

Date Policy Issued	May 1999
Date Policy Revised	November 2022
Date Policy to be Reviewed	November 2025
Applies to	All Staff Students Volunteers

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 forms are processed through the Nexonia expense management platform, This platform can be accessed using a laptop at <https://system.nexonia.com/assistant/showSignin> or by using the downloaded Nexonia app available for cellphone or tablet devices from the Apple App Store or Google Play

10. Expense claims should be completed and submitted no later than the end of the following month. This enables the program managers to accurately analyze monthly operating statements and determine the current financial position of the program.
11. To ensure that expenses are recorded in the proper fiscal year and charged to the appropriate program year, expense reports relating to the fiscal year ending March 31st must be submitted by the end of the first week of April, as determined by the Director of Finance 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 forms are available from the Payroll Department.
13. Approved expenses will be processed biweekly with payroll deposits. Expenses will be approved through the Nexonia platform by the immediate supervisor, Financial Analyst for the Division, and finally the Finance Director, Controller or designate for final payment approval.
14. As Payroll is run on Tuesday morning, it is recommended that staff submit an expense allowing enough time for an expense to be approved by the various levels by Monday afternoon if they wish the expense to be included in a particular biweekly payroll deposit.

Travel

15. Employees are eligible to be reimbursed for distance traveled for agency business with their personal vehicle at a rate set by the Director of Finance or designate, as programmed into the Nexonia expense management platform.
16. 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	LANGS
285 Benjamin Rd.	N/A	33 km	5 km	14 Km	13 km	36 km	29 km
35 Dickson St.	33 km	N/A	30 km	25 km	26 km	28 km	6 km
139/141 Father David Bauer Drive	5 km	30 km	N/A	7 km	6 km	36 km	22 km
165 King Street	14 km	25 km	7 km	N/A	1 km	25 km	17 km
41 Weber St. (BTYC)	13 km	26 km	6 km	1 km	N/A	28 km	18 km
30 Wyndham St. N./55 Cork St.	36 km	28 km	36 km	25 km	28 km	N/A	21 km
LANGS	29 km	6 km	22 km	17 km	18 km	21 km	N/A

17. 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.)
18. With remote and/or hybrid work arrangements, each employee has a home base(s) Lutherwood office and/or their personal home from which they work. 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. Mileage may be claimed when a distance traveled is greater than the distance an employee is expected to travel each day to the employees' base office(s). All individual daily commutes have been programmed into Nexonia to automatically deduct their calculated commute.
19. Kilometers related to personal errands, lunches, and appointments should not be included in the overall daily kilometers reported.
20. If starting mileage log from home, the Mileage (with Daily Commute Deduction) option should be chosen in Nexonia and the employee will be reimbursed for all kms that exceed their daily commute deduction. Way points should be noted into the software for approval purposes.
21. If starting mileage from the Lutherwood home office, only the kms claimed to the meeting or appointment and back to the Lutherwood office can be claimed using the Mileage reimbursement option in Nexonia.

22. In order to respond to gas increases in a more timely and responsive way, the following system was introduced effective April 1st, 2011:
1. All mileage reimbursement forms are preset with the mileage for the month using the average of rates from the previous 2 months (to smooth out brief fluctuations in gas prices) with historical data from as close to our Region as possible.
 2. 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
○ \$1.50 - \$1.59/litre	48 cents/km
○ \$1.60 - \$1.69/litre	49 cents/km
○ \$1.70 - \$1.79/litre	50 cents/km
○ \$1.80 - \$1.89/litre	51 cents/km
○ \$1.90 - \$1.99/litre	52 cents/km
○ \$2.00 - \$2.10/litre	53 cents/km
22. The same rationale will be used to increase or decrease rates incrementally below \$1.00 or above \$2.10/litre.
23. Daily trip logs will be maintained, and business way points noted in Nexonia to ensure tracking of business and personal use of **Lutherwood's** vehicles.
24. 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.
25. 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.
26. 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

27. Lutherwood reimburses the cost of meals incurred based on actual cost. Therefore, an electronic receipt must be submitted with the Nexonia expense claim to validate the expenditure.
28. Lutherwood reimburses the cost of meals incurred for business purposes. These include primarily meetings with representatives of current or potential Agency funders.
29. Cost of meals with co-workers during the regular course of business is not considered an eligible expense.
30. 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.

- 31. Generally, Lutherwood will reimburse the cost of meals including applicable taxes and gratuities but excluding alcoholic beverages. Gratuities paid will not exceed 20% for reimbursement.
- 32. Meals will be reimbursed up to the following limits including taxes and gratuities:

Breakfast	\$ 16.00
Lunch	\$ 25.00
Dinner	\$ 34.00
Daily	\$ 75.00

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 \$75.00 and/or meals not covered among the meals when applicable.

- 33. These rates are not an allowance. They are for individual meals that have been eaten to submit a claim for reimbursement.
- 34. 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.
- 35. 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/rejected from the expense claim at the time of processing the claim in Nexonia. Original receipts are submitted in electronic form (pictures or PDFs are acceptable) with the Nexonia expense claim.

Personal Device Reimbursement

- 36. 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.
- 37. 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.
- 38. 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, Director, or designate and approved by the Director of Finance or designate.
- 39. Front line staff communicating directly with Lutherwood clients must use an approved Lutherwood plan phone.

Guidelines for Claiming Other Expenses

40. Other expenses incurred by the employee may be reimbursed by submitting an employee expense claim through Nexonia.
41. 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
42. 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.
 43. If deemed necessary by CRA, T2200's will be issued for home-based staff claiming expenses on their income taxes.
 44. All expenses should be reviewed for eligibility and preapproved by their supervisor.
 45. Staff are encouraged to investigate Lutherwood vendors (Grand and Toy, Staples etc.) for competitive pricing before opting to purchase individually.
 46. Equipment reimbursement over \$500 will become the property of Lutherwood and will be expected to be returned upon termination of employment.
 47. A vendor receipt must clearly indicate the vendor (i.e. restaurant) name, date, items, amount and applicable taxes to be eligible for reimbursement.
 48. The purpose for incurring the expense should be noted on the memo field in Nexonia.
 49. Personal expenses are not eligible for reimbursement. Such expenses include but are not limited to expenses for:
 - 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

50. 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*.
51. Persons approving the claims for reimbursement within the Nexonia platform are responsible for verifying compliance to **Lutherwood's** policies as well as authorizing the payment by approving the employee expense claim.
52. 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

53. 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.