

**DIOCESE OF SIOUX CITY
SCHOOLS
GUIDELINES FOR REIMBURSEMENT OF EMPLOYEE EXPENSES**

The school should establish guidelines to follow when making reimbursements to employees that incur out-of-pocket expenses for school costs such as mileage, fuel, restaurant meals, and other school related expenses.

Vendor accounts should be established for commonly used businesses.

- The School should ask current vendors to invoice the School rather than incur the expense as an employee reimbursement.
- The School should maintain a list for commonly used vendors and make this available to employees.
- Employees should contact the business office to verify if a company is an existing vendor.

Purchasing procedures must be followed for employee expense reimbursements, including obtaining a purchase order (PO) number and advance approval before purchasing. A PO typically is not needed for such school items as mileage and meals while traveling. (Refer to the Purchasing Procedure Guidelines for further explanation.)

Credit cards are issued to some employees (such as the department head and/or athletic director). For these employees, expense reimbursement should be infrequent. The credit card should be used for school related costs such as fuel, restaurant meals, and other expenses, except those that the vendor bills the School for directly.

Employee Expense Reports should document:

- 1) the business purpose,
- 2) location,
- 3) date,
- 4) vendor,
- 5) account code, and
- 6) a complete description of the purchase including names of individuals or group involved.
- 7) All detailed store and other receipts and invoices, purchase confirmations, packing slips, correspondence, etc. should be retained and attached as support to the PO and Employee Expense Report to substantiate the expenses.
- 8) The expense report must be signed by the employee and his/her supervisor and submitted to the business office for payment.

Mileage Reimbursement: Currently the IRS rate is \$.55 per mile. The school is not required to reimburse at this rate but should use it as a guideline. The employee should track their business miles driven and submit the miles and rate on the report when requesting reimbursement. The business manager/bookkeeper should review the mileage amount for reasonableness. The mileage reimbursement rate should be reviewed annually by the school administration.

Payment to the employee should be made if the expense report includes all of the above.