



419 Cherry St., Lansing, MI 48933 Telephone: (517) 487-6550 Fax: (517) 487-6977

**Lansing Housing Commission  
Policy No. 2014-1  
Accounts Payable Internal Accounting Control Policy**

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**Introduction**

The purpose of this policy is to establish procedures for managing the Accounts Payable processes of the Lansing Housing Commission ("LHC"). This includes identifying staff responsibilities for managing the successful execution of this Accounts Payable Internal Control Policy. LHC financial staff and the fee accounting firm, manage the day-to-day operations of the Commission's financial operations to ensure compliance with federal and state laws. They work together to safeguard LHC's assets by preventing and working to detect errors and fraud in the Commission's programs. The Executive Director has the overall responsibility for Quality Control. The Executive Director will utilize the internal staff as well as the fee accounting firm to ensure this policy is properly implemented.

**Objectives**

The Accounts Payable Internal Control Policy includes the plans, methods, and procedures used to ensure all Commission Payable Fiscal objectives are met.

Internal control is an integral part of the Commission's management and provides reasonable assurance that the following objectives are being achieved:

- Effective, efficient and reliable financial reporting
- Prevention of fraud, budget and financial errors.
- Compliance with applicable laws and HUD regulations.

The responsibility for effective internal controls rests with all LHC staff and fee accountants.

**Segregation of Duties**

LHC will operate in an effective Accounts Payable Internal Control Environment. Staff assignments will reflect a segregation of duties to meet this objective. The segregation of duties ensures payment documents are processed correctly by assigning multiple people to different steps in the payment process. This is necessary for the checks and balances of staff.

In order to achieve segregation of duties, the Commission ensures that no single individual has control over all phases of any financial transaction. The Commission's accounts payable personnel adhere to the following segregation of duties:

- No single individual has the ability to access/enter or release payables, process journal entries, set up vendors, enter a purchase order, and receive goods.

If the Commission's management finds that current staffing levels prohibit proper segregation of duties, the Executive Director will take a more active role in achieving separation of duties by reviewing the work performed by LHC staff.

LHC will have an adequate segregation of duties for the following key duties:

- Custody of assets
- Record keeping
- Authorization
- Reconciliation of goods and services

No one employee will handle more than one of the responsibilities. A sound internal control environment will be created with this separation of duties. A sound internal control environment deters and reduces the opportunity for fraud and misappropriation of assets.

Five separate distinctions of duties will be involved in the LHC accounts payable process:

- **Purchasing Employee** - Prepares the purchase requisition and validates receipt of goods and services.
- **Management** - Approves all service vouchers, purchase orders, and contracts. Reviews documentation for validity and completion. Compares and verifies each purchase order, voucher, receiving report and vendor invoice.
- **Executive Review** - The Executive Director or her designee randomly reviews a reasonable number of the vendor invoices as an additional control measure. The reviewer will determine reasonableness based upon the number of documents listed on the AP Batch Commitment Report. If there are any irregularities noted an expanded review will occur. Appropriate actions will be taken to ensure any problems noted are resolved. Any irregularities identified will be reported to the Board along with an explanation of how the situation was rectified.
- **Finance Team** - Validates vouchers processed, posts payables to vendors' accounts and files all documents supporting payments.
- **Executive Assistant** – Generates and distributes all vendor payments,

### **Compensating Controls**

There will be times when these duties cannot be segregated to the level noted above. The LHC has compensating controls in this event. These controls can take on three primary characteristics.

- Preventative
- Detective
- Monitoring

The compensating controls are to be executed by the Executive Director or designee.

- This Employee will review detailed transactions reports.
- This Employee will review a reasonable number of all transactions to ensure they are complete, appropriate, and accurately processed).
- This Employee will perform analytical reviews as necessary.
- If deemed necessary based on findings LHC will increase supervisory oversight.
- LHC will review and update signature authorizations periodically.
- LHC's fee accounting firm will reconcile ledgers monthly for accuracy of recorded transactions.

### **Receipt of Invoices**

- LHC's administrative assistant ensures all invoices received via mail/email are opened, scanned, and delivered to appropriate personnel for action daily and maintains original invoices for filing.
- Central Office and AMP invoice problems shall be resolved with vendors by the approving manager and they shall be reviewed, edited, coded by Accounts Payable Specialist ("APS") and approved or rejected by Approving Manager (HCV, LIPH) or Executive Director (COCC)
- Invoice approvers shall enter invoices into the AP system creating a vendor's commitment record or document why payment is not approved.
- Finance Team will validate all commitment records against invoices, resolve any discrepancies, batch, and post vendor's payment records.
- Original AMP invoices are filed by the finance team once payments have been generated.

### **Processing Accounts Payable**

LHC will pay only Manager/Supervisor approved bills and invoices that are legitimate and accurate. This means that before a vendor's invoice is entered the accounting records and scheduled for payment, the invoice must reflect:

- What LHC ordered
- What the LHC received or if service was provided
- The proper unit costs, calculations, totals, terms, etc.

#### **Accounts Payable – Entity Level Key Controls**

The design and operation of these controls will determine control risk for accounts payable.

- Invoices are entered within 14 days of receipt
- Invoices are batched by the Finance Analyst prior to the next scheduled check run and totals are verified and checked for accuracy by APS.
- LHC management approves all vendors and accounts with creditors.
- LHC management receives and reviews unpaid vendor invoices and statements.
- LHC management approves all vendor payments.

#### **Accounts Payable – Activity Level Controls**

The design and operation of these controls will determine control risk for accounts payable.

- LHC Asset/Assistant Asset Manager, HCV Supervisor, APS (COCC only) will enter vendor invoices into the accounts payable system as a vendor's commitment when received and approved.
- LHC management and financial analyst will review vendor invoices and supporting documents.
- LHC Asset/Assistant Asset Manager, HCV Supervisor, APS (COCC only) will ensure vendor invoices or receiving reports contain the dates goods were received.
- LHC ED's Administrative Assistant will ensure all unpaid vendor invoices are maintained in a file separate from paid invoices.

#### **Setting-Up Vendors**

The employee with the responsibility for establishing and modifying master vendor files shall not be responsible for entering vendor invoices into the cash disbursement system. They shall not perform any of the following functions:

- Record vendor invoices
- Approve vendor invoices

Any irregularities detected, regarding staff, will be brought to the attention of the Executive Director. Any irregularities regarding the Executive Director will be brought to the attention of the Board of Commissioners.

### **Blank Check Stock**

Checks will be protected against fraudulent use as follows:

- LHC stores blank checks in a locked and secured office.
- LHC limits access to blank checks. The Director and Deputy Director have physical control of all blank check stock.
- LHC prohibits writing checks payable to cash.
- LHC shall deface and retain voided checks for 1 year or until the audit covering such checks is complete then voided checks shall be securely destroy.
- LHC check signers shall ensure checks are printed correctly and accurately and documents (invoices, approvals, etc.) are attached to copies of check/deposit advices.
- LHC fee accountants shall prepare all bank reconciliations.
- LHC shall review and approve all bank reconciliations.

### **Printing Checks**

The check printing process provides a number of ways to detect errors and/or the misapplication of funds. To ensure these detection processes function correctly, control of the check printing function and segregation of the check printing responsibilities must be maintained. The ED's Administrative Assistant is responsible for generating checks and direct deposit payments. The final check and balance is performed when the Administrative Assistant matches the checks to the invoices.

- Personnel authorized to print checks shall take appropriate precautions to protect their user IDs/passwords.
- Personnel authorized to print checks shall not share user IDs and passwords.
- User IDs and passwords shall be changed periodically for employees authorized to print checks.

- User IDs and passwords shall not be posted where others can access them.
- Bank reconciliations shall not be performed by the employees authorized to print checks.

### **ELECTRONIC SIGNATURE**

Vendor payment files are only generated from Elite

Check Writing Access is limited to authorized personnel

Digital Signature Storage-Embedded in Elite's check writing program

Only the ED's Administrative Assistant has access to the check writing printer

### **Resolving Bank Discrepancies**

The employees responsible for resolving bank discrepancies shall not be responsible for entering vendor invoices. In addition, employees responsible for bank discrepancies shall not be authorized to:

- Create check file
- Sign checks
- Access Elite Check Generating Software
- Access Blank Check Stock

### **Bank Reconciliation Process**

Bank account reconciliations shall be completed monthly and reviewed and approved by someone other than the preparer of the reconciliations and the person(s) who issued the checks. LHC reconciliation activities shall confirm payments are for approved purchases and are being billed correctly.

- Fee Account reconciles the Bank Accounts monthly
- LHC's Executive Director will review and approve Bank Reconciliations

Executive Director and Finance Manager will perform monthly ledger reviews to assist in the detection and prevention of invalid transactions or to reclassify expenses and capital assets purchased. In addition, LHC will perform monthly reconciliations of operating ledgers to assure accuracy and timeliness of expenses.



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**Lansing Housing Commission  
Policy No. 2014  
Capitalization Policy and Valuation of Property and Equipment**

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**Lansing Housing Commission**  
**Capitalization Policy and Valuation of Property and Equipment**

**I. Policy Statement**

The Lansing Housing Commission capitalizes property and equipment which in general, has a useful life of more than one year and unit value of \$2,500.00 or more for equipment and \$5,000 for building improvements. The evaluation of property or equipment, whether purchased or constructed, is based on cost. The cost is determined by the cash distributed, by the fair market value of any asset given in exchange, or by the present value of any liability incurred. If property or equipment is acquired by gift, the valuation is the fair market value at the date of receipt of the gift, if determinable. Otherwise, an appraised value is used.

**II. Scope**

This policy applies to all fixed assets purchased by the Lansing Housing Commission regardless of the source of funds. Accurate records shall be maintained of the cost and accumulated depreciation of property, physical plant, and equipment. The acquisition of capital assets should be organized to ensure that no unauthorized acquisitions have been made and that records of each acquisition are accurate, complete, and recorded in the appropriate period.

**III. Initiation of Requisitions for Plant, Property, and Equipment**

- a. Requisitions for Fixed asset additions should be initiated by the user divisions/departments and provided for in either their operating budgets or capital budget depending on the source of funds that will be used for the acquisition.
- b. Capital purchases in excess of \$100,000.00 shall be approved by the Board of Commissioners, during the budget process or by the Board approved budget revisions.
- c. Capital purchases under \$100,000.00 shall be approved by the Contracting Officer or delegate.
- d. Approved capital purchases, shall be made by Purchase order or Check Request and approved by the Initiating Division/Department Manager and the Executive Director.

**IV. Receipt and Identification of Capital Assets**

- a. When practical (portable, relocatable, and movable items) and equipment shall be identified upon receipt by the use of a pre-numbered tag.
- b. In addition:
  - i. The tag should be permanently affixed in a readily visible area.
  - ii. The property number on the tag should be recorded in the detailed fixed asset ledger.



**V. Review of Purchase Price Variances**

- a. For each capital item purchased, a comparison shall be made of the actual versus budgeted cost.
- b. Differences between budgeted and actual cost shall be explained by the initiating division/department director or purchasing officer and approved by the Executive Director.
- c. In addition, variances in excess of plus or minus 10 percent shall be explained to the Board of Commissioners.

**VI. Maintenance of Detailed Fixed-Assets Ledgers**

- a. Detailed fixed asset ledgers that are accurate and complete shall be maintained for the following classifications.
  - I. Land
  - II. Buildings
  - III. Building Improvements
  - IV. Furniture and Fixings - Dwellings
  - V. Furniture and Fixings – (COCC)
  - VI. Equipment - Dwellings
  - VII. Equipment – COCC
- b. The date of purchase, the asset's tag number, the cost, the location, and source of funding for the asset shall be recorded in the detailed fixed asset ledger.

**VII. Capital Assets Defines**

- a. Equipment Assets costing \$2,500.00 or more and building assets costing \$5,000 or more and that have useful lives of greater than one year shall be considered depreciable assets.
- b. Capital assets shall be carried in the accounting records at the original net acquisition cost. Less separate accounts for accumulated depreciation or depletion. Non-depreciable capital assets (e.g., land) shall be carried in the records at the original cost.
- c. Purchased items of property, physical plant, and equipment that meet the capitalization requirements are to be capitalized at the invoice price plus all charges incurred to prepare the assets for operation.
- d. Cost of acquisition or construction includes not only the contract or invoice price but also such cost as preliminary engineering studies and surveys. Legal fees to establish title, installation cost, sales tax, freight, labor, and material used in construction or installation.
- e. Cash discounts taken will be recorded as a reduction to the cost.

**VIII. Postings and Reconciliation to General Ledgers**

- a. Asset additions, disposals, and period depreciation shall be posted to the detailed ledger regularly.
- b. On a periodic basis, the detailed fixed asset ledger should be reconciled with the general ledger or asset cost and accumulated depreciation
- c. Any differences disclosed by the reconciliation should be investigated and resolved. The result of the reconciliation shall be reviewed and approved by finance before any adjustments to the account are recorded, such a review shall be evidenced by signature.

**IX. Capitalization of Expenditures While Building**

- a. Expenditures made by LHC while building a capital asset shall be capitalized.
- b. Expenditures such as those for materials, labor, engineering, supervision, employee salaries and expenses, legal expenses, insurances, and interest shall be capitalized as construction – in – progress until the project is completed and placed in service no depreciation should be taken on construction – in – progress.
- c. Periodically during construction, a comparison should be made between, projected and actual expenses incurred. Appropriate approvals should be obtained if cost will exceed budgets.

**X. Expenditures-Capitalization vs Expense**

- a. Repair expenses should be distinguished from expenditures for improvements, additions, renovations, alterations, and replacements.
- b. Expenditures are repair expenses if they do not materially add to the value of the property and do not materially prolong the life of the property.

Examples of repair expenses are:

- i. Replacing loose or damaged roof tiles.
- ii. Replacing broken glass.
- iii. Painting and decorating a common area.
- iv. Resurfacing a parking lot.
- v. Making temporary repairs to last less than one year.
- vi. Making minor repairs to fully depreciate assets.

- c. Repair costs that increase the value of property, prolong its life, or adapt it to new or different use are capital expenditures. If the life of the asset has been significantly extended, the remaining original cost and the repair cost should be depreciated over the new life.

Examples of repair expenditures that are capital expenditures are:

- i. Replacing floors.
- ii. Replacing a roof, thereby substantially prolonging its life.

- iii. Reconditioning machinery, thereby extending its life.
  - iv. Replacing an auto's or trucks engine.
  - v. Installing a new heating system.
  - vi. Major renovations to the interior of a building, thereby prolonging its life.
  - vii. Major renovations to the exterior of a building, thereby prolonging its life.
- d. Other expenditures that may be capitalized:
- i. Land improvements that depreciate over time (e.g., parking lots)
  - ii. Structural changes or alterations to LHC owned buildings, which become part of a building and increase its life or value.
  - iii. Significant improvements to property leased by the company
  - iv. improvements that add value to the leasehold (e.g., permanent office partitions)

#### **XI. Existence of Capital Assets**

- a. LHC shall conduct a physical count of all capital assets at least once every three years to ensure that all recorded assets exist and are in use for operations.
- b. An employee who is not responsible for the custody or record keeping of the assets, should conduct an actual count.
- c. The inventory of the assets on hand should be compared to the detailed ledger. Differences should be reviewed and approved, by the executive director or designee, before account adjustments are recorded. A signature should evidence such review.
- d. Significant differences should be explained to the Board of Commissioners.

#### **XIII. Valuation of Property**

##### **Capitalization and Valuation of Property and Equipment**

Property Accounting requires the inventory control and capitalization of appropriate expenditures for each of the following major asset classes.

##### **Moveable Equipment (personal property)**

###### **Equipment**

- Equipment groups

###### **Real Property**

- Buildings (including fixtures)
- Construction - in – process
- Improvements to land other than buildings
- Land

##### **Leasehold Improvements**

In the event it becomes applicable, improvements such as buildings and other structures, walkways, and permanently installed equipment located on property leased

to LHC shall be capitalized. Leasehold improvements shall be included under any major asset category except land and construction - in – process.

Permanent improvements to leased assets are those items which cannot be removed without causing substantial damage to the leased asset from which the leasehold improvement is removed. Assets which are merely located on leased property, rather than permanently installed, are recorded using the appropriate inventory tags with a location reference, and shall be listed as inventory accordingly in the General Ledger.

### **Moveable Equipment (Personal Property)**

Moveable equipment for and controlled by individual pieces of equipment.

All tangible personal property is, in general, considered moveable equipment if it has a useful life expectancy of one year or more and a unit value of \$2,500.00 or more. This includes additions or enhancements that increase the useful life or productivity of the equipment. An item of personal property is considered equipment if it meets the criteria:

- a. Has a useful life expectancy of one year or more. Articles that are excluded as equipment are those which by their nature have a useful life of less than one year, show a material change or appreciable depreciation upon the first usage.
- b. Has unit value of \$2,500.00 or more.
- c. Is complete in itself. Articles, which lose their identity or become part of something else, are excluded as individual items of equipment. They may, however, be an enhancement and thus change the value of an existing piece of equipment.
- d. Is not part of a group of equipment (see "Equipment Group" in this section).
- e. Is not permanently attached to the building or grounds of any LHC facilities as a fixture improvement.

### **Acquisition Valuation**

**Constructed** - Valued at the total of all identifiable direct costs. Direct costs are to include labor, drawings, blueprints, component parts, materials, and supplies consumed in construction.

**Gift** – Valued at fair market value at the date of acquisition. The fair market value is usually determined by appraisals performed by outside experts, by a LHC employee or affiliate with expert knowledge about the asset(s), or by values established by courts for assets received from the estate of a donor.

**Installation Cost** – All costs associated with placing the asset in service for its intended purpose or use are included in the acquisition valuation.

**Purchased** – Valued at the net amount paid (invoice prices less all discounts). Freight should also be included if shown on the invoice, or if readily available on related freight

bills. Trade-in allowances are not deducted in determining the asset value. Finance charges are not included.

### **Disposal Valuation**

Removal of Equipment – The value of equipment removed from inventory is the unit value carried on the account record less depreciation.

### **Equipment Groups**

There are only two groups recognized:

1. Vehicles, (For Office or Maintenance Use)
2. Non-dwelling Equipment Furniture

**Maintenance Tools** – Includes equipment and tools individually valued over \$2,500.00

### **Real Property**

#### **Buildings and Fixtures**

**Buildings** - are permanent structures to house persons and/or personal property. The cost of building includes the cost of the structure itself plus the cost of all permanent equipment, components, and fixtures necessary for the intended use of the structure. Buildings are accounted for and controlled by individual building structures.

**Improvements and Additions** – An improvement or addition is the adding of something to the asset structurally, such as a fixture or a component that did not exist previously. When there is an improvement or addition of an asset, the increased value of the asset is capitalized.

**Purchase or Donated** – When buildings are purchased or acquired by gift, the valuation method is the same as any other asset and may require an appraisal to determine the fair market value of the asset being donated.

#### **Construction – in – Process**

The cost of buildings or other fixed assets (capital projects) that are under construction at a balance sheet date are included on the balance sheet as “construction – in – process.” Construction – in – process represents a temporary capitalization of labor, materials and equipment of a construction project.

When the constructed asset is put into use, cost in construction – in – Process account are classified to one or more of the other major assets categories and corresponding reductions must be made to the construction – in – process account.

**Depreciation is not** calculated for assets under construction.

**Accountability** – Construction is accounted for by project and, when completed, costs are transferred to either buildings and/or improvements as applicable.

**Valuation** – the costs included in construction – in – process are the total project – to – date expenditures together with the related accounts payable, insurance premiums, interest and other related costs.

**Improvements to Land other than Buildings**

To prepare land for its intended use, additional acquisition cost may be encountered. These include roads, bridges, drainage systems, tunnels, power lines, walks, sanitation systems, sidewalks, paving, fences, curbs, approaches, landscaping, and similar item. All improvements are an integral part of the land and are necessary to prepare the land for its use. Improvements to land, other than buildings, are accounted for individually or as a single group or class within an entity. Improvements are valued at cost, at fair market value, or at an appraisal value as the situation may require.

**Land** – Land is defined as non-expendable, real property. It is ground to which LHC holds the title. Land is accounted for and controlled by tracts or parcels which are identified by their legal descriptions.

**Acquisition Valuation**

**Assets Acquired Together** - When land, buildings and improvements are acquired together the total cost is allocated among the individual assets on the basis of fair market value or appraisal.

**Cost of Demolished Buildings** – The decision to demolish a building at the time of site acquisition results in an assignment of the building's value and demolition cost to the cost of the land. This decision is based on the intended use of the acquired building. Any decision to demolish a building after site acquisition; results in the cost of demolition being assigned to the cost of new construction and the building being written off. If no new construction is intended, the demolition cost involved should be expensed.

**Eminent Domain** – Land acquired by eminent domain is valued at the amount of the award made to the landholders by the court. Other costs are the same as for purchased land.

**Gift** – When land is acquired by gift, the land cost is the fair market value at the time of acquisition. The fair market value is usually determined by appraisals performed by outside experts; by LHC employees with expert knowledge about the assets, or by values established by courts for assets received from the estate of a donor. The costs are the same as for purchased land.

**Purchased** – When land is purchased, the valuation includes the price of the land itself, any cost incurred in its acquisition, and any cost necessary to prepare the land for its intended use. This cost includes such items as legal, title, and brokers' fees; filing; clearing; and grading. Improvements such as streets, sidewalks, fences, etc., are included in the cost of improvements to land other than buildings.

**Repairs, Maintenance, Remodeling, and Replacements**

Repairs, maintenance, remodeling, and replacements are normally expensed and not capitalized.

**Repairs and Maintenance** - Repairs and maintenance are activities performed to obtain the expected service life of an asset. Repairs put an asset back into normal or expected operating condition. Maintenance keeps an asset in normal or expected operating condition on a regular basis.

**Remodeling** – Remodeling may increase the usefulness of an asset. If remodeling results in a significant increase in the usefulness or service life, the requirements shown in the “Buildings and Fixtures” or “Improvements to Land Other than Buildings,” sections are used.

**Replacements** – The initial cost of fixtures and component parts of an asset are capitalized when acquired. Such fixtures and component parts may have a useful life that is less than the asset. When these fixtures and component parts are replaced, they are expensed. If the replacement results in a significant increase in the usefulness and service life of the asset, the “Buildings and Fixtures” or “Improvements to Land Other than Buildings,” section is followed.



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**Lansing Housing Commission  
Policy No. 2009-4  
Customer Service Policy**

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**OVERVIEW**

The Lansing Housing Commission has daily contact with the public in a variety of ways. The purpose of this Customer Service Policy is to reinforce, with our employees and customers, that exemplary customer Service is expected and shall be received by our customers when dealing with LHC. In addition, it establishes customer service standards and expectations for how LHC will interface with the public.

Everyone who interfaces with LHC is a customer as a result we serve a broad spectrum of internal and external Customers including, but not limited to:

Individual Citizens  
State and Local Government Personnel  
Public Housing Residents & Applicants  
Assisted Housing Voucher Holders, Landlords and Applicants  
LHC's Board and  
LHC Employees

LHC acknowledges customers are the most visible part of the public service we provide. LHC believes targeting customer service with a dedicated effort results in better customer service and higher customer satisfaction. We also recognize customer satisfaction is work and customer dissatisfaction is even more work! Our commitment to Customer Service is exemplified in our **CUSTOMER SERVICE PLEDGE**:

*"LHC staff strives to be reliable in all dealings with customers. We will:*

- work diligently to solve problems and respond to customer needs*
- be consistent with our responses to internal and external customers and*
- do what we say we will do.*

**Good Customer Service** requires LHC staff to meet the needs and expectations of the customer as defined by the customer. Meeting the needs and expectations of the customer, means you know what your customers want and what they expect, and you provide that to them on a consistent basis. In order to have an effective customer service initiative, staff must listen to, and/or review each customer's request seeking to understand the request without making any assumptions other than those stated below:





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**ASSUME**

***Customer Needs Are Paramount To LHC's Business*** – LHC is always open to responding to comments and suggestions to improve the way we deliver our services. All employees shall welcome this feedback. LHC needs continuous feedback in order to continue to meet customer needs.

***Communication Is Key To Our Success*** – Staff should adjust their communication "style," as necessary, and develop effective tools to open lines of communication with our customers. We may not satisfy every customer, but by explaining the facts, offering sound advice and maintaining a pleasant demeanor we have done our best.

***Customers Know What They Want*** – Do not assume that you know what customers want and need, instead ask the customer what they want or need and really listen to the response.

***Customers Want Quality Service*** – Our customers deserve our best efforts, as well as our respect and courtesy every time they contact us. Go the extra mile, exceed their expectations!

***Customers Will Judge LHC Based On What They See And Hear*** – They expect you to do what you say you will do when you say it will be done.

***Customers Expect Good Customer Service*** – Customers expect LHC staff will be helpful and they are pleased when you go beyond a minimal response.

**LHC CUSTOMER SERVICE STANDARDS**

The following Customer Service standards will be emphasized in all facets of LHC's operations:

- We will answer written customer inquiries within the FOIA requirements.
- We will greet callers and identify our self when answering the telephone.
- Staff will answer telephone calls promptly and courteously, within four rings, and return all voice mail messages within 48 hours.
- We will listen intently to callers, ask questions to insure we understand the issue(s) take notes, as necessary, and repeat/summarize what we heard to insure clarity.



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- When contacting LHC, you will speak to a knowledgeable person who will answer your question(s), or refer the question(s) to the correct person.
- If you are improperly referred, the 2nd responder will identify the correct person and have that person to call you back.
- If you telephone LHC with a complaint, we will advise you on the telephone or refer your complaint to the proper source.
- Before ending a telephone call, staff will ask if we have addressed the caller's needs.
- Staff will empty their voicemail box often enough to ensure it is never full, Voicemail messages will be changed (when out of the office for 8 hours or more) to reflect when an employee is out of the office, when s/he will return and who is covering in their absence.
- Routine non-FOIA email or other electronic inquiries will be answered promptly and courteously within 48 hours.
- Staff will create an email auto-reply, if they will be out of the office for more than eight hours, indicating when they will return and who will cover in their absence
- If you have an appointment with an employee and you arrive on time, you will be helped within 5 minutes of your arrival. If you arrive late you will be seen within 30 minutes.
- You will not wait more than 30 minutes to see an employee if you do not have an appointment.
- Requests for copies by mail will be provided consistent with LHC's FOIA guidelines.
- LHC will give customers the option to receive information in electronic form where possible.
- LHC will respond to Maintenance Requests within 72 hours.
- LHC will respond to requests for HCV inspections within 72 hours.
- LHC staff will deliver on their promises. We will do what we say we are going to do by the promised due date.

**CUSTOMER SERVICE IN ACTION**

The customer service standards we have set for ourselves are goals to be met, and do not necessarily represent current levels of performance. To improve customer service, we will concentrate on working to meet the standards we have set to improve our service effectiveness. On some of the standards, our performance can be measured internally; in other cases, it will be tested through surveys.



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These initiatives are aimed at improving our customer service, introducing more common sense into the way we do our work, and reducing costs. LHC has an open-door policy which enables all customers to have direct access to staff.

**CONTACT LHC WITH CUSTOMER SERVICE COMMENTS**

If your customer service was exemplary or if you do not believe the Customer Service you received from LHC met the standards contained in this Policy, we want to know. We seek out customer satisfaction and dissatisfaction so that we can improve our customer service. If you have a compliment, problem or suggestion, are unsatisfied with our responses or have recommendations for improving our services you may:

- Provide feedback to the person who served you.

**Or**

- Contact the Supervisor of the person who served you. The employee will provide the name and telephone number of his/her supervisor if asked.

**Or**

- Speak, or write, to the Manager in charge. The names of Managers are posted in every LHC lobby or may be obtained by calling us at (517) 487-6550 or visiting our web site at [www.LHC@lanshc.org](http://www.LHC@lanshc.org). We will provide a response within ten working days or contact you within 10 working days to indicate when a response will be forthcoming.

**Or**

- Fill out our Customer Satisfaction Survey at the front desk, or complete our on-line electronic customer service satisfaction survey. No requests for an appointment will be denied. Meetings will be scheduled within 7-10 calendar days.

**Or**

- Send an email message to our Executive Director at [martella@lanshc.org](mailto:martella@lanshc.org). He will personally ensure your question is answered or your issue addressed. If you request a reply, we will provide an email response within 48 hours.



**Lansing Housing Commission  
Policy No. 2009-01  
Ethics Policy**

**Purpose**

This Policy is designed to provide all Lansing Housing Commission ("LHC") employees and members of LHC's Board of Commissioners ("Board") with a clear understanding of the behavior expected of them to prevent improper conduct which may adversely affect customer relationships and public trust or confidence. All LHC employees and Board members are expected to maintain the highest possible ethical and moral standards and to perform within state and federal laws and other rules and regulations set forth by LHC.

Each employee and Board member must serve LHC residents and the public with respect, dignity, honesty and integrity. In addition, each employee and Board member is obligated to maintain confidential information and to treat internal and external customers fairly. The LHC shall provide ethics training at least annually for employees and Board members to insure this policy is thoroughly understood.

**Employee & Board Member Actions**

Employees & Board members shall not:

- Use personnel, resources, property or funds under his/her control outside of the proscribed regulatory procedures.
- Use personnel, resources, property or funds for personal gain or benefit.
- Grant or make available consideration, treatment, advantage or favor beyond that which it is the general practice to grant or make available to all members of the public.
- Permit the use of publicly owned or publicly supplied property, material, labor or services for the private advantage of any other person or themselves.
- Use or disclose confidential or proprietary information concerning the property or affairs of LHC without proper legal authorization and the prior approval of the Executive Director.
- Use internal proprietary or confidential LHC records, information or knowledge to their advantage.
- Engage in criminal conduct or advocate criminal behavior whether on their own time or in connection with their official duties and responsibilities.



**Lansing Housing Commission  
Policy No. 2009-01  
Ethics Policy**

**Employee & Board Member Customer Relationships**

Employees & Board members shall not:

- Direct or encourage clients to use personnel, resources, property or funds under his/her control outside of the proscribed regulatory procedures.
- Accept or solicit loans, gifts, resources, property, service or funds for personal gain or benefit from customers or their relatives.
- Accept consideration, treatment, advantage or favor beyond that which it is the general practice to grant or make available to all members of the public from customers or their relatives.
- Accept the use of customer or customer relative owned or supplied property, material, labor or services for the private advantage of themselves or any other person.
- Represent his or her opinion as that of LHC.
- Permit the use of publicly owned or publicly supplied property, material, labor or services for the private advantage of any other person.
- Provide internal proprietary or confidential LHC records, information or knowledge to customers or their relatives.
- Accept employment from customers or their relatives while employed with the LHC or serving on the Board.
- Review, approve, participate or authorize an award to vendors, residents, or Assisted Housing participants without disclosing any personal, contractual, financial, business or employment interest he or she may have.

Each employee and Board member has the obligation to insure he or she adheres to this Ethics Policy. However, the Executive Director will provide general oversight for this policy and shall serve as the LHC Ethics Officer. Therefore, if an employee suspects a violation of this Ethics Policy has occurred, s/he should immediately report the violation to the Executive Director or designee. Employees found in violation of this Ethics Policy may be subject to discipline up to and including Termination of employment. LHC Board members may be subject to removal from the Board.



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**Lansing Housing Commission  
Policy No. 2018-1  
Financial Review Policy**

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## **FINANCIAL REVIEW POLICY**

### **Purpose**

The purpose of Lansing Housing Commission's ("LHC") Financial Review Policy is to establish a framework for staff to follow to ensure monthly and end-of-year financial calculations are accurate in the financial statements.

### **Overview**

To ensure compliance with Generally Accepted Accounting Principles (GAAP), LHC must establish policies and procedures to ensure end-of-year financial calculations are accurate in the financial statements. A management system for the review of information being recorded to the financial statements must be in place to mitigate errors or omissions within the audited financial statements.

### **Implementation**

#### **FINANCE DIRECTOR:**

The LHC Finance Director will conduct a review of all accounting transactions prior to the entries being recorded. All monthly and year-end transactions will be reviewed and approved before being recorded in the financial systems. The review of financial information will include:

- Assets
- Liabilities
- Revenues
- Liabilities

LHC will monitor and adjust financial review strategies for effectiveness and adapt the strategies as appropriate.



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**Lansing Housing Commission  
Policy No. 2009-10  
Political Activity Policy**

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**Acceptable Activities**

Employees may take an active part in political campaigns and most campaign-related activities provided that the activities are done while **off duty** and **away from the workplace**, and provided also that the activities **do not use any LHC resources** such as vehicles, computers, or telephones. In addition, an employee may not use his/her position as a LHC employee to attempt to influence an election.

This means that an employee may endorse, oppose, or work on behalf of any candidate or party as long as it is done away from the workplace and on the employee's own time. In addition, an employee may not use any LHC resources or do anything to identify him/herself as a LHC employee. If an employee wishes to participate in any activities that occur during normal working hours, the employee must request personal leave and receive his/her supervisor's approval **prior** to the event in accordance with normal procedures. Approval will be granted so long as there is adequate job coverage. Subject to these restrictions, employees may participate in voting drives, distribute campaign materials, make telephone calls, contribute money and attend fundraisers, sign petitions, serve as a polling place worker or observer, and even make political speeches. And, of course, employees may exercise their right as a citizen to register and vote for the candidates of their choice.

An employee may also seek or accept nomination, election, or appointment to a political office in a non-partisan race, provided this activity does not create a conflict of interest or interfere with the employee's regular duties as a LHC employee. The Supervisor/Manager and Human Resources will determine if a conflict of interest exists. Please consult with them prior to deciding whether to run for office. If a conflict exists, and the employee still wants to run for office, the employee may be placed on an approved leave of absence for up to 180 days during the campaign.

This policy does not prohibit LHC employees from talking about political subjects among themselves while on-duty, so long as it doesn't interfere with work. "Water-cooler" type discussions and exchanges of opinion among co-workers concerning the events of the day, including political campaigns, are permitted. However, employees should avoid having such discussions with individuals affiliated with firms that do business with LHC.



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**Lansing Housing Commission  
Policy No. 2009-10  
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**Unacceptable Activities**

There are a number of general rules to keep in mind. First, an employee may not use his/her official position or authority to influence an election. Second, the employee may not participate in political activities while on duty, on LHC premises, or in a LHC vehicle. Third, engage in any type of social media activities which infers LHC's endorsement or support. In addition, while on duty an employee may not solicit, accept, or receive financial contributions for a political candidate or party. Employees are also prohibited from soliciting services or any other type of support from a business or organization that does business with LHC.

There are also some specific prohibitions. Employees may **not**:

- Wear any item of clothing, jewelry or other accessories indicating a partisan political position while on duty or while on LHC premises or in a LHC vehicle at any time.
- Engage in any "electioneering" activities while on duty, or while on LHC premises or in a LHC vehicle at any time. This includes such things as handing out political leaflets or brochures, and displaying political posters or other campaign materials in the workplace.
- Provide confidential information (e.g. names, addresses, telephone numbers) relating to other LHC employees or to LHC program participants (e.g. residents of Public Housing or Section 8 participants) to anyone outside LHC for any purpose. In addition, the employee may not use this information except in the course of performing his/her normal job duties. Questions about what information is confidential are to be directed to the Supervisor/Manager or the Executive Director's Office.
- Be a candidate for a partisan political office.

***What are the penalties for violating this policy?***

Employees who violate this policy will be subject to discipline, up to and including discharge.

***Where to obtain more information:***

Questions about this policy should be directed to the employee's supervisor or Supervisor/Manager or Human Resources. (4CFR 7.3 - Political Activities)





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**Lansing Housing Commission  
Policy No. 2009-12  
Travel Policy**

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**Policy Statement**

This policy applies to the travel of all officers, employees, LHC Board of Commissioners ("Board"), persons traveling for job interviews, consultants and all other persons who travel on approved, official LHC business ("Traveler").

This policy is intended to:

- Provide a clear and consistent statement of the LHC's Travel Policy;
- Ensure compliance with applicable federal regulations; and
- Explain requirements that promote the reasonableness of costs incurred by the LHC travel expense.

All official travel should be prudently planned so that the best interests of the LHC are served at the most reasonable cost. Anyone traveling on LHC business is expected to exercise the same economy that a practical person would exercise when traveling on personal business. Excessive costs or unjustifiable cost are not acceptable and will not be reimbursed.

The provisions of this policy must be applied consistently to all travel expenses incurred by travelers.

Authorization for travel will not be granted and expenses will not be reimbursed unless travel is made, and reimbursement claimed in accordance with this policy and any approved exceptions hereto. Additional restrictions may apply to travel expenses funded by non-LHC resources such as grant funds and third-party resources.

The LHC's travel expense reimbursement program meets the Internal Revenue Service ("IRS") definition of an accountable plan. As a result, expenses and reimbursements that conform to this policy are not reported as taxable income to the traveler.

Reimbursement rates shall be issued by the Finance Office as an addendum to this policy.

**Authorization for Travel**

The Executive Director or a designee with appropriate decision-making authority must approve all forms related to travel. The Board Chair or Vice-Chair shall have authority to approve travel by Board members. The authorized approver s responsible for verifying the following:



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Policy No. 2009-12  
Travel Policy**

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- Business purpose of the travel is valid and directly related to official LHC business;
- Total cost of the trip is within the approved budget; and
- Expenses are charged to the proper accounts.

**Non-Reimbursable Expenses**

The following are not reimbursable under this policy:

- Personal grooming services, such as barbers, hairdressers and shoe shines;
- Car rental insurance purchased for domestic travel;
- Childcare
- Corporate or personal card delinquency fees or finance charges;
- Dues in private clubs;
- Frequent flier and other similar awards for hotel and car rentals;
- Gym and recreational fees, including massages and saunas;
- In-room movies
- Insurance costs such as life insurance, flight insurance, personal automobile insurance and baggage insurance;
- Lost baggage
- Loss or theft of cash advance money, airline tickets, personal funds or property;
- "No show" charges for hotel and car service unless there are extenuating circumstances, i.e. extreme weather, etc.
- Parking tickets or traffic violations;
- Personal automobile repairs;
- Personal credit card annual fees;
- Personal telephone charges in excess of reasonable calls home, generally one per day; (if employee has a LHC assigned cell phone);
- Pet care; and
- Travel upgrades (air, hotel, car, etc.)

**Exceptions**

The LHC Executive Director has sole authority to approve exceptions to provisions of this policy. Approved exceptions must be to address a reasonable accommodation or

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explicitly justified as beneficial to both the LHC and the Traveler and generally require the recommendation of the Traveler's Supervisor.

**Responsibilities**

Travelers should spend LHC funds prudently. Business travel expenses will be paid by the LHC only if they are reasonable, necessary, and in accordance with this policy. Travelers who incur business travel expenses should neither gain nor lose personal funds as a result of the travel.

Travelers who receive travel advances are responsible for submitting an Expense Reimbursement Form that details all travel expenses incurred during the trip within ten (10) days of returning from the approved travel. Travel expenses, which are unrelated to a travel advance, must be submitted utilizing an Expense Reimbursement Form no later than thirty (30) days after incurring the expense. The Traveler may delegate responsibility for preparation of the forms but will always be personally accountable for travel expense. Travelers preparing expense reports have the responsibility for applying the correct account to each receipt to ensure compliance with LHC and/or sponsor requirements.

For business travel, the use of per-diem rates (no receipts required) for daily meal costs is preferred. Per diem rates include tips and are based on the applicable Federal GSA ([www.gsa.gov](http://www.gsa.gov)) schedule. Prior approval of LHC's Executive Director is required if actual daily meal costs will be used in lieu of per-diem rates. If this approval is granted, receipts will be required for daily meal costs in excess of the current average meal per-diem rates for business travel. Meals will only be reimbursed for business travel that lasts at least 12-hours during the day and if travel is 50 miles or more, each way from the office.

Receipts for lodging expenses, unless using LHC per-diem rates, are always required. All other business travel expenses require dated receipts.

**Expense Advances**

The LHC will issue cash advances for approved pre-planned travel. The advance will be issued no earlier than one (1) week before the Traveler's departure date. Advances should be requested at least thirty (30) days prior to the scheduled trip. Before submitting a travel advance request, the Traveler must complete the Travel Advance Request Form and receive verbal approval from the Executive Director to attend the



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event. (See instruction for the Travel Advances and Expense Reimbursement Form). Advances must be reconciled within ten (10) days of completion of trip.

**Conferences**

**Registration Fees:** Registration fees for approved conferences, conventions, seminars, meetings, etc., will be approved and paid in advance, including cost of official banquets and/or luncheons, if authorized in advance by the Department Director. These fees can also be reimbursed after the fact if receipts are submitted with the Expense Reimbursement Form.

**Corporate Credit Card**

A Corporate Credit Card is available (in Finance) to pay for LHC's travel needs including events requiring immediate payment and for travel reservations and hotel confirmations. Corporate Credit Cards users must always obtain approval from the Executive Director before use of the credit card. The general guidelines for use of a Corporate Credit card for travel are:

- The Supervisor will contact the Finance Corporate Credit Card holder when needed; Finance will initiate the charge, and the Traveler will simultaneously complete a Charge Card Expense Report form.
- A separate Charge Card Expense Report must be completed *for every charged item*, and it must be signed by the Executive Director and submitted to accounting within one week of usage. All original receipts (make copies to attach with Travel Reports) should be attached to the Charge Card Expense Report. These forms will authorize LHC to pay the credit card bill when received, and it will provide appropriate documentation and account coding for the files.

Refer to the Standard Operating Procedure for the Corporate Credit Card to obtain more information.

**Grant & Third-Party Sponsored Travel**

All travel costs charged to grants and third-party providers must be reasonable and in accordance with policies established by the LHC, the sponsor and the terms of the specific award. Travel policies of federal and non-federal sponsors may vary.

Before making any arrangements for travel that will be funded by a grant sponsor or other non-LHC source, Travelers should consult the terms and conditions of the specific



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award or program. If questions remain, they should be addressed to the grant provider or third-party program sponsor.

**Lodging, Meals and Other Expenses**

Some grant-funded projects or third-party sponsored programs set forth per-diem rates for lodging, meals and other business travel expenses. LHC Travelers should follow grant and third-party program travel policies, where appropriate. Supervisors should review the terms of the award or consult with the grant and third-party provider's office before charging travel expenses to the award.

Expenses for alcoholic beverages and entertainment such as theater productions, sporting or attending other social events with grant personnel cannot be charged to a federal grant or contract and must be coded as an unallowable expense. Such expenses are only allowable on non-federal programs when the event has been specifically approved in advance by the program sponsor.

**Modes of Transportation**

This section contains information on reimbursable transportation expenses.

**Domestic Travel**

Domestic travel is any travel within and between any of the 50 states of the United States and its possessions and territories.

**Foreign Travel**

Foreign travel is expressly prohibited unless funded by non-LHC resources.

**Transportation Tickets**

Passenger copies of transportation tickets are required when each expense is \$25.00 or greater. For electronic tickets, obtain proof of payment from the travel agent or obtain a passenger coupon at the ticket counter.

Transportation receipts must include dates, destinations and amounts.

**Air Travel**

All air travel must be purchased by the LHC utilizing the corporate credit card, unless otherwise approved by the LHC Executive Director. With the Executive Director's approval, Travelers must purchase the lowest-priced tickets available using a



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commercial discount airfare or a coach or equivalent airfare. (Refer to Credit Card Policy) for additional information.

Exceptions may be allowed if the lowest-priced fare would:

- Require circuitous routing;
- Require travel during unreasonable hours;
- Excessive prolonged travel;
- Greatly increase the duration of the flight;
- Result in increased costs that would offset transportation savings; or
- Be inadequate for the medical needs of the Traveler.

The LHC Executive Director must approve justification for any of these exceptions in advance and be provided documentation on the expense report. In the unusual event that the Executive Director approves business-class or first-class travel based on factors other than, those listed above, the difference between the actual airfare and the lowest-priced fare must be coded as an unallowable expense unless authorized by the LHC Executive Director.

Travelers should make reservations as soon as travel plans are finalized to obtain advance purchase discounts. When convenient, Travelers should consider staying over a Saturday night, which could result in airfare savings of more than 40%. The LHC will reimburse Travelers for additional meals and lodging associated with a longer stay if such costs are less than the airfare costs associated with an earlier arrival or later departure.

When Travelers have multiple airports within a reasonable proximity to their home or office, i.e. up to an hour of incremental additional driving time, the purchase of air travel is expected to be from the carrier and airport that provides the most cost-effective choice for travel.

**Upgrades**

An upgrade at the expense of the LHC will not be reimbursed. A free upgrade must be noted on the expense report filed for the trip to demonstrate that the LHC did not pay for the upgrade.



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**Frequent Flier Programs**

LHC Travelers may receive personal credit for frequent flier miles.

**Reimbursement of Early Airfare Purchase**

Travelers should have their transportation paid directly by the LHC (whenever possible) utilizing the Corporate Credit Card. The Traveler must receive authorization from the Executive Director for the direct purchase of transportation. If transportation is purchased with personal funds, Travelers may be reimbursed by the LHC utilizing the Travel Advance Request and the Expense Reimbursement Form.

**Rental Cars**

Long distance travel by rental car is discouraged, since it increases travel time and places the LHC at higher risk for liability for business travel accidents.

The LHC will reimburse the Traveler for the cost of renting a compact or standard-size car and for the automobile-related expenses if use of a rental vehicle is the most economical mode of transportation. The Executive Director can approve upgrades to full-size cars if a detailed explanation, for example number of persons, luggage accommodations, length of commute between airport and destination, accompanies the receipt.

Before renting a car, Traveler should consider shuttle services and taxis, particularly for transportation between the airport and lodging. Mileage is not reimbursable for rental cars. In these cases, the direct cost of gasoline may be reimbursed.

**Accident Notification**

If a rented vehicle is involved in an accident, the supervisor should be notified immediately if possible, however, the accident should be reported no later than the following business day.

**Insurance**

For the Traveler to be covered by the rental agency's basic insurance, the rental vehicle may not be driven by persons other than the renter or leave the state in which it is rented without the agency's permission.

Travelers should accept "full insurance coverage" and include these associated insurance fees as part of their auto rental cost estimate on the Travel Advance Request.



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**Other Ground Transportation**

Reasonable parking costs, tolls and actual mileage driven (mileage will be reimbursed at the Federal GSA business mileage rate) are reimbursable when it is necessary for a Traveler to travel by personal vehicle, whether leased or owned, for business purposes. Where practical, two (2) or more persons should travel in the same vehicle when several Travelers are traveling to the same location.

Out-of-town travel may include the use of a personal car, taxi, car services, buses or other public transportation to go to and from the airport or for transfer around the area. Cities differ in the types of cost-effective transportation they may offer for transfers to and from airports or around the city. Travelers should choose the type of transportation that other similarly situated local businesspersons would use. Reasonable transfer costs will be reimbursed.

Parking at or near air or rail terminals will be reimbursed. Valet parking services or optional services such as a car wash or oil change are personal expenses and are not reimbursable, unless self-parking is not available at a particular location.

**Private Automobiles**

The LHC encourages the use of its vehicles when Travelers travel on official business. However, LHC will pay a standard rate per mile for official LHC travel by private automobile based on the actual driving distance by the most direct route. The standard mileage allowance, defined by the IRS and maintained on the GSA Web site ([www.gsa.gov/perdiem](http://www.gsa.gov/perdiem)), is in lieu of all actual automobile expenses such as fuel and lubrication, towing charges, physical damages to the vehicle, repairs, replacements, tires, depreciation, insurance, etc.

In addition to the standard mileage allowance, necessary and reasonable charges for the following automobile-related expenses are allowed: tolls, ferries, parking, bridges, and tunnels. Traffic ticket and parking ticket expenses will not be reimbursed. Reimbursement for private car expenses will not exceed the commercial airfare and ground transportation costs that would be reimbursable for the same trip.

**Other Forms of Transportation**

For Travelers using railroads, non-local buses or other commercial vessels, the LHC will pay the cost of the lowest first-class accommodations available for the trip. Reimbursement will not exceed the commercial airfare that would be reimbursable for the same trip.





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**Lodging**

The LHC will reimburse a Traveler for allowable lodging expenses incurred during LHC-related travel. If a Traveler is traveling to a conference/training event held at a specific hotel, the Traveler should plan to stay at the host hotel if the cost is reasonable. Hotel reservations should be made as far in advance as travel plans will allow. Unnecessary fees should be avoided by confirming cancellation and early check-out policies when booking reservations and by complying with those policies. When checking in, you should always ask if a lower, "last minute" promotional rate is available.

**Actual Cost**

Travelers will be reimbursed for standard hotel rooms at the lowest available rate. When possible, Travelers should receive the government rate that is available in the destination city, based on the GSA schedule that is available in the destination city. Room rates should not exceed \$200.00 per night (except in major metropolitan areas or the Conference/Training room rate) unless prior written approval is received from the LHC Executive Director.

Reimbursable lodging includes the cost of a room and related taxes. Reimbursable lodging does not include payments for the use of personally owned property or lodging provided by colleagues, friend, relatives, etc. in lieu of using a hotel.

Lodging may be claimed for each night away from your home on LHC business when your expected arrival time is 7:59 a.m. or earlier and when the meeting/conference you are attending ends after 7:59 p.m. and you are more than 50 miles from your home/office location.

The LHC will reimburse Travelers for the single occupancy cost of a standard room.

**Lodging Receipts**

Lodging receipts are required. Meals and incidentals on lodging receipts must be itemized separately. A lodging receipt must include all of the following information:

1. The name and location of the lodging establishment;
2. The dates of stay; and
3. Separate amounts for charges such as lodging, meals and telephone calls.



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**Deposits and Cancellations**

Hotels normally hold a room without prior financial commitment until approximately 6:00 p.m., local destination time, on the check-in date. In order to hold a confirmed reservation beyond that hour, the hotel will generally require an advance deposit, which is normally prepayment for one night or a guarantee by a credit card. After a deposit is submitted or a guarantee is made, the Traveler is responsible for notifying the hotel of cancellation.

The Traveler will not be reimbursed for the deposit or guarantee penalty if he/she fails to make a cancellation notification unless there are extreme extenuating circumstances beyond the control of the Traveler, i.e. a canceled flight. Such circumstances must be documented on the expense report.

Some hotels hosting large conferences may require a pre-payment irrespective of the guest's arrival time. If prepayment is required in excess of ten (10) days before the conference, the prepayment can be made directly by the LHC to the hotel through submission of a Travel Advance Request.

**Hotel Frequent Guest Programs**

Travelers may receive personal credit for hotel frequent guest programs.

**Telephone**

Travelers will be reimbursed for telephone, fax, and computer connection costs that are reasonable and necessary for conducting LHC business. A reasonable number of personal telephone calls, generally one (1) per day allowing Travelers to stay in contact with their families are included in the daily per diem allowance. The LHC expects Travelers with LHC-provided cell phones to use those phones for such calls. Travelers who do not possess LHC provided cell phones will be reimbursed one hotel telephone call per day.

**Meals and Incidentals**

The LHC will reimburse a Travelers for allowable meal and incidental expenses incurred during LHC-related travel. Travelers are eligible for reimbursement when travel exceeds 12-hours in a day and is 50 miles or more away from DHC's office.

Incidental expenses include fees and tips for persons providing services, such, as food servers, hotel housekeeping, luggage handlers, telephone calls and laundry.



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Meals and incidentals on lodging receipts must be itemized separately.

**Per-diem Meal Reimbursement**

Receipts and detailed documentation are not required when requesting reimbursement of meals and incidentals using the per-diem option. The following requirements apply when using the meal and incidentals per-diem method of reimbursement.

**Per-diem Meal Rates**

The LHC will reimburse meal and incidental expenses based on the per-diem rate for the geographic region where the expenses are incurred. The LHC's reimbursement for domestic travel is based on the per-diem rates established by the General Administration found on its website at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

**Per-diem Meal Reductions**

On days of travel to or from the destination, per-diems should be adjusted for the Traveler's departure and return times, to exclude any meals not incurred during the time of travel using the reduction schedule below.

The LHC's meal and incidental per-diem will be reduced to account for meals furnished at no cost or nominal cost to the Traveler. If meal costs are provided in the cost of a conference, those meals (except continental breakfast) should be deducted from the per-diem rate based on the GSA value for that meal. In addition, if a Traveler returns after 5:00 p.m. on the return date, he/she is eligible to receive the full day per diem amount. If travel occurs outside of these timeframes on the first days of travel, the Traveler is only eligible to receive 75% of the per-diem amount for the geographic region. Please see the GSA Per-diem Rates for detailed amounts per city [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

**Actual Cost Reimbursement**

The LHC generally reimburse Travelers for three (3) meals a day. On the days of travel to or from the destination, the Traveler's departure and return times as reflected above determines whether a meal reimbursement will be paid during the travel period.

The LHC will reimburse Travelers for the actual cost of meals that exceed the per-diem rate if prior written approval is obtained from the LHC Executive Director.



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**Expenses for Meals for Others**

With prior authorization from the Executive Director, Travelers may sometimes pay for meals for others. These expenses are reimbursable when the names (s) of the meal attendees are listed and the business purpose of the meal is justified. If a Traveler is using the per-diem method for his/her expenses, meals for others will be reimbursed at actual cost provided the attendee (s) name, their affiliation, the purpose of the meeting and the original receipt or detailed documentation are provided by the Traveler.

**Meal Receipts**

Restaurant receipts, when required, must include all of the following information:

1. The name and location of the restaurant;
2. The number of people served; and
3. The date and amount of the expense.

Gratuities must be shown on the credit card receipt or restaurant receipt.

**Receipts**

**Required Receipts**

Receipts for lodging are always required unless using the lodging per-diem method. All other expenses require dated, original receipts only when each expense is \$25.00 or greater. These receipts must be submitted with expense reports.

**Other Expenses**

Expenses under \$25.00 such as taxi fares or tips do not require receipts. Receipts under \$25.00 should not be submitted with the report. However, the amounts claimed must be accurate.

**Lost Receipts**

If a lodging or other receipt equal to or greater than \$25.00 is not issued or is lost, a detailed Travel Log for Missing Receipts approved by the Executive Director will serve as sufficient documentation of the actual cost (see Appendix A). The LHC expects that a good faith effort will be made by the Traveler to collect and retain all required receipts. A Traveler should avoid using a Travel Log for Missing Receipts unless absolutely necessary. Receipts are always the preferred form of documentation.



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**Non-Business Days**

Weekends, holidays and other necessary layover days may be counted as business days only if they fall between business travel days. If they are at the end of a Traveler's business activity and the Traveler remains at the business destination for non-business reasons, reimbursement is not allowed for the additional days. The only exception is when travel is at a lower total cost if the Traveler stays over a weekend or holiday. This case must be explicitly justified on the Conference/Training Approval.

**Miscellaneous Expenses**

Certain miscellaneous expenses essential to the purpose of authorized travel will be reimbursed. Miscellaneous expenses include:

- Meeting Expenses: Registration (if not prepaid), costs of presentations, published proceedings, rental of meeting rooms, and other actual expenses in connection with professional meetings, conferences and seminars will be reimbursed.
- Baggage: Charges for the first piece of luggage will be reimbursed by the LHC for its Travelers. Additional baggage charges will be at the expense of the Traveler except when the Traveler is transporting LHC materials or when the extended period of travel, more than two (2) weeks, necessitates excess personal baggage.

**Group Travel**

A group of ten (10) or more participants traveling to the same destination over the same dates from one (1) or more origin cities may qualify for group travel rates. In order to obtain group travel discounts, meeting planners should contact the LHC's preferred travel agents for assistance. Price breaks related to group travel must be credited to the same LHC business or travel expense.

**Sharing Expenses with External Organization**

Travelers are encouraged to combine LHC travel with other businesses if travel expenses can be shared. Travelers are responsible for seeking reimbursement for expenses payable by others. If a Traveler is taking a trip payable jointly by the LHC and another entity, the LHC will reimburse its share of the actual expenses necessary for LHC business. Coach fares must be used as the basis for prorating air travel costs.



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When an outside organization pays for lodging or meals, the Traveler may not claim a per-diem. In no case may the reimbursement to the Traveler from all sources exceed the total expenses incurred by the Traveler.

Where travel expenses are being shared with external organizations, a duplicate copy of the receipts will suffice if the expense report justification field contains a detailed explanation of which organization is paying the balance of the expenses.

**Combining LHC and Personal Travel**

The LHC does not pay travel expenses that are not required for official LHC business.

**Indirect Routes**

If the traveler takes an indirect route or interrupts a direct route for other than LHC business, reimbursement for air fare will be at either the actual charge or the charge that would have been incurred by traveling the direct route or by the most economical means, whichever, is less.

**Rental Cars**

Any personal portion of the cost of a rental car must be subtracted from the total rental bill before requesting reimbursement. The personal portion is calculated by pro-rating the cost of the rental over the number of days for personal use and the number of days for business use.

**Insurance**

If the Traveler accepts extra insurance cost of a domestic car rental in order to be covered during the personal portion of the trip, the entire cost of the insurance coverage for the entire rental period will be a personal expense and not reimbursable.

**Travel Expenses of Spouse and Others**

In general, the expenses of a spouse, family member or others accompanying the business Traveler are not reimbursable.

**Hotel Rates**

When the business Traveler and others occupy a double hotel room, whose attendance does not constitute a business purpose, the LHC will reimburse at the single room rate. In all cases, only reasonable and necessary accommodations will be reimbursed.



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**Visitors Traveling to the LHC**

If a guest is visiting the LHC for business purposes and the LHC has agreed to reimburse the guest for travel expenses, the guest may request reimbursement under this policy and avoid taxable income reporting under LHC's accountable plan. Any guest, visitor or consultant requesting reimbursement but not substantiating expenses as required under this policy will be subject to taxable income reporting on IRS Form 1099 and may be subject to withholding of federal income taxes from the reimbursement.

**Payments to Local Hotels and Transportation Services**

If a guest is visiting the LHC for business purposes, and the LHC has agreed to provide lodging and local transportation, payment for such expenses can be made directly by the LHC to a local hotel or licensed transportation service. The guest may also pay for expenses directly and submit an expense reimbursement.