

|                    |   |                 |                    |
|--------------------|---|-----------------|--------------------|
| <b>Division:</b>   | <b>Resources</b>                                | <b>Ref. No.</b> | <b>RES-FIN-002</b> |
| <b>Department:</b> | <b>Finance</b>                                  |                 |                    |
| <b>Title:</b>      | <b>Accounts Payable – Expense Reimbursement</b> |                 |                    |

## 1. PURPOSE AND SCOPE

This policy is to ensure that Fellows, Staff and other persons (claimants) seeking reimbursement of expenses incurred whilst on Royal Australasian College of Surgeons (RACS) business are aware of the necessary processes when submitting an expense reimbursement claim.

Unless otherwise stated this policy applies to both Australia and New Zealand jurisdictions.

## 2. KEYWORDS

Expense Reimbursement

## 3. BODY OF POLICY

This policy is intended to ensure that all claimants are informed of their obligations and compliance with standardised processes when submitting incurred expenditure for reimbursement.

This policy is to be read in conjunction with the following policies:

- Travel and Accommodation Policy
- Delegations Manual

### 3.1. Claimant Obligations

Submission of incurred expenditure by claimants for reimbursement must be lodged on the applicable Expense Reimbursement Form (ERF).

All claims lodged with RACS on the applicable ERF must be supported by original supplier invoice(s) / receipt(s) document(s) to substantiate expenditure incurred.

The only exception is where the following criteria are satisfied:

- the original supplier invoices/receipts are not available, Fellows can issue an invoice from their practice company to RACS. As far as practicable, Fellows must provide substantiation of expenditure incurred supported by copies of supplier invoice(s)/receipt(s) or some other evidence confirming incurred expenditure.
- claims for travel allowance

RACS will only remit payment to claimants for expenditure incurred while on RACS business.

Expense reimbursement claims should be lodged with RACS within two months of the date that the claimant incurred the expenditure.

RACS requires that all expenses are to be claimed in the financial year where the related activities occurred. Claims for expenditure that are older than 12 months will not be eligible for reimbursement, unless there are exceptional circumstances in which case the Director Resources has the discretion to approve expense claims up to 24 months.

Approved By: Director, Resources

Document Owner: Finance Manager

Original Issue: June 2006

Version: 4

Approval Date: February 2018

Review Date: February 2021

|                    |   |                 |                    |
|--------------------|---|-----------------|--------------------|
| <b>Division:</b>   | <b>Resources</b>                                | <b>Ref. No.</b> | <b>RES-FIN-002</b> |
| <b>Department:</b> | <b>Finance</b>                                  |                 |                    |
| <b>Title:</b>      | <b>Accounts Payable – Expense Reimbursement</b> |                 |                    |

The claimant must sign the applicable ERF and forward the form to a RACS staff member for review. Approval must be processed by a RACS delegated authority in accordance with the Delegations Manual.

Australia only:

It is the responsibility of all claimants to lodge their claims in accordance with the Goods and Services Tax (GST) administered by the Australian Taxation Office (ATO). Specifically if GST is applicable claimants must provide RACS with a compliant supplier tax invoice to enable RACS to claim a refund from the ATO for GST paid.

The only exception is where the following criteria are satisfied:

- if the amount of the taxable supply is equal to or less than AU\$82.50 (inclusive of GST) then RACS will accept some other evidence of expenditure incurred.
- if the supply is GST-free then RACS will accept some other evidence of expenditure incurred.

New Zealand only:

It is the responsibility of all claimants to lodge their claims in accordance with the Goods and Services Tax (GST) administered by Inland Revenue (IR). Specifically if GST is applicable claimants must provide RACS with a compliant supplier tax invoice to enable RACS to claim a refund from IR for GST paid.

The only exception is where the following criteria are satisfied:

- if the amount of the taxable supply is equal to or less than NZ\$50 (inclusive of GST) then RACS will accept some other evidence of expenditure incurred.
- if the supply is GST-exempt or zero-rated then RACS will accept some other evidence of expenditure incurred.

### 3.2. Claimable Limits

The claimant is limited to claim reimbursement of expenditure to amounts set annually as disclosed in the Travel and Accommodation Policy and on the applicable ERF. Expenditure which has set limits and rates are generally but not limited to the following types of expenditure.

- daily limit for domestic and overseas accommodation and meals
- daily limit for domestic and overseas meals only
- rate per kilometer for travel allowance

**nb – Claims for amounts in excess of the daily limits will be capped at the daily limits as noted in the Travel and Accommodation Policy.**

### 3.3. Claims Based on Redemption of Awards Based Points

Any goods and/or services purchased by way of a customer loyalty programme and/or similar award based membership scheme will not be deemed as a claimable transaction for expense reimbursement purposes. It is determined that redemption of award based

|                    |   |                 |                    |
|--------------------|---|-----------------|--------------------|
| <b>Division:</b>   | <b>Resources</b>                                | <b>Ref. No.</b> | <b>RES-FIN-002</b> |
| <b>Department:</b> | <b>Finance</b>                                  |                 |                    |
| <b>Title:</b>      | <b>Accounts Payable – Expense Reimbursement</b> |                 |                    |

points for goods and services are of a private nature and are not to be used when undertaking RACS related business activities.

### 3.4. Non Allowable Expenses

Items that are private in nature must not be charged to RACS.

Non allowable expenses deemed private in nature and not reimbursable by RACS include, but are not limited to, expenses relating to:

- Fines and penalties;
- Scams, frauds and illegitimate schemes;
- Customer loyalty programmes/award based memberships; except as noted below;
- Interest on overdue amounts and late payment penalties;
- Tipping above 10% of the GST inclusive value for Australia and above 20% for overseas;
- Child and pet minding expenses;
- Personal subscriptions and memberships;
- Private travel, including travel incurred for an accompanying family member;
- Equipment for private use.

Exception:

RACS may provide membership to airline travel lounges that provide airport facilities for domestic and international travellers. However this will usually be provided as part of employment of staff where there is a requirement of the role for significant travel on RACS related activities. RACS will not provide reimbursement to claimants who are not employed as a staff member of RACS.

### 3.5. Multiple Currency Claims and Applicable Expense Reimbursement Claim Form

The claimant will convert expenditure incurred in a foreign currency into the currency of reimbursement at the spot rate applicable at the date the expenditure was incurred. In instances where the claimant has not clearly stated a converted amount the Finance Department and/or NZ Office will adjust the amount to be reimbursed on behalf of the claimant.

Generally Australian/Other residents (except New Zealand residents) claimants are to use the ERF – Australia.

Generally New Zealand resident claimants are to use the ERF – New Zealand.

Possible exceptions may occur when the claimant has incurred expenditure (single or multi-currency) and has arrangements in place to remit reimbursed funds into a nominated bank account which may differ to their residency status.

**POLICY**

ROYAL AUSTRALASIAN COLLEGE OF SURGEONS

|                    |   |                 |                    |
|--------------------|---|-----------------|--------------------|
| <b>Division:</b>   | <b>Resources</b>                                | <b>Ref. No.</b> | <b>RES-FIN-002</b> |
| <b>Department:</b> | <b>Finance</b>                                  |                 |                    |
| <b>Title:</b>      | <b>Accounts Payable – Expense Reimbursement</b> |                 |                    |

For example: Dr. Smith has occurred \$1,000 AUD and \$600 NZD and is a resident of New Zealand. If the claimant has a bank account set-up in Australia the ERF – Australia is to be completed and the \$600 NZD will be converted and paid in AUD.

**4. ASSOCIATED DOCUMENTS**

Delegations Manual

Travel and Accommodation Policy

Expense Reimbursement Form – Australia

Expense Reimbursement Form – New Zealand

**Approver** Resources Committee**Authoriser** Council

Approved By: Director, Resources

Document Owner: Finance Manager

Original Issue: June 2006

Version: 4

Approval Date: February 2018

Review Date: February 2021