



**City of  
Lloydminster**

***Policy***

<b>Policy Title:</b>	Business Expense Reimbursement Policy	<b>Policy Number:</b>	134-10
<b>Date of Adoption:</b>	May 9, 2022	<b>Motion Number:</b>	193-2022
<b>Date of Amendment:</b>		<b>Motion Number:</b>	
<b>Sponsoring Department:</b>	Finance		

**1. Purpose:**

- 1.1. To guide Members of Council and Administration in the reimbursement of expenses incurred while conducting business on behalf of the City.

**2. Definitions:**

<b>Administration</b>	An employee or contract employee of the City of Lloydminster.
<b>City</b>	The corporation of the City of Lloydminster.
<b>CFO</b>	Chief Financial Officer
<b>Executive Manager</b>	Includes the following positions: Chief of Staff, City Clerk, City Manager, Chief Financial Officer, Executive Manager Operations, and Executive Manager Community Development Services.
<b>Legitimate Business Expense</b>	An authorized expense incurred to acquire goods or services necessary for the provision of municipal services.
<b>Member of Council</b>	An individual elected pursuant to <i>The Local Government Election Act</i> (Saskatchewan) as a Member of Council.
<b>Pcard</b>	A City issued Purchasing Card.
<b>Receipts</b>	An itemized record identifying the goods or services acquired, cost, date of purchase, vendor name, vendor GST number, and any applicable taxes. The itemized receipt must be accompanied by proof of payment, such as credit card or debit card receipt.
<b>Reimbursement</b>	A payment made by the City to a Member of Council or Administration who has incurred an out-of-pocket expense for a Legitimate Business Expense.
<b>Supervisor</b>	The person who directly oversees a Member of Council or Administration.

<b>Supporting Information</b>	Records and/or a written explanation to sufficiently demonstrate the validity of an expense.
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### **3. Scope:**

- 3.1. This Policy applies to all Members of Council and Administration.

### **4. Reimbursements:**

- 4.1. Members of Council and Administration shall only submit claims for Reimbursement for a Legitimate Business Expense and are expected to demonstrate appropriate stewardship and accountability when incurring and/or approving expenses.
- 4.2. Expenses shall be reasonable, prudent, cost effective, and defensible to an impartial observer based on the Supporting Information provided.
- 4.3. Direct Supervisors shall be responsible to ensure that all claims for Reimbursements from their direct reports are for Legitimate Business Expense(s).
- 4.4. All claims for Reimbursement, except for meal per diems and incidental per diems, shall be accompanied by Receipts and Supporting Information that adequately demonstrate the validity of the expense by an impartial observer.
  - 4.4.1. If a Receipt cannot be provided by a Member of Council or Administration, the individual shall complete an affidavit to validate the expense and be eligible for Reimbursement subject to their Supervisor's approval.
  - 4.4.2. Other proof of payment, such as a bank statement, must accompany the affidavit.
- 4.5. Expenses must be managed in an expedient and efficient manner to facilitate timely and accurate financial and management reporting.
  - 4.5.1. All claims for Reimbursement shall be made within thirty (30) calendar days of the expense. Reimbursements submitted after thirty (30) calendar days may be made, subject to the approval of the CFO or delegate.

### **5. Purchase Payment Method:**

- 5.1. A Pcard is the preferred payment method for the purchase of Legitimate Business Expenses and should be used whenever possible in accordance with City policies and bylaws.

- 5.1.1. If a Member of Council and/or Administration do not have a Pcard, a personal payment method is required with expense reimbursement by the City.

## **6. Approval**

- 6.1. All claims for Reimbursement shall be submitted to the Member of Council's or Administration's direct Supervisor. Direct Supervisors are a key control in determining compliance and shall only authorize claims for Reimbursement in accordance with City policies and bylaws.
  - 6.1.1. When one expense is incurred for several members of Council and or Administration, it should be paid for by the most senior staff member in attendance.
  - 6.1.2. City-hosted events and meetings may be paid for by an Executive Assistant or Executive Coordinator.
  - 6.1.3. If the Supervisor is a direct beneficiary of the expense, then the claim for Reimbursement shall be submitted to a direct Supervisor at least one level higher.
- 6.2. Approved Reimbursements must be submitted to the Finance department who will appropriately review and issue payment.
- 6.3. The CFO or delegate will monitor Reimbursements for compliance may approve or deny any claim for Reimbursement.

## **7. Meals and Hosting**

- 7.1. An employee must obtain pre-approval from their direct Supervisor for meals and when hosting a business meal with other employees and/or external parties prior to making any arrangements. Depending on the request, approval may also be required at least one level higher.
  - 7.1.1. Receipts and Supporting Information, which shall include the business reason for the meal and the names and titles of all the person(s) in attendance when submitting the claim for Reimbursement.
  - 7.1.2. Tipping shall not exceed 20%.
- 7.2. Alcohol is considered a personal expense and is not eligible for reimbursement unless an exception has been pre-approved in writing by the City Manager, or, only in the following circumstances:
  - 7.2.1. Hosting dignitaries.
- 7.3. Meals for internal training for Members of Council and/or Administration shall not be considered a Legitimate Business Expense if a lunch break is provided.

- 7.3.1. Snacks for internal training may be provided if the session exceeds four (4) hours.
- 7.4. When travelling on City business or attending conferences, Reimbursements shall not be provided for expenses incurred for optional conference events and personal entertainment.
- 7.5. Notwithstanding section 7.4 above, work-related learning experiences that include an educational or learning opportunity or significant networking opportunity may be eligible for Reimbursement and shall be subject to a Supervisor's approval and the department's budget.
- 7.6. Expenses incurred if a spouse/partner accompanies a Member of Council and/or Administration on a business trip, conference, or event shall not be reimbursed unless an exception has been pre-approved in writing by the City Manager or when:
  - 7.6.1. An organized event explicitly extends an invitation in writing to include a spouse/partner. In this case, only the cost of the event ticket will be reimbursed.

## **8. Gift Cards**

- 8.1. Gift cards may only be purchased on a Pcard and shall only be considered a Legitimate Business Expense at the discretion of the City Manager or in the following circumstances:
  - 8.1.1. as a prize for a member of the public for competitions, programs, or events; and
  - 8.1.2. volunteer appreciation for members of the public.
- 8.2. Gift cards purchased personally shall not be eligible for Reimbursement.
- 8.3. Gift cards must be purchased in accordance with City policies and bylaws and stored appropriately until disbursed.

## **9. Clothing:**

- 9.1. Clothing shall only be considered a Legitimate Business Expense when it is provided as:
  - 9.1.1. a corporate gift;
  - 9.1.2. personal protection equipment; or
  - 9.1.3. as part of a uniform for a public facing employee.

**10. Personal Loyalty Rewards:**

- 10.1. Members of Council and Administration may not make purchases with the explicit intent of collecting personal rewards or loyalty points when incurring Legitimate Business Expenses.

**11. Penalty:**

- 11.1. Any member of Administration found to be in violation of this Policy may be subjected to a disciplinary action. Such action may be dependent upon the nature of the breach of this Policy; discipline may range from a verbal warning to dismissal with cause.
- 11.2. Any Member of Council found to be in violation of this Policy may be dealt with utilizing the "*Code of Conduct Bylaw*" or provisions of "*The Lloydminster Charter.*"

**12. Responsibility:**

- 12.1. City Council shall review and approve all policies.
- 12.2. Administration shall administer this Policy through the use of a supporting procedure.
- 12.3. Sponsoring Department shall be responsible for creating and amending a supporting procedure.