



C2: BUSINESS EXPENSES REIMBURSEMENT

1. PURPOSE

To define for directors, elected officials, members, and employees the legitimate business expenses that may be reimbursed when they are incurred in the course of official duties or employment in the delivery of VFF (Victorian Farmers Federation) strategic plan and related objectives.

2. BACKGROUND

There may be occasions where small value business related expenditure is incurred for which an individual is entitled to claim reimbursement from VFF. The nature of these expenses usually involves travel (hotel and meals), mobile phone usage, motor vehicle usage and other sundry items where it is inefficient, untimely, or not possible to use the standard VFF procurement process.

The types of expenses for which a reimbursement claim is not permitted are defined.

3. POLICY

3.1. Definitions

- 3.1.1. Eligible expenses: Any small value business related expenses (refer policy exception in 3.4.1) and, where applicable, to a maximum allowable amount per item when it is incurred as part of delivery of a formal VFF business duty, and it is not possible to use the standard VFF accounts payable procurement process.
- 3.1.2. Business expense reimbursement is not an entitlement.
- 3.1.3. Small value: Item value under \$250 ex GST.
- 3.1.4. Claimant: An employee, board member or elected official who incurs business-related expenditure while performing their VFF duties and for which reimbursement is permitted.
- 3.1.5. Business related expense: An expense incurred in connection with mandated activities required in the delivery of a formal VFF role.
- 3.1.6. Meeting sitting fees are not paid by the VFF and are not an eligible business expense; and
- 3.1.7. Personal expenses: include cash advances, personal travel,

entertainment, gifts, non-VFF activities, field day attendance, events, meals, travel, and accommodation costs incurred over the maximum threshold.

3.2. Reimbursement limits

3.2.1. VFF employees and Board Directors may claim:

3.2.1.1. travel at the ATO rate of \$0.88/km where a google map or similar is attached; and

3.2.1.2. paid accommodation and meals up to a maximum value of \$195 (one night only) when receipts are provided.

3.2.2. VFF-elected officials attending formal duties may claim:

3.2.2.1. travel at the ATO rate of \$0.88/km to a maximum value of \$500 per meeting;

3.2.3. Paid accommodation and meals to a maximum value of \$195 for one night only when receipts are provided.

3.2.4. VFF contractors and members are not able to claim reimbursement of expenses.

3.2.5. Any flights or interstate travel and accommodation must be for mandated duties required in the delivery of a formal VFF role, be within budget, whenever possible pre-paid by the VFF, and subject to CEO (Chief Executive Officer) or Chair approval.

3.2.6. Expenses not allowed to be claimed for reimbursement include personal expenses, voluntary, unspecified, or unapproved non-mandatory attendance at meetings or events, and accommodation, meals, and travel for these events.

3.3. Reimbursement claims

3.3.1. All reimbursement claims must be for actual expenditure incurred (to a maximum where applicable) and a tax invoice receipt provided. and not based on a set amount allowance.

3.3.2. The most common types of expenditure covered by this policy are:

3.3.2.1. Use of private vehicle for business travel (kms claim);

3.3.2.2. Parking expenses where a private vehicle is used to attend a VFF business meeting;

3.3.2.3. Travel expenses to a maximum daily amount, such as accommodation and meals, incurred for business purposes;

- 3.3.2.4. For elected officials, childcare when the primary care giver is attending an in-person formal VFF Board, Council, or IAC meeting;
- 3.3.2.5. For staff, up to 50% of the cost of private mobile phone use for business purposes, up to \$50 per month. VFF may require annual declarations from claimants to ensure that VFF complies with FBT (Fringe Benefits Tax) obligations; and
- 3.3.2.6. Other supplies such as postage and stationery.
- 3.3.3. All reimbursement claims must be:
 - 3.3.3.1. Made by the claimant that incurred the expense;
 - 3.3.3.2. Submitted using the approved template detailing all business-related expenses being claimed;
 - 3.3.3.3. Accompanied by an expense report, or tax invoice as applicable; and
 - 3.3.3.4. Within 60 days of the expense being incurred.
- 3.3.4. A claim will only be considered if relevant tax Invoices, receipts, and expense reports support the reimbursement claim, excepting kms claims where a detailed travel itinerary must be provided.

3.4. Claim approval

- 3.4.1. Business reimbursement expense claims must only be approved by a VFF employee that has the appropriate financial Delegation of Authority;
- 3.4.2. VFF employees with a claim may only be accepted for consideration if:
 - 3.4.2.1. It is on the approved template;
 - 3.4.2.2. Fully competed and accompanied by all relevant tax invoices, receipts, expense reports, and travel Itinerary for all expenses incurred; and
 - 3.4.2.3. Signed by the claimant with the appropriate declaration.
- 3.4.3. Reimbursement claims submitted by VFF employees must be correctly coded in accordance with the VFF general ledger;
- 3.4.4. Reimbursement claims by Directors or elected officials are to be coded by the approver in accordance with the Delegation of Authority matrix.
- 3.4.5. Expenses incurred on behalf of the VFF may only be approved if the expenses are reasonable, necessary, and properly documented.
- 3.4.6. The CEO may approve an eligible expense that exceeds the “small value”

limit only where an estimated expenditure amount is provided in advance to the CEO (or in their absence the CFO) and pre-approval to incur such expenditure has been obtained.

3.5. Reimbursement management and monitoring

- 3.5.1. The Board delegates to the CEO responsibility for all operational aspects relating to expense reimbursement including monitoring of expenses incurred to ensure compliance with this policy.
- 3.5.2 The CEO monitors and reviews compliance with the policy by employees, directors, and elected officials.
- 3.5.3 The CEO has absolute discretion to implement remedies for non-compliance, including but not limited to:
 - 3.5.1.1. Rejection of a reimbursement claim in part or in full;
 - 3.5.1.2. Amendment of the reimbursement claim to ensure compliance; and
 - 3.5.1.3. Banning the acceptance of reimbursement claims from an individual due to repeated non-compliance.

3.6. 3.6 Policy review

- 3.6.1. This policy will be reviewed by the Risk, Audit & Finance Committee to ensure that it remains relevant and effective in promoting responsible reimbursement of expenses claimed.
- 3.6.2. Suggested changes to this policy should be referred to the Governance and Strategy Committee.

4. ACCOUNTABILITY

VFF CEO

VFF CFO

5. RELATED POLICIES/PROCEDURES

T2: Business expense claim reimbursement template (Officials).

T3: Business expense claim reimbursement template (Staff).

VERSION CONTROL

Version number	Date approved	Purpose	Author
1.0		Creation of the policy	Gary Bottomer
2.0		Policy review – Sept 2024	Tim Green

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