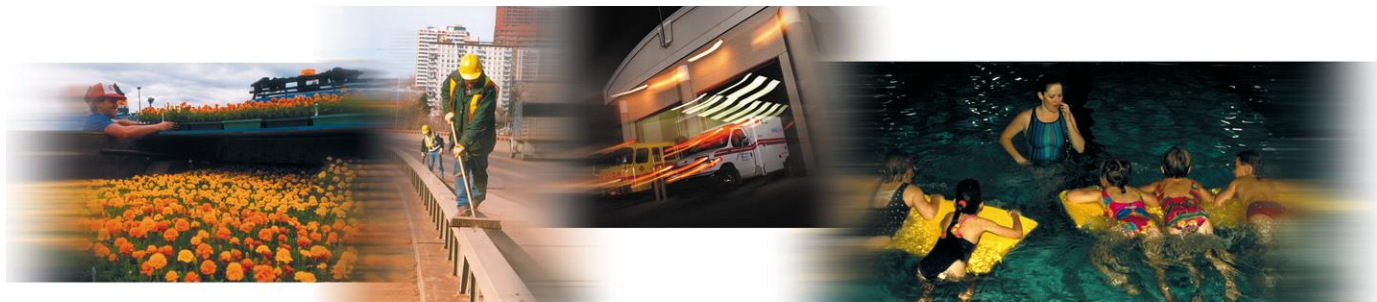


# EDMONTON

## ADMINISTRATIVE PROCEDURE



### TITLE

**PRIVATE VEHICLE REIMBURSEMENT**

### NUMBER

**A1413U**

### DEPARTMENT

**FINANCIAL & CORPORATE SERVICES**

### DELEGATED AUTHORITY

**CHIEF FINANCIAL OFFICER AND GENERAL  
MANAGER**

### CONTACT

**DIRECTOR, CORPORATE ACCOUNTING  
AND REPORTING (780)496-5178**

### DEFINITIONS

### DATE

**JANUARY 1, 2016**

Business Travel – The amount of business kilometres traveled by an employee in the performance of their employment duties using their private vehicle. This does not include travel for personal business or travel between home and work.

Exception – When the City of Edmonton (City), on an **infrequent** and **irregular** basis, requires an employee to proceed directly from home to a point of call other than their Normal Work Location or to return home from some such point, this travel is not considered personal.

See Attachment III for examples of business versus personal travel.

Normal Work Location – The location an employee normally reports to work to perform their employment duties, file reports or receive instructions.

Reimbursement Rate – The per kilometre rate at which each kilometre of authorized Business Travel will be reimbursed. This Reimbursement Rate is based on a formula that is designed to accommodate a wide range of vehicle usage patterns, including infrequent, occasional, and high usage drivers.

Supervisor - Someone in a position senior to the employee making the claim who has the authority to question and request evidence supporting the employee's claim. Typically, this is the individual directing the employee's work and evaluating employee performance.

### PROCEDURES AND GUIDELINES

#### Reimbursement Rate

An annual review of the Private Vehicle Usage Reimbursement will include:

- Canada Revenue Agency legislation and regulations
- The CAA Driving Cost Formula
- Policies of other large Alberta and Edmonton area employers

LEGALLY REVIEWED BY:

AS TO CONTENT:

PAGE 1 OF 3

THE CITY OF  
**Edmonton**

# EDMONTON

## ADMINISTRATIVE PROCEDURE

### TITLE

PRIVATE VEHICLE REIMBURSEMENT

### NUMBER

A1413U

### DATE

JANUARY 1, 2016

- Employee concerns
- Minimum insurance coverage requirements

The Reimbursement Rate will be revised and approved by the City Manager when:

- The change (increase or decrease) in the average gasoline pump prices translates to a change of \$0.01 or more in the Reimbursement Rate, and the change in gasoline pump prices persists for a 13 week period (The change to the Reimbursement Rate due to gasoline pump prices will be effective the first day of the month in which the 13-week period ended), or
- The annual review of the formula indicates a change in the Reimbursement Rate.

### Insurance and Licensing

Employees authorized to use their private vehicle for Business Travel must possess a valid Alberta operator's license, and must have a minimum of \$1,000,000 of public liability and property damage insurance.

Employees are responsible for contacting their insurer to confirm they have adequate insurance coverage for business use of their vehicle and for renewal of insurance as appropriate.

Supervisors must ensure that employees certify that they have required insurance coverage **prior to** authorizing the use of the employee's private vehicle for Business Travel. After the initial proof of insurance, Supervisors will be required to certify that the insurance is valid annually upon renewal or when there is a change in insurance that will impact coverage (i.e. change in provider).

### Process and Responsibility

Where employees do not have system access or where departments have assigned the role of data entry to a Coordinator, the Coordinator will process claims for reimbursement and enter business insurance certification into PeopleSoft.

Employees are responsible for maintaining a daily log of Business Travel to support reimbursement claims and must submit a copy of the log to their Supervisor with their claim. At a minimum, the daily logs must include date, initial starting location, destination, business purpose, and the distance traveled. See Attachment I, Private Vehicle Reimbursement Daily Log for an example of the requirements. Where **all required** daily log information is recorded in Peoplesoft, separate paper copies of the log are not required. Employees may require a separate record for personal tax purposes.

Supervisors are accountable to maintain all submitted employee daily logs and employee insurance certifications for internal audit purposes for two years plus the current year. If all required daily log detail is recorded in Peoplesoft, then Peoplesoft records may be used for City purposes.

Supervisors will not approve a claim without first reviewing supporting daily log detail.

Employees must submit and receive approval for Business Travel reimbursement claims prior to the end of the month following the month of the claim. See Attachment III for Examples of Business vs Personal Travel.

Supervisors must review and approve claims for reimbursement no later than the end of the month following the month of the claim.

# EDMONTON

## ADMINISTRATIVE PROCEDURE

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PRIVATE VEHICLE REIMBURSEMENT

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JANUARY 1, 2016

Employees must notify their Supervisor and discontinue using their private vehicle for Business Travel if their insurance has been cancelled, if their vehicle operator's license becomes invalid or if their vehicle registration is cancelled.

Employees must notify their Supervisor immediately if they are involved in an accident during the performance of their employment duties.

Employees who choose to report vehicle reimbursement as taxable income are responsible for submitting the form (Tax form T2200 – Declarations of Conditions of Employment) to their immediate Supervisor for completion and approval.

#### Private Vehicle Versus City Owned Vehicle Thresholds

Annually, a report will be submitted to Supervisors summarizing employee private vehicle reimbursements.

Business Areas (BA's) will conduct a cost benefit review of annual claims that meet or exceed established thresholds (see Attachment II, Private Vehicle Reimbursement Threshold) for the provision of a City owned vehicle. BA's will work with Fleet Services to determine the appropriate type of vehicle to meet operational requirements and to manage vehicle acquisition and storage.

Annually, the thresholds to provide a City vehicle will be reviewed and updated. This will be done collaboratively between Corporate Accounting and Reporting and Fleet Services.

The standard City vehicle life cycle replacement process will be followed once a BA receives a City owned vehicle.

### COMPLIANCE

If an employee provides false or misleading information on insurance coverage, it could lead to disciplinary action, up to and including dismissal.

Any employee who violates or knowingly allows his/her staff to violate this Directive is subject to disciplinary action up to and including termination.

### ATTACHMENTS

Attachment I – Private Vehicle Reimbursement Daily Log  
Attachment II – Private Vehicle Reimbursement Threshold  
Attachment III – Examples of Business Versus Personal Travel

**The Private Vehicle Usage Reimbursement Rate, effective January 1, 2016 is \$ 0.52 per kilometre.**