



Travel Expense, Hospitality and Public Disclosure Policy

This document is the parent policy for any College procedures or regulations. Questions regarding this policy are to be directed to the identified Policy Administrator.

Policy Statement:

The Board of Governors of Northern Lakes College will pay hospitality and travel expenses necessarily incurred in the performance of College duties. Claimants are neither asked to subsidize the costs of the College, nor invited to indulge themselves at College expenses. Routine disclosure of expenses to the public shall be conducted for governing personnel.

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| Sponsor: | Finance |
| Policy Owner: | Executive Director, Finance Services |
| Policy Administrator: | Executive Director, Finance Services |
| Approved By: | Board of Governors |
| Approval Date: | June 16, 2021 |
| Effective Date: | June 16, 2021 |

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| Objective: | This policy provides a framework of accountability and rules to guide the effective oversight of public resources in the reimbursement and payment of travel, meal, hospitality, and other travel-related expenses. |
| Guidelines: | <ol style="list-style-type: none"> 1. Application <p>This policy applies to:</p> <ol style="list-style-type: none"> A. All College employees, the Board of Governors, and members of Community Education Committees. B. Any other person performing a service for the College where a College expense claim is submitted. 2. Principles <ol style="list-style-type: none"> A. The policy applies regardless of how the expense has been paid or is reimbursed. B. Expenses for travel, meals, and hospitality are in keeping with the College mission and support College business objectives. The expenditure shall not be personal in nature. C. Expenses must be attributable. That is, expenses incurred by one individual on behalf of another must be attributable to the individual for which those expenses were incurred. In the case of large groups, the expenses must be attributable to a defined group. D. Plans for travel, meals, accommodation and hospitality are economical and necessary with due regard for health and safety. E. Prior approval to incur expenses is obtained where appropriate; i.e., to |

training and development activities, for field trips, travel out of province, where supervisors need to know on a trip by trip basis, or other expenses limited by the Delegation of Authority Matrix.

F. Approvers are accountable for their decisions, which must be subject to good judgment and knowledge of the situation. The importance of personal integrity regarding the use of College resources should not be minimized. Approval is given when the approver is confident expenses are:

- i. Business related;
- ii. Appropriate;
- iii. Within guidelines; and
- iv. Correctly coded.

G. Claimants are not eligible for travel expenses paid through other sources.

3. Travel Expenses

A. Travel expenses must be submitted on approved College forms. Out of Province travel requires pre-approval by the President. Out of Country travel requires pre- approval by the Board of Governors.

B. Timely submission of expense claims is expected for the benefit of both the employee's reimbursement and the College's financial reporting. The exception to this is the fiscal year-end, where all expenses prior to June 30 must be remitted by July 10 to be included in the correct financial year. Senior management and Board members are required to meet the timeline for disclosure (see Section 7 of the policy).

C. Expense claims received by Finance later than 4 months from initial date of expense on claim will not be paid.

D. An employee must be on travel status to claim travel and meal expenses. Instructional Employment Agreement (IEA), Employment Agreement (EA), wage/sessional employees, and approved employer working from home requests may be eligible for travel status commuting between home or a temporary residence and his or her work station when approved by the Senior Manager. Re-imbursment limits shall be reviewed and approved annually by the Board of Governors (see Schedule A for rates). Reimbursable expenses are described below:

i. Meals are eligible expenses, but alcohol cannot be claimed and will not be reimbursed as part of travel or meal expense.

When an employee is on travel status for a part, but not for the whole of any day, meals may be claimed according to the following:

- a. Breakfast: claim for the first day of travel only if departure is earlier than 6:30 a.m.
- b. Lunch: claim only if departure is earlier than 11:30 a.m.
- c. Dinner: claim only if departure is earlier than 5:00 p.m. or if the time of return is later than 7:00 p.m.

ii. Accommodation will not generally be claimed unless persons have

three or more hours to travel. Exceptions include:

- a. Safety concerns. Weather and road conditions or driving home after long meetings that end at normal work time, may constitute a safety concern.
- b. Work is scheduled at nearby or more distant locations the next day.
- c. Where morning departure from home has to occur before 7 a.m. to arrive at a meeting fifteen (15) minutes prior to the start time, claimants are eligible to claim for a hotel the night before.

A table of negotiated hotel rates will be available and updated annually to guide economical accommodation choices. Negotiated rates will be posted on the College Intranet.

- iii. Airfare for all North American flights will be reimbursed for economy class only. Claimants may upgrade to business class at their own expense (i.e. pay the differential cost).
- iv. Ground transportation should balance economy and safety. In urban areas, taxis or public transit are the preferred methods of ground transportation. In situations where rental vehicles are practical, an intermediate or smaller vehicle is preferred. The size and type of rental vehicle should be appropriate for the number of people and road conditions. Tall or large drivers should have adequate cabin space for safe and comfortable operation.

In-vehicle navigation systems and electronic toll payment (where appropriate) are reimbursable expenses but all other convenience options are not reimbursable.

- v. Tips are a reimbursable expense and should be appropriate to the location, service level and local protocol and are never to exceed 20% of the total bill.
- vi. Laundry and dry cleaning are reimbursable when travel is longer than four consecutive nights.
- vii. Internet connectivity at hotels, airports or other public places is acceptable while on travel status.
- viii. Combined business and personal itineraries are possible if expenses are clearly distinguished between business and personal. Claimants may add and pay for a personal leg to a business itinerary using personal payment methods. If a combined business/personal itinerary is equal to or less than the cost of a business-only trip, there is no personal cost to the claimant. Claims must clearly show the split.
- ix. Commuting Instructor Transportation Allowance may be approved by the President & CEO under special circumstances and subject to annual review (see Schedule A for rates). Approval requires home location, work location, and why home cannot be located in or near the work community.

4. Expenses for Working Sessions

Meal expenses may be incurred as part of a working session (e.g. a business meeting that must occur over lunch). On invoices or expense claims, names of the attendees must be provided for group size of fifteen or less. For groups of more than fifteen, the name of the work group(s) must be provided. Detail must be provided on the purpose of the working session.

Individuals who benefit from a hosted meal in a working session are not eligible to claim the same meal as a travel expense.

The President & CEO must approve all working sessions of \$2500 and above (e.g. general staff meetings). The President & CEO may use managerial discretion to delegate approval of working sessions below \$2500 (e.g. student lab days). The President & CEO may delegate re-occurring annual events over \$2500 to a President's Advisory Team member by including the events in the Delegation of Authority Matrix.

5. Hospitality

A. Hospitality expenditures are an acceptable business practice; however, as a public institution, the College must demonstrate prudent use of funds. The general public, government, students and donors must be assured that funds are wisely spent and do not personally benefit College employees.

B. The most senior College employee present at a hospitality function must approve the payment for the event.

C. Hospitality expenses incurred may relate to hosting of individuals, small groups or large gatherings and each category shall have limits. The President & CEO must identify policy approval limits for designated approvers in the Delegation of Authority Matrix. Maximum hosting for individuals is \$200 and for small groups (15 or less) \$600. Exceeding the approved limits requires prior written approval from a senior manager except for recurring, large annual gatherings that are pre-approved in the budget. The pre-approved gatherings include the official graduation ceremony, Capping and Pinning, Board approved cultural events, long service awards, program advisory committee meetings, fund raising activities and Council of Community Education Committee meetings. Invoices for pre-approved hosting must be signed-off by a President's Advisory Team member in accordance with the Delegation of Authority Matrix.

Examples of where hospitality is appropriate:

- a. Visits by all official visitors to the College or greeting a guest off-campus. Spouses may be included if they are travelling with the visitors.
- b. Greeting prospective faculty, staff, or students and their companions.
- c. Public receptions to recognize the contribution of a major benefactor.
- d. Cultural events such as elder luncheons.
- e. Official award or retirement functions for College employees and their invited guests as approved by the President.
- f. Extending community or public relations.

- D. The host extending an invitation must manage the guest list and document the College representatives where feasible. The number of College representatives should be limited to those who have the most direct involvement in the business purpose of the event. Spouses of guests may be included when it is courteous and respectful to include them. Guests of official College representatives, including employee or Board member spouses, may be included when it is in the College interest to make the hosted guests comfortable during the event.
- E. On invoices or expense claim receipts, names of the attendees must be provided for group size of fifteen or less. For groups of more than fifteen, the name of the function must be provided. Detail must be provided regarding the purpose of the event. In certain situations, where hosted individuals wish to remain anonymous their wishes will be respected (e.g. anonymous donors).
- F. For hospitality in small groups, alcohol may accompany a meal where it is considered a matter of courtesy or protocol. For hospitality events of \$600 or more and for large gatherings where alcohol is to be served, the President & CEO shall establish management approval limits in the Delegation of Authority Matrix.

For larger hospitality events where alcohol is to be served, employees must refer to guidelines of the Alberta Gaming and Liquor Commission for responsible liquor service as summarized in the College's Service of Alcohol on College Property Procedure. Approval of these events is required prior to advertising.

- G. Gifts and tokens of appreciation valued at over \$60 must be approved at a senior management level. Gifts are acceptable business expenses when they are:
- i. A result of the normal exchange of hospitality between Northern Lakes College and an external party, or
 - ii. A part of protocol, or
 - iii. A recognition of a special service to the College, or
 - iv. Participation in public functions, or
 - v. Flowers or donations in lieu of flowers in circumstances such as serious illness or bereavement, or
 - vi. For long term service as administered by Human Resource Services.

All other gifting is regarded as personal in nature and is not considered a valid College business expense.

Gifts of cash or equivalent are acceptable only in the following circumstances:

- i. To students in recognition of a special service
- ii. To elders for participation in an advisory capacity or a cultural ceremony.

Gifts of tobacco are acceptable where they conform to the culture and tradition of the hosted party.

6. Events

The College pays reasonable expenses related to organization and/or attendance of events endorsed by the President. For example:

- Social functions for the purposes of fundraising, or
- Community recognition where it is deemed that the presence of specific College employees and officers is an integral part of conducting the event.
- Events sponsored by the College if required to work on the event or attend in an official capacity.

7. Public Disclosure

A. Expenses of senior management and the Chair of Board of Governors will be disclosed online for consistency with the practices of the Government of Alberta. The disclosure policy also applies to anyone incurring expenses on behalf of these individuals.

- i. Expense reports will be posted on the College website on a bi-monthly basis, within 30 business days past the 1st of the month by support staff in the President & CEO's office.
- ii. Expense report information on College website will be saved for 1 year. Information older than 1 year will be archived and saved for another 2 years.
- iii. 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. Meetings with potential donors, where they wish to remain anonymous, will only be identified as "donors" for disclosure purposes.

B. Expenses included in disclosure are out-of-town-travel, hospitality, and working session expenses, are incurred by an individual in the course of College business. Finance Services will monitor for travel and hospitality expenses to be disclosed. Budget Officers must clearly identify the information for Finance.

C. Expense reports must, at a minimum, include the following components:

- i. Name and position of individual who incurred the expense;
- ii. Date of transaction(s);
- iii. Transaction amount(s);
- iv. Expense category;
- v. Description and purpose.

D. Expense documents for employees not listed in Section 7.A. above are not posted for disclosure but remain accessible under the terms of the *Freedom of Information and Protection of Privacy Act*.

8. Receipts

Unless otherwise noted, original receipts must be provided for hospitality functions and expense claims. If claiming receipted amounts, the receipts

should itemize the purchases made including food and beverages.

If a detailed receipt is not available, the claimant must provide a written statement, signed by the claimant and the approver, attesting to the following:

- i. The expense was incurred and related to College business;
- ii. The expense has not been claimed previously;
- iii. The circumstances as to why the receipt is missing.

9. Board Member Approvals

For expense claims by the President & CEO, the Approver would be the Chair of the Board of Governors. If the Board Chair is absent or unavailable the alternative would be the Vice Board Chair or Acting Board Chair.

Members of the Board of Governors expense claims would be approved by the Board Chair. If the Board Chair is absent or unavailable the alternative approver would be the Vice Board Chair or Acting Board Chair.

The Board Chair would be approved by the Chair of the Audit and Finance Committee, and Executive Director, Finance Services. If the Chair of the Audit and Finance Committee is absent or unavailable, the alternative would be the President & CEO and Executive Director, Finance Services.

| Expense Claimed By: | Approved By: |
|---------------------|--|
| Employee | Supervisor with Authority |
| President | Board Chair (in absence of Board Chair the Vice or Acting Board Chair) |
| Members of Board | Board Chair (in absence of Board Chair the Vice or Acting Board Chair) |
| Board Chair | Audit and Finance Committee, Chair, and Executive Director, Finance Services |

Expenses approved by non-employee board members will be reviewed by the Executive Director, Finance Services, to ensure compliance with College procedures and regulations.

Definitions:

Approver refers to the person with the authority to make approvals under this policy. An Approver is typically the employee’s supervisor, who appears on the Delegation of Authority Matrix with the appropriate approval limit. If the direct supervisor is not available, the Approver would be the person who appears at the next higher level in the Organizational Chart.

CCEC refers to the Council of Community Education Committees

Claimant refers to any person making a claim under this policy.

Hospitality means the provision, at public expense, of food, beverage, accommodation, transportation and other amenities to guests who are not employed by the College or on the Board of Governors. Hosting representatives are included in the hospitality expense.

Original receipt means itemized receipts issued at the point of service. Where

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| | <p>VISA is used for the purchase, original receipts are in addition to the VISA statement.</p> <p>Travel status means an employee is on travel status when they are absent from their home and work station on approved travel. An employee is not on travel status when commuting between home or a temporary residence and their work station with exception to Section 3.D.</p> <p>Working Session means a function which meets all of the following conditions:</p> <ul style="list-style-type: none"> • External guests are not present; only College employees, Board members, or students are in attendance, • A meeting approved by a member of senior management, the Board or the CCEC is in progress, on or off-campus, • Food or beverage is required as a matter of courtesy or protocol, • Food costs are in line with the usual travel expense meal rates as set out in Schedule A, and; • Approvers stay within limits for working sessions established in the Delegation of Authority Matrix. <p>Work station is the place of work to which the employee is assigned, i.e. where their office is located.</p> |
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| Related Northern Lakes College Documents: | <p>External Relations - Service of Alcohol on College Property Procedure Finance - Charitable Contributions and Attendance at Partisan Political Fundraising Events Policy Delegation of Authority Matrix NLC-108 External Training and Development Application NLC-109 Expense Claim Organizational Chart</p> |
| Related External Information: | Canada Revenue Agency T4130 Employers Guide |
| Stakeholders Consulted: | <p>Capital & Finance Committee: Nov 21, 2012 Operations Policy Review Committee: Jan 21, 2014; Aug 21, 2014; May 13, 2015; Sep 6, 2016; Jan 17, 2017 (defunct) Policy Review Committee: Jun 11, 2019; Oct 8, 2019; Dec 10, 2019 (defunct) President's Advisory Team: Jun 8, 2021 Senior Leadership Team Policy Review: Nov 27, 2012; Jan 9, 2013 (defunct) Senior Leadership Team: Dec 3, 2019, Jun 1, 2021</p> |
| Next Review Date: | June 16, 2026 |
| Revision History: | <p>February 20, 2013: New September 18, 2014 May 12, 2015 June 16, 2016 October 20, 2016 December 19, 2019: Update to Schedule A and deadlines February 24, 2020: New template June 16, 2021: Update to expense claim approval, submission deadline and working from home requests</p> |

Schedule A – Reimbursement Rates for Travel Expenses

| Accommodation | Rate |
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| - In Alberta | \$150.00 plus taxes |
| - Out of Province | Actual Cost |
| - Conference and Block Booking | Actual Cost |
| - Without receipt | \$19.30 |
| High Speed Internet Connection | Actual Cost |
| | |
| Meals | Rate |
| Without Receipts - Breakfast | \$10.00 |
| Without Receipts - Lunch | \$15.00 |
| Without Receipts - Dinner | \$26.00 |
| (these rates include tip) | |
| | |
| Other | Rate |
| Per Diem (every 24 hours away from home) | \$7.05 |
| Parking with Receipt | Actual Cost |
| Parking without Receipt | \$15.00 |
| Job Related Miscellaneous purchases | Actual Cost |
| Telephone - One Call per Day of Reasonable Duration | Actual Cost |
| | |
| Travel | Rate |
| Travel Allowance is set as the Government of Alberta “Private Vehicle Mileage Allowance” plus a Northern Travel Adjustment of \$0.02 (2 cents), which can be referenced at: https://open.alberta.ca/publications/travel-meal-and-hospitality-expenses-policy-expenses-policy | Determined by Government of Alberta rate. |
| College reimbursement for employee personal use of College vehicle; rate determined by Canada Revenue Agency fixed rate found in Employers’ Guide “Taxable Benefits and Allowances” which can be referenced in the T4130 Employers’ Guide at https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4130.html | Determined by Canada Revenue Rate for Operating Expense - Fixed Rate Calculation for personal use. |
| Fuel Reimbursement for vehicle allowance (not to be combined with Travel Allowance) | \$0.165/Km |
| Taxis and Public Transportation | Actual Cost |
| Commercial Flights (Economy Class only) | Actual Cost |
| Automobile Rental (with or without GPS) | Actual cost (excluding luxury vehicles) |
| IEA (Instructional Employment Agreement), EA (Employment Agreement), and wage/sessional employees commuting between home or a temporary residence and their work station (see 3.D.) | 50% of Government of Alberta mileage rate |
| Commuting Instructor Allowance | \$0.20/Km |

In the event of amounts exceeding the above rates an explanation must be included on the expense report and:

- If the amount exceeds the stated rate by less than the 50%, the Executive Director, Finance Services, must approve:
- Any other amount must be approved by the President & CEO.