

<b>SERVICE COORDINATION SUPPORT (SCS)</b>			
<b>Chapter: 5.</b>	<b>FINANCE</b>	<b>Number:</b>	5.1.06
<b>Section: 1.</b>	<b>GENERAL</b>	<b>Issue Date:</b>	
<b>Subject: .06</b>	<b>TRAVEL &amp; HOSPITALITY EXPENSES</b>	<b>Effective Date:</b>	2012-12-07
<b>Authorized:</b>		<b>Revised Date:</b>	
		<b>Replaces:</b>	
<b>POLICY AND PROCEDURE</b>			

## 1.0 DEFINITIONS

- 1.1 Hospitality expenses:** provision of food, beverage, accommodation, transportation and other amenities paid out of public funds to people who are not engaged to work for agencies designated broader public sector such as SCS or any of the Ontario government ministries, agencies and public entities (***Broader public sector expenses directive***).
- 1.2 Managerial Discretion:** the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with the Directive. There is no discretion to depart from the principles and the mandatory requirements of this Directive. All decisions should be taken very carefully. When exercising discretion, the rationale must be documented and filed with the claim.
- 1.3 Approver:** A person with the authority to make approvals under this Directive.
- 1.4 Claimant:** Anyone making a claim under the terms of this Directive.
- 1.5 Consultants and Contractors:** Individuals or entities under contract to ministries or to classified agencies providing consulting or other services.
- 1.6 Itemized receipt:** Original document identifying the vendor, the date and amount of each expense item paid by the claimant.

## 2.0 POLICY AND PURPOSE

SCS has established expense rules applicable to Board Members, employees and consultants and contractors engaged by the organization, providing consulting or other services. All claims for reimbursement for travel and other expenses must comply with the principles and rules of the [Travel, Meal and Hospitality Expenses Directive](#) which is available on the [Ministry of Government Services website](#). This directive sets out rules for claiming reimbursement for work-related travel, meal and hospitality expenses.

SCS shall promptly reimburse employees for reasonable and necessary travel and miscellaneous expenses incurred by them in the course of carrying out their work responsibilities and conducting SCS's business.

### 3.0 PROCEDURE

#### 3.1 Responsibilities

- To establish the framework for using SCS funds for travel and related expenditures within and outside of the SCS geographical jurisdiction
- To improve accountability and clarity in reimbursement of travel work related expenses.
- For the purpose of this Directive, travel does not refer to a person's regular commute to work – expenses related to a person's regular commute are not reimbursable.
- Alcohol is **not** to be claimed and will **not** be reimbursed as part of a travel or meal expense
- Should there be a situation where there is an overpayment to a claimant, it is considered a debt owing to the agency and must be repaid.

##### 3.1.1 Employees are responsible for;

- Familiarizing themselves with this document prior to incurring expenses;
- Following the principles and rules set out in this Directive;
- Obtaining appropriate approval **prior** to making travel arrangements or incurring expenses;
- For the travel expenses related to arriving at and leaving from their work site;
- Submitting original, itemized receipts with all claims (credit card slips are not sufficient). If there is not an itemized receipt, a written explanation must be submitted to explain why the receipt is unavailable and a description itemizing and confirming the expenses must be provided;

##### 3.1.2 Approvers are responsible for;

- Ensuring staff are aware of the requirements of the Directive;
- Approving expenses and ensuring that the expenses were necessary and incurred while performing agency business;
- Approving completed claims that include all appropriate documentation;
- Exercising managerial discretion judiciously
- Not approving their own expenses

#### 3.2 Travel

##### 3.2.1 Regular Operations

- For some positions SCS employees need to travel frequently in order to meet with clients and stakeholders and both conduct and attend workshops, conferences and training.
  - Where possible, SCS encourages teleconferencing or planning meetings back-to-back when travelling.
  - Prior approvals are not required for normal travel related to client direct service or other SCS business that occurs within Renfrew, Prescott Russell, City of Ottawa, Stormont Dundas and Glengarry. Those 4 counties represent the Eastern Ontario Region.
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- When a privately owned vehicle is used for SCS business the mileage (kilometre allowance) is designed to cover vehicle operating cost, including gasoline, insurance, repairs and maintenance. Please refer to Appendix A for the current mileage rates.
- Only employees with a valid driver's license (excluding Ontario's G1 licence or other provinces' learning permit) are authorized to drive their own or other vehicles in the course of SCS business.
- Personal vehicles used for SCS business must be insured at the vehicle owner's expense for personal motor vehicle liability. It is the employee's responsibility to ensure that their motor vehicle insurance coverage includes business use of their vehicles.
- SCS assumes no financial responsibility for privately owned vehicles other than paying the rate per kilometre when used for SCS business. SCS is not responsible for reimbursing deductible amounts related to insurance coverage.
- Accidents must be reported immediately to local law enforcement authorities, the rental car (if applicable), the automobile insurance company and the employee's immediate supervisor or HR Officer.
- Employees should report any significant changes regarding their vehicle insurance and their driving license to their immediate supervisor and the Human Resources Officer.
- Upon hiring an employee is assigned a work site. This work site serves as reference for the calculation of the mileage; Exception is for an employee working after hours or going on an out of town trip as their home place is deemed their work site in that circumstance;
  - Employees are not allowed to claim mileage from their home to work and vice versa on regular travel
  - Taxis may not be used to commute to work or home except under exceptional circumstances; for instance:
    - weather, health or safety conditions indicate it is the best, appropriate option; or
    - transport of work-related baggage or parcels is required.

### **3.2.2 Extended Travel**

#### **3.2.2.1 Travel Arrangements**

- When a group is travelling, travel arrangements should be coordinated to achieve the lowest overall cost possible (i.e. staying at the same lodging, sharing rental cars, taxis). The executive assistant can be consulted for advice in such cases.
  - Prior approval through an Expense Requisition form is required for the following
    - All travel above 400 kilometres (round trip) needs to be pre-approved by the immediate supervisor and the HR Officer if it is training related;
    - Long term stays for more than three consecutive nights
    - International Travel
  - Under no circumstances shall SCS reimburse employees for expenses incurred by travelling companions not travelling on official SCS business.
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### 3.2.2.2 Air Travel

- When air travel is selected as being the most practical and economical way of travelling, the economy class will be chosen.
- Financial penalties which apply to changes and cancellation of non-refundable tickets are charged to the employee if the change is not made for SCS business and for personal reasons as approved by the immediate supervisor.
- When filling out an expense claim, the e-invoice should be attached to the claim indicating the passenger name, the cost of the flight and the flight itinerary.

### 3.2.2.3 Ground Transportation

- When train travel is selected as being the most practical and economic way of travelling, the economy class will be chosen.
- Business class may be acceptable with prior approval in limited circumstances such as:
  - the need to work with a team;
  - choosing a travel time that allows you to reduce expenditures on meals or
  - accommodation (e.g., compare an economy (coach) class ticket plus a meal with the cost of a ticket for VIA 1, where the meal is included);
- Taxis, subways or buses may be used where this represents a practical, safe and economical means of transportation.
- For transportation to and from airports, shuttle service is preferred. Private luxury car and driver services arranged in advance are prohibited.
- When road transportation is the most practical, economical way to travel, car rentals are preferable over the use of one's personal vehicle.
- When renting a vehicle, the vehicle selection must be guided by the principle that the rental vehicle chosen is of the most economical and practical size, taking into account the business purpose, number of occupants and safety (including weather) considerations.
- Gasoline charges incurred with a rental vehicle will be reimbursed with appropriate receipts.
- The rental of luxury and sports vehicles is prohibited.
- In order to avoid higher gasoline charges, please refuel your rental car before returning it.
- Reimbursement is allowable for parking, and tolls for bridges highways and ferries, when driving on SCS business.
- Parking costs incurred in the office area as part of a regular commute to work will not be reimbursed.
- There is no reimbursement for traffic or parking violations.

### 3.2.2.4 Accommodation

- Accommodation should be selected based on cost, safety and proximity to venue where SCS business will be conducted.
  - For commercial accommodation, employees will be reimbursed at the standard room rate. Employees who use suites or rooms on executive
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floors will be reimbursed for the equivalent of a single room accommodation at the same location.

- Reimbursement claims for hotel accommodation within SCS geographical jurisdiction area will not be accepted unless pre-approved by the Executive Director.
- Penalties incurred for non-cancellation of guaranteed hotel reservations are the claimant's responsibility and may be reimbursed only in an exceptional circumstance.
- Private stays with friends or family are acceptable, and a cash payment or 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

#### 3.2.2.5 Meals

- Staff will be reimbursed as per the established meal rate when travelling for SCS (please refer to the rates in Appendix A).
- Each employee is responsible for claiming his/her own meal expenses and SCS does not expect any employee to incur the cost of meals for a client/partner or another employee if it is not group travel. In special circumstances, where employees may find it necessary to purchase meals/coffee for clients/partners, the supervisor will authorize this special expense within the limits outlined in this procedure.
- The maximum cost of meals that can be paid to an employee when travelling is \$50.00 per day regardless of the cost of each meal. This amount is broken down to reflect the maximum reimbursable amount for each meal: breakfast, lunch and dinner if those meals are being taken separately.
- If travelling for less than a full day, meals will be reimbursed to the maximum of each meal.
- The rates are not an allowance; they are for individual meals. An employee must have eaten a meal to be able to submit a claim for reimbursement.
- **Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to this rule.**
- Lunch is reimbursable if the circumstances of travelling do not permit the employee to have a normal lunch. If an employee is out for a meeting during the regular lunch hour that does not guarantee reimbursement of lunch.
- Supper is provided after 5:00 PM;

#### 3.2.2.6 Personal Care

- If traveling on business for five consecutive days or more, reimbursement is allowed within reasonable limits for laundry and dry cleaning expenses provided itemized receipts are provided.
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- There will be no reimbursement for personal or recreational items (e.g., cosmetics forgotten at home, pay-per-view movies, or items from the mini-bar).

### 3.2.2.7 Telecommunication

- Wherever possible, you are expected to use the least expensive means of communication.
- The use of audio or video conferencing is a cost effective alternative to travel.
- When you are away conducting SCS business, reimbursement will have made for reasonable, necessary personal calls home for each night away; and the following additional business related expenses, such as:
  - business calls
  - emergency calls from air or rail phones
  - internet connections and computer access charges
  - facsimile transmissions
  - word processing and photocopying services
  - rental and transportation of necessary office equipment

## 3.3 Hospitality

**3.3.1** Hospitality expenses apply only when the provision of food, beverage and accommodation, transportation and other amenities are paid out of public funds, for people who are not engaged to work for SCS. Hospitality may be extended in an economical and consistent manner when:

- It can facilitate business; and
- It is considered desirable as a matter of courtesy or protocol

**3.3.2** Hospitality may not be applied or reimbursed when it is used for the benefit of anyone who is employed by SCS ex: for retirement parties, social events,

**3.3.3** Hospitality may include the consumption of alcohol at a meal or a reception with invitees, but only when there is a business case. Hospitality is considered appropriate when:

- Engaging in discussion of official public matters or sponsoring formal events
- Providing people of charitable organization with an understanding of SCS functions
- Honoring distinguished people for exceptional public services;

**3.3.4** In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between SCS and a consultant or contractor. Therefore, they cannot claim or be reimbursed for such expenses including but not limited to

- Meals, snacks and beverages
- Gratuities
- Laundry or dry cleaning
- Personal telephone calls

### 3.3.5 Service of Alcohol as Hospitality:

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Prior written approval is required by the Executive Director for the services of alcohol as hospitality. Reimbursement of alcohol expenses will only be allowed if the appropriate approvals are in place. Alcohol should only be provided in a responsible manner, e.g. food must always be served when alcohol is available.

### **3.4 Expense Procedures**

#### **3.4.1 Reporting travel expenditures**

- In order to claim travel expenses, staff are expected to submit their expense claim on a monthly basis.
- Claims for expenses that are older than 90 calendar days will not be reimbursed unless approved by the Executive Director.

#### **3.4.2 Processing Payment of travel expenses**

- The employee completes an expense claim form on a monthly.

#### **3.4.3 Receipts**

- Original receipts are required for all travel expenses.
- Neither credit card statements nor credit card slips are acceptable substitutes for original itemized receipts.
- Failure to provide accurate receipts may result in disallowance of the incurred expenses.
- Only the Immediate supervisor should approve a lost receipt declaration form.

#### **3.4.4 Payment of Travel Expenditures**

- It is not intended that SCS employees use personal funds to finance SCS business travel costs. Travel expenses should be paid using the following options:
  - SCS corporate credit card
  - Personal credit card
  - Accountable advances
  - Expense claim
- Use of the personal credit card is the less preferred alternative, yet might be requested when registering into a hotel.
- SCS does not pay for service charges, interest or annual fees associated with personal credit card usage; this is the sole responsibility of the cardholder.
- If a personal credit card has been used for the purpose of carrying SCS business, the card-holder should fill out an expense claim immediately and the finance department will take appropriate measures to ensure quick reimbursement of such expenses. All expense claims must be supported by a prior requisition process and approval by a Director.

## **4 ATTACHMENTS**

- 4.1 Appendix A – Rate and Eligible/Ineligible expense summary
- 4.2 Appendix B – Sample expense claim

## **5 REFERENCES AND RELATED POLCY AND PROCEDURE**

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APPENDIX A

**Rates**

Meals	
Breakfast	\$10
Lunch	\$15
Diner	\$25
Total	\$50

Mileage: \$0.45/km
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\*\*\*\*Meal rates include taxes and gratuities

**Regular Operations Summary**

SCS requires the use of personal vehicle as a condition of employment for day to day work. An employee whose work site is in Prescott Russell may be required to travel to Renfrew. Even though this could be in the day to day work but due to the fact that the employee is leaving the county of his/her work site, the travel will be considered as an extended travel. In some circumstances the rental of a car can be an option. In such cases the size of the rental is not to exceed a mid-size car.

Eligible Travel Expenditures	Ineligible Travel Expenditures
<ul style="list-style-type: none"> <li>-Meals</li> <li>-Accommodations</li> <li>-Transportation</li> <li>-Parking</li> </ul>	<ul style="list-style-type: none"> <li>-Traffic/parking violations</li> <li>-Alcoholic drinks</li> <li>-Any expenses related to travelling companions</li> <li>-Personal travel insurance</li> <li>-Expenses for the repair of privately owned vehicles</li> <li>-Expenses related to damages to uninsured rental cars and privately owned vehicles</li> <li>-Lost or stolen items</li> <li>-Meals included in another item (conference fee, accommodation, transportation charge</li> <li>-Personal items</li> <li>-Expenses incurred on behalf of friends/family</li> <li>-Dependent care</li> </ul>

**Extended Travel Summary**

Extended travel occurs when staff/volunteers are attending training/meetings outside of regular operation or travelling out of town (out of the county where their work site is) for regular operation.

Eligible Travel Expenditures	Ineligible Travel Expenditures
<ul style="list-style-type: none"> <li>-Meals</li> <li>-Accommodation (commercial &amp; non-commercial)</li> <li>-Transportation</li> <li>-Parking</li> <li>-Highway/ferry and bridge tolls</li> <li>-Business related long distance phone call</li> </ul>	<ul style="list-style-type: none"> <li>-Traffic/parking violations</li> <li>-Alcoholic drinks</li> <li>-Recreational purposes (video rental)</li> <li>-Any expenses related to travelling companions</li> <li>-Pet care expenses</li> <li>-Personal travel insurance</li> </ul>

Eligible Travel Expenditures	Ineligible Travel Expenditures
<ul style="list-style-type: none"><li>-Reasonable person long distance phone calls</li><li>-Fax and email charges</li><li>-Reasonable laundry/dry cleaning after seven consecutive days of business travel</li><li>-Dependent care (where applicable)</li></ul>	<ul style="list-style-type: none"><li>-Expenses for the repair of privately owned vehicles</li><li>-Expenses related to damages to uninsured rental cars and privately owned vehicles</li><li>-Interest charges levied on overdue invoices or credit card statements</li><li>-Lost or stolen items</li><li>-Meals included in another item (conference fee, accommodation, transportation charge</li><li>-Personal items</li><li>-Expenses incurred on behalf of friends/family</li><li>-Dependent care</li></ul>



APPENDIX B

**SAMPLE EXPENSE CLAIM FORM/FORMULAIRE DE DÉCLARATION DES DÉPENSES**

Instruction:

- Complete in full at least once per month/Remplir au moins une fois par mois
- Attach receipts/Attachez tous les reçus
- Submit to Departmental Manager for approval/Soumettre votre gestionnaire pour approbation

Employee name/ Nom de l'employé(e) :				For accounting only/ Pour la comptabilité :	
Department/Département:				Account # de compte :	
Month/Mois :			Date of Claim/Date de Réclamation :		
Date	kms/kilo	Parking/ Stationnement	Meals/Repas	Misc/ Divers	Details of trip/ Détails du voyage
total km kilo totale					
	@45.¢				
total (s) totale (s)					total claimed/ total réclamé :
account # # du compte					
HST/TPS					

Employee's signature /  
Signature de l'employé(e) : \_\_\_\_\_

Manager's signature/  
Signature du gestionnaire(e) : \_\_\_\_\_

Date : \_\_\_\_\_

Date : \_\_\_\_\_