

CANADIAN ASSOCIATION OF PROFESSIONAL IMMIGRATION CONSULTANTS (CAPIC)
PROCUREMENT AND EXPENSES POLICY AND PROCEDURE

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PREAMBLE

- 1) The Canadian Association of Professional Immigration Consultants (CAPIC) is committed to maintain the highest standards for the management of resources that have been entrusted by its members. These standards can only be achieved in an environment that promotes and supports sound fiscal management, accountability, risk minimization, long-term sustainability, value for money and social responsibility. The Procurement Expenses Policy and Procedure are therefore designed to define and guide in the authorization and reimbursement of expenses at CAPIC in a clear, transparent and equitable manner.
- 2) This Policy and Procedure Manual will ensure that all financial transactions are conducted in a prudent and responsible manner that meets CAPIC's Core Values and advances CAPIC's mission and mandate.
- 3) This document establishes policies governing the payment or reimbursement of bona-fide business expenses incurred during the conduct of CAPIC business, as well as the use of credit cards. CAPIC assumes no obligation for expenses that are not in compliance with this Policy.

SCOPE

- 4) The Procurement and Expenses Policy and Procedures apply to all claims for expenses paid by individuals for CAPIC related activities to be paid by CAPIC. Claimants include employees, volunteers including Board Members, as well as suppliers, contractors and consultants engaged by CAPIC who may make expenditures for CAPIC related business.
- 5) Individuals authorized to approve the business expenditures of others will be responsible for administering this Policy.

GUIDING PRINCIPLE

- 6) CAPIC Board Members, employees, and volunteers should endeavor to provide a requisition and obtain authorization before incurring an expense. All expense requisitions must be

within the approved budget. Any expenditure outside the Approved Budget requires the approval of Audit and Finance Committee. CAPIC's preferred process is to pay supplier(s) directly instead of reimbursing employees/volunteers.

AUTHORIZATION SIGNATURE AND APPROVAL LIMITS

- 7) "Authorization" as used in this policy refers to the power to authorize expenditures incurred for bona-fide business of the Association. Authority in execution of instruments, including all financial instruments, is governed by Section 10 of CAPIC By-Laws.
- 8) At the first Board Meeting held after the Annual General Meeting, CAPIC Board of Directors shall appoint at least three (3) signing officers for CAPIC bank account(s). All cheques require the signatures of any 2 of the appointed signing officers. Such appointment does not confer the power to authorize expenditures unless otherwise specified.
- 9) The Board of Directors shall delegate the power to authorize expenditures to the Treasurer or officer(s) or employee(s). The Board's approval of the annual budget confers authority upon the delegated person or persons to make expenditures within the amounts and scope of the accounts allotted in the budget with limitations as described in this policy.
- 10) Officers or persons authorized to approve expenditures shall review all supporting documents and request additional supporting documents or information when necessary; and be satisfied that the request for approval has met the requirements of this Policy and that such expense is valid and directly related to CAPIC business.
- 11) The Authorizing Officer's full signature is required for all payments, and/or reimbursements.
- 12) The Treasurer is the designated officer overseeing CAPIC financial matters. In line with the power and duties as prescribed in the By-Laws, the Treasurer, before authorizing the payment, shall consult and obtain the recommendation of Audit and Finance Committee for all budgeted expenditures exceeding \$20,000. For any budgeted expenditure between \$10,000 and \$20,000 the Treasurer needs to consider three quotations, however, is not obliged to seek the approval of the Audit and Finance Committee although he/she may choose to do so.
- 13) The Operation Manager has the authority to make payment for operational expenditures not exceeding \$10,000. These expenses must be within the Budget approved by the Board.
- 14) In accordance with Section 2.10 of CAPIC By-Laws, the President shall have the power, in each fiscal year, to authorize expenditures on behalf of the Corporation up to \$10,000.00 in aggregate.

- 15) In line with its mandate the Audit and Finance Committee shall receive the recommendation of the Treasurer or in his/her absence that of the Operation Manager to review and comment on any expenditure in excess of \$20,000, based on three quotations. The Committee communicates its findings, recommendations, and or approval to the Treasurer, for amounts not exceeding \$40,000, and to the Board of Directors for all expenditures more than \$40,000. The Board shall consider the Committee's recommendation for final approval and direction.
- 16) Any item of expenditure, which was not planned and not provided for in the Budget, requires the review and recommendation of the Audit and Finance Committee. In cases where the amount is significant enough to necessitate the revision to the budget and/or requires further approval, the committee will send its recommendation to the Board for final decision.
- 17) No individual may approve his or her own expenditures. A person with cheque signing authority cannot sign a cheque made payable to himself/herself.
- 18) The Treasurer is the approval officer for the President's expense. The Treasurer will seek approval/authorization of his/her expenditure from the Vice-President.

DOCUMENTATION REQUIREMENTS

- 19) All invoices, reimbursement memorandum and or requisition request should be sent to CAPIC National Headquarters (NHQ) for processing payments.
- 20) Proper documentation is required for processing payments. All business expenses be substantiated with adequate records and information relating to:
 - a) the amount of the expenditure;
 - b) the time and place of the expenditure;
 - c) the business purpose of the expenditure including:
 - i) the name of the project or area of work done
 - ii) description of work performed
 - d) HST/QST registration number(s) where applicable
- 21) Additionally, either one of the following CAPIC forms are required in accordance with the circumstances that follow:
 - a) Expense Reimbursement Request Form (ERRF) – when a volunteer or employee paid for an expense or expenses for CAPIC business;
 - b) Expense Report Form – where advance cash is issued to an employee or a volunteer;
 - c) Budget Form – when expense requisition is made for a CAPIC seminar or event;
 - d) Requisition Form – when the need for incurring an expense or expenses that amounts to over \$500 arises

- 22) Reimbursement requests must include the following supporting materials:
- a) Each expense shall be separately identified on the Reimbursement Form duly signed and dated by the person requesting reimbursement.
 - b) Original receipts that include the information listed on Section 16 of this policy. A computer printout of the invoice/receipt of an online purchase will be acceptable so long as the print contains all information listed in Section 16. Credit card transaction slips will not be accepted as supporting documents taxi fare receipts must show starting location and the destination. Air travel expense must be supported by air tickets with all charges identified AND respective boarding pass (es).
 - c) Reimbursement requests for expenses incurred for chapter business must be endorsed by the respective Chapter Committee Chair with the Chair's signature on the reimbursement form

REIMBURSEMENTS

- 23) Any person claiming expense reimbursement must complete an Expense Reimbursement Request Form (ERRF). Such request must meet the requirements provided in this policy.
- 24) Reimbursement request must be supported by documentation as required in this Policy. Requests lacking required documentation and/or business purpose will be questioned and may not be reimbursed.
- 25) Items over \$5.00 without a receipt will not be reimbursed.
- 26) Reimbursement requests must be submitted within fifteen (15) days from the date that the expense was incurred or within fifteen (15) days from date of return (when traveling).
- 27) CAPIC may elect not to process reimbursement requests that are submitted past the required time frame.
- 28) Any expenses paid for by CAPIC may not be used by the employee/volunteer for income tax purposes.

PAYMENT

- 29) All CAPIC expenses are to be paid by cheque that is signed by 2 signing officers; or credit card and be supported by required documentation as defined in this Policy.
- 30) No cash payment is allowed.

PROCUREMENT

- 31) CAPIC is committed to open, fair and transparent procurement processes.
- 32) CAPIC employees/volunteers managing procurements and contracts must not have any conflict of interest that may give them an unfair advantage in bidding on CAPIC contracts.
- 33) In addition to the expenditure requirements provided in the CAPIC by-laws, three quotations are required for purchase of goods and services that exceeds \$10,000.

CORPORATE CREDIT CARD

- 34) Individuals authorized to hold a CAPIC owned corporate credit card must:
 - a) Agree to exercise greatest care in keeping the credit card safe and secured
 - b) Agree not to transfer the credit card to third parties without authorization
 - c) Report to card issuance company and CAPIC as soon as possible in the case of lost or stolen card
 - d) Attest that all expenses paid by the credit card are for the benefits of the Association and directly related to CAPIC business.
 - e) Record each expense as required and provide such information to CAPIC bookkeeping personnel
 - f) Submit a project budget and obtain approval prior to incurring expenses on any projects
 - g) Comply with the Policy in regards to documentation and reporting time
 - h) Reimburse CAPIC the full amount of each expense deemed non-compliance with this Policy
 - i) Documentation for CAPIC credit card expenses is submitted to CAPIC office as soon as possible within 10 business days after the expense is incurred.

CASH ADVANCE

- 35) Where deemed appropriate, the Treasurer will allow pre-approved money advances for CAPIC business expenses. Such advances will be issued to the name of the employee or the volunteer responsible for the expense. All unused advanced funds will be returned to CAPIC by the employee or volunteer in the form of a cheque made payable to CAPIC and accompanied by required supporting documents.

- 36) If appropriate documentation for allowable expenses is not submitted to clear an advance; and/or any excess advance monies not returned within these guidelines, either one of the following action will take place:
- a) In the event the person received advance is an employee, the expensed amount will be included in taxable income or deducted from the pay cheque of the employee.
 - b) A T4A slip will be issued at the end of the Calendar year for those who are not on CAPIC payroll.
 - c) When the recipient of the advance is a Board Member, the expensed amount will be deducted from the Director's next remuneration payment.
 - d) If the recipient of the advance is a volunteer, CAPIC will invoice the volunteer for the advance not returned, and will advise Chapter Chair for the collection of such amount.

ROLES AND RESPONSIBILITIES

- 37) The person who submit a request for payment must:
- a) Attest that the purpose of the expense is valid and directly related to CAPIC business;
 - b) Submit the approved Expense Reimbursement Request Form or Expense Report Form to NHQ/Manager on a timely basis as required in this Policy;
 - c) Understand that while the staff member may review the Expense Reimbursement Request Form or Expense Report Form, the primary responsibility for the determination of the appropriateness of expenditures rests with the individual seeking reimbursement and the individual responsible for its approval.
- 38) The Approval Officer must:
- a) Explanation of expenditures is included on the Expense Reimbursement Request Form or Expense Report Form
 - b) Request further documentation or explanation of expenses that appear to be excessive or unusual.
- 39) The Staff member responsible for processing payment must review submitted invoices, Expense Reimbursement Request Form or Expense Report Form prior to processing payment, and verify that expenses are reasonable and meet the following criteria:
- a) Information supplied on the invoice, Expense Reimbursement Request Form or Expense Report Form is supported by accompanying documentation, which is both complete and in accordance with this Policy.
 - b) Expenses have been reviewed for compliance with other applicable CAPIC Policies and properly approved.

INTERNAL AUDIT

40) Members of the Audit and Finance Committee may require to review the supporting documents pertaining to any expenditure or purchases made. Their random monitoring is required for compliance purposes.

AIR TRAVEL

41) The guiding principle for air travel is the least expensive option

42) To keep travelling cost down, employees and volunteers are expected to book their flights at the earliest opportunity once travel plans are confirmed. All employees/volunteers are expected to travel coach/economy class. Personal frequent flyer credits may be used to upgrade travel class; however, no reimbursement will be made and no contribution recorded on behalf of the employee for the business use of frequent flyer credits.

43) The cost of cancelling and/or rebooking of flights is not reimbursable, unless it can be shown that it was necessary or required for legitimate business reasons (such as a changed meeting date), in which case prior approval is required from appropriate authorizing officers. Employees/Volunteers must identify and pay for all personal flights, even if such flights are incorporated into a flight schedule that serves business purposes.

44) Employees will be reimbursed for excess baggage charges, with prior approval by the Signing /Approval Officer only in the following circumstances:

- a) When traveling with heavy or bulky materials or equipment necessary for business.
- b) The excess baggage consists of business records or property.

45) Cancelled or unused airline tickets should be reported immediately to the airline and the Operations Manager (if ticket is purchased by CAPIC credit card). This includes non-refundable tickets, which can be applied toward a credit on future travel with an exchange fee. If the traveler expects to use the credit before it expires (normally expires one year from issue date), then the exchange fee should be paid.

46) All expenses and purchases at airports are not reimbursable unless business related and approved by the National Treasurer.

MEALS

47) Only meals incurred during a CAPIC business trip will be reimbursed and reimbursement is done on per diem basis, at a rate approved by the Audit and Finance Committee.

48) When meals are included in the transportation fare, or in the cost of the conference fees, no per diem for meals is paid. The current per diem allowance, regardless of where the food is purchased, is \$55.00 CAD for three daily meals: breakfast \$10, lunch \$20, and dinner \$25.

LODGING

49) Prudent judgment should be used when selecting a hotel or motel. A single room with a private bath in a moderately priced business class hotel or motel is the Association's standard.

50) When more than one employee/volunteer are travelling for the same business trip, employees/volunteers are encouraged to share accommodation where possible.

51) For all lodging expenditures, hotel receipts must be submitted; credit card charge slips, credit card statement or debit card transaction slips do not represent adequate supporting documentation.

52) CAPIC will not reimburse an employee or a volunteer for separate travel costs associated with his/her family member.

RENTAL CARS

53) It is expected that reservations will be made for a compact vehicle, depending on the type of travel. Occasionally a mid-size vehicle may be appropriate when more than one employee will be using the vehicle. The cost of premium, luxury or four-wheel drive vehicles will be charged to the employee renting the vehicle and reimbursement will be made at the compact or mid-sized rate as appropriate.

54) All expenses whether reimbursed, invoiced, or charged to CAPIC Corporate Credit Card must be authorized in accordance with CAPIC policies.

55) Cost resulting from personal use of rental vehicles during authorized business travel is not reimbursable.

PERSONAL VEHICLES

56) Employees who utilize personal vehicles for business purposes are required to have a valid driver's license and at least the minimum insurance coverage required by law.

57) Mileage will be reimbursed at the currently allowable rate as determined by the Audit and Finance Committee. Only travelling distances of over 100 kilometers will be reimbursed. Depending on the circumstances the Operation Manager may approve travelling mileage of less than 100 Kilometers.

58) The current rate is 0.53 per kilometer.

59) Unless travelling on pre-approved long distance trips, the expenses related to gasoline consumed by personal vehicles are the responsibility of the employee/volunteer. The owner/driver of the vehicle is responsible for all parking fines and moving violation tickets.

OTHER TRANSPORTATIONS

60) In circumstances where a rental car is not used or is not practical, employees will be reimbursed for reasonable cab/bus/train/subway fares incurred in traveling to and from the airport, hotels, temporary job sites, and eating establishments.

61) Where train travel is required/available, the economic class should be used.

SEMINAR AND EVENT EXPENDITURES

62) A pre-approved budget is required for each seminar or event.

63) Seminars/events with a budget under \$10,000 follow the same requirements but it is to be reviewed and approved by the Operations Manager.

64) Where a service contract or expense item is estimated to exceed \$10,000.00, the person who initiate the expense must provide all relevant information to the Treasurer and obtain prior approval.

65) Deposit payments for a CAPIC chapter seminar or event must be supported by a contract or event order duly signed by a CAPIC authorized signing officer. Chapter Chair or his/her designated representative undertakes the responsibility to review all invoices before submitting it to NHQ for further processing...

RENT, LEASE AND OTHER SERVICE PAYMENTS

66) Payments for real property rent, personal property leases, and all service expenses related to the daily operation of the Association should be paid directly by CAPIC. An employee or volunteer should not pay for these types of expenses and seek reimbursement.

NON-REIMBURSEABLE ITEMS

67) The following expenses are not reimbursable:

- a) Personal expenses
- b) Airline club dues
- c) Special lounge fare
- d) Non-Coach/Economy class airfare
- e) In-flight movies
- f) Hotel room movies and other forms of personal entertainment
- g) Room serviced meals
- h) Traffic fines
- i) Tips in excess of 15% and/or tips in addition to pre-applied gratuity
- j) Personal properties
- k) Alcohol, unless pre-approved and consumed during legitimate business-related activities or a CAPIC event

Should there be any conflicts between this policy and CAPIC By-Laws, the By-Laws takes precedent.