



Administrative Policy # 2019-01

Policy on Expense Reimbursement

1. Policy Statement:

- 1.1 This policy safeguards the appropriate use of municipal funds through the establishment of uniform standards and procedures respecting reimbursement of expenses incurred by Council members, the Chief Administrative Officer (“CAO”), and Town of Digby employees in relation to Town of Digby business.

2. Scope:

- 2.1. This Policy is applicable to all members of the Town Council, individuals appointed by Council as per the Citizen Appointment to Committees, Commissions and Boards Policy, the Chief Administrative Officer (“CAO”) and all Town of Digby employees being reimbursed of expenses incurred in relation to Town of Digby Business.

3. Signing Authorities:

- 3.1. The following are the Signing Authorities for the positions referred to, and shall be responsible for administering this policy with respect to the individuals in those positions:

Position	Signing Authority
Members of Town of Digby Council Town of Digby Directors and Department Heads	CAO and Mayor or Deputy Mayor
CAO	Any two of the following Mayor, Deputy Mayor or Executive Committee Member
Town of Digby Employees	Immediate Supervisor and CAO

- 3.2 A Signing Authority may designate a second signing authority. The designation of a secondary signing authority shall be in writing and shall state the name and position of the designate.
- 3.3 A Signing Authority is prohibited from authorizing expenses incurred on their own behalf.

4. Individual Responsibilities:

- 4.1. Everyone who incurs an expense in relation to Town of Digby business is responsible for:
 - 4.1.1. familiarizing themselves and complying with the provisions of this policy;
 - 4.1.2. completing and submitting expense claims with necessary supporting documentation;
 - 4.1.3. exercising reasonable diligence and care in incurring expenses prudently and responsibly; and
 - 4.1.4. with respect to travel, cancelling reservations as required, safeguarding travel advances and funds provided, and considering alternatives to travel such as teleconferencing and videoconferencing.

5. Permitted Expenses:

- 5.1. Subject to and in accordance with this policy, the following expenses incurred by a member of Council, the CAO or a Town of Digby employee are eligible for reimbursement:
 - 5.1.1. Authorized travel within Nova Scotia, including transportation, accommodation and meal costs;
 - 5.1.2. Pre-approved out-of-province travel, including transportation, accommodation and meal costs;
 - 5.1.3. Pre-approved training or continuing education costs.

6. Authorized Travel:

- 6.1. Council members shall be reimbursed in addition to any allowance for expenses incidental to the discharge of the duties of such persons as elected officers pursuant to the Town of Digby Council Remuneration Policy for the reasonable expenses incurred in attending:
 - 6.1.1. Conferences and professional development opportunities in accordance with the Town of Digby Conference & Professional Development Policy.
 - 6.1.2. Council and Committee of Council meetings;
 - 6.1.3. A meeting of any Board, Commission, Committee or other organization to which the Council member has been appointed by Council, except that no reimbursement shall be provided by the Town of Digby if the Council member is entitled to reimbursement of expenses directly from the applicable organization;
 - 6.1.4. in the case of the Mayor and Deputy Mayor, attendance at functions, meetings or conferences involving less than \$ 100.00 in reimbursable expenses in respect of which one or more municipal representatives has been invited or requested or would otherwise reasonably be expected to attend, unless Council has specifically directed the Mayor or Deputy-Mayor not to attend;
 - 6.1.5. in the case of a Councillor, attendance on behalf of the Town of Digby at a function identified in the previous subsection of this policy, involving less than \$ 100.00 in reimbursable expenses provided that such attendance is either:
 - 6.1.5.1. at the request of the Mayor or Deputy Mayor to attend in lieu of the Mayor or Deputy-Mayor;
 - 6.1.5.2. at the request of the Mayor or Deputy Mayor to attend as a Councillor which has a special interest in, or connection with the subject of the meeting or conference or because of special knowledge and experience of the Councillor relative to the subject of the meeting or conference.
 - 6.1.6. A training or continuing education event in accordance with the provisions of this policy concerning training and education.

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- 6.2. The CAO, including an employee of the town delegated any of the responsibilities or powers of the CAO pursuant to subsection 29(b) of the Municipal Government Act, shall be reimbursed for the reasonable expenses incurred in attending:
 - 6.2.1. Conferences and professional development opportunities in accordance with the Town of Digby Conference & Professional Development Policy.
 - 6.2.2. Meetings or conferences at which the CAO's attendance is authorized or is requested by Council;
 - 6.2.3. Attendance at any Council or Committee of Council meeting;
 - 6.2.4. Attendance at a meeting of any Board, Commission, Committee or other organization to which the CAO has been appointed by Council, except that no reimbursement shall be provided by the Town of Digby if the CAO is entitled to reimbursement of expenses directly from the applicable organization;
 - 6.2.5. Attendance at functions, meetings or conferences involving less than \$ 100.00 in reimbursable expenses in respect of which one or more municipal representatives has been invited or requested or would otherwise reasonably be expected to attend, unless Council has specifically directed the CAO not to attend; and
 - 6.2.6. A training or continuing education event in accordance with the provisions of this policy concerning training and education.
- 6.3. An employee of the Town of Digby shall be reimbursed for the reasonable expenses incurred in attending:
 - 6.3.1. Meetings or conferences at which the employee's attendance is authorized or is requested by the CAO;
 - 6.3.2. Attendance at any Council or Committee of Council meeting;
 - 6.3.3. Attendance at a meeting of any Board, Commission, Committee or other organization to which the employee has been appointed, except that no reimbursement shall be provided by the Town of Digby if the employee is entitled to reimbursement of expenses directly from the applicable organization;

- 6.3.4. attendance at functions, meetings or conferences involving less than \$ 100.00 in reimbursable expenses in respect of which one or more municipal representatives has been invited or requested or would otherwise reasonably be expected to attend, unless the CAO has specifically directed the employee not to attend; and
- 6.3.5. At a training or continuing education event in accordance with the provisions of HR Policy # 2014-03 Training and Professional Development

7. Out of Province Travel Authorization:

- 7.1. All requests for out-of-province travel shall be made in writing and shall contain the following information:
 - 7.1.1. the purpose and duration of the trip;
 - 7.1.2. the location(s) to be visited;
 - 7.1.3. the dates and times of arrival and departure;
 - 7.1.4. any pre-paid transportation, meals, or accommodation; and
 - 7.1.5. any other anticipated expenses.
- 7.2. All requests for out-of-province travel by Council members shall be reviewed by the CAO and Mayor, who shall consider the necessity for travel based on the information provided.
- 7.3. When two or more out-of-province travel requests are made by Council members for the same purpose, the CAO in discussion with the Mayor shall determine the appropriate number of persons necessary to represent the Town of Digby.
- 7.4. All requests for out-of-province travel by the CAO shall be reviewed by the Mayor, who shall follow the same guidelines established for Council members.
- 7.5. All requests for out-of-province travel by Town of Digby employees shall be reviewed by the CAO, who shall follow the same guidelines established for Council members.
- 7.6. If a request for out-of-province travel is approved, and the Claimant (not the Town of Digby) pays all or some of the expenses for the travel, the Claimant will be eligible for reimbursement of those expenses after submitting an expense claim in accordance with this policy.

8. Training & Professional Development:

- 8.1. If the Town of Digby has established a training and professional development budget expense item, a member of Council, or the CAO, may apply to the applicable Signing Authorities in advance for approval to incur expenses out of this budget for training or education, provided that:
 - 8.1.1. the request is made in writing, and includes an estimate of all costs that will be incurred, including the course or enrollment fee and all required transportation, accommodation and meal costs;
 - 8.1.2. the training or education course, meeting or conference, is related to municipal government;
 - 8.1.3. in the case of a Council member, the course, meeting or conference is completed prior to the next municipal election date;
 - 8.1.4. the budget for training and education for the year has not been exhausted and would not be exceeded by authorizing the request;
 - 8.1.5. the Claimant shall reimburse the Town of Digby for the cost of all or, alternatively the pro-rated cost of a portion, of any enrollment fees in the event of failure to attend all, or alternatively some, of the event without reasonable justification; and
 - 8.1.6. A brief written summary is provided by the Claimant describing the nature and benefits of the training and education at the time of submitting an expense claim for reimbursement.
- 8.2. If both applicable Signing Authorities approve an application to incur expenses in relation to training or education, and the Claimant (not the Town of Digby) pays all or some of the pre-approved expenses, the Claimant will be eligible for reimbursement of those expenses after submitting an expense claim in accordance with this policy.
- 8.3. Training and Professional development opportunities and requests of an employee of the Town of Digby shall be in accordance with the Human Resources Training and Professional Development Policy.

9. Limits on Reimbursement of Expenses:

- 9.1. Notwithstanding any other provision of this Policy, the following limits shall apply to the reimbursement of expenses:

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- 9.1.1. A Claimant shall only be reimbursed for costs that they have incurred;
- 9.1.2. The expenses of a Council member for political activity associated with election or re-election is not reimbursable by the Town of Digby;
- 9.1.3. Airplane travel shall be booked by Town of Digby staff or shall only be reimbursed at the lowest rate which would have been available if Town of Digby staff had booked the airfare;
- 9.1.4. Hotel accommodations shall not exceed the cost of a standard room, double occupancy, except when hotel accommodation has been booked by Town of Digby staff for out of province hotels. Hotel upgrades shall be at the personal expense of the Claimant unless there are ergonomic necessities attributable to physical requirements including, but not limited to, wheel chair accessibility;
- 9.1.5. Reimbursement of only one personal long-distance phone call shall be permitted for each night of overnight travel;
- 9.1.6. Reimbursement for meals shall not exceed the per diem meal amounts set out in this policy, except in the case of out of province travel, in which event the applicable Signing Authorities may authorize reimbursement of meal expenses to a comparable standard;
- 9.1.7. The cost of any alcoholic beverages shall not be reimbursed;
- 9.1.8. Fees, deposits, interest and surcharges incurred on a personal credit card shall not be reimbursed;
- 9.1.9. When personal and Town of Digby travel is combined, only documented expenses directly related to the Town of Digby portion are reimbursable. Extended travel time and related expenses are at the traveler's own expense;
- 9.1.10. Reimbursement shall not be provided for loss of personal effects; for medical and hospital treatment; for the purchase of luggage, clothing and other personal equipment; or for personal services such as shoe shines, valet services, dry-cleaning, laundry, haircuts and other personal services;
- 9.1.11. There shall be no reimbursement of travel and related expenses for individuals other than those identified in section 1.1 of this policy;

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9.1.12. There shall be no reimbursement for travel by a council member within the town of Digby.

10.Travel Advances:

10.1. Advances are intended to cover out of pocket expenses incurred during travel. The following limits shall apply to the use of advances:

10.1.1. all advances must be approved by the CAO;

10.1.2. advances will only be issued where an overnight stay is required;

10.1.3. advances will not be made for less than \$200;

10.1.4. the CAO must not approve an advance unless the CAO is satisfied that there is a reasonable need for the advance;

10.1.5. upon completion of the travel for which an advance has been made, the recipient must complete an expense claim in relation to the travel costs that reconciles the amount of the advance with the actual reimbursable expenses incurred. The recipient must repay any part of the advance owing to the Town of Digby within 10 days of completing the travel.

11.Use of Town of Digby Credit Cards:

11.1. The following limits shall apply to the use of Town of Digby credit cards:

11.1.1. Town of Digby credit cards shall only be used for expenses that are permitted under this policy, and without limited the generality of the foregoing, shall not be used for cash advances or personal expenses or meals;

11.1.2. Reimbursement for interest incurred on a Town of Digby credit card is prohibited.

12.Per Diem Meal Allowances:

12.1. For each day or part day of authorized travel, the Claimant shall be paid a meal allowance for each meal for which the Claimant is required to pay in the amounts of :

Breakfast	\$20.00
Lunch	\$20.00
<u>Dinner</u>	<u>\$45.00</u>

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Maximum per diem \$85.00

This allowance includes gratuities and taxes.

- 12.2. Claimants will not be reimbursed for any meals that are provided as part of a conference or training seminar/workshop, since payment for these meals are included in the payment of the registration fee for the conference or training seminar/workshop. Employees will not be reimbursed for any meals that are included in the accommodation costs (i.e. continental breakfasts).
- 12.3. Claimants whose religious beliefs or medical requirements prohibit them from consuming certain foods should be aware that appropriate meals can normally be obtained from caterers, provided that adequate notice of a special requirement is given. Should special dietary requirements negate the ability to participate in a meal that is provided free of cost, and as a result the claimant must pay for a meal, the claimant shall be paid a meal allowance for that meal.

13. Kilometrage:

- 13.1. Kilometrage will be reimbursed at the prevailing rate per kilometer paid by the Province. Kilometrage is to be calculated as the distance from the Councillors home, or the employee's office and return to the office, or from and return to the Councillor or employee's home, whichever is less. When two or more council members or employees do travel together, car expenses will be paid to the employee whose vehicle is used.
- 13.2. Where several Council members, the CAO, and/or employees of the Town of Digby, or any combination thereof, attend the same meeting, conference or function, each shall make reasonable efforts to share a vehicle.
- 13.3. Expenses to rent a car are not eligible for reimbursement unless previously approved by the employee's director or CAO.
- 13.4. Council Members or employees using their personal vehicles for Town business are required to provide evidence of personal auto liability insurance in the amount of one million dollars (\$1,000,000). In the event of an accident, the owner of the vehicle will be the person responsible for the damage claims of passengers and others who suffered damages in the accident up to \$1,000,000. In the event the damages exceed \$1,000,000, the Town's Non-Owned Automobile insurance policy will cover the remaining amount of damages awarded to a maximum of The Town of Digby's Coverage Limit.

14. Vehicle Rentals:

- 14.1. The cost of rental of a vehicle shall be a reimbursable expense in instances where:
 - 14.1.1. reasonable ground transportation services such as public transit, taxis or hotel shuttles are unavailable; or
 - 14.1.2. two or more Council members, the CAO, and/or employees of the Town of Digby, or any combination thereof, are traveling together, and it is more economical than the combined cost of other reasonable ground transportation.
- 14.2. Compact, economical vehicles must be used unless three or more persons are travelling together, the bulk or weight of goods being transported necessitates a larger vehicle, or a compact, economical vehicle is unavailable.
- 14.3. For the protection of the Claimant and the Town of Digby, Claimants must ensure that adequate insurance (collision, comprehensive and third-party liability insurance) is in place for all drivers by either renting the vehicle using a personal credit card with an insurance option, or by purchasing a policy from the rental agency. The applicable deductible must be the lowest available given the coverage described above.

15. Expense Claims:

- 15.1. Expense claims must be submitted on the form provided from time to time by the Town of Digby and shall be signed by the Claimant.
- 15.2. The business reason for each expense must be submitted with all expense claims and a detailed itemized receipt is required for all expense claims except:
 - 15.2.1. claims for per diem meal allowances;
 - 15.2.2. claims for personal vehicle kilometrage for authorized travel.
- 15.3. If no receipt is available, a written attestation signed by the Claimant must be submitted to explain why the receipt is unavailable, and a description itemizing and confirming the expenses must be provided. Debit or credit card transaction records are not acceptable as receipts.
- 15.4. Expenses incurred by one individual on behalf of another must be attributed to the individual for whom those expenses were incurred.

- 15.5. No expense claim shall be paid unless the claim is first approved for payment by two Signing Authorities who have authority to approve the claim. Before approving an expense claim, a Signing Authority must ensure that:
- 15.5.1. the claim is consistent with this policy;
 - 15.5.2. the expenses claimed were necessarily incurred in the performance of municipal business;
 - 15.5.3. appropriate receipts are provided to support the claim, and the claim documentation is appropriately filed;
 - 15.5.4. the expenses claimed have appropriate justification; and
 - 15.5.5. all requirements, as determined by the Town of Digby Audit Committee, have been fulfilled.
- 15.6. In considering an expense claim for payment, a Signing Authority may request additional explanations, documentation or justification from the Claimant, and may refuse to approve any claim or expense that the Signing Authority decides is unreasonable or not in compliance with this policy.
- 15.7. The use of petty cash to pay an expense claim is prohibited.

16. Timeframe:

- 16.1. A claim for reimbursement of an expense shall be submitted for approval within thirty (30) days of the expense being incurred.
- 16.2. Expenses must be submitted in and charged to the year in which they occurred. Expenses cannot be carried forward to future years.
- 16.3. Claimants who charge for goods or services in a fiscal year must have received the goods or services from the vendor in that fiscal year.

17. Fraud, Misuse or Misappropriation of Municipal Funds:

- 17.1. Fraudulent irregularity, misuse or misappropriation of Town of Digby funds may result in disciplinary action up to and including termination of employment.

- 17.2. Suspicious activity and potential misuse of funds must be reported as per HR Policy # 2014-12 Respectful Workplace and/or HR Policy # 2016-03 Employee Conduct and Progressive Discipline Policy.

18. Reporting Requirements:

- 18.1. Pursuant to section 65A of the Municipal Government Act, the CAO shall ensure that the Town of Digby does the following:
- 18.1.1. Within 90 days of the end of each fiscal quarter, prepares and posts an expense report on the Town of Digby website for the Mayor, CAO (including an employee of the Town of Digby delegated any of the responsibilities or powers of the CAO pursuant to subsection 29(b) of the Municipal Government Act) and each member of Council on their expenses regarding the following:
 - 18.1.1.1. Travel and travel related expenses, including transportation, accommodation and incidentals;
 - 18.1.1.2. Meals;
 - 18.1.1.3. Training and education.
- 18.2. By September 30th of each year, prepares and files with the Minister of Municipal Affairs an annual summary report that summarizes the expense reports for the preceding fiscal year, which is compliant with the requirements of the Department of Municipal Affairs and the requirements set out in the Financial Reporting and Accounting Manual.

19. Review Requirements:

- 19.1. The Town of Digby Audit Committee shall review the expense annual summary report by October 31st of each year.
- 19.2. By the January 31st immediately following a regular election held under the Municipal Elections Act, Council shall review this policy and, following a motion by Council, either re-adopt the policy or amend the policy and adopt the policy as amended.

20.Repeal

- 20.1. This policy hereby repeals and supersedes the Town of Digby Administrative Policy # 2016-002 Travel Expense Policy

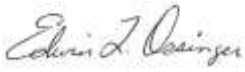
Clerk's Annotation for Official Policy Book

Date of Notice: December 17, 2018

Date of adoption: January 7, 2019

Policy effective date: January 1, 2019

I certify that this Administrative Policy # 2019-01 Policy on Expense Reimbursement was adopted by Council as indicated above.



Clerk

January 8, 2019

Date