the bill.
- A description of the business discussed should be included in the request for reimbursement along with the list of employees and stakeholders in attendance. This will be reviewed by the Supervisor when approving the expense claim.

5.3. The cost of alcoholic beverages is not reimbursable under any circumstances.

6. Phone Expenses

6.1. Personal Cell Phone Expenses:

- Banyan will not reimburse employees for the cost of purchasing a cell phone. Following procedure **16-1-1 Access to Company Equipment and Technology**, Directors will make decisions about who is approved to receive a Banyan issued cell phone.
- Staff who are not approved to receive a Banyan issued cell phone may still be eligible for monthly reimbursement of personal cell phone expenses; Managers will make decisions about who is approved based on program needs.
- Staff approved for reimbursement will be eligible to receive up to \$40 per month. This will be added to their regular pay cycle.

7. Consultants and Other Contractors

- 7.1.** Reimbursement for allowable expenses under this policy can be claimed only when contract or engagement document specifically allows for it.
- 7.2.** Expenses for hospitality, incidental or food expenses will not be considered allowable expenses for consultants and contractors or in any contract between Banyan and a consultant or contractor

8. Other Ineligible Expenses

- 8.1.** Expenses submitted on an incorrect form or without the necessary signatures or receipts will not be reimbursed. These requests will be returned to the staff member for corrective action.
- 8.2.** Business expenses incurred and charged to a corporate credit card should not be claimed as an employee expense reimbursement.

9. Overpayments

- 9.1.** Any overpayment of expenses is considered a debt owing to the organization. An employee in receipt of an overpayment must repay this to Banyan.

10. Perquisite Directive

- 10.1.** Banyan does not allow or provide for any perquisites to either volunteers, Board of Directors or employees.

C. REFERENCE SOURCES:

- Broader Public Sectors Accountability Act 2010 Part IV Expense Claims: Allowable Expenses

D. CROSS REFERENCES:

- 15-5-1 Reimbursement Process
- 16-1-1 Access to Banyan Equipment and Technology
- 15-11F Employee Expense Statement Form
- 16-3F IT Equipment & Network User Access Request Form

E. REVIEW CYCLE: This policy is to be reviewed every 3 years.

Approved By:	Senior Management Team
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Effective Date:	July 2017
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