

ART GALLERY OF ONTARIO
POLICIES AND PROCEDURES MANUAL

Category:	Subject: Travel, Meal and Hospitality Expense	Number: Page 1 of 7
Date: March 28, 2012	Review: March 2013	Prepared by: Associate Director, Financial Services

Purpose:

To establish rules and principles for the reimbursement of travel, meal and hospitality expenses for all staff, volunteers and Board Members making expense claims.

Policy Statement

This policy is to ensure that the Art Gallery of Ontario (AGO) is in compliance with the Broader Public Sector (BPS) Expenses Directive (Directive). This policy applies to all persons submitting expense reimbursement claims including Board Members, Employees, Volunteers, Students, Consultants and Contractors who may at times undertake expenses to fulfill their duties and further the objectives of the organization (claimants) and to all persons (approvers) who approve expense claims. The expense rules described in this policy provide an accountability framework for the effective oversight of the Gallery's resources and define reasonable and consistent practices for the reimbursement of expenses. This policy replaces the *Employee Travel and Hospitality Policy*.

This policy supports the following key principles:

1. **Accountability** – the AGO is accountable for the use of public funds when reimbursing travel, meals, hospitality and other expenses. All expenses must support the Gallery's business objectives.
2. **Transparency** – the AGO is transparent to all stakeholders. The rules for incurring and reimbursing expenses are clear, easily understood and available to the public on our website.
3. **Value for Money** – the AGO uses tax payers dollars prudently and responsibly. Plans for expenses are necessary and economical with due regard for health and safety.
4. **Fairness** – the AGO reimburses eligible, authorized expenses that are incurred due to Gallery business and that are supported by 3rd party documentation.

Policy Content

Guidelines for:

Travel	Sections 1, 1.1 and 1.2
Meal	Section 2
Hospitality	Sections 3 and 3.1
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ACCOUNTABILITY FRAMEWORK:

Expenses must be approved by the manager at least one level higher than the person claiming the expense.

All approvers are prohibited from approving their own expense reimbursements. Expenses for a group can only be claimed by the most senior person present.

The approval levels are in accordance with the AGO's *Signing Authority Policy*.

When required to travel on Gallery business, prior approval is always necessary and the distance and travel destination determines the prior documentation required. Further details are under the Travel section (see section 1).

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense.

Written approval is required for Hospitality events involving alcohol. Hospitality is provided only when the event involves people outside the AGO.

Claimant's Responsibilities:

- Use their best efforts to minimize the expenses to the Gallery when incurring travel and meal expenses.
- Provide original, itemized receipts detailing the expenses incurred with all claims including names of attendees and the purpose of the lunch/dinner meeting. Credit card receipts are not sufficient on their own and must be supported with a detailed vendor receipt (i.e. must provide detailed hotel and restaurant bills). Should the original invoice be lost, or there is no itemized receipt, a detailed written explanation must be submitted as to why the receipt is unavailable and a description itemizing the expense with a sign off by the direct supervisor. If the written explanation is not considered sufficient, the expense will not be reimbursed.
- When directly reimbursing an employee, an Expense Reimbursement Form must be submitted within 45 days of the expense being incurred. All Expense Reimbursement Forms must be approved by the claimant's direct supervisor before being submitted to the Accounts Payable department. If not evident from the attached receipts, documentation must be provided on the business purpose and reasonableness of the expenses claimed.
- Ensure that reimbursement claims are accurate, complete, reasonable and in accordance with this Policy and charged to the correct department and sub-code.
- Should a claimant choose to stay at a place of travel for more days than required for business purposes, any expenses related to accommodation, meals, car rentals etc. incurred for time or activity not related to gallery business shall be claimant's personal expense and are not reimbursable.
- When travelling on business, employees may request a travel advance against anticipated travel expenses. Advances are always in the form of a Canadian cheque, and it will be the responsibility of the individual to convert to foreign currency as needed. All documentation regarding exchange rates and fees should be attached to the completed Expense Reimbursement form. If an amount is to be returned to the Gallery, reimbursement must be attached to the Expense Reimbursement form. No additional travel advance can be issued until prior travel advances have been accounted for. Cash advances from corporate credit cards are strictly prohibited
- If a claimant has a gallery issued cell phone and is travelling they are to ensure the most cost effective plan is in place and appropriate features are activated. Please refer to the *Cell Phone Policy* for further details.

Approver's Responsibilities:

As per the BPS Directive, approvers are expected to ensure that expenses being reimbursed are in a manner that is consistent with the principles of this policy.

- Ensure that all expenses being reimbursed are for Gallery business.
- Provide approval defined within the scope of the *Signing Authority Policy*.
- Approvers are prohibited from approving their own expense reimbursements.
- Advise the employee if any requests for reimbursement have been denied and the reason for such denial.
- Ensure that adequate detailed receipts and prior approval documents, if required, are attached to support the reimbursement of the costs.
- Ensure that the Expense Reimbursement form clearly indicates the business purpose for the reimbursement.

1. TRAVEL:

Staff and volunteers may be required to travel to conduct business affairs on behalf of the Gallery or to attend events related to professional development and will be reimbursed for their expenses provided that appropriate documentation is submitted.

- Travel outside of the GTA, but within Ontario, requires prior approval from the claimant's direct supervisor, unless it is for a courier trip which always requires additional approval by Executive Director of Curatorial Affairs. The approval should be documented (e.g. email) and attached to the Expense Reimbursement Form before being submitted to the Accounts Payable department for reimbursement.
- Travel outside of Ontario requires prior written approval as indicated below using the Travel Approval template. The authorized Travel Approval Form should be attached to the Expense Reimbursement Form when you submit the reimbursement request to the Accounts Payable department:

Ontario:	Direct Manager
North America:	Division Head
International:	Director and CEO

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 as these expenses are not reimbursable.
- The most practical and economical way of transportation should be chosen. Options include:
 - public transit, taxi, AGO vehicle, personal vehicle or rental vehicle.
- When using a personal vehicle for occasional travel within the GTA for business purposes, claimants will be reimbursed for each kilometre traveling on AGO business at a rate of \$ 0.40/kilometre. Reimbursement for kilometres travelled will only be claimed by the driver of the car and not for or by any employee passengers in the same car. Personal vehicles used on Gallery business must be insured at the vehicles owner's

expenses for personal motor vehicle liability. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicle. The Gallery will not reimburse costs of collision and liability coverage.

- Parking expenses incurred on Gallery business will be reimbursed provided original receipts are submitted. Tickets for unlawful parking and 407/ETR tolls are ineligible expenses.
- Claimants will be reimbursed for reasonable meal costs upon presentation of receipts (refer to “Meals” section for greater details).

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 kilometres of the GTA will be reimbursed for travel expenses as outlined in section 1.1 Travel within GTA.
- Claimants traveling more than 100 kilometres 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 first use AGO Aeroplan miles and if that is not possible then 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 or courier trips. Any upgrades not approved in writing in advance would be the responsibility of the claimant.
 - When traveling by air a copy of the original boarding pass must be retained and submitted as part of your expense claims.
 - If AGO Aeroplan miles are not being used, the choice of carrier should be based on cost to the Gallery.
 - Where airfare is less expensive than driving and the claimant chooses to drive, the reimbursement for kilometres driven will be limited to the value of the least expensive return airfare to the same destination during the same time. The rate per kilometre 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.

1.2.1. Accommodations

- AGO will pay for accommodations 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 those nights of accommodation required for Gallery 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).
- Refer to “Incidentals” section below.

1.2.2. Insurance

- Travel cancellation insurance is an allowable expense; no other form of travel insurance or medical insurance is reimbursable.

1.2.3. Incidentals

- Long distance business calls are reimbursed, however discretion should be used in the frequency and length. Reimbursement will be made for reasonable incidental costs for necessary personal calls. Wherever possible, the most cost-effective method should be used (e.g. calling cards) in order to minimize costs. Please refer to the *Cell Phone Policy* for further details on mobile usage.
- While travelling on Gallery business, additional business expenses not otherwise covered will be reimbursed, such as computer access charges, photocopying, word processing services, facsimile transmissions, internet connections, rental and transportation of necessary office equipment, provided the charges incurred are reasonable and related to AGO business.

2. MEALS:

- Reasonable and appropriate meal expenses may be reimbursed provided appropriate documentation is provided. If the claimant is hosting non-AGO persons, see Hospitality section in this policy. The claimant may incur a meal expense when on AGO business and:
 - are away from the office area (outside of the GTA) over a normal meal period; or
 - have prior approval from Leadership Team member for the expense (e.g., a business meeting with AGO colleague within the office area that can only occur over lunch or meals for staff prior to an event (and is different than a meal allowance).
- Claimants will be reimbursed for reasonable expenses incurred for meals, 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.

Meals	North America Maximum Amount (CDN \$)	Outside North America Maximum Amount (CDN \$)
Breakfast	\$10.00	\$20.00
Lunch	\$17.00	\$35.00
Dinner	\$30.00	\$50.00

These rates are not an allowance but rather to reimburse for individual meals that must have been consumed in order to be able to submit a claim for reimbursement.

- 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 North America), the combined rate is \$27.00. This now becomes the maximum rate for the two meals, regardless of what is spent on each meal.
 - Note that it is not permitted to use combined maximum rates and not claim for each of the meals. For example, it is not permitted to combine the maximum amounts for breakfast and lunch (\$27.00) to claim for brunch. Nor is it permitted to combine the maximum 3 meal rate (\$57.00) if only 2 meals are eaten.
- When a staff member is authorized to pay for meals of others, expense reports must include a brief explanation of the purpose of the meeting and a complete list of all guests in attendance. The highest ranking member of staff should pay for the meal expenditures.
- 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 must 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.**

3. HOSPITALITY:

- In accordance with the BPS Directive, Hospitality is the provision of food, beverage, accommodation, transportation and other amenities at the AGO's expense to people who are not staff, volunteers or Board Members of the Art Gallery of Ontario. 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 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 Leadership Team member or when cross functional, approved by Director and CEO and always supported with a business rationale.
- Initiatives involving solely AGO staff, volunteers and/or Board Members are not considered reimbursable hospitality expenses, such as birthday or shower events.

3.1. Alcohol

- Generally, alcoholic beverages cannot be charged to the Gallery.
- Pre-approval is required from the Leadership Team member when Hospitality is involved (i.e. business reception with external visitors). The justification for the pre-approval must be documented, approved, and attached to the Expense Reimbursement form.

4. INTERNAL EVENTS:

- To ensure compliance with BPS Directive, initiatives involving the provision of refreshments for Gallery staff and volunteers must be pre-approved by the Leadership Team member and Associate Director of Finance. This includes events such as training programs, team building and planning sessions.
- There must be an available budget, the purpose of the initiative must meet overall Gallery business objectives and must demonstrate prudence with costs incurred.
- The following internal events will be underwritten by non-public funds:
 - Staff and Volunteer recognition events, managed by Staff and Volunteer Resources (SVR) Department.
 - Retirement/departure gifts for long-term staff/volunteers managed by SVR Department.
 - Refreshments for Board and Board Committee meetings, with prior approval by the Director's Office
 - Annual event to acknowledge service and dedication of Board Members, managed by the Director's office.
 - Annual events, as required, to acknowledge the service and dedication of the Board's committees, with prior approval by the Director's Office.
- Any other staff and volunteer recognition initiative requires the prior approval of the Staff and Volunteer Resources Department. Expenses relating to any initiative that has not received prior approval of the Staff and Volunteer Resources Department will not be reimbursed.

4.1. Alcohol

- Public funds may not be used for any alcoholic beverages served at internal events.
- Pre-approval is required from the Leadership Team member when Hospitality is involved (i.e. business reception with external visitors). The justification for the pre-approval must be documented, approved, and attached to the Expense Reimbursement form.

5. EXPENSES FOR CONSULTANTS AND OTHER CONTRACTORS:

- In accordance with the BPS 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 accommodations can be reimbursed only when the contract specifically provides for it.

Expense Review Administration:

Accounts Payable department oversees all reimbursements and related inquiries. Expense submissions are subject to random audits to ensure compliance with this **Travel, Meal and Hospitality Expense Policy** and are to be submitted for reimbursement within 45 days of being incurred. Records and receipts are to be considered financial records and, therefore, must be maintained for seven (7) years.