ART GALLERY OF ONTARIO

POLICIES AND PROCEDURES MANUAL

Category:	**ADMINISTRATION**		
Policy Number:	**A-03**	**Policy Title:**	**Travel, Hospitality & Other Employee Expenses**
Date of Most Recent Approval & Effective Date	September-24	**Policy Approver:**	Chief Financial & Operating Officer (CFOO)
Responsible Position:	Director of Finance		
Version History:	Supersedes Travel, Meal and Hospitality Expense dated August 2014		

PURPOSE:

This policy sets out rules and principles for the reimbursement and payment of travel, meal, hospitality and other employee expenses for the Art Gallery of Ontario (AGO), as a designated Broader Public Sector (BPS) Organization, in order to provide a framework of accountability in guiding the effective oversight of public resources in compliance with the Broader Public Sector (BPS) Expenses Directive.

SCOPE:

This policy outlines the rules for managing travel, meal and hospitality expenses for all staff, volunteers and Board Members at the AGO who incur ("claimant") or approve ("approver") expenses to fulfill their duties and further the objectives of the AGO. This policy also applies to consultants and contractors at the AGO.

POLICY:

This policy is based on four key principles:

1. **Accountability** – the AGO is accountable for the use of public funds when reimbursing travel, meal, and hospitality expenses. All expenses must support the AGO's business objectives.
2. **Transparency** – the AGO must be transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood and available to the public on our website.
3. **Value for Money** – the AGO must use taxpayer funds prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.
4. **Fairness** – the AGO must reimburse legitimate, properly documented, and authorized expenses incurred during the course of business.

Accountability Framework:

- All approvers are prohibited from approving their own reimbursements.
- Expenses must be approved by the respective supervisor at least one level higher than the person claiming the expense.
- Expenses claimed by Board Members must be approved by the Corporate Secretary.
- Expenses for a group can only be claimed by the most senior person present.
- Requests for travel and most incidents of expense must be pre-approved prior to incurring expenses.

<table>
<tr><th colspan="2">Claimant and Approver Responsibilities for Expense Claims</th></tr>
<tr><th>Claimant's Responsibility</th><th>Approver's Responsibility</th></tr>
<tr><td rowspan="3">• Obtain appropriate approvals before incurring expenses.
• Ensure expenses are necessary in the performance of business on behalf of the AGO.
• Submit an expense reimbursement claim detailing the business purpose, and the expense claims for approval within forty (40) days of the expense being incurred.
• Provide original itemized receipts detailing the expenses incurred with all claims. If the claim is for Meals or Hospitality expenses, names of all attendees must be included in the submission. Credit card receipts are insufficient and must be supported with a detailed itemized vendor receipt.
• The AGO authorizes the use of electronic images of original paper or electronic invoices and receipts as part of the ordinary course of business.
• In the exceptional case of a lost/missing receipt, a documented explanation of why the receipt is unavailable and a description itemizing and confirming the expenses must be provided. The expense will not be reimbursed if the justification is not considered sufficient.
• Ensure that claims are accurate, complete, reasonable and in accordance with the Policy detailed herein.
• In the event an employee leaves their position at the AGO, all applicable expense claims must be submitted prior to leaving and if applicable any amounts owing to the AGO must be paid in full.</td><td>"Purpose" Approvers (Supervisors, LT)
• Pre -Travel/Expense - Ensure budget availability, and that proposed amount and/or travel is reasonable and necessary in the performance of business for the AGO in advance of expense or travel.</td></tr>
<tr><td>"One up" Approvers (Supervisors, LT)
• Post-Travel/Expense - Ensure amounts are reasonable, eligible and necessary in the performance of business for the AGO.</td></tr>
<tr><td>Accounts Payable "Audit" Approver
• Ensure that all approvals are in accordance to the defined approval authority within Policy A-2, AGO's Approval Authority Policy.
• Ensure that the claim for the reimbursement is thorough and conforms to this policy with all detailed receipts attached.</td></tr>
<tr><td colspan="2">• Overpayment to a claimant is considered to be debt owing to the AGO and must be paid, it is the responsibility of both the Claimant and Approver.
• All decisions must be based on good judgment and knowledge of the situation; exercised in appropriate circumstances; and compliant with the principles and requirements set out in the applicable BPS Directive and this Policy.
• Approval levels and governance are in accordance with Policy Number A-2, Approval Authority Policy.</td></tr>
</table>

Where an agreement addresses the subject matter of this policy, this policy and its accompanying Directive prevail over the relevant terms of the agreement if there is a conflict or inconsistency between them.

<u>Expense Category Policy Guidelines</u>

1.0 Travel

All individuals required to travel in order to conduct business on behalf of the AGO or to attend events related to professional development will be reimbursed for their expenses provided that prior approval is obtained, and appropriate documentation is submitted. Note that prior approval is required even in situations where expenses are covered by a third party. Whenever possible work with Procurement to use the government's designated vendor of record service providers. For the purpose of this policy the Greater Toronto Area (GTA) is defined as the City of Toronto, and regional municipalities of Durham, Peel and York.

- Travel outside of the GTA, but within Ontario, requires prior written approval from the employee's direct supervisor, unless it is for a courier trip which always requires additional approval by the Chief Curator.
- Travel outside of Ontario also requires prior approval from the unit's Chief officer (LT member).
- International travel requires the approval of the Director and CEO.

Claimants are to ensure that should they choose to stay at a place of travel for more days than required for business purposes, those expenses are clearly separated from the business expenses claimed. Any expenses related to accommodation, meals, car rentals, etc. incurred not related to AGO business shall be the Claimant's personal expense and are not reimbursable.

1.1 Travel within the Greater Toronto Area (GTA)

Local transportation expenses will be reimbursed if a staff, volunteer or Board Member is travelling for AGO business purposes. This does not include a person's regular commute to and from work. The most practical and economical way of transportation should be chosen. Options include public transit, taxi, Uber/Lyft, personal vehicle or rental vehicle.

- When using a personal vehicle for travel within the GTA, claimants will be reimbursed for each kilometre(km) traveling on AGO business at a rate of $ 0.48/km. Mileage will only be reimbursed if the trip exceeds a 30km radius one way. Reimbursement for kilometres travelled can only be claimed by the driver of the car and not for or by any passengers in the same car. Personal vehicles used on AGO business must be insured at the vehicle owner's expense for personal motor vehicle liability. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicle. The AGO will not reimburse costs of collision and liability coverage for personal vehicles.
- Parking expenses incurred on AGO business will be reimbursed provided original receipts are submitted. Tickets for unlawful parking and 407ETR tolls are not eligible expenses.
- Claimants will be reimbursed for reasonable meal costs upon presentation of receipts (refer to "Meals" Section 2 for greater detail).

1.2 Travel Outside of the GTA

Claimants are expected to use the least expensive mode of transportation consistent with the least amount of interruption to the claimant's regular business and personal schedules. Consideration should be taken as to the length of time away from the workplace. Claimants traveling outside of the GTA, but within 100 kilometers of the GTA will be reimbursed for travel expenses as outlined in section 1.1 Travel within GTA.

- Claimants traveling more than 100 kilometers outside of the GTA, including travel outside of Canada will be reimbursed for travel expenses as follows:
  - When traveling by air, claimants are expected to fly at the most reasonable and economical rate available. Travel by air at a class higher than economy requires the approval of the Director and CEO and may be considered for international flights greater than 10 hours. Any upgrades not approved in writing in advance would be the responsibility of the claimant.

- Where airfare or rail is less expensive than driving and the claimant chooses to drive, the reimbursement for kilometers driven will be limited to the value of the least expensive return airfare to the same destination during the same time. The rate per kilometer will be the same as that paid for travel within the GTA.
- When personal travel is combined with business travel, the claimant will be reimbursed for only the business portion of the trip at the lowest available fare.
- Travel with others (i.e. spouse), including meals and cancellation fees, are not covered and must be paid for by the claimant.

1.3 Accommodations

AGO will pay for accommodation for a standard room that is convenient to the event being attended. No reimbursement will be made for suites, executive floor, or concierge levels.

- Employees will be reimbursed only for nights of accommodation required for AGO business.
- Cancellation charges resulting from failure to cancel guaranteed hotel bookings prior to the deadline are the claimant’s responsibility.
- Staff will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or facility charges (e.g. fitness clubs).
- Private stays with friends or family are acceptable. A gift may be provided to the friends or family, with a maximum gift value of $30 CAD per night. This can take the form of a gift or a restaurant meal for a cost of up to the maximum value allowed. As there will be no receipt staying with friends or family, you must include a written explanation identifying the host and the number of days stayed. The receipt for the gift or restaurant meal must accompany the travel expense form.

1.4 Insurance

Travel cancellation insurance is an allowable expense; no other form of travel insurance or medical insurance is reimbursable. Please verify with the People Department for details regarding out of country medical insurance coverage.

1.5 Cell phone and telephone

- Employees in possession of AGO issued cell phones should contact Information Technology directly, at least a week before travelling, for the most cost-effective travel package to be used in order to minimize costs. Refer to the ***Cell Phone Policy*** for further details on mobile usage. Note, roaming charges on AGO issued cell phones will not be reimbursed for personal travel.
- For employees travelling with personal mobile devices, or utilizing other telephone services, long distance business calls and/or roaming packages will be reimbursed provided they are reasonable and necessary. Discretion should be used, and the most cost-effective package should be selected.

1.6 Incidentals

While travelling on AGO business, additional unavoidable business expenses not otherwise covered such as photocopying/print expenses, Wi-Fi/internet connections, or other incidentals, may be reimbursed upon supervisor approval, provided the charges incurred are reasonable and related to AGO business.

1.7 Meals

Reasonable and appropriate meal expenses may be reimbursed only if acceptable documentation is provided. The claimant may incur a meal expense when on AGO business if away from the office (outside of the GTA) over a normal meal period. Non-Travel Business meals related to hosting non-AGO persons, is addressed in the Hospitality section in this policy.

- Claimants will be reimbursed for reasonable expenses incurred for meals only, upon presentation of detailed original receipts (no alcoholic beverages).

- Reimbursement for meal expenses incurred is subject to the maximum rates set out in the chart below. These rates include taxes and gratuities.

Meal Type	Canada Maximum Amount (CDN $)	*USA Maximum Amount (USD $)	Outside Canada & USA Maximum (CAD Equivalent) Amount
Breakfast	$20.00	$20.00	$30.00
Lunch	$25.00	$25.00	$50.00
Dinner	$50.00	$50.00	$65.00

These rates are not an allowance but rather a maximum amount to be reimbursed for individual meals that have been purchased. There will be reimbursement for the meal expenses only, and not for snacks and beverages consumed at times other than the three allowable meals.

- When more than one meal is claimed for any day, the claimant may allocate the combined maximum rates between the meals. For example, if the claimant will be eating breakfast and lunch (within Canada and the Continental USA) for business purposes, the combined rate is $45.00. This now becomes the maximum rate for the two meals, regardless of what is spent on each meal. If they are at a conference within Canada and the Continental United States that includes lunch and dinner, the maximum they will be reimbursed for the day is $20.00 (breakfast) as that is the only meal they are claiming.
- When a staff member is authorized to pay for meals of other staff members, expense claims must include a brief explanation of the purpose of the meeting and a complete list of all guests in attendance. The most senior member of staff should pay for the meal expenditure.
- No reimbursement shall 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.
- Reimbursement will not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt accompanying the claim.
- Alcohol cannot be claimed and will not be reimbursed as part of a meal expense. There are no exceptions to this rule.

2.0 Hospitality

In accordance with the BPS Expenses Directive, “Hospitality” is the provision of food, beverage, accommodation, transportation and other amenities at the AGO’s expense for people who are not staff, or volunteers of the AGO. The AGO at times offers hospitality to external parties in order to further its business objectives.

- Hospitality is permitted for events attended by external people to AGO for the purpose of business, including meetings, donor events, exhibition openings, cultivation events, partner events or Marketing/Promotion events. The service of alcohol at hospitality initiatives must be approved in advance by a Leadership Team member and by the Director and CEO and always supported with a business rationale.
- Reimbursement or payment of expenses related to office social events and milestone gifts (for example, retirement parties, birthday events, shower events etc.) are not permitted.

2.1 Internal Events

Initiatives involving solely AGO staff are not considered reimbursable hospitality expenses from public funds. To ensure compliance with the BPS Expenses Directive, these expenses must be underwritten by identified non-public funds.

Initiatives involving the provision of refreshments for AGO staff and volunteers must be **pre-approved** by the most senior Leadership Team member involved, and the Director of Finance. Any initiative that has not received prior approval will not be reimbursed. There must be an available budget, the purpose of the initiative must meet overall AGO business objectives and must demonstrate prudence with costs incurred.

Internal events underwritten by non-public funds include:

- Staff and Volunteer recognition events (eg celebratory gathering at the completion of a large project)
- Training programs, team building and planning sessions
- Celebrations available to entire organization (eg summer BBQ or Holiday open house)

3.0 Expenses for Consultants and Contractors

In accordance with the BPS Expenses Directive, under no circumstances will consultants and other contractors be reimbursed for any hospitality, incidental, or food expenses, including meals, and beverages. Reimbursement for allowable expenses such as travel and accommodation can be reimbursed only when the contract specifically provides for it, and prior approval is obtained and/or provided by the AGO staff person overseeing the assignment.

4.0 Supplies, Materials, Furniture, and Equipment

Office furniture, computers, monitors, tools, accessories, etc. must be purchased directly by AGO, generally via purchase order and provided to the employee. (See A-01 – Procurement of Goods & Services Policy for further details). In rare circumstances, where the employee is required to purchase directly, the purchase must be pre-approved by the employee's supervisor, and in accordance with the A-02 Approval Authority Policy. The use of preferred suppliers and supplies may be required, and only immediate need volumes will be allowed. In all instances the items purchased become the property of AGO and must be returned to the AGO when requested.

5.0 Safety shoes

The AGO will reimburse OPSEU and Unifor employees for safety shoes at rates in accordance with their respective collective agreements.

Management and non-bargaining employees that require safety shoes for their role will be reimbursed up to $180 annually. Employees must seek prior approval from their supervisor.

All Employees are required to submit proof of purchase at time of request for reimbursement. (See the respective collective agreements for further details).

6.0 Training and Development

When the AGO requires an employee to attend a training or development program, the AGO will cover 100% of the costs to attend this training.

For employee-driven development requested by the employee, approval is at their supervisor and LT member's discretion. Supervisor must ensure the development opportunity is applicable to their employment role, reasonable in cost and that the unit has available funds for the training opportunity within their budget. Preapproval must be received, and reimbursement will only be provided upon evidence of successful completion of training. If employment ceases prior to the completion of the approved training, those costs will not be eligible for reimbursement.

7.0 Professional Membership Fees

The AGO will reimburse professional membership fees for eligible full-time permanent employees where the fee is necessary for maintaining a professional status, and where professional status is applicable to their employment role. There are no retroactive reimbursements, fees must be submitted at the beginning of the membership period with supporting documentation. (e.g. CPA annual fees). Respective Leadership Team (LT) member pre-approval is required or must be identified as required in employment contract.

EXPENSE ADMINISTRATION AND REVIEW:

Reimbursements for costs in a foreign currency will be converted at the exchange rate in effect at the date of purchase in the absence of evidence of the converted amount paid (i.e., as shown on a credit card statement).

The Accounts Payable Team within the Finance Department oversees all reimbursements and related inquiries. Expense submissions are to be submitted for reimbursement within 40 days of being incurred, after which the reimbursement is forfeited. Records and receipts are to be considered financial records and, therefore, must be maintained for seven (7) years.

The AGO authorizes the use of electronic images of original paper or electronic invoices and receipts as part of the ordinary course of business.

EXPENSE CLAIM ABUSE:

If you claim or approve expenses that are unreasonable or excessive (one or more times), corrective action may be taken not limited to non-reimbursement of unreasonable or excessive expenses. Submission of expenses for costs not actually incurred while conducting Gallery business is considered fraud which may result in the termination of your employment for cause, and possible criminal prosecution.

RELATED DOCUMENTS:

- A1 – Procurement of Goods and Services Policy
- A2 – Approval Authority Schedule (AAS) of the Art Gallery of Ontario
- A4 – Corporate Credit Cards Policy
- Broader Public Sector Expenses Directive 2020
- Travel, Meal and Hospitality Expenses Directive