

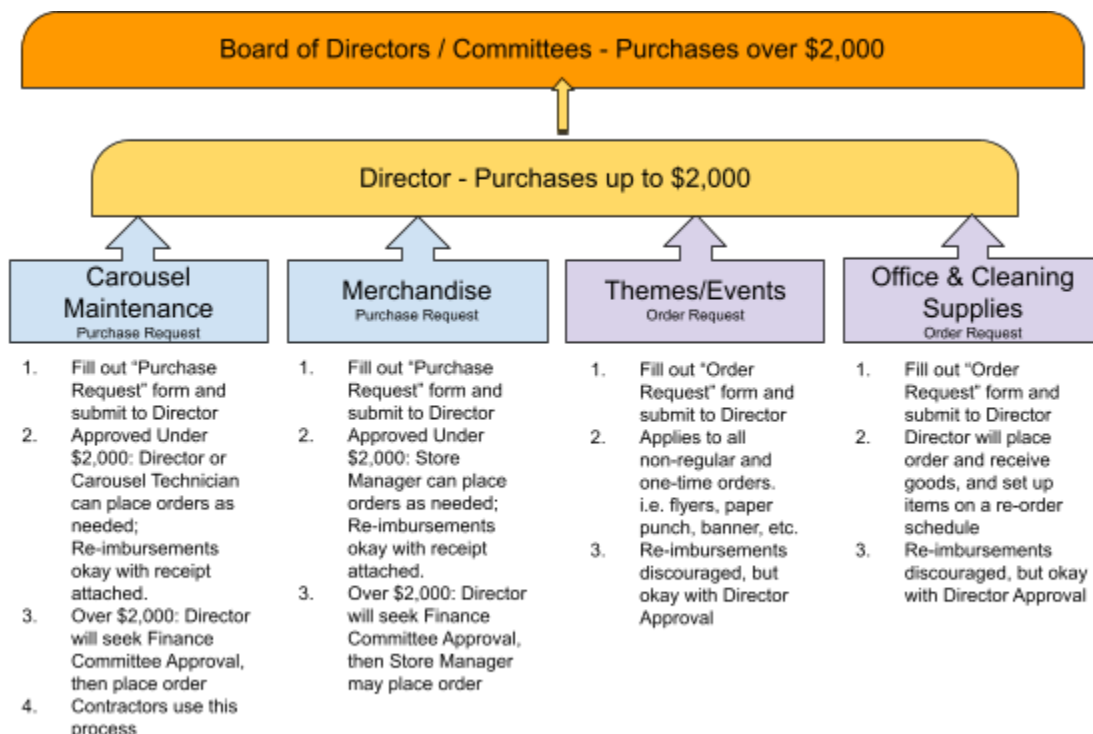
# Purchase, Expense & Reimbursement Policy

## 1. Purpose

The Carousel of Happiness (herein referred to as “the organization”), its Board of Directors, staff, and volunteers, may be required to travel or incur other expenses from time to time to conduct organization business (for retail operations, maintenance and carousel operations, etc.) and to further the mission of this non-profit (events, fundraising, etc.). The purpose of this policy is to ensure that adequate cost controls are in place, travel and other expenditures are appropriate, and to provide a uniform and consistent approach for the timely reimbursement of authorized expenses. The organization prefers all expenses to be paid with the organization’s direct payment methods whenever feasible; reimbursements of payments made using personal accounts are discouraged. The organization intends to follow all applicable state and federal laws, especially relating to charitable purchases.

## 2. Procedure for Order & Purchase Requests

The Executive Director and Executive Committee can authorize purchases on the company credit card or checks. All other staff, board members, and volunteers must submit a form for approval for any purchases made on behalf of the organization, prior to the expense/purchase taking place. If the payment will be made by the personnel requesting the expense, fill out the Purchase Request form, and if the payment will be made by the Director, fill out the Order Request form. Be sure to note the detailed description of the purchase, the supplier or vendor, cost, preferred payment method, and any other relevant information.



Submit all order and purchase requests to the Executive Director. The Executive Director will submit any expense over \$2,000 for approval of the Executive Committee at their next regular meeting. The Director will notify the personnel of any approval decisions within 2 weeks.

### **3. Procedure for Reimbursement Requests**

*With prior approval of the Executive Director or Executive Committee only*, any staff, board member, or volunteer may be reimbursed. It is the policy of the Carousel of Happiness to reimburse only reasonable and necessary expenses actually incurred.

*To request reimbursement:*

Submit an order request form to the Director, and note the preference to pay by personal account and be reimbursed.

After approval of the order request, the expense may be paid, and the staff, board member, or volunteer must submit any applicable receipts to the Executive Director. Any reimbursement will be paid by check within two pay periods of the submission of all relevant receipts and documentation.

When incurring business expenses, the organization expects staff, board members, and volunteers to exercise discretion and good business judgment with respect to those expenses, be cost-conscious and spend the organization's money as carefully and judiciously as the individual would spend their own funds, and report expenses as they were actually spent (supported by documentation). The Carousel of Happiness will investigate any excessive expenses. In cases of falsified or exaggerated claims, the organization may take disciplinary action.

### **4. Travel Expenses**

While attending an approved business trip for the Carousel of Happiness, the following expenses will be approved for partial or full reimbursement. All travel arrangements and budget must be approved prior to departure. All actual expenses (including documentation) should be submitted to the Director no later than two weeks after the trip's end. The Director (or Executive Committee) shall determine the necessity and reasonability of any traveling on behalf of the organization, upon consideration of a) the benefits of travel to the organization, b) the anticipated costs of travel, c) alternative participation (such as video-conference, alternative local programs, etc.).

The following expenses shall generally be covered by the organization.

**Transportation Fares** of all kinds to and from the destination, as well as local transportation during the trip. *Air travel* shall be booked as early as possible to take advantage of the lowest fares. When traveling on behalf of the organization, you may accept and retain frequent flyer miles and compensation for denied boarding for personal use, however,

individuals may not deliberately patronize a single airline to accumulate rewards if less expensive comparable tickets are available on another airline. Individuals are expected to use the most economical ground transportation appropriate under the circumstances (courtesy cars and shuttles are the preferred options). Due to their high cost, *rental car* expenses are generally not authorized, and may only be authorized if they are the only feasible mode of transportation.

**Accommodations** of all kinds. Fiscally appropriate prices will be approved, and any and all upgrades not approved, are the responsibility of the traveling party. The location of events on the individual's itinerary, and the average cost of staying in the city the travel is located in, shall be considered in determining the reasonableness of accommodation expenses.

**Food** related expenses on a per-diem basis, not to exceed \$60 per person per day, can be reimbursed by the organization, only if actual receipts for meals (including tip payment if applicable) are submitted to the Director.

**Personal Car Use** may be compensated by the organization. When individuals use their personal car for such travel, including travel to and from the airport, mileage will be allowed at the currently approved IRS rate per mile. In the case of individuals using their personal cars to take a trip that would normally be made by air, mileage will be allowed at the currently approved rate, however, the total mileage reimbursement will not exceed the sum of the lowest available coach airfare.

**Legal Documents** fees to acquire or renew a passport, visa, etc. (not including travel to acquire the document).

**Necessary medical expenses**, such as required vaccinations for travel. If any medical care fees occur after a travel-related incident or accident, the employee may be covered by workers compensation, and if not, the organization may decide to reimburse the employee.

**Other expenses** that are deemed appropriate prior to departure may be reimbursed, including but not limited to tolls, parking fees, and costs associated with approved meetings.

## 5. Unauthorized Expenses

The organization will not pay for any unauthorized expenses. Only work-related expenses will be authorized. The following are NOT considered work-related expenses, and will not be paid (or reimbursed) by the organization. The below is not a complete list of unauthorized expenses. Please speak with the director about any expenses before any purchase or reservation is made.

**Any unauthorized meeting** with clients, donors, partners, or professional associates.

**Any fines or offenses** incurred while driving a personal or company vehicle.

**Any personal travel expenses**, including, but not limited to, unauthorized travel upgrades (such as first-class flights or hotel upgrades, extra hotel nights, additional stopovers, additional meals), the loss or theft of personal property (such as luggage), and any personal purchases of services or goods (clothes, snacks, gifts, massage and beauty treatments, etc.). Individuals traveling on behalf of the organization may incorporate personal travel with their

Carousel-related trips, given that travel will not be arranged at a time that is less advantageous to, or involving greater expense to, the organization. This also includes any expense incurred by a family member or friend who is accompanying the organization's representative while traveling.

## **5. Company Payment Methods**

The organization may provide individuals with access to payment methods, or with credit cards, to be used only for business-related expenses. This section applies to all individuals that have access to use the company payment methods (in 2022, this includes Director, Executive Committee, Store Manager, Maintenance Employees). Staff, volunteers, and board members that do not hold a company card shall request payment by the Director (*see section 2 above*).

When the organization provides an individual with a credit card, they will sign and abide by a credit card agreement, acknowledging that the credit card belongs to the Carousel of Happiness, that the organization can process and investigate any and all charges, the card-holder's responsibilities, and consequences for incorrect use. The organization holds the right to withdraw a company credit card from any individual, for any reason, at any time.

## **6. Reporting Misconduct or Other Concerns**

See the organization's Whistleblower Policy, which sets forth the procedure for reporting allegations of misconduct and concerns (financial and otherwise), the confidentiality of such reports and concerns, and the protection from retaliatory actions for directors, volunteers, and employees reporting concerns in good faith.

## **7. Adoption of Policy and Review**

This policy and guidelines have been reviewed and adopted by The Board of The Carousel of Happiness at the regular meeting on February 16, 2022. The Board must approve any changes to this policy. The policy will be reviewed bi-annually by the Executive Committee.