

FLEMING COLLEGE

Expenses Directive

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1.0 GENERAL

The purpose of this Directive 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 College objectives; and
- ensure that Fleming College complies with the Broader Public Sector Expenses Directive.

The expense rules apply to any individual in the College making an expense claim, including the following:

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

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

Travel, meals, hospitality and other expenses must be necessary and economical with due regard for health and safety.

The College 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 Director's claim for lunch even if they were at the same event).

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 other appropriate management levels,
- the employees College credit card may be zero balanced and possibly 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 College and a bargaining agent representing employees of the College.

This Directive is posted on the College's website so it is available to the public.

Individuals making claims must:

- obtain prior approval from their supervisor/manager (or as otherwise indicated) before incurring expenses;
- submit original, itemized receipts with all claims (credit card slips are not sufficient);
- submit claims by the end 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;
- repay any overpayments – it is considered a debt owing to the College;
- if leaving employment with the College, submit any claims before leaving.

Individuals approving claims must:

- exercise managerial discretion judiciously;
- ensure staff are aware of the requirements of this Directive;
- take appropriate action in the case of non-compliance;
- provide approval only for expenses that were necessarily incurred in the performance of College business;
- provide approval only for claims that include all appropriate documentation (e.g., original itemized receipts);
- not approve their own expenses.

Finance has the appropriate retention system in place and maintains and stores the required documents relating to this Directive including claims and approvals. However, individuals are responsible for keeping track of their own claims.

2.0 MANAGERIAL DISCRETION

For the purpose of this Directive, 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.

Approvers are accountable for their decisions, which must be:

- subject to good judgment and knowledge of the situation;
- exercised in appropriate circumstances; and
- in compliance with this Directive.

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.

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 an ELT member or the President, as appropriate, and accompany the claim.

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.

3.0 TRAVEL

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.

When planning any travel, consider business continuity (e.g., 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.

Economy (coach) class is the standard travel option. Travel in business class must have prior approval by the President, 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.

The following chart identifies the level for approvals for travel:

Role	Travel within Ontario	Travel within North America	Travel outside North America
Employee	Manager/Supervisor	ELT member	President
President	Not required	Not required	Board of Governors

International Travel

If travelling internationally (outside North America), in addition to the obligations set out elsewhere in this Directive, 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 College priorities and interests, and details how the travel will produce a benefit for the College;
- documentation showing detailed itemization of anticipated expenses (note that the lowest cost and most reasonable method of travel must be used);
- Request for Approval for International Travel form (can be found on the portal under Financial Forms & Guidelines).

Vehicle

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

- College vehicle;
- rental vehicle;
- personal vehicle, if it is more economical than a rental vehicle

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, which the College has an agreement with, must be selected.

Luxury and sports vehicles are prohibited.

To avoid higher gasoline charges, refuel your rental car before returning it.

The website link for the car rental company which the College has an agreement with can be found on the portal under Financial Forms & Guidelines.

Personal Vehicle

If you will be driving more than 200 kilometres in a day, you should consider using a rental vehicle.

If you are going to drive your personal vehicle for more than five days within a single calendar month – even if you are not exceeding 200 kilometres in a single day – you should consider lower cost options, such as vehicle rental.

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

If you use your personal vehicle while on College 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 College will not reimburse the costs of insurance coverage for business use, physical damage or liability.
- The College 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 College for any resulting damages.

Car pooling is recommended for multiple people attending the same meeting/function (business continuity is to be considered as per section 3.0 - Travel).

Reimbursement and Rates

Rates are based on kilometres accumulated from April 1 of each year (fiscal year).

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

Individuals are to use the actual kilometres travelled when calculating kilometre distances.

Total Kilometres Driven per fiscal year	Southern Ontario (\$ per KM)	Northern Ontario (\$ per KM)
0 – 4,000 km	0.40	0.41
4,001 – 10,700 km	0.35	0.36
10,701 – 24,000 km	0.29	0.30
More than 24,000 km	0.24	0.25

Reimbursement rates for personal vehicles driven outside Ontario will be at the rates for Southern Ontario.

A description of the boundary between Northern and Southern Ontario can be found in the collective agreements.

Parking and Tolls

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

There is no reimbursement for traffic or parking violations.

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 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 for non-cancellation of guaranteed hotel reservations are the individual'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.

Passports, Visas and Immunization

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/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 nights in a hotel), up to \$10 for a longer stay;
- \$2-\$5 per bag for a porter.

Telecommunication

Use audio or video conferencing whenever possible, as an alternative to travel.

If you are away on College 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.

4.0 MEALS

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to this rule.

Reasonable and appropriate meal expenses may be reimbursed. You may incur a meal expense when you are on College 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).

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 incurred in Canada is subject to the maximum rates set out in the chart below. These rates include taxes and gratuities.

Meals	Maximum Amount
Breakfast	\$8.75
Lunch	\$11.25
Dinner	\$20.00

When an individual is claiming a meal with individuals external to the College and the amount is fair, reasonable and appropriate exceptions to the above maximum rates may occur. Individuals are to clearly indicate on their claim who they had the meal with and the circumstances surrounding the occurrence.

The rates are not an allowance. They are for individual meals – you must have eaten the meal to be able to submit a claim for reimbursement.

When more than one meal is claimed for any day, you may allocate the combined maximum rates between the meals. For example, if you will be eating both breakfast and lunch, the combined rate is \$20.00. This now becomes the maximum rate for the two meals, regardless of what you spend on each meal.

Note that it is not permitted to use a combined maximum rate and not claim for each of the meals. For example, it is not permitted to combine the maximum amounts for breakfast and lunch (\$20.00) to claim for brunch. Nor is it permitted to combine the maximum 3-meal rate (\$40.00) if only 2 meals are eaten.

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

5.0 HOSPITALITY

Hospitality is the provision of food, beverage, accommodation, transportation and other amenities to people who are not engaged in work for the College, other designated Broader Public Sector organizations or any of the Ontario government ministries, agencies and public entities covered by the OPS Travel, Meal and Hospitality Expenses Directive.

Functions involving only people who work for the College 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 OPS 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 College when:

- providing people from national, international, or charitable organizations with an understanding or appreciation of the College and its objectives;
- conducting prestigious ceremonies for distinguished guests from the private sector;
- the business of the College includes hospitality functions; and
- other hospitality functions as approved by the President, providing they conform to the rules listed in this section of the Directive.

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. 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 be approved by the President for hospitality events where alcohol will be served (can be found on the portal under Financial Forms & Guidelines).

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

Use a College facility for hospitality events if there is one available and appropriate. If a College facility is not available and another is chosen, the President must provide prior approval.

6.0 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 College premises, if this is not possible due to a lack of availability an ELT member 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.

7.0 HOSTING OTHER INSTITUTIONS

The college may provide support including modest and reasonable meals and/or refreshments when hosting staff from other institutions, including: Colleges, Universities and provincial ministries or agencies, during discussions or conferences on issues of mutual interest and/or cooperation that seek to further the College’s objectives. Such expenses must be approved by an ELT member.

8.0 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 College 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) for information about procurement and contracts. Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

9.0 STAFF RECOGNITION

Recognition of staff is an important and valuable component of the College 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 Fleming Awards
- Retirement Awards
- Special Events approved by the President

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 College 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).

10.0 GIFTS

No gifts are to be purchased for anyone covered by this Directive, or by the OPS 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 OPS Travel, Meal and Hospitality Expenses Directive in recognition of support of the College's objectives.

11.0 CHARITABLE DONATIONS

The College typically does not make charitable donations (see policy 4-408). Where a gift to another non profit or charitable organization is deemed to assist in achieving the purposes of the College, the purpose must be documented and approved by the President or designate.

12.0 CHARITABLE EVENT SPONSORSHIP/PARTICIPATION

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

13.0 POLITICAL EVENTS

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