

Employee Business Expense Policy:

Date Approved by Board: 2011.10.20 2016.08.18	Resolution No.: 11 103 16 093
Lead Role: Chief Financial Officer (CFO)	Replaces: N/A
Last Review Date:	Next Review Date: 2018.08.18

Special Note:

Kilometer rate changes will be set at the Canada Revenue Agency (CRA) rates unless otherwise directed by the General Manager (GM).

Policy Statement

It is the policy of Beaver Municipal Solutions (BMS) to reimburse business expenses necessarily incurred by employees in the performance of duties. Employees are neither asked to subsidise BMS costs nor invited to indulge themselves at stakeholders' expense. It is expected that logic, integrity, transparency and good business sense will prevail.

Guidelines

1. Scope of the Policy

The Business Expense Policy applies to all authorized employees for expenses related to business activities undertaken to meet one or more of the following objectives:

- a) To conduct regular job duties as approved by the Manager/direct supervisor.
- b) To perform special functions that may include the following:
 - i. Promoting, encouraging and fostering business investment in BMS/BRWMSC.
 - ii. Conducting research for assigned tasks which can only occur through personal visitation, observation and discussion.
 - iii. Participating on a multi-jurisdictional committee whose work will enhance BMS/BRWMSC political, strategic or economic position.

The Business Expense Policy applies to expenses incurred while on authorized business travel and while hosting a business activity.

2. Responsibilities of the Employee and Management

Employee's Responsibilities:

FIN-001 Beaver Municipal Solutions (BMS/BRWMS) Commission Policy

- a) To identify and review required business expenses to ensure cost effective options for travel, accommodation, supplies, event costs, etc., are selected.
- b) To identify, when possible, estimates of business expenses as part of the annual budgeting process.
- c) To submit to the CFO a completed "Training Expense" form requesting training and staff development opportunities (seminars, conferences, etc.) in accordance with HUM-003.
- d) To submit a claim for business expenses, accompanied by all necessary receipts and/or documentation on within a reasonable timeframe after the business activity. Receipts must be detailed and show GST amount and GST registration number. A Visa/MasterCard slip is not a receipt for business expense purposes.
- e) Employees who are provided with corporate credit card must use it in accordance with Purchasing and Business Expense policies. Employees must submit to Accounts Payable a reconciliation of expenses monthly, with appropriate receipts. The reconciliation must be approved by the Manager or direct supervisor.
- f) Lost receipts may not be reimbursed, with exceptions subject to the General Manager's approval.

CFO or designate, Manager and direct supervisors' responsibilities:

- a) To identify and include estimates of business expenses into the annual budget.
- b) To review "Training Expense" forms and pre-authorize expenditures.
- c) To authorize employees to incur business expenses related to performing regular job duties, including any special functions (as per 1b).
- d) To ensure expenses are valid in accordance with policies and budget considerations.

3. Reimbursement of Expenses

Employees conducting authorized BMS/BRWMS business will be reimbursed for costs incurred, based on the following criteria:

- a) Travel
 - i. Where travel is authorized, the most direct, economical and time efficient mode of transportation shall be utilized.
 - ii. Where an employee chooses to use a mode of transportation other than prescribed under Subsection a(i), reimbursement shall be based as though the mode of transportation prescribed under Subsection a(i) was used.
 - iii. Pursuant to Subsection a(ii), if personal travel extends the period of working time required for a trip, then the additional time shall be deducted from vacation leave entitlement or may be arranged as leave without pay.
 - iv. Notwithstanding Subsection a(i), an employee may select a route and mode of transportation to combine personal activities with BMS/BRWMS business, but reimbursement for travel expenses shall be paid on the basis of the expenses that would have been incurred had the trip been made using mode prescribed under Subsection a(i).
 - v. Air travel shall not exceed regular economy class rates. Travel insurance may be reimbursed with prior approval (subject to limit in Schedule A).

- vi. Travel outside Canada shall be reimbursed in Canadian currency plus exchange for those expenses prescribed by the regulation that are supported by receipts, when required (i.e. meals).

b) Accommodations

If an employee is required to travel on BMS/BRWMSC business and overnight accommodation away from the employee's regular place of domicile is necessary, the employee may claim the actual receipted cost of accommodation for a single room rate in an amount set out in Schedule "A".

c) Meals

While conducting authorized BMS/BRWMSC business, an employee may claim for meals in accordance with Schedule "A".

d) Transportation

An employee may claim the following expenses with a receipt:

- i. Bus fare
- ii. Railway fare and berth/roomette if applicable
- iii. Limousine/taxi fare
- iv. Parking charges
- v. Economy air fare
- vi. Economy automobile rental

e) Communication – Cell phones

Any employee, without a cellphone allowance or similar benefit, may claim the following expenses with a receipt.

- i. Charges for electronic communication related to BMS/BRWMSC business (copy required)
- ii. Charges for "official business" long distance phone calls
- iii. Charges for one phone call home for each night away for up to 5 minutes/call.
- iv. While traveling on BMS/BRWMSC business, business related long distance calls should be made at the employee's discretion considering cost of cell phones as compared to excessive charges levied through hotels.
- v. Employees provided with cellphone allowances should refer to HUM-010.

f) Kilometre Rates, Insurance

- i. An employee who uses their personal vehicle for BMS business shall provide a driver's abstract as and when required.
- ii. All employees claiming kilometer rate reimbursement may be required to provide a statement from an insurance agent indicating if business insurance is or is not required when using a personal vehicle on BMS business (minimum \$1,000,000 liability insurance).

FIN-001 Beaver Municipal Solutions (BMS/BRWMSC) Commission Policy

- iii. An employee who uses a personal automobile for business may be reimbursed for travel and insurance as per Schedule “A”.
- iv. Where more than one employee is conducting BMS business in the same location outside Beaver County, transportation should be shared where possible and normally only one person would be reimbursed.
- v. If required, rental car insurance will be reimbursed for business related travel.

g) Hospitality Business Expenses

- i. The GM will exercise prudent judgement when claiming or pre-approving an expense for alcohol for special events, business development or public relations activities.
- ii. An employee carrying out regular duties associated with authorized public relations activities shall be entitled to reimbursement of appropriate expenses.
- iii. Official functions requiring an “official” presence entitles authorized employees participating to receive expense reimbursement.
- iv. The GM shall determine “official” functions. A sample list of functions will provide guidance. (Schedule B).

h) Special Provisions

If an employee incurs business expenses for which reimbursement is not expressly authorized by this policy, the responsible manager or direct supervisor may recommend to the GM that the person be reimbursed for the expenses incurred. The GM shall then decide whether or not that expense falls within the intent of this policy.

i) Timing of Submission of Business Expenses

Business expenses are required to be submitted within reasonable time after occurrence.

4. GM's Expenses

In addition to expenses authorized elsewhere in this policy, the GM has a role similar to the Board to promote the interests of BMS/BRWMSC and it may be necessary for the GM to meet with clients and prospective clients, representatives of business and research partners, conference attendees, representatives of other Municipal Governments, senior levels of government or residents to support the Board, community, committees, regional, provincial, national or other events which result in expenses which may be claimed as business expenses by the GM subject to availability of budget funds as approved by the Board business plan.

Should the GM be invited to a social or fundraising event or to another event deemed to be significant by the Board to which the GM's spouse/partner **accompanies the GM** where appropriate, then the ticket for the spouse/partner **will** be paid as a business expense subject to availability of budget funds as approved by the Board business plan.

5. Board Expenses

Business expenses incurred by the Board will be reimbursed according to this policy, as applicable (BRD-011).

6. Administration

The administration of guidelines outlined in the Business Expense Policy is the responsibility of the CFO. The CFO or designate will ensure that employees remain within the Policy. Where it is determined an employee has falsified an expense claim, any overpayment by BMS/BRWMSC will be recovered and disciplinary action will be taken against the employee in accordance with HUM-005.

Where conflict in the interpretation of these guidelines arises, the matter shall be referred to the GM.

7. Delegation

GM has the delegated the authority to set compensation and reimbursement rates for business expenses not covered by this Policy, with details to be included in the next Quarterly Financial Report submitted to the Board (BRD-002).

SCHEDULE “A”

**Business Expense Policy
REIMBURSEMENT RATES**

APPROVED PROGRAM REGISTRATION FEE	Actual receipted cost, showing GST amount and GST registration number (HUM-003).
ACCOMMODATION	Actual receipted cost of accommodation for single standard room showing GST amount and GST registration number.
MEALS	For <u>single meals</u> , receipts are required for reimbursement. If more than one meal is purchased, provide name(s) of the guests including the company represented and the nature of business meal.
TRAVEL (Airplane, Taxi, Bus, Train and Car Rental)	Actual receipted cost. A detailed receipt showing GST amount and GST Registration Number is required.
PRIVATE VEHICLE KILOMETRE RATES	On presentation of an accounting of kilometres to, from and reasons: CRA maximum for all business kilometers driven, except for those employees who receive a vehicle allowance, in which case the reimbursement rate applies only to those kilometers driven outside of Beaver County.
INSURANCE	Cost with receipt to a maximum \$250.00 per annum. (Travel, Auto, Medical, if required)

SCHEDULE "B"

Employee Business Expense Policy

OFFICIAL FUNCTIONS

Sample List

Trade and Business Conferences
Chamber of Commerce Luncheons
Prayer Breakfasts
Federal/Provincial Liaison Invitations
United Way Campaigns
Special Events

N.B. #1: The GM will consider additional activities and issue an approved listing.

Attachment: 1 – F-A-7 - Employee Expense Form Sample



EXPENSE REPORT

Name _____ Date _____

DATE	DESCRIPTION	SUBTOTAL	GST	TOTAL	Account	Dept
TOTAL						

Common Accounts:

Vision Care	5042
Safety Boots/PPE	5532
Mileage / Payroll	
Meals & Accommodation	5208
Office Supplies	5306
Fuel	5502
Health & Wellness/Payroll	
Windshield Benefit	5045

Departments:

F & A	1000
Landfill	2000
Hauling	3000
Collection	4000
Transfer Stations	4500
Mechanic	5000
Bio Solids	6000
Recycling	7000
Water Treatment	8000

Employee Signature

Date

Supervisor Approval

Date