A Checklist
Developing a Volunteer Reimbursement Policy

If you determine that a new or revised volunteer reimbursement policy would benefit your organization, use this checklist to develop a comprehensive policy and thorough implementation plan

<u>Policy Development</u>

A. Gather Background Information

1. Convene an internal work group, with representation from all who would be involved in the reimbursement process:
    - Volunteer engagement staff
    - Finance staff
    - HR staff
    - Legal counsel
    - Leadership or key volunteers

Assess existing practices for volunteer reimbursement.

- How were decisions about existing practices made?
- Is reimbursement provided on a case-by-case basis or consistently?
- Which costs are being reimbursed?
- Who in the organization is involved in the reimbursement process?
- How are existing practices communicated to volunteers and staff?

Consider the current status and potential impact of offering volunteers expense reimbursements.

- Which, if any, expenses are volunteers already incurring?
    - Mileage
    - Parking
    - Bus fare
    - Training
    - Meals
    - Uniforms
    - Background Checks
    - Other out of pocket expenses
- Do any volunteer position requirements involve hidden costs, such as having access to a laptop or paying for parking at an off-site location?
- Could reimbursements improve volunteer dependability and/or retention?
- How are costs a barrier to volunteering? (Consider conducting an assessment specific to this question.)

Research financial factors and determine the following before drafting the policy:

- Specific costs that would be eligible for reimbursement
- Projected annual costs of providing reimbursement
- Source of funds for volunteer reimbursement (are monies available now or would could new funding sources be tapped to cover costs?)
- Potential return on investment of reimbursing volunteers (e.g., could volunteer engagement be expanded if barriers to volunteering were reduced?)

- Applicable federal or state/provincial laws that might characterize volunteer reimbursement as taxable and how those might affect reimbursement policies and practices

B. Draft the Policy
1. Determine policy details
    - Costs/expenses eligible for reimbursement
    - Reimbursement request and approval process
    - Reimbursement payment process
    - Limits, if applicable
2. Define process management
    - Who manages the reimbursement process
    - What reports are expected and who should review reports
3. Review initial draft by engaging additional staff and volunteers to assess for the following issues:
    - Is it consistent?
    - Is it fair?
    - Is it transparent about why some costs are reimbursed and others are not?
    - Is it clear and well-written?
    - Is the process as user-friendly as possible?
4. Obtain policy approval
    - Determine whether Board-level approval is needed (for nonprofits)
    - Seek authorization to implement from organizational leadership and/or program leadership as needed
    - Set ‘go live’ date when policy is effective

Policy Implementation

A. Determine what documentation is needed to execute the policy
1. Update or develop all supporting materials needed for adoption of the new policy, such as:
    - Reimbursement forms
    - Organizational policy documents
    - Employee manuals/handbooks
    - Volunteer manual/handbook
    - Volunteer position descriptions
    - Volunteer recruitment messages
2. Decide how to manage updates to the policy
    - Who will be responsible for review and revisions?
    - How will changes be documented?
    - Who communicates changes?

B. Develop processes for communicating policy to staff and volunteers
1. Determine best vehicles for announcing new policy, how it will be implemented and rationale for changes
2. Create training for staff and volunteers to support to consistent implementation (both initial training and ongoing/refresher training)

3. Set up regular reminders about expectations related to policy, such as when to turn in expense reports, in volunteer newsletters, emails, etc.
4. Decide how frequently to provide information about policy updates, such as changes in reimbursement rates