



EMPLOYEE EXPENSE REIMBURSEMENT POLICY AND PROCEDURES

Purpose

To establish a policy that sets out procedures for a uniform method for approval, payment and accounting of reimbursements to employees for legitimate business-related expenses.

Scope

This policy covers all employees, elected officials, and appointed officials of the Town of Carlisle. The term employee will be used throughout the policy for all covered under the policy.

Procedures

Town employees are encouraged to identify and have the Town prepay all expenses (e.g., plane tickets, hotel accommodations, conference fees). In addition, Town employees are encouraged to have expenses (e.g., office supplies) directly billed to the Town. The Town has accounts set up with multiple vendors to minimize out of pocket expenses incurred by employees.

Employees are expected to secure approval from their department manager and/or the Superintendent of Schools for school employees or the Town Administrator for town employees prior to incurring business-related reimbursable expenses.

For certain town non-union employees, they may receive approval to use their discretion before incurring business-related expenses and may not be required by management to secure pre-approval for each expense. These approvals must be made in writing by the Town Administrator for town employees and be filed with the Town Accountant's Office.

1. Procedures for requesting and receiving reimbursement are as follows:
 - a) The employee completes the employee expense reimbursement form
 - Name: Enter your name
 - Occurrence Date: Enter the date(s) when the expenses were incurred.
 - Purpose: Enter purpose for incurring expense.
 - Expenses: Complete the expense portion of the form. (Refer to the "Covered Expenses" portion of this policy, for reimbursement specifics).

- Mileage: Complete this section by listing the total business-related mileage; Cents/Mile IRS/ Union Agreement allowable amount multiply the number of miles times the cents per mile to equal total amount due.
- b) The employee attaches all original receipts to the employee expense reimbursement form. When an employee pays by personal check, a copy of the canceled check must also be attached to the reimbursement form. When the employee uses his/her credit card, the customer copy of the credit card receipt and a copy of the credit card statement showing the charge must also accompany the employee expense reimbursement form.
 - c) Employee signs and dates the employee expense reimbursement form and submits it to department manager or assigned representative for approval. Reimbursement requests must be submitted no later than one month after the expenses have been incurred.
 - d) The department manager reviews the employee expense reimbursement form and the attachments to ensure that the expenses are business-related and fall within the policies set forth by the Town prior to signing the form. If questionable expenses are included on the form, the department manager should ask the employee for clarification, gaining mutual agreement whether the expense falls within the Town definition or reasonable, reimbursable expenses. Approval is deemed given once the department manager signs and dates the form.
 - e) The department manager submits the employee expense reimbursement form to the town accountant with the Schedule of Bills Payable so that the employee can receive reimbursement of the business-related expenses in a timely manner.

The following expenses are considered reasonable employee reimbursable expenses:

a) Business Mileage

The definition of business mileage includes mileage incurred with a personal vehicle as part of business travel. If the person is traveling from their home to an outside business location during a regularly scheduled workday, only the mileage incurred more than their normal commute to the town office is reimbursable. Reimbursement will be made for the actual business travel at the current IRS rate per mile or the amount set in the collective bargaining agreement of your union. Employees must log their origination point and destination point on the reimbursement form.

For certain employees that regularly use their personal vehicle to drive in and around Carlisle, the Town of Carlisle will authorize a monthly mileage stipend. Authorization for monthly stipends and all stipend amounts will be reviewed annually and verified by the Human Resources Director, the Town Accountant and the Town Administrator

b) In-State Travel expenses

Employees will be reimbursed for in-state travel related expenses only when the travel has

been approved in advance by the department manager.

c) Out-of-State Travel expenses

All out-of-state travel must be approved in advance by the Town Administrator or the Superintendent of Schools.

d) Business travel requiring overnight accommodations

The Superintendent of Schools must give prior approval to school employees and the Town Administrator for town employees before any travel outside of the normal business area is incurred. Expenses incurred for hotel/motel/etc. accommodations whenever overnight travel is required will be reimbursed for actual expenses incurred. Employees are expected to stay at "average rate" facilities utilizing a conference rate or a group rate when available. Employees will not be reimbursed for "wet bar" expenses incurred in their room. An itemized hotel/motel receipt is required as documentation for all overnight accommodation reimbursement requests.

e) Air Transportation

Employees are expected to secure the lowest available fares for airplane, train, or other vehicle transportation. Airplane travel should be at economy, coach, or other lower travel rates. The employee will be reimbursed for actual out-of-pocket expense and receipts must be attached to the expense reimbursement form. Airport parking and/or shuttle fees are reimbursable if receipts are submitted.

f) Rental Cars

Employees are expected to use the most reasonable transportation services available to them. Rental cars should be limited to mid-class or smaller vehicles, unless the number of persons attending requires a larger vehicle. Receipts must be attached to the employee reimbursement form.

g) Business Meals, luncheons

The Town will reimburse employees for approved business meals. This definition includes meals during trainings, conferences, or any approved function. Approval must be received by the department manager for in-state travel and by the Superintendent of Schools for school employees and the Town Administrator for town employees for out-of-state travel. Reimbursement will not be made for alcoholic beverages. Employees are expected to limit meals to a reasonable expense amount and should not include "high priced specialty meals." Reimbursement will be based on actual expense incurred but not to exceed the U.S. General Services Administration per diem rate for the business meal location or the amount set in the collective bargaining agreement of an applicable union. Employees are expected to use reasonable discretion in their selection of menu items, whether via room service or in other dining facilities. Itemized receipts must be attached to the expense reimbursement form.

h) Business and Office Supplies

The employee must have the department manager's approval to incur expenses of this nature BEFORE any expenses are incurred. Itemized receipts must be attached to the employee expense reimbursement form for all purchases of this nature. The Town has accounts at a variety of businesses and office supply vendors and encourages staff to use these vendors first, if possible.

i) Training

Approved training that is not prepaid by the Town will be considered a reimbursable business expense. Receipts must be attached to the employee expense reimbursement form.

j) Postage

Special postal services or delivery services not available in the Town or which require immediate off site service that is business-related will be reimbursed to the employee. Receipts must be attached to the employee expense reimbursement form.

k) Business-Related Expenses for Other Miscellaneous Items

From time to time other business-related expenses may be incurred that are not listed in this policy, such as parking, road tolls or fees, use of rental equipment, or use of a taxi service. The employee must secure prior approval from his/her department manager before incurring such an expense. The employee will be reimbursed for actual business-related expenses. Receipts must be attached to the employee expense reimbursement form.

2. Non Reimbursable Expenses

The following expenditures incurred by an employee in the course and scope of their duties shall not be reimbursed:

- a) Massachusetts sales tax
- b) Alcoholic beverages including liquor, beer and wine
- c) Flowers and gifts for employees or others
- d) Gift Cards
- e) Charitable contributions
- f) Political contributions
- g) The personal portion of any trip
- h) Family expenses, including those of a partner when accompanying employee on Town business, child or pet care
- i) Entertainment expenses, including theatre, shows, movies, sporting events, sightseeing tours, golf, spa treatments, etc.
- j) Non-mileage personal automobile expenses including repairs, insurance, gasoline, traffic citations
- k) Personal losses incurred while on Town business

- l) Expenses paid for by any other organization
- m) Valet services
- n) Mileage while traveling as a passenger in a privately owned car
- o) Personal travel insurance
- p) Medical or hospital expenses
- q) Theft, loss or damage to personal property while on Town business
- r) Personal toilet articles, postage, reading material, personal telephone calls while on Town business

3. Employee Misconduct

Disciplinary or corrective action should be taken whenever it is determined that an employee falsified an employee expense reimbursement form or failed to pay their bill after the Town reimbursement.

When it has been determined that an employee has knowingly and purposefully falsified an employee expense reimbursement form, the Town may take disciplinary action up to and including termination.

If the employee has violated a local, state or federal law, proper authorities will be contacted.

4. Exceptions to Policy

Exceptions to this policy may be approved by the Town Administrator or the Superintendent of Schools. Exceptions should be made in writing and attached to the employee expense reimbursement form.

EFFECTIVE DATE

This policy was adopted in May 2024

This policy was revised in November 2024.