



<b>CATEGORY</b>	FINANCE
<b>APPROVED BY:</b>	BOARD OF DIRECTORS
<b>EFFECTIVE DATE:</b>	MARCH 5, 2019
<b>NEXT REVIEW DATE:</b>	MARCH 2023
<b>LEAD:</b>	DIRECTOR OF CORPORATE SERVICES
<b>REFERENCE #:</b>	{2.7}

## TRAVEL, MEALS AND HOSPITALITY EXPENSE

### **PREAMBLE/PURPOSE:**

The following standards and procedures set out the rules and principles to guide payment of travel, meals and hospitality and to provide effective oversight of public funds, and set parameters for the public disclosure of information about expenses.

The standard and procedures apply to Appointees, Board members, Employees, and Consultants and Contractors engaged by the Agency.

### **STANDARD:**

1. Chatham-Kent Children's Services will follow procedures that ensure effective oversight of public funds for reimburse to members of the Board of Directors, Employees, Appointees, Consultants and Contractors engaged by the Agency for expenses incurred when conducting agency business.

The following 4 key principles will be applied:

- **Accountability** - The Agency is accountable for public funds used to reimburse travel, meal and hospitality expenses. All such expenses must support the business objectives of the Agency.
- **Transparency** - The Agency's transactions are transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood and available to the public on the Agency website.
- **Value for Money** - Public funds utilized by the Agency are used prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.
- **Fairness** – Legitimate authorized expenses incurred during the course of the business of the Agency are fairly reimbursed.

2. Exceptions are permitted where the Agency's collective agreement conflicts with the Broader Public Sector Expenses Directive. The Agency collective agreement shall be followed rather than the directive.
3. The most practical and economical way to travel (including accommodation) will be chosen in each circumstance, unless an exception is granted by the appropriate authority.
4. Hospitality, incidental or food expenses cannot be provided to Contractors and Consultants engaged in work for the Society. Such expenses may not be invoiced or included in a contract with the Agency.

## **PROCEDURE:**

### PROCEDURE FOR MAKING EXPENSE CLAIMS

#### **Receipts**

1. Original, itemized receipts showing details such as date, items purchased, taxes etc. must be submitted with all expense claims except where noted in this standard. Photocopied receipts are not acceptable. Credit card and debit card slips by themselves are not sufficient to support a claim for reimbursement as detailed itemized receipts must be submitted.
2. No reimbursement will be made in the event of missing receipts.
3. Travel expense claims records will be retained in the same format and for the same time period as all agency accounts payable claims.

#### **Time Limit for Claims**

1. The Agency assumes no obligation to pay expenses submitted more than three months following the month incurred or by April 15<sup>th</sup> for expenses incurred during January, February and March.

#### **Approval, Verification and Authorization Limits**

1. Claimants will obtain all appropriate approvals before incurring any expenses. No one will approve their own expenses or those of a peer. Expense claims must be approved by an appropriate individual at minimum one level higher in the organizational structure.
2. Individuals having responsibility for approving expense claims are responsible for monitoring compliance with this standard. If expenses are submitted to finance for payment and are not compliant with agency standard the claim will be returned to the supervisor for correction. Expense approval limits are as defined in the agency's designated signing authority standard. Also refer to Authority to Commit Funds and Sign Cheques.
3. The Agency assumes no obligation to reimburse expenses which do not comply with this standard. In the event of an overpayment of expense claims, such overpayment will be recovered promptly from the payee. Employees are obliged to familiarize themselves with this standard and to seek clarification from their supervisor if required. Individuals approving expense claims are responsible for ensuring compliance with this standard and for taking remedial action if required.

4. Expenses for a group may only be claimed for reimbursement by the most senior person present. Expenses cannot be claimed by an individual that are incurred by his/her approver. As an example, Supervisor may not submit an expense claim for a meal for a Manager, with the result being that the Manager would be approving his/her own expense.

### **Responsibilities of Claimants**

1. In arranging travel, meal and hospitality, claimants must:
  - a. Consider alternatives to travel such as teleconferencing and videoconferencing.
  - b. Obtain pre-approvals from appropriate authorities for travel.
  - c. Use the Trip Calculator to determine the most cost efficient mode of travel for trips outside of our geographic jurisdiction (see “Choosing Modes of Travel”)
  - d. Use service providers designated by the Agency where appropriate.
  - e. Request and accept lowest common carrier fare.
  - f. Cancel hotel booking prior to 6:00 p.m. to avoid no-show charges.
  - g. Submit all expense claims on a timely basis.
  - h. Provide written explanations for unusual expenses.
  - i. Provide original, detailed and itemized receipts for all expense claims
  - j. Provide descriptions for all expenses claimed including the purpose of the trip and for meals, the names of all participants.
  - k. Upon resignation, submit all claims for outstanding expenses to the Agency prior to leaving.

### **Responsibilities of Approvers**

1. Approvals under all sections of the standard are governed by the Agency’s designated signing authority schedule. Approvers are responsible for the following:
  - a. Ensure the expenses are consistent with this standard.
  - b. Ensure the expenses are necessarily incurred in the performance of Agency business.
  - c. Ensure that travel arrangements are consistent with this standard.
  - d. Ensure that appropriate documents and receipts are provided to support expense claims.
  - e. Ensure the rationale for any exception is documented and accompanies the expense claim (see Guidance section).
  - f. Ensure that all workers are aware of the conflict of interest guidelines.

### **Responsibilities of Finance**

1. Review employee claims for travel, meals and hospitality expenses regarding compliance with this standard and the Ministry BPS Expenses Directive:
  - a. Complete “Finance – BPS Directive Compliance Checklist” for all expense claims, and Visa statements.
  - b. Complete the mileage claims compliance checklist.
  - c. Return claims to Supervisors that are not consistent with this standard.

### **Guidance on Exceptions**

1. Where an Approver decides to exercise discretion in making an exception to this standard and in order to ensure a proper record for audit purposes, the rationale for the exception must be documented and accompany the expense claim

2. Approvers are accountable for their decisions so they should take into account that:
  - They are using good judgment and have knowledge of the matter
  - Exceptions are granted under rare and appropriate circumstances and;
  - Comply with the principles and mandatory requirements of these expense rules
3. Approvers should consider the following about each decision to grant an exception:
  - i. Does the exception support the 4 key principles of this standard (see “Agency Standard”); accountability, transparency value for money and fairness?
  - ii. Will this stand up to scrutiny by Sr. Management, auditors and the public?
  - iii. Can I properly explain and document this case?
  - iv. Is it fair, equitable, reasonable and appropriate?

### **Non-Reimbursable Expenses**

1. Expenses of a personal nature will not be reimbursed. Such expenses include but are not limited to:
  - Recreational purposes (e.g. video rentals, mini-bars)
  - Personal items
  - Traffic/parking violations
  - Social events that do not qualify as hospitality
  - Alcoholic drinks
  - Expenses incurred on behalf of friends/family

### **TRAVEL**

#### **Agency’s Geographical Jurisdiction**

1. For purposes of this standard the Agency’s “geographical jurisdiction” is defined to include:
  - Municipality of Chatham-Kent – (unconditionally)
  - Essex, Lambton, Middlesex, Elgin, Huron-Perth and Oxford Counties – (if performing normal duties)

#### **Approval for Travel**

1. Normal travel related to a direct service or other Agency business and within the Agency’s geographical jurisdiction is pre-approved. Normal agency expense guidelines will govern reimbursement claims.
2. Travel outside the Agency’s geographical jurisdiction requires prior approval from an employee’s immediate supervisor. For repeat trips to the same destination for the same purpose approval may be given in advance for a specified time period. Normal agency expense guidelines will govern reimbursement claims.
3. Travel outside of Ontario requires prior approval from the Executive Director. Normal agency expense guidelines will govern reimbursement claims. The Executive Director will require prior approval from the Board Chairperson.
4. Travel outside of Canada requires prior approval from the Executive Director. A detailed proposed cost of travel will be inherent in the approval process but in no circumstances will expenses of a personal nature be reimbursed by the Agency. The Executive Director will require prior approval from the Board Chairperson.

5. A proposal for travel outside of Ontario and Canada must include a written rationale to demonstrate that the travel is critical to the organization's priorities; and documentation to demonstrate that the requested travel arrangements (i.e.: transportation mode, accommodation, etc.) are cost-effective, including a detailed itemization of all expenses that will need to be incurred.

### **Choosing Modes of Travel**

1. For destinations within the Agency's geographical jurisdiction, the employee's own vehicle may be used.
2. For destinations beyond the Agency's geographical jurisdiction, the Agency's **Trip Calculator** MUST be used to determine the most economical mode to travel prior to departure. The calculator results must be printed, approved, signed, and dated prior to departure. The Trip Calculator form must be submitted to the finance department attached to either an expense claim, credit card statement or supplier invoice and is to be kept on file for audit purposes. The trip calculator and instructions are available on the agency intranet.

### **Vehicle Insurance**

1. Only employees with valid drivers' licenses are authorized to drive their own or other vehicles in the course of agency business.
2. Personal vehicles used for agency business must be insured at the vehicle owner's expense for personal motor vehicle liability. Coverage should be equal to or greater than the minimum liability specified in the Insurance Act (\$1,000,000) and other mandatory coverage as required by law. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicles. The agency does not reimburse costs of business use coverage or collision and liability coverage. Also refer to Collective Agreement Article 17.03.
3. The Agency assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate when used for agency business.
4. Accidents must be reported immediately to local law enforcement authorities, the rental car agency (if applicable), the automobile insurance company (if using a personal vehicle) and the person's immediate supervisor.

### **Agency Owned Vehicles**

1. Refer to Fleet Management.
2. Refer to Human Resources.

### **Rental Cars**

1. The size of the rental car is not to exceed a full-size car. An upgrade to a larger vehicle is permitted for special situations, such as moving client's belongings or more than four travelling together. Exceptions are to be documented and approved in writing by your supervisor. In no case will luxury or sports car rentals be allowed at the Agency's expense.

2. The rental car must be re-fuelled before returning it, in order to avoid higher gasoline charges imposed by the rental car company.
3. Employees may choose to use the 407 ETR route. ETR Mileage charges will be reimbursed by the agency either to the rental car company or to the employee provided appropriate documentation accompanies the expense claim.
4. Rental cars are to be arranged through the Agency's preferred vendor (at the time of writing: Enterprise rent-a-car; Customer number 1CA5423) and can be direct billed to the Agency.

### **Kilometer Reimbursements Rates for Personal Vehicle Use**

1. Rates of reimbursement are pursuant to the Agency's collective agreement for bargaining unit staff, and per the Management Handbook and Non-Union Non-Management Handbook for non-bargaining unit staff. Also refer to Collective Agreement.
2. Expense claims are to be submitted on the Agency approved form **Employee Mileage Report** and **must** include the:
  - Date of travel
  - Purpose and/or Description
  - Case name and number
  - Starting address (street and city)
  - Ending address (street and city)
  - Km's travelled
3. Mileage payments will be determined by deducting the employee's regular round trip mileage from their home to their base office from the total mileage travelled for work each day. Each employee will be deemed to have a base office. The base office will normally be an employer campus, save and except for days in which the employee does not travel to an employer campus. In those cases, the employee's base office will be the first work location attended and the last work location attended. Also refer to the Collective Agreement.
4. Travel from home to your base office location of work is personal travel and is not reimbursable.
5. The Agency will, on a regular basis, select a random sample of mileage reports and audit to check the accuracy of distances claimed for trips. Accuracy and reasonableness will be verified by using an online trip calculator to calculate the trip distance. The onus is on the claimant to accurately track their actual distance or use a trip calculator. In the event of an overpayment of a mileage claim, such overpayment will be recovered promptly from the employee.

### **Taxis and Local Transit**

1. Where practical, local public transit or hotel shuttles should be used if possible.
2. Where other means of travel are not available or practical, taxi travel will be reimbursed only with receipts where justified by circumstances such as:
  - when other means of transportation are not available;
  - when weather conditions so warrant;
  - when health or safety warrants; or

- when the transport of work-related baggage or parcels is required.
- when group travel by taxicab is more economical than the total cost of all individuals travelling separately by another means (eg 1 cab fare of \$15 versus 4 subway tokens costing \$16).

### **Rail Transportation**

1. Travel by rail (economy class) is permitted when this is the most practical and economical way to travel.
2. Economy (coach) class is the standard option and the Executive Director must approve other types of fares (ex. Business class or VIA1). Approvals will only be granted for circumstances based on accommodation, health and safety considerations, distance travelled, work load, etc.

### **Air Transportation**

1. Travel by air is permitted when this is the most practical and economical way to travel. The standard is economy class.

## **ACCOMMODATION**

### **Accommodation Expenses**

1. For any overnight accommodation, manager approval must be secured prior to the expenditure.
2. Hotel accommodation shall be allowed while travelling on Agency business that exceeds 200 kilometers one way (400 km round trip) from Chatham-Kent. The expectation is that Employees will share accommodations whenever feasible. Receipts are required for reimbursement of accommodations. Also refer to Collective Agreement Article 17.09 (a).
3. When an Employee is on a multi-day training session, conference or workshop within the 200 kilometer (one way) radius and due to either inclement weather or a requirement of the session may, with supervisory permission, be provided with overnight accommodations. The expectation is that Employees will share accommodations wherever feasible. The request will not be unreasonably denied. Also refer to Collective Agreement Article 17.09 (b).
4. Exceptional or emergency situations may arise where personnel who reside out of town are required to remain in the agency's jurisdiction overnight – for example extended collective bargaining, large IT projects, etc. and these may be approved at the supervisor's discretion.
5. Reimbursement will be made for accommodation in a standard room only.
6. For extended stays out of town at a single location, long term accommodation must be pre-approved by a Director or the Executive Director, to take advantage of lower weekly or monthly rates. This may include the rental of a housekeeping facility.

## OTHER OUT OF POCKET CASH EXPENSES

1. Reasonable expenses related to parking meters, bus tickets and subway tokens will be reimbursed. Receipts are not necessary to support reimbursement of these expenses.

### Personal Calls Home

1. Reimbursement will be made for reasonable costs for necessary personal calls home for each night away. Wherever possible, cell phones should be used to minimize cost.

### Additional Business Expenses

1. While travelling on agency business, additional business expenses may be incurred not otherwise specifically contemplated in this standard. Such reasonable expenses such as business calls, air/rail phones, computer access charges, photocopying, fax expenses will be reimbursed with receipts and if necessary to fulfill your business duties.

## MEAL EXPENSES

1. Cost of meals incurred by an employee will be reimbursed only if the employee in the course of her official duties was required to purchase a meal that she would not otherwise have been purchased, subject to a limit of \$10 for breakfast, \$16 for lunch and \$24 for supper. Employees must hand in original and itemized receipts for meals.
2. This allowance applies to “**out of Chatham-Kent**” travel, training and conferences and applies only to meals that are not provided with the training, conference, meeting, etc. The breakfast rate applies only if an employee is required to leave Chatham-Kent before 7:30 a.m. Dinner rate applies only if business prevents an Employee from returning back to Chatham-Kent by 7 p.m.
3. Reimbursement of meal costs in no case will include the cost of alcoholic beverages.
4. There are circumstances where workers may purchase meals/coffee/treats for clients. In cases where this is authorized by the Supervisor these expenses will not exceed the limits established for employee meal allowances. Actual expenses will be reimbursed up to but not beyond these limits. In every case where a worker takes a client to lunch, the expense claim must be substantiated with a detailed itemized receipt, client’s name (or case number), and rationale or the purpose of supplying the client with a meal. Refer also to the Management Handbook.

## HOSPITALITY

1. Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at the Agency’s expense to persons who are not engaged in work for the Agency.
2. Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate agency business or is considered desirable as a matter of courtesy. Hospitality expenditures should minimize costs but be consistent with the status of the guest(s), the number of persons attending and the business purpose to be achieved.



3. A proposal for Special Events Expenses must include a written rationale to demonstrate that the expense will result in benefits to the Agency's priorities and documentation to demonstrate that the expenses are cost effective, including a detailed itemization of all expenses that will be incurred. Approval from the Executive Director is required prior to the event taking place.
4. The special events would include Foster Parent and Volunteer appreciation events.
5. Reimbursements of costs for special events will not include the cost of alcoholic beverages.
6. Hospitality which is solely for the benefits of individuals engaged in work for this Agency (excluding volunteers), other BPS organizations or for any Ontario government agency/public entity covered by the OPS Travel, Meal and Hospitality Expenses directive is disallowed as a reimbursable under this standard. This includes meetings, social events, retirement parties or holiday luncheons.
7. Where hospitality events are extended by the Agency and where guests include vendors or prospective vendors to the agency, supervisors are responsible for obtaining prior approval to ensure that the hospitality provided does not give, or is not perceived to give, preferential treatment to any vendor.
8. Acceptance of hospitality from vendors, current or prospective, may constitute a conflict of interest and therefore are not allowed. Managers are responsible to ensure that employees are aware of their conflict of interest obligations.
9. Hosts must ensure that hospitality expense records include:
  - a. The circumstances of the event (business purpose)
  - b. The form of hospitality
  - c. Cost supported by itemized receipts
  - d. Name and location of establishment
  - e. Names, titles and companies of attendees
  - f. Approvals by appropriate individuals in the agency