Business Expense Policy

Version: 2.0

Policy Owner: Finance Division

Approval: Board of Directors

Effective Date: July 1, 2026

1. Purpose

- Toronto Community Housing Corporation (TCHC) will reimburse legitimate, reasonable, necessary, modest and approved business expenses incurred by authorized claimants while conducting approved TCHC business. All expense decisions must demonstrate accountability, transparency, value for money, fairness, compliance with approved budgets, and alignment with TCHC's mandate to provide safe, well-managed and affordable housing.
- No claimant is entitled to reimbursement solely because an expense was incurred. Expenses must comply with this Policy, the related Procedure, the Financial Signing Authority, procurement rules, conflict-of-interest requirements, collective agreement requirements where applicable, records requirements, applicable legislation and any Board or shareholder direction.

2. Scope and Application

This policy applies to all out-of-pocket business expenses incurred by:

- members of the Board of Directors and Board committee members;
- TCHC employees, including permanent, temporary, contract, student and part-time employees;
- consultants, contractors, secondees, volunteers and interns, where reimbursement is explicitly authorized in writing; and
- any other person acting on behalf of TCHC and authorized to incur reimbursable business expenses

This Policy applies regardless of the funding source. Where a grant, program, development agreement, collective agreement, procurement contract or external funder imposes stricter requirements, the stricter requirements apply. This Policy does not override any legal entitlement, human rights accommodation, collective agreement right under Collective Bargaining

Agreement (CBA). Where the CBA is silent on a particular expense, this policy and related procedures will apply

- This policy does not cover tuition reimbursement.[1]
- This policy does not cover employee appreciation events.2
- This policy does not apply to TCHC tenants.[3]

3. Core Principles / Mandatory Requirements

This policy establishes the rules for the types of business-related expenses that are legitimate. Its related procedures guide TCHC Claimants in how to pay for or claim reimbursement for legitimate business expenses incurred for approved TCHC-related activities, provided that it meets the core principles/ mandatory requirements.

The core principles / mandatory requirements are:

Principle	Requirement
Public purpose	The expense must directly support approved TCHC business, Board duties or operational requirements.
Necessity	The expense must be required to perform assigned duties, not merely convenient or preferred.
Reasonableness	The amount and nature of the expense must be prudent, modest and defensible in a public-sector setting.
Value for money	Claimants must select the lowest practical cost option consistent with business need, safety, accessibility and service requirements.
Budget accountability	Expenses must be within approved budget or specifically pre-approved by the proper authority.
Transparency	Claims must be documented clearly enough to be audited and publicly explained.
No personal benefit	TCHC will not reimburse personal, entertainment, political, social, companion, excessive or reputationally risky expenses.
No duplicate reimbursement	An expense may be reimbursed once only and may not be paid by another funder, vendor or TCHC payment channel.

[1] Please refer to the Corporate Learning & Development Policy.
[2] Please refer to the Employee Appreciation Program and Fund Procedure.
[3] Please refer to the Resident Expense Guidelines.

Principle	Requirement
No self-approval	No claimant may approve their own expense or indirectly cause an approver to approve their own expense.
Compliance	Manager, executive or Board approval does not override this Policy. Ineligible claims may be denied, recovered or escalated.

4. Standards

- Claimants must submit required receipts and documentation to their Approver within ten (10) business days of the end of the month in which the expense was incurred.
- TCHC must ensure that all expense-related documentation is retained in accordance with TCHC's Records Retention Schedule.
- Claimants who are provided with a PCard will be held to a high standard of ethics and responsibility and are expected to use good judgement in all spending decisions.
- Claimants who pay out-of-pocket for approved, business-related expenses while performing their duties on behalf of TCHC will be reimbursed in a fair, consistent and transparent manner.
- Claimants' expenses may not be reimbursed by any entity or individual other than TCHC.
- Expenses paid or reimbursed by TCHC may not be claimed as deductions for personal income tax purposes.
- The expense does not exceed the allowable limits set out in Appendix A of the Business Expense Procedure.
- Finance Division will update the allowable limits annually as necessary, with appropriate approval.
- TCHC's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have discretion to approve changes to the maximum reimbursable amount as required, subject to budget availability.

5. Compliance and Monitoring

- Both Claimants and Approvers must ensure spending is responsible, meets TCHC policies and guidelines, and is within the Approvers' delegated authority.
- If an employee is found to be in non-compliance with this policy, actions may be taken that may include seeking reimbursement and/or taking disciplinary action up to and, in the case of employees, termination of employment.
- TCHC will conduct reviews and periodic audits to ascertain compliance with this policy and related procedures.
- The Business Expense Procedures will be reviewed annually as required to ensure that they support the purpose of this policy and keep rates current.

6. Governing and Applicable Legislation

- As per the Public Sector Salary Disclosure Act, 1996, certain expenses of TCHC employees making a salary of over $100,000 must be disclosed online.
- Business expenses paid to employees may be designated as a taxable benefit based on the Income Tax Act. If an expense is deemed to be a non-taxable benefit, employees cannot deduct any non-taxable expenses reimbursed or paid by TCHC (such as professional membership fees) from their employment income.

7. Related Policies and Procedures

Business Expense Policy Related Procedures:

- Business Expense Procedure
- Expense Reimbursement Procedure
- Exec Directive, Purchasing Card (PCard) Program
- Petty Cash Procedure

Other Related Policies and Procedures:

- Corporate Learning & Development Policy
- Conflict of Interest Policy

- Employee Appreciation Program and Fund Procedure
- Delegation of Financial Signing Authority
- Hybrid Work Policy
- Procurement Policy
- Records Retention Schedule
- Resident Expense Guidelines
- Tenant Funds Distribution Policy and Procedures
- Tuition Reimbursement Policy

8. Definitions

Term	Definition
Approver	A person with delegated authority to approve an expense under this Policy, the Procedure, Financial Signing Authority or Board-approved governance rules, including a Division head, with authority and responsibility to review and approve expense reimbursement claims. For Board members and the Chief Executive Officer, the Approver is the Board Chair
Business expense	A cost incurred for a direct, approved TCHC business purpose.
Claimant	A person seeking reimbursement or reconciliation of an expense under this Policy.
Pre-approval	Documented approval obtained before an expense is incurred, including completed required forms, email or approved workflow record.

9. Roles and Responsibilities

Role	Responsibilities
Claimants	Confirm eligibility before incurring expenses; obtain pre-approval; use economical options; submit complete and timely claims; attach receipts; identify business purpose and attendees; deduct personal portions; repay overpayments; disclose conflicts.

Role	Responsibilities
Managers / approvers	Verify business need, budget, reasonableness, eligibility, receipts, pre-approval and delegated authority; reject, investigate or reduce non-compliant claims; prevent claim splitting; escalate exceptions. Ensure claimants comply with the business expense policy and its related procedures.
Finance / Accounts Payable	Maintain procedure and forms; review claims for compliance; process reimbursement; perform duplicate and completeness checks; maintain records; provide guidance; report trends and exceptions.
Corporate Controller Group	Resolving disputes on the eligibility of expense payments or reimbursements
CFO	Own the policy framework; approve procedures/rates/forms; approve administrative exceptions; oversee disclosure, monitoring and system controls; report material issues to CEO, BIFAC and Board.
CEO	Ensure organizational compliance; approve executive/material exceptions where permitted; support public accountability and Board reporting.
Corporate Secretary	Administer Board Director expense workflow, Board/Chair approvals, public disclosure and records for Board expenses.
Internal Audit	Conduct periodic risk-based assurance over expenses, corporate cards, executive claims, Board claims, disclosure reporting and system controls per the audit work plan.

10. Commencement and Review

Version	Date	Description of changes	Approval
1.0	Dec 2012	New policy. The Board Reimbursement of Expense Policy is replaced by this policy.	Board of Directors
2.0	June 2026	Full policy revision and replaces the Expense Reimbursement Policy.	Board of Directors

Toronto Community Housing

Publication Frequency: Every five years, or when there are changes to risk factors or other documents that have an impact to the content of this policy.

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