

<b>Policy: Expense Rules Directives</b>	
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1. Purpose, Application and Scope

The purpose of the policy is to:

- Set out rules and principles for the reimbursement of travel, meals, hospitality, and other expenses to ensure fair and reasonable practices.
- Provide a framework of accountability and transparency to guide the effective oversight of public funds in the reimbursement of expenses that support Agency objective; and
- Ensure that Community Living Central York complies with the Broader Public Sector Expenses Directive.

The expense rules apply to any individual in the Agency making an expense claim, including but not limited to the following:

- appointees,
- board members,
- employees, and
- consultants and contractors engaged by the Agency, providing consulting or other services.

In addition, every funding agreement between the Agency and a ministry or agency of the Government of Ontario or any other funding agency is deemed to include the requirement of this Directive. This Directive prevails over any relevant terms of an agreement if there is any conflict or inconsistency between them.

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## 2. General

The Agency reserves the right to refuse, in whole or in part, reimbursement of expenses.

Expenses for a group can only be claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver (e.g., a supervisor/manager cannot submit his/her Directors claim for lunch even if they were at the same event).

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. For rules regarding reimbursement for the service of alcohol as part of a hospitality event see section 9 Hospitality.

Should any individual fail to adhere to the expense rules, the following will occur:

- The supervisor will upon notification of failure to adhere take appropriate corrective action.
- If necessary, a written notification from Finance will be issued to the employee and their supervisor and/or appropriate management levels.
- The employees Agency credit card may be zero balanced and suspended, and their authorization to travel will be reviewed, and
- The employee may be subject to disciplinary action.

This directive does not prevail over a collective agreement between the Agency and a bargaining agent representing employees of the Agency.

This Directive is posted on the Agency's website (<https://www.clcy.ca>) so it is available to the public.

## 3. Principles

This policy is based on the following key principles:

**Accountability:** The Agency is accountable for public funds used to reimburse travel, meals, hospitality, and other expenses. All expenses must support business objectives. Since expense accounts can become matters of public record through audit or other means, expenses must be incurred and claimed in a manner that is publicly defensible and will not harm the Agency's reputation as a good manager of its resources.

**Transparency:** The Agency is transparent to all stakeholders. The rules for incurring and reimbursing travel, meals, hospitality, and other expenses are clear, easily understood, and available to the public.

**Value for Money:** Agency dollars are used prudently and responsibly. Plans for travel, meals, hospitality, and other expenses are necessary and economical with due regard for health, safety and efficiency of operations.

**Fairness:** Legitimate authorized expenses incurred during the course of the business of the Agency are reimbursed.

#### 4. Requirements

##### General

Good record-keeping practices must be maintained in Finance for verification and audit purposes. Finance is required to review and request additional information for any expense submitted, where appropriate documentation does not appear reasonable, etc.

Claims submitted to Finance without appropriate documentation will be returned to the approver.

Electronic approval is considered written approval for the purpose of this policy if the approver has sufficient information to make an informed decision. Individuals are responsible for maintaining a record of their own claims.

##### Individuals Making Claims (Claimants) Must:

- comply with the principles and spirit of the directive,
- obtain appropriate approval from their supervisor/manager (or as otherwise indicated) before incurring expenses,
- submit original, itemized receipts with all claims (credit and debit card slips are not sufficient),
- clearly document the description and purpose of the expenses submitted,
- submit claims no later than the first week of the month following the month in which the expense was incurred,
- if the information above is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making,
- if leaving employment with the Agency, submit any claims before leaving.

##### Receipts

Receipts for all expenses must be an original (photocopies will not be accepted) and must include a detailed record of the items purchased along with the name of the company. Credit Card and Debit transaction records by themselves are inadequate to support an expense claim.

##### Time Limit for Claims

All claims must be submitted in a timely manner and no later than the first week of the month following the month in which the expense was incurred. Expense claims must be submitted prior to leaving a position (e.g., vacation, leave of absence or permanently leaving the agency), if time off extends beyond the month expenses were incurred.

All requests for exceptions to this policy must be approved by the Executive Director or Director of Finance.

##### Individuals Approving Claims (Approvers) Must:

- exercise managerial discretion judiciously
- ensure they have personally gathered sufficient information to determine that the expenses were incurred on Agency business prior to signing to approve expenses and understand they cannot delegate their accountability to another staff member
- ensure staff are aware of the requirements of the Policy
- take appropriate action in the case of non-compliance
- provide approval only for expenses that were necessarily incurred in the performance of Agency business
- provide approval only for claims that include all appropriate documentation (e.g. original itemized receipts and the purpose of the expense submitted, etc.)
- not approve their own expenses

#### 5. Accountability Framework:

The Executive Director has the authority to establish additional rules regarding expenses and may modify the rules or level of approval upward to a more senior level.

Approvers are accountable for their decisions which must be:

- subject to good judgment and knowledge of the situation,
- exercised in appropriate circumstances and,
- comply with the policy.

In some cases, the level of approval is identified and also whether the authority can be delegated. In other cases, a requirement is stated (e.g., prior approval is required) without identifying an approval level. Where no approval level is identified see the section entitled Managerial Discretion.

#### 6. Managerial Discretion

For the purpose of this policy, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this Directive and the rules. All decision made under the expense rules should be made very carefully. There is no discretion to depart from the mandatory requirements of this policy.

When a situation arises and discretion needs to be exercised, approvers should consider whether the request is:

- able to stand up to scrutiny by the auditors and members of the public,
- properly explained and documented,
- fair and equitable,
- reasonable,

- appropriate.

It is the responsibility of both the approver and the individual to work out appropriate arrangements which would meet the test of being fair and equitable.

Where an approver exercises discretion in making an exception, in order to ensure a proper record for audit purposes the rationale must be documented and approved by the Executive Director and accompany the claim.

## 7. Travel

### General

For the purpose of this policy, travel does not refer to a person’s regular commute to work. Expenses related to a person’s regular commute are not reimbursable.

When planning any travel, consider business continuity when deciding whether senior management or people with specialized knowledge or expertise should travel together.

The method of travel selected should be the most practical and economical way to travel, consider using audio or video conferencing whenever possible, as an alternative to travel.

Only employees with a valid driver’s licence are authorized to drive for agency business purposes.

### Levels of Approval Required

Economy (coach) class is the standard travel option. Travel in business class must have prior approval by the Executive Director, and may be considered in the following circumstances:

- Choosing a travel time that allows you to reduce expenditures on meals or accommodation, or
- On international flights.

All travel requires at least prior verbal approval (travel outside of Ontario requires prior written approval). The exception to this is regular recurring travel included in the approved budget, which is considered prior approval.

The following chart identifies the level for approval required for travel:

Role	Travel within Ontario	Travel outside Ontario	Travel outside North America
Employee	Manager/Supervisor	Executive Director	Executive Director
Executive Director	Not Required	Not Required	Board of Directors

### International Travel

If travelling internationally (outside North America), in addition to the obligations set out elsewhere in the policy, the following rules apply.

Requests for international travel must include:

- Acknowledgement that all appropriate approvals are in place.
- Written rationale demonstrating critical value of travel for agency priorities and interests, and details how the travel will produce a benefit for the Agency.
- Documentation showing detailed itemization of anticipated expenses (note that the lowest cost and most reasonable method of travel must be used).

#### Cell Phone Use

The use of a handheld communication device (cell phone, tablet, etc.) is prohibited while driving. Any use of a handheld communication device must be in compliance with the Ontario Highway Traffic Act, R.S.O. 1990, c. H.8 section [78.1](#) and relating subsections.

The use of cell phones for business while outside of Canada must be kept to a minimum due to the high cost of roaming. Whenever possible, the least expensive means of communication must be considered prior to the use of agency cell phones. Employees with the use of company cell phones with a data package must ensure that data roaming is turned off prior to leaving Canada.

#### Travel Method

When road transportation is the most practical, economical way to travel, the order of preference is:

- Agency vehicle,
- Rental vehicle,
- Personal vehicle if it is more economical than a rental vehicle.

The approver must decide on the type of vehicle used for travel (personal or rental) based on the frequency of travel as well as the distance per trip.

#### *Rental Vehicle*

When renting a vehicle, a compact model or its equivalent is required. Any exceptions must be:

- Documented and approved prior to the rental if possible; and
- Guided by the principle that the rental vehicle is the most economical and practical size, taking into account the business purpose, number of occupants and safety (including weather) considerations.

The Collision Damage Waiver insurance option offered through the car rental company must be selected. The Agency will reimburse the cost for insurance coverage provided the rental is a cost-effective mode of travel.

Where possible rental cars must be refueled prior to returning it to avoid higher gasoline costs charged by the rental company.

Luxury and sports vehicles are prohibited.

Employees must abide by all rental car policies.

### *Personal Vehicle*

Employees driving more than 200 kilometres in a day should consider the use of a rental vehicle.

If you use your personal vehicle while on Agency business, the following apply.

- The vehicle must be insured at the vehicle owner's expense for personal motor vehicle liability and the policy must have a limit of Third-Party Liability not less than \$1,000,000.
- It is the driver/owner's responsibility to ensure that the motor vehicle insurance includes coverage for business use of the vehicle.
- The Agency will not reimburse the cost of insurance coverage for business use, physical damage, or liability.
- The Agency is not responsible for reimbursing deductible amounts related to insurance coverage.
- In the event of an accident, you will not be permitted to make a claim to the Agency for any resulting damages.
- The Agency assumes no financial responsibility for personal vehicles.

Carpooling is recommended for multiple people attending the same meeting/function. Business continuity is to be considered as per section 7. Travel – General.

### Reimbursement Rates

Rates are based on Kilometres accumulated from April 1<sup>st</sup> of each fiscal year.

Rates are established in collective agreements, for individuals outside a collective agreement the rates in the policy apply.

Individuals are to use the actual kilometres travelled when calculating kilometre distances and clearly document the starting point, destination, and purpose of the trip. The rate of reimbursement for employees, board members, students and volunteers is \$0.45 per kilometre.

When claiming reimbursement, the following guidelines must be adhered to:

- Each day must be reported separately and, where possible, keep multiple daily trips separate.
- When reporting mileage, the date of travel, and the start and end points (full civic address), purpose, person supported/case name (if applicable) and distance travelled must be clearly indicated.
- In the event an employee travels directly to a non-office destination from home, mileage will be reimbursed only for the excess of mileage incurred over the normal travel distance to work.

- Mileage reports are to be submitted to the finance department no later than one week following the month end and must have supervisor approval.

#### Parking and Tolls

Reimbursement is provided for necessary and reasonable expenditures on parking, as well as tolls from bridges, ferries, and highways, when driving on Agency business.

Employees may choose to use the 407 ETR. ETR charges will be reimbursed by the Agency to the employee, provided appropriate documentation, including rationale for usage, accompanies the expense claim.

Traffic and Parking violations will not be reimbursed.

#### Other Travel Expenses

##### *Accommodation*

There will be no reimbursement for hotel suites, executive floors or concierge levels when traveling. No reimbursement will occur for personal expenses such as movie or game rentals, bar services, spa services etc.

Reimbursement will be made for a single accommodation in a standard room.

For extended stays at a single location, accommodation must be arranged with prior approval. This will take advantage of lower weekly or monthly rates.

Penalties incurred from non-cancellation of guaranteed hotel reservations are the individual's responsibility and may be reimbursed only in exceptional circumstances.

Private stays with friends or family are acceptable, and a cash payment of gift may be provided to the friends or family:

- A maximum of \$30 per night is allowed for accommodation including any meals with friends or family, in lieu of commercial accommodation. Instead of a receipt, you must submit a written explanation describing the purpose of the trip, identifying the host and the number of days you stayed.
- The \$30 value may be given in the form of a small gift (which must be accompanied by a receipt) or by cash).

##### *Passports, Visas, and Immunizations*

You may be reimbursed for:

- The cost of a passport if you are traveling to the United States.
- The cost of a passport and /or visa, plus the cost of immunizations and medications if necessary, for international travel.

##### *Tips and Gratuities*

You may be reimbursed for reasonable gratuities for porter, hotel room services, and taxis. Keep a record of gratuities paid.

Examples of reasonable amounts for gratuities include:

- 10%-15% on a restaurant meal,

- 10% on a taxi fare,
- \$2-\$5 for housekeeping (up to two night in a hotel), up to \$10 for a longer stay,
- \$2-\$5 per bag for a porter.

#### *Telecommunication*

If you are away on Agency business, reimbursement will be made for:

- Reasonable, necessary personal calls home for each night away; and
- Additional business expenses, such as:
  - Business calls and facsimile transmissions,
  - Emergency calls from air or rail phones,
  - Internet connections and computer access charges.

#### 8. Meals

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense.

Reasonable and appropriate meal expenses may be reimbursed. You may incur a meal expense when you are on Agency business and you:

- are away from the office area (i.e., at least 24 km) over a normal meal period; or
- have prior approval for the expense with the purpose of the meeting documented (e.g., a business meeting within the office area that must occur over lunch or dinner); or
- while supporting people when they participate in various aspects of their community.

Original, itemized receipts are required, and reimbursement must not exceed the actual amount spent or the meal rates.

Reimbursement will not be provided for meals consumed at home or included in the cost of transportation, accommodation, seminars, or conferences.

Meal reimbursements/allowances relating to overtime hours worked are established in collective agreements, for individuals outside a collective agreement the reimbursements/allowances will be consistent with collective agreements.

If you travel as a regular part of your job, your meals will not normally be reimbursed unless you have obtained prior approval.

#### Meal Rates

Reimbursement for meal expenses, will be subject to Agency meal allowance amounts. These rates include taxes and gratuities.

The rates are not an allowance. The individual must be on travel status over the meal period and submit an itemized receipt to submit a claim for reimbursement.

When an individual is on travel status over more than one meal period in any one day, they may allocate the combined maximum rates. For example, if they begin travelling prior to lunch for the remainder of the day, the combined lunch and dinner rate is applicable and this now becomes the maximum rate for that specific day regardless of what is spent on each meal or if both lunch and dinner are eaten. The claimant is responsible for providing sufficient and appropriate documentation when this situation occurs.

For all occurrences where there are meals paid for others on the expense claim, the claimant is to clearly indicate on their itemized receipt or expense claim who they had the meal with and the circumstances surrounding the meal.

Reimbursement rates for meal expenses incurred in the United States of America are the same as the above maximum rates in Canada, however in US funds.

Reimbursement rates for meal expenses outside North America are as set out in the appendices of the Treasury Board of Canada Travel Directive, April 1, 2008, or successor directive.

You can find this document on the federal government website

([http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/tbm\\_113/menu-travel-voyage-eng.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tbm_113/menu-travel-voyage-eng.asp)).

Appendix D - Allowances - Module 4 will provide the maximum rates in the funds identified for each country

## 9. Hospitality

Hospitality is the provision of food, beverage, accommodation, transportation and other amenities to people who are not engaged in work for the Agency, other designated Broader Public Sector organizations or any of the Ontario government ministries, agencies and public entities covered by the Ontario Public Service Travel, Meal and Hospitality Expenses Directive (available on the [Ministry of Government Services website](#)).

Functions involving only people who work for the above noted organizations are not considered hospitality functions and cannot be reimbursed. This means that hospitality may never be offered solely for the benefit of anyone covered by this Directive, or by the Ontario Public Service Travel, Meal and Hospitality Expenses Directive. Examples of such expenses would be: office social events, retirement parties and holiday lunches.

Hospitality may be extended on behalf of the Agency when:

- providing people from national, international, or charitable organizations with an understanding or appreciation of the Agency and its objectives,
- conducting prestigious ceremonies for distinguished guests from the private sector,
- the business of the Agency includes hospitality functions; and

- other hospitality functions as approved by the Executive Director, providing they conform to the rules listed in this section of the Policy.

All hospitality requires at least prior verbal approval.

Hospitality may include the consumption of alcohol at a meal or a reception with invitees, but only when there is a business case and prior written approval. Alcohol should be provided in a responsible manner, e.g., food must always be served when alcohol is available. Preference should also be given to wine, beer and spirits produced in Ontario.

A “Hospitality Event Approval Form” must have prior written approval by the Executive Director for hospitality events where alcohol will be served.

If the hospitality event is hosted by the Executive Director, the Executive Director must seek prior approval from the Chair of the Board of Directors.

Use an Agency facility for hospitality events if there is one available and appropriate. If an Agency facility is not available and another is chosen, the Executive Director must provide prior approval.

#### 10. Business Related Events/Meetings

Modest and reasonable expenses such as meals and/or refreshments which relate to business related events and meetings which extend over the normal meal hours will be reimbursed. Meetings are to occur on Agency premises, if this is not possible due to a lack of availability a Senior Manager must provide prior approval to the meeting occurring off site (this would include off site retreats relating to team building, professional development, etc.).

Expenses such as meals and/or refreshments relating to events which are more social than business related will not be reimbursed (examples include: holiday lunches, retirement parties, etc.).

All individuals are to ensure that prior to an expense being incurred which would fall under “business related events and meetings” that they are confident that it will be able to stand up to scrutiny by auditors and members of the public and is therefore fair, reasonable and appropriate.

#### 11. Hosting other Institutions

The Agency may provide support including modest and reasonable meals and/or refreshments when hosting staff from other institutions, including: Other Agencies, organizations and provincial ministries or agencies, during discussions or conferences on issues of mutual interest and/or cooperation that seek to further the Agency’s objectives. Such expenses must be approved by a Senior Manager.

#### 12. Expenses for Consultants and Other Contractors

In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors or in any contract between the Agency and a consultant or contractor.

See the Broader Public Sector Procurement Directive ([http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps\\_procurement\\_directive.html](http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps_procurement_directive.html)) for information about procurement and contracts. Reimbursement for

allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

### 13. Staff Recognition

Recognition of staff is an important and valuable component of the Agency meeting its objectives. As such the following are acceptable and reimbursable expenses which are coordinated through the Human Resources department:

- Years of Service Awards
- Annual Special Awards
- Retirement Awards
- Special Events approved by the Executive Director

Food and non-alcoholic beverages up to \$200, can be reimbursed for retirement receptions held at the Agency.

There are no other recognition expenses outside of the above which are allowable for reimbursement (examples include: individual recognition lunches/dinners, gift certificates/cards, staff celebrations, etc.).

In an effort to have consistency and equality Agency Wide it is strongly discouraged for leaders to pay out of pocket for departmental recognition expenses falling outside of the above allowable expenses (other than small token items).

### 14. Gifts

No gifts are to be purchased for anyone covered by this Directive, or by the Ontario Public Service Travel, Meal and Hospitality Expenses Directive.

Token gifts of appreciation, valued at up to \$30, may be extended to individuals not covered by this Directive, or by the Ontario Public Service Travel, Meal and Hospitality Expenses Directive in recognition of support of the Agency's objectives.

### 15. Charitable Donations

The Agency typically does not make charitable donations. Where a gift to another non-profit or charitable organization is deemed to assist in achieving the purposes of the Agency, the purpose must be documented and approved by the Chair of the Board or designate.

### 16. Charitable Event Sponsorship/Participation

Permitted where it is deemed to assist in achieving the purposes of the Agency. The purpose must be documented and approved by the Chair of the Board or designate.

### 17. Political Events

The Agency will not reimburse the cost of attending political events such as fundraising dinners.