

ADMINISTRATIVE POLICY



FIN-012-A

EMPLOYEE BUSINESS EXPENSE

Date Issued: _____, 2017

Mandated by: City Manager

Current Revision: _____, 2017

Cross Reference:

- Employee Business Expense Procedure
FIN-012-A

Next Review: _____, 2020

Responsibility: Chief Financial Officer

PURPOSE

To provide direction for payment and reimbursement of reasonable expenses incurred while on authorized City of Fort Saskatchewan business.

POLICY

Employees shall be reimbursed for business expenses necessarily incurred in the performance of their duties. Employees are neither asked to subsidize the cost of the City, nor invited to indulge themselves at public expense.

DEFINITIONS

Business Expense – shall mean an expense incurred to acquire goods or services necessary for the provision of municipal services.

Chief Financial Officer – shall mean the person who is appointed to the position by the City Manager.

City – shall mean the City of Fort Saskatchewan.

Employee(s) – shall mean an individual or individuals who are employed with the City of Fort Saskatchewan.

GUIDING PRINCIPLES

1. In order for an expense to be eligible for reimbursement:
 - a. It must be necessary to the performance of the employee's duties in conducting the business of the City;
 - b. The amount of the expense must be reasonable given the nature of the expense, neither subsidizing the City's cost, not an indulgence of the employee; and

- c. The employee must have prior authorization to incur the expense on behalf of the City.
2. Employees shall receive payment of expenses in accordance with the processes outlined in Employee Business Expense Procedure FIN-012-A.
3. When travel is authorized, the most direct, practical, and cost effective route and mode of transportation should be used.

AUTHORITY / RESPONSIBILITY TO IMPLEMENT

The City Manager delegates responsibility for this Policy, the development of procedures to enact it, and ensuring the uniform application of this Policy within the organization in accordance with legislative requirements to the Chief Financial Officer

1. The appropriate supervisor for each employee shall review and ensure eligible expenses in accordance with this Policy and Administrative Procedure FIN-012-A are approved.



EMPLOYEE BUSINESS EXPENSE

Date Issued: _____, 2017

Responsibility: Chief Financial Officer

Current Revision: _____, 2017

Cross Reference:

- Employee Business Expense Policy
FIN-012-A
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PURPOSE

To provide processes and direction on the payment and reimbursement of eligible and reasonable expenses incurred by City employees while on authorized City of Fort Saskatchewan business.

DEFINITIONS

Chief Financial Officer – shall mean the person who is appointed to the position by the City Manager.

City – shall mean the City of Fort Saskatchewan.

City Boundary – shall mean the area within the City's corporate limits.

City Manager – shall mean the Chief Administrative Officer for the City.

Employees – shall mean individuals who are employed with the City of Fort Saskatchewan

Per Diem – shall mean an allowance available to employees to reimburse for the cost of food and beverages while away on City business.

Workplace – shall mean the location at, or from which an employee ordinarily performs the duties of their position. In the case of an employee whose require travel from place to place on an ongoing basis, their workplace is deemed to be the building where their administrative matters are conducted.

1. General Provisions:

- 1.1 Within overall department budgets, funds made available for employees shall be used for training, development, and associated eligible expenses that will benefit the employee in their current role or in a future role at the City.
- 1.2 Whenever possible, employees provided with a corporate credit card shall use the card to cover expenses incurred by them.
- 1.3 Supervisors may use their corporate credit card to pay for expenses such as registrations, travel, and expenses that would be personally incurred by one of their staff.
- 1.4 An expense claims form (available on MyFort) shall be completed and submitted to the employee's supervisor, along with supporting documentation for all eligible expenses.

2. **Expenses:**

- 2.1 Eligible expenses include costs associated with meals not provided, per diems, transportation, mileage, and accommodation, pursuant to this Procedure.
- 2.2 An employee's supervisor shall review and approve all expenses. In the absence of the supervisor, another City employee with appropriate signing authority may review and approve the employee's expenses.
- 2.3 The City Manager's expenses shall be authorized by the Mayor, or in their absence, the Deputy Mayor.
- 2.4 Employees shall complete an expense claim for any expense reimbursements, in accordance with this Procedure.
- 2.5 Expense claims shall be submitted by City employees or representatives to Accounts Payable within 5 days following the end of the month for reimbursement. All expense claims must be accompanied by original receipts which detail the expenses.
- 2.6 Where applicable, gratuities for eligible meals and transportation fares shall not exceed 15% on the expense.
- 2.7 Where it is determined that an employee has submitted a false or incorrect expense claim, the reimbursement shall immediately be repaid to the City, and disciplinary action may be taken against the individual.
- 2.8 No expenses shall be submitted or approved that contain Alcohol, tobacco, marihuana or similar items.

3. **Travel:**

- 3.1 Employees travelling on City business shall be entitled to reimbursement for transportation, accommodation, meals, and miscellaneous travel costs.
- 3.2 Where possible and practical, employees shall share transportation methods to reduce costs.
- 3.3 The most economical means (i.e., economy or coach) of vehicle, air, bus, or train transport shall be approved, taking into account the net cost to the City. When determining the most economical means of transportation the supervisor may take into account cost, purpose of the travel, travel time required, timing of travel options and other factors relevant to the individual situation.
 - a. When unable to use the most economical means, the employee must obtain prior approval from their supervisor. If the employee chooses to upgrade the level of transportation, the employee shall be responsible for any additional costs.
- 3.4 Where an employee chooses to use a method of transportation other than one of the prescribed methods noted in Section 3.3 and has obtained approval from their supervisor to do so, the employee shall be reimbursed or paid an allowance as though the most economical means had been used.

- 3.5 An employee may, with consent of their supervisor, select a route and method of transportation to combine personal activities with City business. In this case, the reimbursement or allowance shall be paid on the basis that would have applied had the trip been strictly for City business.
- 3.6 If personal activities extend the period of working time required for a trip, the additional time shall be deducted from the employee's accruals for vacation/time-off-in-lieu.
- 3.7 Private Vehicle Use:
- a. Expenses incurred by City employees or representatives shall be submitted to their supervisor through the expense claim form located on MyFort.
 - b. Employees shall be reimbursed for actual distance traveled from the employee's workplace or principal residence, as appropriate, to their destination for City work which they have incurred, based on the Government of Alberta mileage rates.
 - i. Detailed documentation of the distance traveled may be required.
 - c. An employee authorized to use their personal vehicle for travel will receive the lower of a reimbursement equal to the economy return airfare, if applicable, or the actual distance travelled while on City business during the trip. However, if it is deemed to be more practical to travel by personal automobile than by other means (e.g. conference in Calgary where rental car costs or taxi/bus fares from the airport are substantial) the cost of actual distance travelled will be reimbursed.
 - d. An employee using their personal vehicle while conducting City business shall carry at least one million (\$1,000,000) dollars of public liability and property damage insurance. In the event of an accident, the insurance deductible will be the responsibility of the employee.
 - e. Fines for moving violations incurred while conducting City business are the responsibility of the employee and are not eligible for reimbursement.
 - f. Vehicle rental fees for travel to areas outside the City boundary may be claimed when such rental is deemed to be economical/practical.
 - g. Claims where travel is from an employee's residence to the workplace shall not be an eligible expense.

4. **Accommodation:**

- 4.1 Eligible expenses include commercial accommodations for conferences, meetings, or other events, when necessary.
- 4.2 Accommodation expenses shall be reimbursed at the approved event rate, government rate, or other economical accommodation in the locale of the event.
- 4.3 Costs associated with any personal entertainment, such as movies and in-room items or services are not eligible for reimbursement. In-room meals may be eligible for expense, in accordance with this Procedure.
- 4.4 Where private arrangements for accommodation are made and commercial accommodations are not used, a daily allowance based on Government of Alberta rates may be claimed.

5. **Meals:**

- 5.1 When travelling on City related business, an employee may claim either the actual cost of the meal or the per diem. The actual cost of the meal is the amount shown on the receipt, excluding alcoholic beverages, plus a gratuity not to exceed 15% of the meal cost.
- 5.2 The maximum reimbursement for food and beverages cannot exceed \$100 per day, with the cost of one single meal not exceeding \$50, plus taxes and gratuities.
- 5.3 Per diems are based on Government of Alberta meal allowance rates.
- 5.4 When an employee attends a conference, meeting, or other event where a meal has been provided, the employee shall not claim a per diem.
- 5.5 Expense claims for meals shall be submitted with a detailed receipt.
- 5.6 When a employee is travelling on City related business, the employee may be reimbursed for the following per diems :
 - a. Breakfast – if departure or return time is earlier than 7:30 a.m.;
 - b. Lunch – if the departure time is earlier or later than 1:00 p.m.; and
 - c. Dinner – if the departure or return time is later than 6:30 p.m.
- 5.7 When employees submit expense claims for City related beverage/meal meetings (excluding alcoholic beverages), the names of those in attendance and the purpose of the meeting shall be recorded on the receipt.
- 5.8 If a meal is included in the cost of airfare, an employee shall not claim a per diem or meal expense unless the flight is delayed.

6. **Professional Development:**

- 6.1 Professional Development budgets shall be individually set by each department. Department Directors should be consulted regarding funds available.
- 6.2 Pursuant to this Procedure, eligible professional development expenses include:
 - a. registration costs for attendance at conferences, seminars, workshops, meetings, or other related events;
 - b. Formal educational opportunities at accredited institutions; and
 - c. costs for transportation, accommodation, and meals which are not included in the registration.
- 6.3 Costs incurred when travelling for professional development and meetings beyond the City boundaries will be reimbursed in accordance with this Procedure.
- 6.4 Unexpended funds shall not be carried over from the current budget to a future budget allocation.