

Travel and Expense Policy

CCASH/SDALCH Policy and Procedure Manual		Area: Finance	Page 1 of 7
Supersedes Policy Date(s):		Travel, Accommodation, Meals, Hospitality Policy 2016; Travel and Expense Policy Mar. 2019	
Related Documents:	Expense Submission (CPIN) or Staff Expense Form Foster Parent Expense Report Form Foster Parent Mileage Form Travel and Expense Pre-authorization Form		
Approved by:	Executive Director	Reviewed and Approval Date:	November 2019

PURPOSE

The purpose of this policy is to provide a framework for reimbursement of reasonable business expenses incurred in the course of work performed on behalf of the Society, while ensuring the effective use of public resources, transparency, and accountability.

This policy applies to all employees, volunteers, foster parents, Board of Directors and students. Where applicable for union employees, the Society is in compliance with the CUPE Local 1797 Collective Agreement.

POLICY

Employees will be eligible for reimbursement of pre-approved travel, accommodation, meals and hospitality expenses incurred in the course of their work in support of a Society business objective according to the guidelines listed within this policy. Personal expenses will not be reimbursed. Expenses of a personal nature may include (without being limited to) expenses for recreational purposes, personal items, alcoholic beverages, traffic and parking violations, and travel between home and primary location of work.

Best practices:

- Prior approval to incur expenses is obtained.
- Other options for meetings are always considered before travel is approved, including audio or video conferencing, carpooling and use of Go Train.
- Corporate travel cards are used for authorized business travel and business related expenses.
- Accountability and transparency in all spending.
- Expenses in each of the categories must be reasonable, work-related and documented with receipts.

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General Requirements:

- a. The Ministry prescribes a number of mandatory requirements for expenses reimbursements:
 - i. All claims for reimbursement must be approved according to the Designated Authority Table in the *Authorization Level Policy*. An individual with approval authority must have their own expense claims approved by their manager.
 - ii. Where a claim for reimbursement includes expenses for a group of two or more employees, the claim must be made by the most senior employee.
 - iii. Claims for the Executive Director will be approved by the Board Chair or a designated Board member.
 - iv. Claimants are required to:
 1. Obtain appropriate approvals before incurring expenses.
 2. Attach original, itemized receipts with expense claims.
 3. Submit claims on a timely basis to ensure expenses are captured in the appropriate time periods to support accurate Ministry reporting and forecasts.

- b. Hospitality will not be offered solely for the benefit of employees, foster parents, volunteers or board members in accordance with the Broader Public Sector Expense Directive. Hospitality, where offered, must be modest and appropriate and must be approved by the Executive Director or on Board direction. For greater clarity, the Society may provide meals to employees who contribute their lunch period while engaged in training or providing service to the Society and this shall not be considered hospitality.

- c. Contractors engaged by the Society may only be reimbursed for expenses where terms of the contract specifically provide for it.

- d. The Society will not under any circumstance reimburse contractors for hospitality, meals or incidental expenses. Approvals for claims for reimbursement will be made in accordance with the Designated Authority Table approved by the Board of Directors.

- e. Those with approval roles shall be familiar with the authorization levels and have a responsibility to review each claim they approve to ensure they are:
 - i. Modest, necessary and appropriate;
 - ii. Thoroughly documented; and
 - iii. Consistent with Society policy.

- f. Nothing in this policy will supersede a provision of the collective agreement.

- g. A supervisor has discretion, within their monetary limit of their authority, to approve an exception to policy under the following circumstances:
 - i. Discretion is appropriately exercised and founded on good judgement;
 - ii. The rationale is thoroughly documented, signed and attached to the claim for reimbursement;
 - iii. The decision shall withstand scrutiny by auditors, the media or members of the public.

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- h. Claimants are expected to repay any overpayment received from the Society.
- i. Any individual who is planning to end their relationship with the Society will submit their final claim before leaving where circumstances permit.
- j. Claimants will use forms prescribed by the Society to document claims for reimbursement as a measure to ensure appropriate sufficient documentation is provided.
- k. Good record keeping practices will be in place for verification and audit purposes. Claim expense forms and supporting documentation submitted to the Finance team will be retained for a period of at least seven (7) years.

TRAVEL AND TRANSPORTATION

Employees are expected to plan their work-related travel to meet the needs of clients and Society business and minimize travel costs when possible.

CAR TRAVEL

- Where possible, staff should try to car pool, and to use the HOV (High Occupancy Vehicle) lanes.
- Costs of travelling between an employee's home and the office or other work location are not eligible for reimbursement.
- Travel costs incurred in travelling between one work location and another (the office and a client's home, for example) will be reimbursed.
- Where staff members travel directly from home to a client location, mileage will be reimbursed based on the distance from home to client location or from the office to client location, whichever is less.
- Employees authorized to use their vehicles for Society business will be compensated for kilometers travelled at current Society rates.
- For auto travel in excess of 200 kilometers per day or per trip, a car rental should be arranged to provide the most economical mode of transportation. Should an employee wish to use his or her own vehicle, the reimbursement rate will be paid to a maximum of 200 kilometers.

Approvals for travel - *Within Ontario*

Trips within the City of Hamilton shall be considered normal travel and do not need prior approval. Travel outside the City of Hamilton, in excess of 200 kilometers, will require approval from the Supervisor.

Approvals for travel - *Outside Ontario*

Travel outside of Ontario requires the Director of Child Welfare Services' approval. The request for travel must have written rationale and justification. The most economical, efficient and effective form of travel should be chosen and appropriately documented.

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VEHICLE INSURANCE

Only employees with valid drivers' licenses are authorized to drive their own or other vehicles in the course of Society business. Personal vehicles used for Society business must be insured at the vehicle owner's expense for third-party motor vehicle liability. Coverage should be equal to or greater than \$2,000,000, and for union employees as specified in the Collective Agreement. Drivers must satisfy themselves as to whether their motor vehicle insurance coverage permits business use of vehicles, including transporting clients.

The Society provides a monthly flat fee, in accordance with the Collective Agreement or terms of employment, to assist with the cost of liability coverage. The Society assumes no financial responsibility for privately owned vehicles other than payment of the kilometric rate used for calculation of business-related travel expenses. Such rates may change from time-to-time in accordance with the terms of the Collective Agreement. The Society is not responsible for reimbursing deductible amounts related to insurance coverage. Those driving a personal vehicle on Society business cannot make claim to the Society for damages as a result of a collision.

Accidents must be reported immediately to local law enforcement authorities, the rental car company (if applicable), the automobile insurance company (if using a personal vehicle) and the person's immediate supervisor.

CAR RENTAL

The size of the rental car is not to exceed a mid-size car. Upgrades to full size cars are permitted if the rate charged does not exceed mid-size car rental rates. Exceptions are to be documented and approved in writing. In no case will luxury or sports car rentals be reimbursed. The rental car must be refueled before returning it in order to avoid higher gasoline charges imposed by the rental car agency. Rental cars must be arranged through the Society's preferred vendor. Refueling charges should be included with the appropriate expense report, with trip details noted.

USE OF 407 ETR

Employees who choose to use the 407 ETR as an option of last resort for situations of traffic, long distance trips etc. will only be reimbursed as follows:

- \$1.00 trip toll charge every time you enter the toll highway;
- \$0.51 regular vehicle mileage fee (for travelling on toll or non-toll regular roadways);
- Employees who need to use the 407 more than 4 times per year for approved Society business travel will be reimbursed up to the maximum of the annual Transponder Lease fee (noting you can lease either a monthly or annual transponder).

No reimbursement will be made for the following:

- Camera fees for not having a transponder;
- Total kilometer toll charges (*this is different than the mileage reimbursement noted above*);
- Unrecognizable license plate charges;

- Monthly account fee if you do not have a transponder

RAIL TRAVEL

All rail travel must be booked using the agency credit card. Rail travel should be used:

- When it is less expensive than air travel;
- When it adds no more than three (3) hours to total travel time;
- When it is more timely than driving;
- Reserved seating for rail service is allowed to ensure booking confirmation.

AIRLINE TRAVEL

Because significant savings can be realized by making reservations in advance, all employees should plan their travel at least fourteen (14) days prior to departure, if possible. Cost of flight cancellation insurance is an allowable expense. However, there are very few categories of cancellation that are covered by this insurance, and most claimants will find that it is not economical.

- All domestic (Canada and the United States) air travel must be in economy class, regardless of the length of time of the flight.
- Overseas air travel must be in economy class unless there is a medical reason for a higher class, with supporting documentation from a physician.
- Employees are expected to use the lowest logical airfare available.
- Employees may use their personal upgrade certificates for a higher class airfare, as long as there is no increased cost to the agency.
- The Society does not reimburse for airfare purchased with frequent flyer points. On the out-of-pocket expense is reimbursable to the claimant.
- Employees may purchase a meal on the flight at the per diem meal allowance rates.

ACCOMMODATION

When work or training requires an employee to be away from home overnight, the Society will pay for a single room at reasonable rates up to a maximum of \$175.00 per night. Recognizing that there will be some geographic variation (e.g. the cost of booking hotels in large urban centres may exceed this maximum), any charge over this amount may be approved, subject to prior approval being obtained, with reason given, by a member of senior management.

In certain circumstances in attending a training/conference employees will be allowed to book an advanced overnight accommodation providing the course starts at 8:00 a.m. or earlier and/or when the conference's geographic location is difficult to get to in a reasonable amount of time due to traffic or other concerns. When booking accommodation:

- When travelling for a conference, employees are allowed to book a room in the same hotel as the conference is being held, even at a higher rate, as long as they use the special conference booking number and they book in time to take advantage of the special block room rate.

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- Staff should always request the hotel to provide a “government rate”, if possible.
- All rooms should be guaranteed for late arrival with an agency credit card.
- Staff are responsible for contacting the accommodation vendor directly, or through the staff member who booked the accommodation, in reasonable time to offset no-show or cancellation fees, should a cancellation be necessary.
- Staff will not be reimbursed for personal or miscellaneous expenses such as in-room movies, mini-bar refreshments, laundry etc.

MEALS

Meals consumed within the Greater Hamilton Area will not be reimbursed unless there are extenuating circumstances. For example: attendance at court for a trial. Meal reimbursement per diem rates (inclusive of taxes and gratuities) are:

Breakfast	\$10.00
Lunch	\$12.50
Dinner	\$22.50

For a full day of meal claims, employees have the discretion to redistribute the daily total of \$45.00 as they choose.

Original, itemized receipts must be provided for all meals. Reimbursement must not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt, and noting that:

- Reimbursement of meal costs will NOT include the cost of alcoholic beverages.
- No reimbursement will be made for meals consumed at home prior to departure or on return, or for meals included in the cost of transportation, accommodation, seminars and/or conferences.
- No reimbursement will be made for meals or accommodations for anyone providing consulting services.

Meals for Clients

At times, employees may find it necessary to provide meals or snacks for clients. Meals costs will be in line with the Society meal reimbursement guidelines. When this occurs, the cost of the employee’s meal or snack will be reimbursed subject to the current rates.

HOSPITALITY

Hospitality is the provision of food, beverages, accommodation or other amenities, at Society expense to persons who are not employees of the Society, for incentive or appreciation. Hospitality may be provided only under specific guidelines and with prior approval.

Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate Society business, or is considered desirable as a matter of courtesy. Hospitality

expenditures should be consistent with the status of the guest(s), the number of persons attending and the business purpose to be achieved.

Where hospitality events are extended by the Society, and where guests include vendors or prospective vendors to the Society, prior approval from the Director of Finance must be obtained to ensure the hospitality provided does not give, or is not perceived to give, preferential treatment to any vendor.

A detailed expense record with original receipts for hospitality must accompany all hospitality expenses. Hosts must ensure hospitality expense records include:

- The circumstance of the event (business purpose);
- The form of hospitality (e.g. dinner, gift etc.);
- Costs supported by receipts;
- Name and location of establishment; and
- Approvals by appropriate individuals in the Society.

Recipients of Hospitality

Gifts of appreciation may be accepted if token in nature, valued at up to \$30.00. Gifts valued above \$30.00 must be justified and approved by the immediate supervisor of the recipient. In all cases where hospitality is provided to Society staff, conflict of interest guidelines will prevail in determining whether such hospitality should be reasonably accepted. If in doubt, the employee should consult with their supervisor.

Acceptance of hospitality from vendors, current or prospective, may constitute a conflict of interest and may, therefore, be disallowed. Supervisors are responsible to ensure employees are aware of their conflict of interest obligations.

REFERENCE

Broader Public Sector Expense Directive
Collective Agreement, CUPE Local 1797
CCASH Financial Authorization Policy

Approved by: <u></u> Executive Director	Date <u>Oct 31/2019</u>
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