

CATHEDRAL HIGH SCHOOL BUSINESS EXPENSE REIMBURSEMENT AND CREDIT CARD POLICY

POLICY OVERVIEW

PURPOSE

This document establishes procedures and provides guidelines for Cathedral Employees incurring business expenses, including meals, travel and entertainment expenses, while developing the concept of *Best Practices*. This Employee Business Expense Reimbursement and Credit Card Policy applies to all Cathedral Employees. Specific departments may, at their discretion, impose greater control than required by this policy but never less.

STATEMENT OF GENERAL POLICY

It is recognized that, for many Employees, business expenses, including meals, travel and entertainment expenses are incurred in order to further business objectives. Employees are expected to be conservative in their spending, while Supervisors are expected to be diligent in their review. Policies and guidelines are necessary to meet audit requirements, and are intended to justify reimbursable expenses incurred by Employees. In general, Cathedral business expenses should be governed by what is reasonable and appropriate to the business purpose involved.

RESPONSIBILITY AND ENFORCEMENT

Cathedral Employees are responsible for complying with the Business Expense Reimbursement and Credit Card Policy. The approver (Supervisor) is responsible for accurately reviewing expense reports (both Monthly Credit Card Expense Report and Employee Expense Reimbursement Forms) for compliance. Cathedral will reimburse Employees for all reasonable and necessary business expenses. Cathedral will authorize the use of Cathedral-issued Credit Cards for designated Employees, provided Employees adhere to the policy. Cathedral assumes no obligation to reimburse Employees for expenses that are not in compliance with this policy.

Employees who do not comply with this Policy will be subject to:

- Delay or withholding of reimbursement
- Reimbursement of unapproved Cathedral Credit Card purchases
- Suspension or cancellation of Cathedral Credit Cards
- Disciplinary action

CATHEDRAL CREDIT CARD USE

Cathedral credit cards are the sole property of Cathedral Trustees, Inc. Only allowable business expenses are to be charged to a Cathedral Credit Card. No personal charges are permitted. All Cathedral Credit Card purchases should be within the user's departmental budget.

PLEASE DO NOT ALLOW ANYONE TO USE YOUR CATHEDRAL CREDIT CARD

EXPENSE REPORTING AND AUDIT REQUIREMENTS

GENERAL INFORMATION

Business Expense Reimbursement Forms filed on a timely basis with itemized and substantiated receipts, and in compliance with other requirements established in this Policy, are conditions for reimbursement.

Business Expense Reimbursement Forms must be legible, prepared in ink or typewritten, must provide appropriate documentation and be complete with explanations of the specific business purpose of any entertainment or business development expense.

Expense reports not properly completed and/or not approved will be returned unprocessed to either the Employee or the Employee's Supervisor. *See Attachments #1 and #2 for Monthly Credit Card Expense Report and Business Expense Reimbursement Forms.*

APPROVAL

In all cases, "one over one" approval is required prior to reimbursement of these expenses. In order to maintain appropriate "one over one" approval, the senior Employee present should always incur any joint expenses.

ACCEPTABLE RECEIPTS

An original receipt must be submitted with the expense report for any business expense of \$5.00 or more. The following receipts are acceptable:

- Original receipt completed by the vendor
- Employee's copy of Credit Card receipt
- Employee's personal Credit Card billing statement

UNACCEPTABLE RECEIPTS

The following receipts are not acceptable:

- Restaurant tear tabs
- Photocopies, unless accompanied by a full explanation

LOST OR UNOBTAINABLE RECEIPTS

If a receipt is lost or unobtainable, a written explanation must be provided, except in the case of parking meters.

PERSONAL MEALS/BUSINESS MEALS/ENTERTAINMENT

GENERAL INFORMATION

Personal meals are defined as meal expenses incurred by the Employee when dining on an out-of-town business trip. General guidelines for personal meal reimbursement are as follows: Breakfast (\$15.00), Lunch (\$20.00), and Dinner (\$40.00). Total meal expenses should not exceed \$75.00 per day. Meal expenses should be reasonable, appropriate, and supported by a receipt. Cathedral will not reimburse Employees beyond reasonable limits when, for personal reasons, they elect to visit more expensive restaurants.

Business meals are taken with Donors, Donor Prospects, or Employees during which a specific business discussion takes place. Meals will be reimbursed according to actual and reasonable cost up to the maximum allowed. In certain business circumstances, meals may also be purchased for other Cathedral Employees. The bill is paid by the most senior member of management present.

Tip for meals. As a general rule, Employees should tip 15%, and must be included on meal receipts in order to be reimbursed. Any tips considered excessive will not be reimbursed.

Entertainment is defined as attending events, i.e., sporting, music or theater, for the benefit of Cathedral's constituents. Such expenses are reimbursable only if they are directly related to the active conduct of business, or when directly preceding or following a business discussion, or are necessary to accomplish Cathedral business.

Persons entertained by Cathedral Employees must have an actual or potential business relationship with Cathedral. Entertainment expenses include events such as music, theater and sporting events, whereby a business discussion that would benefit Cathedral takes place immediately before, during or immediately after the event.

The following entertainment expense examples are reimbursable **only** when approved by a Supervisor in advance, and must be supported by a receipt:

- Concert and theater tickets
- Sporting event tickets

In addition, for business meal and entertainment expenses, the following documentation is required by our auditors, and must be recorded on the expense report:

- Names of individuals present
- Name of restaurant and/or event
- Date and exact amount of the expense
- Specific business topic discussed

NOTE: Entertainment of other Employees or Employee's spouse is not reimbursable, unless approved in advance by Cathedral's President.

EMPLOYEE TRAVEL

AIR TRAVEL

Employees must list air travel on the expense report. The report must include a copy of the passenger receipt as well as the purpose of business travel.

SPOUSE OR COMPANION TRAVEL

Cathedral **will not** reimburse travel and entertainment expenses incurred by a spouse or other individual accompanying an associate on business unless there is a valid business purpose for taking the spouse or other individual. All spouse or companion travel must be approved in writing, in advance, by Cathedral's President.

UNUSED AIRLINE TICKETS

Unused airline tickets that have a cash value, must be refunded if possible. Otherwise, please notify the Controller that an airline credit exists. The credit should be used for any subsequent travel when possible. If an Employee wishes to use the credit for personal travel, he/she must reimburse Cathedral for the amount of the refund.

LODGING

Original hotel folio (total bill of hotel charges including rate, meals, phone, etc.) must be itemized and attached to the expense report.

RENTAL CAR INSURANCE

All Employees should **decline** the Collision Damage Waiver (CDW) and Personal Accident Insurance (PAI) coverage.

GROUND TRANSPORTATION

The most economical mode of transportation should be used to and from airports, hotels, conferences and other meeting venues. This includes:

- Hotel and airport shuttle services

- Taxi
- Uber and Lyft
- Personal car

Reasonable tips paid in transit are reimbursable.

NOTE: Transportation between residence and regular place of employment is not a reimbursable expense.

PERSONAL CAR USE

Employees using personal cars on company business will be reimbursed at 57.5 cents per mile. To be reimbursed for use of their personal car for business, employees must provide the following information on their expense report:

- Date
- Purpose of the trip
- Mileage
- Receipts for tolls and parking

Other items necessary for the conduct of business must be reasonable and justified to establish their business connection in order to be considered reimbursable.

OTHER REIMBURSABLE EXPENSE EXAMPLES

- Business office expenses (fax, copy/printing services, etc.)
- Office supplies
- Overnight delivery and postage
- Business related subscriptions

PROFESSIONAL DEVELOPMENT (PD) WORKSHOPS/CONFERENCES AND must be for the benefit of Cathedral High School. Costs associated with PD include: travel to and from, accommodations and meals. A rough estimate of these costs must be approved in advance by either Cathedral's Principal or President, depending on the Employee's position. Approval will be based on an equitable distribution of Cathedral's PD budget.

NON-REIMBURSABLE EXPENSES:

- Annual fees for personal Credit Cards
- Baby-sitting
- Clothing
- Non business related expenses while on business trip
- Golf fees (when not part of customer entertainment)
- Health club facilities, saunas, massages
- Loss or theft of personal funds or property
- Mini-bar refreshments
- Movies (including in-flight and hotel in-house movies)
- Parking or traffic tickets and fines
- Personal accident or property insurance
- Personal entertainment, including sports events
- Personal toiletries
- Pet care
- Repairs due to accidents
- Routine maintenance and tune-ups
- Souvenirs and personal gift

FILING DEADLINES

Monthly Credit Card Expense Report Form - Employees are expected to turn in all appropriately approved Employee Monthly Credit Card Expense Reports, with receipts, no later than 14 days after receiving his/her Monthly Credit Card Statement.

Business Expense Reimbursement Form - Employees are expected to file appropriately approved Business Expense Reimbursement Forms no later than 14 days after incurring an expense.

Any Business Expense Reimbursement Form over sixty (60) days old requires, in addition to the Employee's Supervisor, the CFO's approval for reimbursement.

EMPLOYEE TERMINATION

Upon termination of employment, all Cathedral Credit Cardholders must:

- Surrender his/her Cathedral Credit Card to his/her Supervisor or Human Resources
- Promptly reconcile, account for, and if necessary, pay any remaining balances

Upon termination of employment, Employees who have incurred valid business expenses must:

- Provide an approved Business Expense Reimbursement Form with appropriate documentation upon termination.

VOLUNTARY LEAVE

Employees who leave the company voluntarily, must submit their cards to his/her Supervisor or Human Resources. Any outstanding Credit Card receipts must be submitted with a completed and approved Monthly Credit Card Expense Report Form. Any outstanding expense reimbursement due the Employee will be reimbursed with an approved Expense Reimbursement Form upon termination.

APPENDICES:

- 1). **Credit Card Policy Acceptance**
- 2). **Chart of Accounts with Budget Managers**

ATTACHMENTS:

- 1). **Credit Card Expense Form**
- 2). **Business Expense Reimbursement Form**

Adopted: January 13, 2021