

# PhysSec Education

## Policy on the Administration of Expense Claims

### 0.0 General

#### 0.1 Purpose

The purpose of this policy is to set out guidelines on which expense requests should be approved, processes required to have an expense reimbursed, as well as set out reasonable time limits to provide accounting clarity.

#### 0.2 Definitions

0.2.1 “Organisation” or “the organisation” means PhysSec Education.

### 1.0 Expenses

#### 1.1 Acceptable Expenses

##### 1.1.1 Prior Approval Required

Except otherwise specified in this policy, all expenses must be approved in the following ways:

- a. In writing by a director for expenses less than 5000 Canadian Dollars but greater than or equal to 50 Canadian Dollars.
- b. In writing by the Board of Directors or a committee established by it, subject to restrictions in this policy, for expenses greater than or equal to 5000 Canadian Dollars.

##### 1.1.2 Appeals and Overruling

Prior approvals provided or rejected by a director in accordance with paragraph 1.1.1 may be overruled by the Board of Directors.

#### 1.2 Advance Payments

- 1.2.1 The Board of Directors or a committee established by it subject to restrictions in this policy may, from time to time, approve an expense to be paid in advance.
- 1.2.2 The advance payment may not be issued to the member more than 30 days in advance, and any unused funds must be returned within 30 days of the purchase along with a receipt of purchase.

### 2.0 Approval and Reimbursement Requests

#### 2.1 Prior Approval Requests

- 2.1.1 Prior approval of expenses may be requested and provided in accordance with paragraph 1.1.1 over written communications. The member providing the approval is responsible for ensuring the approval is properly documented by providing proof of the approval to the Treasurer of the organisation.
- 2.1.2 Prior approval of expenses may be requested and provided in accordance with paragraph 1.1.1 during an official meeting. For the purposes of this policy, verbal requests and approvals during structured discussion or as a motion in an official meeting are considered to be in writing, as they will be reflected in the minutes of that meeting. The Compliance Director is responsible for properly documenting the approval when it is provided in accordance with this paragraph.

2.1.3 Prior approval of expenses may be requested and provided in accordance with paragraph 1.1.1 using an electronic means as approved by the Board of Directors.

## **2.2 Documenting Prior Approvals**

The Compliance Director must document all written prior approvals in a manner they determine. The following information must be kept for the same period as records relating to taxes:

- a. The person requesting prior approval
- b. The person or persons providing prior approval
- c. Results of any votes taken on the issue
- d. Date the prior approval is provided
- e. The amount for which the prior approval is provided
- f. Whether an advance payment is approved, and if so, when the advance payment will be provided

## **2.3 Reimbursement Requests**

2.3.1 Reimbursement requests must be submitted by completing and transmitting to the Compliance Director the specified form containing the following information:

- a. Name of the member requesting reimbursement
- b. Date the form is being submitted
- c. The method of payment preferred (cheque or e-transfer)
- d. Name of the person the reimbursement is payable to
- e. The email address of the person the reimbursement is payable to, if e-transfer is preferred
- f. Which budget category the funds were spent for
- g. The specific use of the funds
- h. An itemised list of receipts being submitted, each line containing
  - i. A short description of what is on the receipt
  - ii. Before-tax amount for that receipt
  - iii. Taxes paid for that receipt (specify whether the tax paid is Canadian, US, or other)
    - i. Total dollar amount for the receipts
    - j. Dollar amount for any other expenses not included elsewhere
    - k. Grand total requested
    - l. Copies or originals of all receipts

2.1.2 Reimbursement requests may be made and approved using an electronic means as approved by the Board of Directors.

## **2.4 Approval of Reimbursement Requests**

2.4.1 Reimbursement requests must be approved by at least two directors. The member requesting reimbursement or any member(s) the reimbursement is payable to may not be one of those two directors.

2.4.2 Decisions of the directors on this regard may be overruled by the Board of Directors.

## **2.5 Documenting Reimbursement Requests**

- 2.5.1 The Compliance Director shall be responsible for ensuring that all approved reimbursement requests are kept for the same period as records relating to taxes.
- 2.5.2 The approved reimbursement request must be filled out completely, and bear the signature of the two approving directors.
- 2.5.3 If an electronic system was used to approve the request, the requirement in the preceding paragraph regarding signatures may be met by any method legally permissible as an electronic signature at the time the expense is approved.
- 2.5.4 If the reimbursement was provided by cheque, the reimbursement request must also bear the cheque number and date.

## **2.7 Providing Reimbursement**

- 2.7.1 No one person may be reimbursed for expenses totalling over 50 CAD in a period of 30 days may be reimbursed through petty cash.
- 2.7.2 When a completed and approved reimbursement request is provided to the Treasurer by a member, they must provide reimbursement to the member as soon as possible.

## **2.8 Timeliness**

- 2.8.1 Reimbursement requests must be submitted within 30 days of the day the expense occurred. Members waive their right to be reimbursed after this deadline, notwithstanding any prior approvals for the expense.
- 2.8.2 The deadline specified in paragraph 2.5.1 may be adjusted or waived by the Board of Directors or the two approving directors specified in subsection 2.2 on a case by case basis.
- 2.8.3 When the deadline is adjusted or waived, care must be taken to ensure preferential treatment is not given to any member or members.

## **3.0 Petty Cash**

- 3.1 A petty cash fund shall be established in Canadian Dollars and US Dollars
- 3.2 Each petty cash fund shall start at and be kept at no more than 300 dollars in their respective currencies.
- 3.3 The Compliance Director shall be the custodian of the petty cash funds.
- 3.4 At the end of each financial year, or in the event the petty cash fund drops below 50 dollars in its respective currency, a cheque shall be issued to the Treasurer to return the funds to the starting amounts.

## **4.0 Committee on Reimbursements**

- 4.1 The Board of Directors may create a committee to consider prior approval requests on its behalf.
- 4.2 This committee must have at least 3 members.
- 4.3 This committee cannot be considered to have a quorum unless at least 3 of its members are present, as well as all other requirements for having quorum being fulfilled.

## **5.0 CRA Vehicle Reimbursement Rates**

- 5.1 The rate specified in the Policy on Expenses for use of a vehicle, not including gas costs, shall be periodically updated to match the rate that the Canada Revenue Agency charges as a taxable benefit for personal use of a company vehicle.
- 5.2 The rate specified in the Policy on Expenses for use of a vehicle including gas costs, shall be periodically updated to match the rate that the Canada Revenue Agency allows to be reimbursed tax-free for use of a personal vehicle for business purposes.
- 5.3 When the CRA's rate differs from the values written into the Policy on Expenses, the Policy shall govern.

#### **5.0 Transitional**

- 5.1 Upon the adoption of this policy, the organisation's Odoo instance available at [odoo.physsec.org](http://odoo.physsec.org) is approved as an electronic means for the purposes of paragraph 2.1.3 and paragraph 2.3.2, when read at the time of the adoption of this bylaw.
- 5.2 Despite paragraph 2.8.1, expenses already incurred prior to the adoption of this bylaw may be submitted until 30 days after the adoption of this policy.