

Title: TRAVEL, MEAL AND HOSPITALITY EXPENSE POLICY	Policy Number: FIN-0001.02
	Policy Area: FINANCE
Policy Approved By: Board of Directors	Effective Date: December 1, 2016

I. Purpose

The purpose of this policy is to establish the policies and procedures to be followed by the RHRA regarding travel, meal and hospitality expenses.

II. Application and Scope

This policy applies to the members of the Board of Directors, Officers, appointees, employees, trainees/students, secondees and external persons including without limitation, consultants and contractors engaged by the Authority, regarding travel, meal and hospitality expenses incurred on behalf of the RHRA.

III. Principles

This Policy is based on the following principles:

A. Accountability

The Authority is accountable for funds received and generated under the Retirement Homes Act and regulations used to reimburse travel, meal and hospitality expenses. All reimbursed expenses support business objectives.

B. Transparency

The Authority is transparent to stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood, and available to the public.

C. Value for Money

Funds received and generated under the Retirement Homes Act and regulations are used prudently and responsibly. Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.

D. Fairness

Legitimate authorized expenses incurred during the course of the business of the Authority are reimbursed.

IV. Responsibilities

A. Requestor's/Claimant's Responsibilities

Requestors/Claimants are expected to:

- inform themselves of the requirements of this Policy, to comply with these requirements and to seek clarification as needed;
- obtain all requisite approvals before incurring expenses which require prior approval (and if prior approval has not been obtained, submit a written explanation with the claim)
- exercise integrity, prudence and good judgment when incurring business travel, and hospitality expenses on behalf of the Authority;
- retain original invoices, receipts, and any other documentation to support the expenses claimed (or clear and complete scanned copies of same), and submit these with claims;
- ensure that amounts claimed for expenses are accurate, complete, reasonable and in accordance with this policy
- submit expense claims on the RHRA Expense Claim Form (refer to Appendix 5), with original supporting documentation (or clear and complete scanned copies of same), within 30 days of the date an expense is or expenses are incurred. Expenses for claims submitted after 60 days from the date the expense is incurred may be disqualified from reimbursement; and
- if leaving employment with RHRA, claims should be submitted before the employee leaves employment.

B. Approver's Responsibilities

Approvers can only provide approval for claims that include all appropriate documentation.

Approvers are expected to ensure that expenses are:

- business-related, for Authority purposes only, and necessarily incurred in the performance of the Authority's business;
- incurred in the most economical manner, with due regard for health and safety;
- in compliance with the principles and requirements of this policy;
- reasonable based on the explanations provided by the claimant; and
- if an expense claim deviates from this policy, an approver is expected to ensure that the reason for such deviation is supported by a satisfactory and documented explanation.

C. Managerial Discretion

For the purposes of this policy, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this

policy. There is no discretion to depart from the principles and mandatory requirements of this policy. All decisions involving managerial discretion should be taken very carefully.

When exercising discretion, the rationale must be documented and filed with the claim. Approvers are accountable for their decisions, which must be:

- subject to good judgment and knowledge of the situation;
- exercised in appropriate circumstances; and
- compliant with the principles and mandatory requirements set out in this policy.

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; and
- reasonable and appropriate.

V. Rules

The following rules for the RHRA apply to every person incurring travel, meal and hospitality expenses on behalf of the RHRA.

A. Travel and Transportation

i. Pre - approval of Travel

Travel is to be pre-approved by appropriate levels as outlined in TABLE 1 below. The following exceptions apply for pre-approvals:

- The CEO/Registrar does not require pre-approval for travel within Canada or the Continental USA.
- Board members do not require preapproval for travel to attend meetings of the Committees and the Board.

ii. Approval of Travel Expenses

All travel expenses must be approved once submitted. Responsibility for approval of travel expenses is outlined in TABLE 1 below.

TABLE 1 - TRAVEL EXPENSE: RESPONSIBILITY LEVELS

Person Requesting Approval to Incur or Reimburse Travel Expenses	Travel Destination		
	In Ontario	Rest of Canada and Continental USA	Outside Canada and Continental USA
Board Chair	2 Board Members*	2 Board Members	2 Board Members
Board Member	Board Chair*	Board Chair	Board Chair
CEO/Registrar	Board Chair**	Board Chair**	Board Chair
Risk Officer and Complaints Review Officer	Chair of the Governance and Regulatory Affairs Committee	Chair of the Governance and Regulatory Affairs Committee	Chair of the Governance and Regulatory Affairs Committee
Any RHRA Staff	Immediate Manager	Immediate Manager (min. Director or above)	CEO
Members of an Advisory Committee and similar External Advisors and any external contractors and suppliers	Director or above	CEO	Board Chair

* No pre-approval required for travel to attend meetings of the Board or Committees

** For reimbursement only, no pre-approval required

iii. Travel outside Canada

Required approvals for travel outside Canada are noted in TABLE 1 above. All policies and procedures pertaining to travel apply to travel outside of Canada. Actual costs are reimbursable, to the extent reasonable and necessary, provided valid business purposes and appropriate documentation are submitted with the expense report.

iv. Travel by Vehicle

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

- rental vehicle when a rental vehicle is more economical than use of a personal vehicle;
- personal vehicle when a personal vehicle is more economical than use of a rental vehicle.

a. Rental vehicles

- If the total distance to be travelled is more than 200 km, individuals should rent a vehicle, subject to management discretion.
- Rental of vehicles for RHRA business use should be arranged through the RHRA's preferred suppliers where these service providers are available. A Vehicle Rental Guide is provided in Appendix 4.
- The only other permissible expense for rental cars in most cases is the cost to purchase gasoline and parking expenses.
- Rental cars should be refueled before returning to avoid extra charges.
- Receipts for gasoline purchases and parking lot expenses must be submitted with expense reports.

Procedure

Claim gasoline expenses and parking expenses for rental car on RHRA business, using the RHRA Expense Claim Form.

b. Personal vehicle

- All such travel must be by the most direct route. For field staff (i.e. Inspectors and Investigators who work from home offices), the maximum travel without pre-authorization is generally hundred (100) km radius from their home office (two hundred (200) km round trip). A manager may reasonably vary this limitation at his or her discretion.
- Personal vehicles used on RHRA business must be insured at the vehicle owner's expense for personal motor vehicle liability, in compliance with the Insurance Act. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicles. The Authority will not reimburse costs of collision and liability coverage.
- For greater clarity, the Authority assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate and parking expenses when used for Authority business. Those driving a personal vehicle on Authority business cannot make claims to the Authority for damages as a result of a collision.
- When staff use their own vehicles for Authority business, reimbursement will be in accordance with the approved mileage reimbursement rates (Refer to Appendix 1). This reimbursement covers the cost of fuel, depreciation, maintenance and insurance. Mileage reimbursement rates are reviewed regularly.

Procedure

1. Inspectors and Investigators to maintain an appropriate insurance coverage for vehicle.
2. Claim mileage for the actual distance traveled on RHRA business, using the RHRA Expense Claim Form. Expense claims must be submitted with distances calculated in kilometers.
3. A log of travel and any relevant back up documentation should be kept and readily available upon request.
4. Periodic audits of the backup may be performed by Finance in order to validate claims for mileage reimbursements.

c. Taxis

- The use of taxis by staff should be reasonable.
- Taxi fares, including tips, are allowed where public transportation is not practical or available. Included may be the use of taxi between airport terminal and hotel, between hotel and place of business, between places of business, and from home to airport or train station and return.
- While RHRA supports new innovation, the rideshare concept is in early stages of development and has gaps in insurance coverage that result in risk to riders and their employers. Issues also exist related to overcharging for licensed cabs and their dispute resolution process. Until further formal notice, use of Uber and other paid ride sharing services is prohibited and will not be reimbursed.
- Booking information for taxi rentals from RHRA's corporate account is provided in Appendix 2.

Procedure

Obtain a receipt and claim taxi expense using the RHRA Expense Claim Form.

v. Travel by Air, and Train

- All travel by air is economy class and by the most direct route.
- Advance reservations for air and train travel should be made to take advantage of special fares.
- Travelers must provide proof of payment and the original ticket or e-ticket.
- Travel itineraries do not constitute receipts for reimbursement purposes.

Procedure

Obtain proof of payment, and ticket/e-ticket, using the RHRA Expense Claim Form

B. Accommodations

- Employees traveling on RHRA business use economy class hotels for overnight stays, wherever practical.
- RHRA will reimburse the cost of a standard room, parking, internet access and any necessary telephone calls, plus applicable taxes. Individuals are responsible for all other expenses.
- Standard tips and gratuities are reimbursable, but should be documented on the expense report.
- Individual will be responsible for all room charges and must review the hotel bill carefully to ensure all charges are correct.
- Advance reservations should be made wherever practical. Hotel charges may be billed directly to RHRA.
- Accommodation may be reimbursed in exceptional or emergency situations that require personnel to remain close to Authority premises for long periods in excess of normal working hours.
- Private stays with family or friends: a maximum of \$30.00 per night for gratuitous lodging expenses is allowed.

Procedure

1. Obtain required approvals for the overnight stay.
2. Make advance reservations whenever practicable. If accommodation is no longer required, cancel the reservation promptly.
3. Obtain a hotel invoice and claim accommodation, using the RHRA Expense Claim Form.

C. Meals

- Reimbursement must not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt accompanying the claim.
- Reasonable gratuities will be reimbursed.
- 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.
- Alcohol cannot be claimed as part of a meal expense, except where in accordance with the "Hospitality" requirements noted below.

i. Travel Meals

- The RHRA will reimburse travelers for the cost of their own meals incurred during the time they are away from home in accordance with the approved maximum rates for reimbursement (Refer to Appendix 3).
- Maximum meal rates are reviewed periodically.

- Individuals may combine meal amounts, when more than one meal can be claimed for any day and the individual does not claim for each eligible meal. Reimbursement is for the cost of meals actually consumed and is not an allowance.

ii. Business Meals

- When an individual is authorized to pay for meals of others, expense reports must include a brief explanation of the event and a list of those in attendance and supported by original receipt. The highest ranking member of staff should pay for the meal expenditures.

Procedure

Obtain an invoice and event list if required and claim meal using the RHRA Expense Claim Form or submit it to Finance for a payment to a supplier.

D. Hospitality

- Hospitality may be provided only when the event involves the provision of food, beverage, accommodation, transportation and other amenities paid out of Authority funds to persons who are not engaged in work for the Authority.
- Hospitality should be extended in an economical, consistent and appropriate way when it will support RHRA's business or is considered desirable as a matter of courtesy in relation to RHRA's business.
- Functions that are exceptions to the above must have prior approval of the CEO or the CEO's delegate.
- In order for the purchase of alcoholic beverages during an event supporting Authority business to be an eligible expense, it is to be approved by the CEO prior to the date of the event.
- If the hospitality event where alcohol is to be served is hosted by the CEO, the CEO must seek prior written approval from the Board Chair.
- Alcohol should be provided in a responsible manner, e.g., food must always be served when alcohol is available.
- Preference should be given to wines, beers and spirits produced in Ontario.
- Functions involving only people in the Authority or Ontario government ministries, agencies or public entities or designated Broader Public Service organizations in Ontario are not considered hospitality functions and relevant expenses cannot be reimbursed. Examples would be: office social events, retirement parties, and holiday lunches.

E. General Information

The following general rules apply for reimbursement of travel, meal and hospitality expenses:

1. All travel is to be preapproved, except as noted in TABLE 1 above
2. Each expense must have a valid business purpose.
3. When traveling on RHRA business, individuals must use the most economical and direct route. Any upgrades would be the responsibility of the individual.

4. Travel with others (i.e. spouse), including meals and cancellation fees, are not covered and must be paid for by the individual.
5. When personal travel is combined with business travel, the staff member will be reimbursed for only the business portion of the trip at the lowest available fare.
6. It is the individual's responsibility to cancel reservations when necessary. Promptness in canceling is essential to avoid any unnecessary charges. Charges resulting from failure to cancel a reservation will usually not be reimbursed, unless the individual can show that such failure resulted from circumstances beyond the individual's control.
7. Reasonable gratuities for meals, bellhop, hotel room services and taxis are eligible. Keep a record of gratuities paid. Examples of reasonable amounts for gratuities include:
 - 10% to 15% on a restaurant meal;
 - 10% on a taxi fare;
 - \$2 per bag handled.
8. Additional business expenses, such as business calls, air/rail phones, computer access charges, photocopying, facsimile transmissions, internet connections, and rental and transportation of necessary office equipment, are eligible, provided the charges are incurred while conducting RHRA business and are consistent with the principles of this policy
9. Miscellaneous expenditures incurred at pre-approved and pre-paid conferences e.g., books, workshops, reference materials are eligible for reimbursement if related to Authority business.
10. Claimants are required to repay any overpayments, which are considered a debt owing to the Authority.
11. All expense claims, with the exception of mileage, must be supported by original (or clear and complete scanned copies) receipts/ invoices (credit card transaction slips are not considered 'receipts' and are not acceptable). The receipt/ invoice must contain an adequate record of each expense indicating the date, description, expense and HST amount, supplier's name and HST number. If there is not an itemized receipt, a written explanation satisfactory to the approver must be submitted to explain why the receipt is unavailable and a description itemizing and confirming the expenses must be provided.
12. In the event where a claimant has lost an original receipt, other documentation (such as a credit card statement) may be presented to substitute for the lost receipt.
13. Reimbursement payments are prepared and issued bi-weekly by direct deposit. Approved claim forms should therefore be received by the Finance Department at least one week in advance of automated deposit dates.
14. Expense claim forms are reviewed by Finance for accuracy and compliance with this Policy and signed off by the applicable approver before processing for payment.
15. An approver is prohibited from approving his or her own expenses.
16. Expenses for a group (i.e., two or more people) can only be claimed by the most senior person present.

F. Non-Eligible, Non-Reimbursable Expenses

The RHRA will not reimburse or pay for travel and hospitality expenses that are not covered under this policy, or expenses of a personal nature. The following are examples of non-eligible expenses that will not be reimbursed.

- Personal items, personal entertainment, personal care.
- Recreational items (e.g., video rental, mini-bar).
- Traffic, towing and parking violations.
- Expenses incurred on behalf of family or friends.
- Gifts, except for duly authorized gifts of appreciation.
- Travel costs between the claimant's home and the claimant's regular daily Authority work location.
- Any vehicle insurance on a privately owned vehicle while on Authority business.
- Additional ancillary charges such as premiums for failure to refill fuel in a rental car.
- Flight cancellation insurance.
- Hotel expenses incurred because of failure to cancel a reservation
- Credit card fees and late payment charges
- Privately arranged Emergency Medical/Extended Health coverage for travel in Canada.
- Alcoholic drinks, unless allowable in the Hospitality part of the policy.

With regard to consultants and contractors who are engaged in work on behalf of the RHRA, hospitality, incidental or food expenses are not considered allowable expenses, including the following:

- meals, snacks and beverages;
- gratuities;
- laundry or dry cleaning;
- valet services;
- dependant care;
- home management; and
- personal telephone calls.

G. Approval and Oversight of Policy

The Board of Directors approves this Policy. Management will ensure proper implementation and oversight of this policy and may, from time to time, update provisions or processes in the appended procedures document and will notify the Board of any material changes.

APPENDICES

APPENDIX 1
PERSONAL VEHICLE

Approved mileage reimbursement rate is \$0.50 per kilometer.

APPENDIX 2
TAXIS AND PUBLIC TRANSPORTATION

1. In Toronto, the RHRA has a corporate account for taxi rentals. Taxi chits are available for appropriate taxi travel.
2. Fares for use of buses and streetcars are refundable. In Toronto, TTC tokens are available from the Executive Assistant.

APPENDIX 3
TRAVELER'S MEALS

Individual maximum meal rates per person are as follows:

Meals	Maximum Amount
Breakfast	\$15.00
Lunch	\$20.00
Dinner	\$40.00

When more than one meal is claimed for any day, an individual may allocate the combined maximum rates between the meals. For example, if an individual will be eating both breakfast and lunch, the combined rate is \$35.00. This now becomes the maximum rate for the two meals, regardless of what is spent on each meal.

APPENDIX 4
VEHICLE RENTAL GUIDE

Payment

Rental charges will be invoiced directly to the RHRA, therefore submit copies of your rental agreements to Finance in order to pay to the supplier.

However, you will still be responsible for paying for the gas and parking, which you will need to claim on your Expense Report in order to be reimbursed.

Insurance

You do not need to purchase additional insurance as you are covered under the RHRA's insurance policy. Please be sure to carry a copy of our Certificate of Insurance with you when renting a vehicle as you may be required to present proof of insurance.

When to Rent/Use Your Own Vehicle

- If the total distance to be travelled is 200 km or less you may use your own vehicle. If the total distance is more than 200 km you are expected to rent a vehicle, subject to management discretion.
- During the winter months, if weather and road conditions are a concern and your own vehicle has winter tires, you may use your own vehicle if you feel it is safer than a rental car, regardless of the distance travelled.

Class of Vehicle

You are approved to rent only Economy, Compact or Intermediate-sized vehicles. Approval from your manager is required if you want to rent any other type of vehicle.

APPENDIX 5

EXPENSE CLAIM FORM

Expense claim form can be found [here](#).