



<b>Category:</b>	<b>Finance</b>
<b>Approved By:</b>	<b>Senior Administrative Team (SAT)</b>
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<b>Policy Sponsor:</b>	<b>Vice President Corporate Services and Chief Financial Officer</b>
<b>Policy Administrator:</b>	<b>Director of Finance</b>

## **Travel, Meal and Hospitality Expenses and Public Disclosure Policy**

### **Purpose**

The purpose of this policy is to:

- provide a framework of accountability to guide the effective oversight of college resources in the management and reimbursement of travel, meal, and hospitality expenses,
- establish parameters for the proactive and routine disclosure of expense information,
- enhance public confidence in the oversight of expenses incurred by members of the college community, and
- further the principles of the *Alberta Freedom of Information and Protection of Privacy Act* with respect to proactive release of information.

### **Scope / Limits**

This policy applies to all members of the Board of Governors and all employees of Lethbridge College.

This policy applies to all travel, meal, and hospitality expenses incurred in the course of college business by the above individuals.

### **Definitions**

**Employees** are all persons on the payroll of Lethbridge College.

**Hospitality** means the provision of food, beverage, accommodation, transportation and other amenities at college expense to people who are not Board of Governors or employees of the college. Functions involving only people who work for the college (all those covered by this policy) are not considered hospitality functions.

**Managerial discretion** is the administrative authority to make decisions and choices with a reasonable degree of flexibility, while maintaining compliance with this policy.

**Travel, meal, and hospitality expenses** are the costs and allowances incurred by an individual in the course of college business and include:

- travel, including transportation, accommodation, meals and incidentals, and hospitality, and
- expenses paid by reimbursements of expense claims, purchases on college issued procurement cards, credit cards and expenses related to the above activities.

## **Policy Statements**

1. Lethbridge College is committed to using college funding prudently and responsibly with a focus on accountability and transparency.
2. All expenses incurred for travel, meals and hospitality will support college business objectives.
3. Plans for travel, meals, and hospitality shall be necessary and economical.
4. Prior approval to incur expenses is obtained where appropriate.
5. Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to this policy statement.
6. Hospitality is only provided when the event involves participants from outside the college.
7. Only authorized expenses (as defined in Appendix A) incurred during the course of college business are reimbursed.
8. Managerial discretion is informed by clear guidelines that allows for a reasonable degree of flexibility, while maintaining compliance with policy.
9. Expenses must be attributable, meaning expenses incurred by one individual on behalf of another, must be attributable for disclosure purposes to the individual for which those expenses were incurred.
10. The college will publicly disclose expense reports of the following individuals and those incurring expenses on these individuals' behalf:
  - the members of the Board of Governors,
  - the President and Chief Executive Officer; and
  - the Vice Presidents.
11. Expenses incurred must comply with any and all college policies and all other applicable provincial and federal laws and regulations.
12. Information that would normally be withheld under the Alberta *Freedom of Information and Protection of Privacy Act* will not be publicly disclosed.
13. Suspected violations of this policy will be investigated in a fair and consistent manner and appropriate action taken. Actions may include discipline up to and including termination of employment or association with the College, and/or legal sanctions.

14. Only the President and Chief Executive Officer can grant an exemption from all or part of this policy.

### **A: Policy Supports**

[Travel, Meal and Hospitality Expenses and Public Disclosure Procedures \(Appendix A\)](#)

[Travel Reimbursement Rates \(Appendix B\)](#)

### **B: Legislated References**

Alberta Freedom of Information and Protection of Privacy Act

### **C: Other References**

### **D: Related Policies**

Board of Governors:

EL-5 Asset Protection



<b>Parent Policy:</b>	<b>Travel, Meal and Hospitality Expenses and Public Disclosures</b>
<b>Effective Date:</b>	<b>December 10, 2015</b>
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<b>Policy Sponsor:</b>	<b>Vice President Corporate Services and Chief Financial Officer</b>
<b>Policy Administrator:</b>	<b>Director of Finance</b>
<b>Appendix A</b>	

## **Travel, Meal and Hospitality Expenses and Public Disclosure Procedures**

### **Part A: Definitions**

**Managerial discretion** is the administrative authority to make decisions and choices with a reasonable degree of flexibility, while maintaining compliance with this policy.

**Hospitality** is the provision of food, beverage, accommodation, transportation and other amenities at college expense to people who are not Board of Governors or employees of the college. Functions involving only people who work for the college (all those covered by this policy) are not considered hospitality functions.

**Claimant** refers to any person making a claim under the terms of this policy.

**Approver** refers to the person with the authority to make approvals under this policy.

### **Part B: Managerial Discretion**

1. There is no discretion to depart from the intent and policy statements of this policy.
2. When exercising discretion within this policy, the rationale must be documented and filed with the claim.
3. Approvers are accountable for their decisions, which must be:
  - a) subject to good judgment and knowledge of the situation;
  - b) exercised in appropriate circumstances; and
  - c) compliant with the intent and mandatory requirements set out in this policy.
4. When a request arises and discretion needs to be exercised, approvers should consider whether the request is:
  - a) able to stand up to scrutiny by the auditors and members of the public;
  - b) properly explained and documented;
  - c) reasonable; and
  - d) appropriate.

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

### **Exemption**

Employees can apply for an exemption by bringing forward a business case via the appropriate College Leadership Council (CLC) member. The final decision rests with the President and Chief Executive Officer (CEO) as stated in policy statement #14.

## **Part C: Travel and Meals**

### **Approval to Travel**

1. All travel greater than 200 kilometers return, when other means of conducting college business are not practical, requires pre-approval. Approval levels are:

Within Alberta	One level up supervisor – minimum budget manager	Verbal / Written
Canada	One level up supervisor – minimum of CLC Member	Verbal / Written
International (Outside Canada)	One level up supervisor – minimum of Vice President or President	<a href="#">International Travel Approval Form</a>

2. When travel is authorized, the most direct, practical, and cost effective route and mode of transportation should be used.
3. When initiating travel outside of Canada a risk assessment must be completed in consultation with risk management prior to approval or booking of travel.

### **Approval of Expense Claims**

1. All expense claims shall be approved in accordance with the provisions of this Procedure.
2. Where expenses are incurred but not expressly authorized by this Procedure, the CLC member shall determine if the expense falls within the intent of this Procedure. The CLC member shall determine the amount of such reimbursement or allowance.
3. When maximum amounts are set in this procedure, the CLC member cannot increase those amounts.
4. Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to policy statement #5. Receipts containing alcoholic beverages will not be processed.

## **Basis for Reimbursement or Allowance**

1. The college will reimburse all personal and other travel expenses necessarily incurred by an individual in performing work duties.
2. Unless otherwise set out in this Procedure, an employee must submit original detailed receipts or satisfactory proof of payment for reimbursement of expenses.
3. When an employee receives a discount, credit or bonus for travel that reduces the original travel cost, only the net expense may be claimed. This subsection is not applicable when the employee receives a rebate, credit or privilege for using a personal credit card for which a fee has been paid.

## **Claimable Expenses with a Receipt**

When travelling on college business or attending a college sponsored seminar, an employee may claim the following expenses with a receipt:

- accommodation
- airfare
- automobile rental
- fuel
- rail fare
- excess baggage charges for standard baggage that may be charged by an airline and where extra equipment is required because of duties being performed
- charges for electronic communication related to college business
- charges for business related phone calls
- taxi and limousine fares in excess of amount in Appendix B
- bus fares, including airport bus, other than intra-city bus fares.

## **Claimable Expenses without a Receipt**

When travelling on college business, attending a college sponsored seminar, an employee may claim the following expenses, to a maximum amount of in Appendix B without a receipt:

- intra-city public transportation,
- taxi fares, and
- parking charges.

## **Goods and Services Tax (GST)**

When an employee is charged GST on allowable expenses authorized in this Procedure, the employee will be reimbursed either the total amount shown on the receipt, including the GST, or the maximum amount allowed for the expense, whichever is less.

## **Airfare**

1. Economy class is the booking class for all flights.

2. Personal upgrades can be used to upgrade to business class, or an employee may opt to pay personally for the price differential from economy class.
3. Employees may add and pay for a personal leg to a business itinerary, while clearly distinguishing between business and personal expenses. If a combined business/personal itinerary is equal to or less than the cost of a business-only return airfare, there is no personal cost to an employee.

### **Ground Transportation**

1. Reasonable expenditures for taxis and public transportation to and from airports, between appointments, hotel locations and meeting locations are reimbursable, including reasonable gratuities for service.
2. Vehicle rental is required for trips over *150 kilometers return*. In a situation where a rental car is practical, an intermediate or smaller car is preferred; however, the size and type of rental car should be appropriate for the number of people in the car, road conditions, and nature of the need. When renting a vehicle within Canada and the United States, optional extra insurance offered by the rental agency is not required as the college has coverage. The cost of insurance on vehicles rented outside North America is advisable and is reimbursable. When choosing to use a personal vehicle over a rental, reimbursement will be at the lower per kilometer rate.
3. In-car navigation systems and electronic toll payment (where appropriate) are reimbursable expenses however all other convenience options are non-reimbursable.

### **Tips/Gratuities**

Tips/gratuities are a reimbursable expense and should be appropriate to the location, service level and local protocol and are never to exceed the rate shown in Appendix B, of the total bill.

### **Meal Expenses**

When travelling on college business, an employee may claim either:

- a) the actual cost of the meal with receipts; or
- b) the meal allowance.

The college will reimburse an employee for meals for college business provided meals are not already included in another expense i.e. conferences fees, airline tickets, or other organizations.

Refer to Appendix B for allowable meal rates. The actual cost of the meal is the amount shown on the receipt, excluding alcoholic beverages, plus a gratuity of up to the rate stated in Appendix B of the meal cost.

### **Accommodation Expenses**

When an employee is travelling on college business and overnight accommodation away from the employee's residence is necessary, reimbursement will be made for the actual cost of

reasonable accommodation in a hotel, motel or other similar establishments with the required detailed receipt or paid invoice. A per diem allowance (see Appendix B) per night may be claimed if using private accommodations or no receipt or paid invoice is available.

### **Business Use of Private Vehicle**

**Business Kilometer Rate** - When authorization is received for the use of an employee's private vehicle for college business, the employee may claim, based on the kilometers travelled, rate shown in Appendix B.

**Other Use of Private Vehicle** - A CLC member may approve the use of an employee's private vehicle at the rate shown in Appendix B when on college business, if other means of transport are not more direct, practical and cost effective.

**Business Insurance** - If an insurance company or agent requires the employee's private vehicle to be insured for use when travelling on college business, the employee may claim the full amount of the business premium to a maximum of **\$250** per year, pro-rated if the insurance is for less than a year.

### **Miscellaneous Reimbursable Expenses**

Examples of miscellaneous expenses that may be eligible for reimbursement are:

- internet connectivity in hotel, airplanes or other public places,
- travel immunizations, and
- business visa (or equivalent) or expenses associated with obtaining a business visa.

### **Cash Advances**

1. Employees seeking cash advances are required to submit their requests to Financial Services on the appropriate expense claim form, with estimated expenditure details and appropriate approvals. Submission must be received seven (7) working days prior to the date the advance is required.
2. The employee is personally responsible for clearing this balance through the submission of an expense claim form with appropriate receipts or paid invoices and reimbursing the college for any outstanding portion of the advance.
3. The employee is responsible to submit an expense claim form within thirty (30) calendar days of the return of the trip.

### **Expense Report Requirements**

1. Detailed original receipts for travel, meals (unless an allowance is being claimed) and other expenses should be included with the expense report. The receipt should itemize the purchases made including food and beverages consumed. Receipts containing alcoholic beverages will not be processed. If a detailed receipt is not available, the claimant must provide a written statement attesting to the following:
  - a) the expense was incurred and related to Lethbridge College business;

- b) the expense has not been claimed previously; and
- c) the circumstances as to why the receipt is missing.

This attestation must be signed by claimant and the approver of the claim.

2. Expense claims must be submitted to Finance on a monthly basis to ensure timely and accurate reporting and to meet the public disclosure deadlines where applicable.
3. Expense reports must, at a minimum, include the following components:
  - a) name, I.D. number and position of individual who incurred the expense;
  - b) date of transaction(s);
  - c) transaction amount(s);
  - d) expense category (travel, including transportation, accommodation, meals and incidentals; and hospitality); and
  - e) description and rationale.

## **Part D: Hospitality**

1. Hospitality refers to functions involving the provision of food, beverage, accommodation, transportation and other amenities at college expense to people who are not Board of Governors or employees of the Lethbridge College. Functions involving only people who work for the college (all those covered by this policy) are not considered hospitality functions.
2. Hospitality may be extended in an economical and consistent manner when:
  - a) it can facilitate college business; and
  - b) it is considered desirable as a matter of courtesy or protocol.
3. Expenses that do not fit the definition of college hospitality will not be reimbursed.
4. Prior written approval from the President and CEO or Vice Presidents is required for all hospitality events where alcohol will be served (see responsibilities regarding alcoholic beverages below), or for hospitality events of **\$400** or more.

### **When hospitality is appropriate**

1. Hospitality may be extended on behalf of the college when:
  - a) engaging in discussion of official college matters with:
    - representatives from government,
    - donors,
    - business and industry, and
    - community groups.
  - b) honoring distinguished people for exceptional service to the college; and
  - c) other hospitality functions as approved by the President and CEO, providing they conform to the rules listed in this section of the policy.

## **Responsibilities regarding alcoholic beverages**

1. Prior written approval is required from the President and CEO or Vice Presidents for hospitality events including alcohol or for *\$400* or more.
2. Reimbursement of alcohol expenses is allowed only when the appropriate approvals are in place.
3. Hospitality may include the consumption of alcohol at a meal or a reception with invitees as defined above, but only when there is an approved business case.
4. If alcohol is provided at a hospitality event, it should be provided in a responsible manner, e.g. food must always be served when alcohol is available. The offering of a pre-determined drive home service is encouraged.

## **Planning the Event**

1. When choosing the venue:
  - a) use a college facility if there is one available and appropriate; and
  - b) if a college facility is not available and another is chosen, the President and CEO or a Vice President must provide prior approval.
2. Minimize costs where possible, but have due regard for the nature, size and intended business purpose of the event.

## **Managing the Guest List**

1. The host extending invitation:
  - a) must document and justify the list of college representatives;
  - b) should keep the number of college representatives to a minimum, limiting it to those who have the most direct involvement in the business purpose of the event; and
  - c) may include the partner of the host or college representative only when required by protocol.

## **Submitting the Claim for Reimbursement**

1. All expenses must be documented and include original itemized receipts.
2. The claim must include event details regarding:
  - a) purpose;
  - b) date(s);
  - c) location; and
  - d) type of hospitality (breakfast, lunch, dinner, reception, refreshments, etc.).

## **Part E: Public Disclosure of Information**

1. The Director of Finance will submit a report of all travel, meal and hospitality expenses to Web Services for publication on the college internet on the following individuals' behalf:
  - a) the members of the Board of Governors;
  - b) the President and Chief Executive Officer; and
  - c) other members of the Executive Leadership Team (ELT).
2. Expense reports must, at a minimum, include the following components:
  - a) name and position of individual who incurred the expense;
  - b) date of transaction(s);
  - c) transaction amount(s);
  - d) expense category (travel, including transportation, accommodation, meals and incidentals; and hospitality); and
  - e) description and rationale.
3. Information that would normally be withheld under the *Freedom of Information and Protection of Privacy Act*, such as personal information, must be redacted from supporting documentation and will not be publicly disclosed.
4. Reports for reimbursed expenses will be made available online on a quarterly basis.



<b>Parent Policy:</b>	<b>Travel, Meal and Hospitality Expenses and Public Disclosures</b>
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<b>Policy Sponsor:</b>	<b>Vice President Corporate Services and Chief Financial Officer</b>
<b>Policy Administrator:</b>	<b>Director of Finance</b>
<b>Appendix B</b>	

## Travel Reimbursement Rates

Kilometer rate (private vehicle) – authorized	50.5 cents per kilometer								
Kilometer rate (private vehicle) - if other means of transportation is more practical and cost effective	16.5 cents per kilometer								
Private accommodations	\$20.15 per night								
Claimable expenses without a receipt:	to a maximum of \$12.75 per incident								
• intra-city public transportation									
• taxi fares									
• parking charges									
Meal allowance**	<table> <tr> <td>Breakfast</td> <td>\$11.00</td> </tr> <tr> <td>Lunch</td> <td>\$14.00</td> </tr> <tr> <td>Dinner</td> <td><u>\$25.00</u></td> </tr> <tr> <td></td> <td>\$50.00 per day</td> </tr> </table>	Breakfast	\$11.00	Lunch	\$14.00	Dinner	<u>\$25.00</u>		\$50.00 per day
Breakfast	\$11.00								
Lunch	\$14.00								
Dinner	<u>\$25.00</u>								
	\$50.00 per day								
Personal (laundry/phone calls)	\$10.00 per day								
Gratuities	to a maximum of 15 per cent								
Automobile Business Insurance Premium	to a maximum of \$250 per year								

\*\*Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense.  
 Maximum meal allowance with receipts is \$75.00/day