

## **6. Expense Allowances (ALP Policy 6)**

This policy establishes the guidelines to be used to process travel expenses and per diems incurred by directors and employees when performing approved ALP activities.

Current rates are set into text boxes within the policy and must be reviewed on an annual basis prior to setting the operational budget.

### **6.1 Setting expense and Per Diem Rates**

The directors will determine conditions and rates of reimbursement for travel and per diems, annually, prior to setting the annual budget.<sup>1(18(3))</sup> Setting of these amounts by the directors is subject to the will of producers at the annual general meeting on a given year.<sup>1(18(4))</sup>

### **6.2 Annual Director Amounts**

Each year, additional compensation will be made to each director in recognition of preparation and conference call time incurred during the year.

#### **Current rate:**

These amounts are to be paid coinciding with the fiscal year-end to each director serving during the previous 12 months:

- a) Two per diem amounts (at appropriate rate for office)
- b) \$50 for compensation for office materials

### **6.3 End-of-Term Director Amounts**

In recognition of service to the industry, each director will receive a certificate and will have their name added to the ALP plaque in the sheep center, when they complete an office term.

### **6.4 Claimable Expenses**

#### **6.4.1 Approved Events**

Directors, directors-in-training and employees are eligible to claim reimbursement for expenditures incurred when:

- a) A legitimate and reasonable expense approved through the budget is incurred while conducting ALP business. For example, purchase of approved materials for an ALP meeting.
- b) Attending ALP held events (i.e. ALP director meetings, annual general meeting, producer workshops, committee meetings, etc.). For employees, this is provided the location is outside of their normal workplace.
- c) Attending events held by external organizations when attending as an official ALP representative(s), provided:
  - (i) The chair preapproves attendance to national or international events. In the event the chair is travelling, the directors must grant preapproval for the attendance.
  - (ii) The committee chair or (if no committee chair is in place) the chair preapproves attendance to an event within Alberta. If the committee chair or chair is travelling the directors must grant preapproval for their attendance.
  - (iii) In all cases, the expense falls within the committee and/or ALP annual budget.
  - (iv) In all cases, the purpose of the event and predetermined goal for ALP attendance falls within ALP's mandate.

#### 6.4.2 Director Per Diems

Directors and directors-in-training attending approved meetings are permitted to claim per diem amounts.

**Current rate:**

- a) \$200 Per Day: Chair
- b) \$160.00 Per Day: Directors, directors-in-training and designated individuals
- c) \$20 per hour third party conference call on pre-approved committees (per diems are not granted for director conference calls)

#### 6.4.3 Accommodation Rates

**Current rate:**

- a) Hotel/motel accommodation up to \$200 plus taxes maximum per day unless circumstances warrant additional reasonable expense or
- b) Host gift of \$50 maximum per day

#### 6.4.4 Meal Rates

Expenses for breakfast, lunch and dinner meals will be reimbursed if they are not included in the conference or meeting cost. Receipts must be provided. Alcohol is an unallowable expense.

**Current rate:**

- a) The following meal allowances are permissible, and receipts must be provided:  
Breakfast: \$20; Lunch: \$30; Dinner: \$50
- b) These are the maximum amounts unless circumstances warrant additional reasonable expenses.

#### 6.4.5 Incidental Rate

A daily incidental allowance will be provided to cover reasonable expenses e.g. parking fees, local telephone calls, and gratuities for out of town overnight functions shall be reimbursed on submission of an expense claim report.

**Current rate:**

- a) Allowance for incidental expenses - \$16.00 per day

#### 6.4.6 Transportation and Travel Time Rates

- a) ALP will reimburse directors for travel expenses and travel time while performing activities on behalf of the organization.
- b) The least costly mode of transportation is to always be taken, unless prior approval is given.
- c) When travelling by air, expenses are to be claimed using the following formula: actual driving time given recommended speed limits, to and from home to the airport, plus recommended minimum pre departure arrival times as set by the airlines at 90 minutes for domestic and 2 hours for international travel, actual flight time, any scheduled airport wait times between connecting flights if applicable, plus actual driving time to and from the destination airport to the hotel.
- d) When there are travel delays outside of the directors' control, such as flight delays and increased driving times caused by inclement weather, expenses are to be claimed using the following formula: actual driving time, to and from home to the airport, plus flight delay time plus actual flight time plus actual driving time to and

from the destination airport to the hotel. If a flight is delayed overnight travel time to and from the hotel/home is claimable. Sleep time is not claimable.

- e) Pre-approvals from the finance chair are required for:
- Flight schedule before booking
  - Car rental (including gasoline, insurance and GST) before renting

**Current rates:**

- Economy airfare: Reasonable expenses with pre-approval
- Members using their own car: ALP follows the Alberta government rate
- Car rentals: Reasonable rate with pre-approval
- Taxi cost is covered between hotel and airport and hotel and meeting location with receipts
- Travel time: reimbursed at Alberta minimum wage for reasonable travel time

## **6.5 Cash Advances**

Members will be allowed to submit a written request to obtain a cash advance prior to travel in order to offset expenses for which ALP is ultimately responsible.

## **6.6 Office Payment of Expenses**

- a) The executive director/office routinely pays for certain preapproved director and employee expenses using the ALP credit card.
- b) Typical expenses paid for through the office include accommodation (i.e. preauthorization for credit card use for hotel expenses) and airline tickets.
- c) Although this is a typical procedure all individuals should be prepared to cover expenses using personal means until reimbursement is claimed.

## **6.7 Submission of Expense Claims**

- a) Each director or employee must submit a properly completed expense claim to the executive director (for review) and the finance chair (for approval), accompanied and substantiated by related receipts containing the vendor's GST number, to the finance chair within 15 days of returning from an event.
- b) Meeting reports are required for all events for which expenses are claimed except director and annual general meetings. Director reports must be sent to all the directors within 15 days of the event. The chair and vice-chair have a 5 day extension and must send their reports to all the directors within 20 days of the event.
- c) Templates for the expense claim<sup>2</sup> and meeting report forms<sup>3</sup> are provided.

## **6.8 Expense Claim Approval**

- a) The finance chair can authorize directors' expense claims of up to \$1500. Expenditures exceeding this amount will be the decision of the directors.
- b) The finance chair will be responsible to receive and audit all expense claims. The audit includes checking the accuracy of the claim, that the expenses are within the current approved rates, and that the allowable timeframes were met for claim and meeting report (if needed) submission.
- c) The finance chair will submit all approved requests to the office. Approval may be given by the finance chair by signing the claim or via email.

- d) The executive director shall process each approved claim as expeditiously as possible.
- e) The executive director will record all processed expense claims in each director's file.
- f) The chair and vice-chair may review all expense claims submitted by any ALP employee or approved by the finance chair.
- g) Expense claims submitted by the finance chair must be approved by the chair. After the claim is signed (or approved via email) by the chair, the finance chair may sign their own cheque or process the payment on-line.

**References (Superscripts include applicable clauses within the regulations):**

<sup>1</sup> Appendix C.4: Alberta Lamb Producers Plan Regulation AR 152/2022

With amendments up to and including Alberta Regulation 179/2022

<sup>2</sup> Appendix B.1.5: ALP Expense Claim Form

<sup>3</sup> Appendix B.1.4: ALP External Meeting Report Template

**ALP Policy 6 Approval by the Directors:**

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