



## BUSINESS EXPENSE REIMBURSEMENT AND TRAVEL POLICY

<b>Responsible CHA Department(s): Finance</b>		<b>Policy No. 201.2</b>
<b>Effective Date:</b> March 21, 2023	Approved on 3/21/2023 by CHA Board of Commissioners Resolution No. 2023-CHA-4	
This policy supersedes the Travel Policy (eff. Sept. 2017), Local Transportation & Mileage Reimbursement Policy (eff. Dec. 2011), and other policies on expense reimbursement and travel unless expressly reserved herein.		

### I. Purpose

The Employee Reimbursement and Travel Policy establishes the Chicago Housing Authority's ("CHA") requirements for reimbursement of employees' business-related expenses incurred while conducting CHA business, including for business-related travel locally and outside the Chicago Metropolitan Area. This policy applies to CHA employees, volunteers including Board of Commission members, residents and other authorized individuals regardless of funding source.

### II. General Provisions

#### A. Definitions.

1. *Allowable expense* means an expense that CHA is allowed to pay or reimburse to employees in accordance with federal and state laws.
2. *Authorized Individual*, for purposes of travel expenses, means any CHA resident/participant, volunteer (including members of the Board of Commissioners and resident leaders), or other person authorized by CHA to incur certain travel costs in connection with CHA business.
3. *Business-related expense* means items of cost incurred as part of CHA's normal business operations.
4. *Chicago Metropolitan Area* means Cook, DuPage, Will, Lake, Kane, and McHenry counties.
5. *CEO* means Chief Executive Officer of CHA.
6. *CFO* means Chief Financial Officer of CHA.
7. *HR* means human resources department of CHA.
8. *Employee* means any individual in the employ of CHA.
9. *Entertainment* includes, but is not limited to, shows, amusements, theaters, circuses, sporting events, any place of public or private entertainment or amusement, and in-room movies while traveling unless ancillary to the purpose of the program or event.
10. *GSA* refers to the United States General Services Administration and corresponding per diem cost schedules available at [www.gsa.gov](http://www.gsa.gov).
11. *Necessary expenditures* means reasonable costs required of an employee in the discharge of employment duties that inure to the primary benefit of CHA.
12. *Non-allowable or not allowable expense* means an expense that CHA is not allowed to pay or reimburse in accordance with federal and state laws or this policy.

13. *Non-eligible expenditure* means an item of cost that is not eligible for reimbursement. See *non-allowable* or *not allowable expense*.
14. *Official* means any appointed official of CHA, including members of CHA's Board of Commissioners.
15. *Requestor* means an employee, volunteer, or other Authorized Individual who requests reimbursement for official CHA business travel outside the Chicago Metropolitan Area.
16. *Travel expense* means any expenditure, including transportation, meal, and lodging expenses, directly incident to official travel by Employees, Officers, and other Authorized Individuals involving reimbursement to travelers or direct payment by CHA to private agencies providing transportation or related services.
17. *Travel purposes* appropriate for reimbursement under the Travel policy means travel by an Employee, volunteer, or other Authorized Individual: (1) for delivery of legislative testimony; (2) for meeting with Federal or State legislators; (3) as a stipulation or condition of grant funding or otherwise required for Federal or State certification; (4) for presentations on behalf of CHA at conferences or seminars; (5) for financial and operational audits; (6) for operational evaluations related to asset management, development or program management efforts; (7) for court proceedings or case preparation; and (8) for attendance at conferences, meetings, seminars, or training sessions where (a) the topic is of critical interest to CHA, (b) the representation is in the interest of CHA, (c) the topic is related to an Employee or Officer's professional development, or (d) comparable local options for relevant training, conferences or seminars are not available or the matter in question cannot be handled by mail, email, telephone, or other remote means.

#### B. Applicability.

This Policy applies to Employees, volunteers, residents and other Authorized Individuals. Unless otherwise noted "Employee" or "Requestor" refers to any authorized individual under this policy.

#### C. Required Compliance.

Failure to comply with the Business Expense Reimbursement and Travel Policy and procedures may subject employees to disciplinary action, up to and including termination of employment or denial of travel privileges. Other Authorized Individuals who fail to comply with this Policy may be denied reimbursement and/or declared in default of applicable contracts at the sole discretion of CHA.

### III. Reimbursement of Business Expenses

CHA will reimburse an employee for necessary expenditures incurred by the employee within the scope of employment and directly related to services performed for CHA. The employee must timely submit, a manager-approved request through Finance for reimbursement in accordance with this policy and procedures established by the Authority.

CHA receives its funding primarily from federal sources and secondarily from state or local sources. Under federal regulations, certain items of cost must be allowable in order to be paid from federal or non-federal funds. **As such, any necessary expenditure to be reimbursed must be approved before incurred to be reimbursed to an employee.**

A. Expenditures Eligible for Reimbursement.

1. Allowable Costs/Expenditures

Business-related expenses are allowable for Employees when conducting CHA business and may be reimbursed in accordance with this Policy and procedures issued by the CFO or HR. Examples of allowable business-related expenses include, but are not limited to:

- Business travel costs (transportation, hotel) if not purchased under CHA's travel contracts.
- Business meals when traveling on CHA business outside the 50-mile Chicago Metropolitan Area.
- Education, training costs and conference registration for employee development.
- Local transportation including public transportation, taxi/ride-share services, and mileage for use of personal vehicle.
- Refreshments/Food for meetings associated with industry- or resident-driven meetings /forums or Board meetings
- Supplies or materials that are not otherwise available from CHA under its supplier contracts.
- Professional or trade licenses required as a condition of employment or included as a reimbursable expense in a collective bargaining agreement.
- Small purchase transactions where purchase orders are not accepted by a merchant or not available under CHA's supplier contracts and the transaction is necessary to the operation of the department and authorized by the department's executive leader.
- Other travel costs incurred in accordance with this policy.

2. Non-allowable/Non-eligible Expenditures

Certain expenses are non-allowable and are not eligible for reimbursement to Employees or Officers. CHA will not pay or reimburse non-allowable expenses regardless of whether they are related to work or travel for official business, including, but not limited to:

- Local business meals (within the 50-mile Chicago Metropolitan Area)
- Goods or services for personal use
- Gifts/Flowers/Gift Cards for personal use or co-worker benefit
- Alcoholic Beverage/Tobacco Products/Controlled Substances
- Sponsorships/Donations
- Entertainment/Recreational Activities
- Appliances for CHA offices (e.g. microwaves, refrigerators, coffeemakers)
- Kitchen Textiles (e.g. napkins, cups, utensils used in break rooms)
- Office decor items
- Traffic citations/Parking violations/Fines & Penalties
- Sporting Goods
- Car Washes
- Capital Equipment/Construction
- Software and Related Licensing Agreements
- Lobbying
- Fundraising irrespective of the purpose of the funds
- Any other item(s) deemed inappropriate/unnecessary for conducting CHA business or

required to be purchased through the CHA Procurement Process

B. Tax-Exempt Status.

Every effort needs to be made to ensure that expenditures do not include sales tax.

**IV. Business- Related Travel**

A. Local Travel and Mileage.

1. Local Mileage Reimbursement

Public transportation is the preferred method of travel for CHA Employees within the Chicago Metropolitan Area, although occasionally it may not be feasible due to location, timing, equipment/material, or security reasons.

The conditions for authorized use of and reimbursement for use of CHA fleet vehicles are set forth in procedures established by the Authority.

Full-time CHA Employees who are not assigned to a CHA fleet vehicle or do not receive CHA-paid parking, may utilize their personal vehicles and request local mileage reimbursement for travel within the Chicago Metropolitan Area related to the performance of their regular job duties and for required meetings or professional conferences, subject to this policy and procedures established by the CFO for mileage reimbursement. However, fuel for personal vehicles is not reimbursable. Mileage reimbursement requests are subject to CHA review, approval, and random audits.

2. Other Local Transportation Reimbursement

CHA will reimburse Employees for certain other local transportation expenses when performing CHA business:

- a. Public transportation fares
- b. Taxi/ride-share services – Fares (excluding gratuity) for local travel.
- c. Parking Fees – Reimbursement up to \$25 for each segment of travel with a maximum of two segments per day.
- d. Mileage if using a personal vehicle.

CHA will not reimburse Employees or Officers for fuel for personal vehicles.

B. Travel Outside Chicago Metropolitan Area.

To travel on official CHA business outside the Chicago Metropolitan Area when necessary and for appropriate travel purposes in accordance with this policy, Requestors must follow procedures established by HR. HR books travel arrangements (transportation, lodging and conference/meeting fees) on behalf of the employee through the third-party travel agent and suppliers contracted by CHA. The most economical means of travel will consider time, costs, and work requirements. Employees must obtain any required approvals and submit expense documentation in a timely manner of actual expenses incurred for CHA business travel in accordance with procedures established by the CFO and HR. All travel must be pre-approved.

1. Expenditures Eligible for Reimbursement

Allowable expenses that are eligible for reimbursement may include:

- Conference registration fees (unless paid by CHA)
- Pre-approved car rental
- Standard hotel room (unless paid by CHA)
- Meals unless included in the training, conference, meeting (up to maximum GSA daily rate)
- Common carrier transportation (including air, train, bus unless prepaid by CHA)
- Ground transportation (public transportation, taxi/ride-share services)

2. Expenditures Not Eligible for Reimbursement

In addition to non-allowable/non-eligible expenses set forth in Section III.A.2 above, non-reimbursable travel expenses include, but are not limited to:

- Travel expenses purchased through CHA's third-party travel agent and suppliers or paid by CHA under contract.
- Meals related to business meetings and included in conference/meeting registration fees.
- Additional charges for room upgrades or special "club" floor
- Coat checks
- In-room movies
- Late check-out and guarantee charges
- Personal services such as barber, shoeshine, health club, massage
- Spousal expenses
- Toiletries
- Travel accident insurance
- Laundry/dry cleaning expenses
- Other expenses of a purely personal nature

3. Reimbursement Rates

The rates of reimbursement for allowable travel expenses shall be based on the current rate guidelines established by the US General Service Administration ("GSA"), as amended from time to time ([www.gsa.gov](http://www.gsa.gov)). CHA may reimburse actual expenses up to per diem rates, where applicable. Per diem rates are a guide to reasonableness of actual expenses and operate as a cap except in unique circumstances as determined in the sole discretion of the CFO. Any exceptions to the reimbursement policy require approval of both the CFO and CEO (or designee).

**V. Quality Assurance and Monitoring.**

CHA uses multiple reviews to monitor expense reimbursements and to ensure policy compliance, proper processing and accurate reimbursements. The Finance or HR departments may conduct periodic analysis relating to expenditure type and dollar amounts, approvals and proper documentation. Additionally, the internal audit department may conduct regular and random reviews, and annually independent auditors may review sample transactions as part of the annual financial audit. Department heads are expected to ensure that their employees comply with this policy and relevant procedures.

**References:** 2 CFR Part 200; GSA Federal Travel Regulations; Local Government Travel Expense Control Act, 50 ILCS 150/15.

**Policy History:**

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