

FRIENDS OF THE ATASCADERO LIBRARY

EXPENSE REIMBURSEMENT POLICY

I. Purpose

The Board of Directors of Friends of the Atascadero Library (FOAL) recognizes that its directors, officers, and volunteers, as well as staff of the Atascadero Library, may be required to travel or incur expenses from time to time to conduct business on behalf of FOAL or to further its mission. The purpose of this policy is to ensure that: adequate cost controls are in place; purchases, travel and other expenditures are appropriate; and a uniform and consistent approach is provided for the timely reimbursement of authorized expenses. It is the policy of Friends of the Atascadero Library to reimburse only reasonable and necessary expenses actually incurred. Directors, officers, volunteers and staff are expected to exercise discretion and good judgement with respect to business expenses, to recognize the fiduciary responsibility of the organization to its donors, and to be cost conscious and spend money as carefully and judiciously as possible.

2. Authorization

The Treasurer may issue expense reimbursements and make expenditures not anticipated in the annual budget only if authorized by at least two other members of the Executive Committee, or by a majority vote of the Board of Directors.

3. Procedure

A. Officers, directors and other volunteers working on behalf of the Friends of the Atascadero Library will be reimbursed for expenses, or receive an allowance to cover expenses, in accordance with the provisions of an IRS-qualified "accountable plan." Allowable expenses must meet the following three requirements:

(1) The expenses must be for FOAL business. No personal expenses, even though incurred while engaged in work for FOAL, will be reimbursed.

(2) The expenses must be adequately accounted for within 60 days after incurred. An itemized expense report, including documentary evidence of expenses, must be provided, including vendor receipts, credit card receipts, and/or a journal or account book, substantiating the time, place and business purpose of the expense.

(3) Any excess reimbursement or allowance must be returned within 90 days following the expense. Any advance allowance must be reasonably calculated not to exceed the amount of anticipated expenses, and must be made within 30 days prior to incurring the expenses.

B. Expenses for direct purchases of materials, supplies and services for FOAL will be reimbursed at cost. Examples include books, audio-video materials, telephone or fax charges, internet fees, secretarial work, postage, printing and promotion, awards, signs, purchase or rental of equipment for FOAL activities.

C. Expenses for transportation, meals, or lodging for authorized travel on behalf of FOAL will be reimbursed at the standard federal mileage or *per diem* rates in effect at the time the expense is incurred. Public transportation fares will be reimbursed at economy rates.

D. Expenses of any type that may be perceived as lavish or excessive or otherwise inappropriate for a nonprofit public benefit organization will not be reimbursed.