

# CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES

Procedure:	Hospitality Expenditures
Reference:	CC-PRO-003-2019
Adopted:	June 24, 2019
Revised:	March 18, 2024



## Administrative Procedures:

This administrative procedure establishes criteria and procedures for the reimbursement of expenses incurred by all CLASS employees while offering hospitality on behalf of CLASS or the Boards. Where specified, prior approval by the General Manager of CLASS is required before the expense is incurred if it is to be eligible for reimbursement.

CLASS assumes no obligation to reimburse expenses that are not in compliance with these procedures. All amounts paid are subject to budget restrictions set annually by CLASS and include expenditures from all sources of funding.

### 1.0 Responsibility

- 1.1 The General Manager of CLASS is entrusted with budgetary authority and will ensure that employees are aware of and adhere to these procedures. The General Manager of CLASS is responsible for exercising managerial discretion judiciously.
- 1.2 The General Manager of CLASS is responsible for approving hospitality expense claims, including "Gifts of Appreciation".
- 1.3 The General Manager of CLASS, along with the Finance Administrator, will monitor all expense claims including "Gifts of Appreciation" to ensure they are properly supported and in compliance with these guidelines prior to authorizing for payment. Any non-compliant claims will be returned to the employee for follow-up.
- 1.4 The Finance Administrator will ensure approved expense claims are processed in a timely manner.

# **CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES**

1.5 A CLASS Employee is responsible for:

- obtaining approval for hospitality expenditures and "Gifts of Appreciation" prior to incurring the expense
- being aware of the conflict-of-interest rules that govern CLASS
- being aware of any relevant statutes, directives, policies and guidelines.

## **2.0 Expectations**

2.1 Hospitality expenses must be considered reasonable and appropriate to be eligible for reimbursement. In other words, the expenses must be consistent with common values and accepted practices and will not be perceived as excessive.

2.2 The reimbursement process must be transparent and accountable with the necessary controls and approvals in place.

2.3 Hospitality may only be extended by the General Manager of CLASS, including "Gifts of Appreciation".

2.4 Expenses that do not fit the definition of hospitality will not be reimbursed. Functions involving only people who work for CLASS or the Boards are not considered hospitality functions and cannot be reimbursed.

2.5 Business meetings and CLASS/Board-wide staff recognition ceremonies (i.e.; office social events, retirement parties, holiday lunches, service, meritorious awards, etc) are not defined as hospitality and are excluded from this procedure.

2.6 Hospitality may be extended in an economical, consistent, and appropriate manner when it will facilitate CLASS business and is considered desirable as a matter of courtesy.

2.7 Hospitality may be extended on behalf of CLASS when:

- Honouring distinguished people for exceptional public service in Ontario;
- Engaging in discussion of official public matters with representatives of business or industry, public interest groups, or labour groups;
- Providing individuals from provincial (excluding Broader Public Sector organizations), national, international or charitable organizations with an understanding and appreciation of the workings of CLASS;
- Recognition for volunteer / community support; and

## **CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES**

- Other hospitality functions as approved by the Operations Committee as long as they conform to these procedures.
  - Sponsoring or attending formal conferences related to the goals of CLASS;
- 2.8 In no circumstances are hospitality expenses considered allowable expenses for consultants and contractors.
- 2.9 When hospitality is extended to vendors of CLASS, prior approval must be obtained from the Board of Directors to ensure that hospitality extended does not give, or is not perceived to give, preferential treatment to any vendor.
- 2.10 Individuals should seek approval from the General Manager of CLASS prior to accepting hospitality from vendors to CLASS (current or prospective) to avoid either real or perceived conflicts of interest.
- 2.11 These procedures also apply to hospitality expenses incurred using CLASS P-Card.

### **3.0 Planning the Event (Alcohol, Meals and Facility Selections)**

- 3.1 Part of the normal CLASS hospitality may include the moderate consumption of alcoholic beverages with a meal or during a reception.
- 3.2 Reimbursement for the reasonable cost of alcohol is permitted for hospitality events only when the appropriate approvals are in place.
- Alcohol should be provided in a reasonable manner (i.e.; food must always be served when alcohol is available).
  - All laws involving the service of alcohol must be followed at any hospitality event.
  - Alcoholic beverages should not include premium brands and vintage wines.
  - Preference should be given to wine, beer and spirits produced in Ontario.
- 3.3 Meals provided at hospitality events are subject to the meal rates per person outlined in CLASS Travel and Expense Reimbursement Procedures. Exceptions must be approved by the Board of Directors.
- 3.4 When planning an event, a government facility should be chosen where available and appropriate. Where a government facility is not available, and another is chosen the General Manager of CLASS must provide prior approval.

# CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES

- 3.5 The number of CLASS and/or Board employees should be kept to a minimum and include only those who have a direct involvement in the business purpose of the event.
- 3.6 Events may only include the partner of a CLASS employee when required by protocol.

## 4.0 Gifts of Appreciation

- 4.1 Token gifts of appreciation, valued at up to \$30, may be offered in exchange for gifts of service or expertise to persons who are not engaged in work for CLASS or the Boards. Gifts must be approved by the General Manager of CLASS.
- 4.2 Gifts valued over \$30 must be justified and have prior approval of the Operations Committee. Neither gift cards or cash can be given as hospitality gifts.
- 4.3 Alcohol may not be given as a gift (i.e.; bottles of wine or other spirits, gift certificates for LCBO, Beer Store or wine stores, etc.)

## 5.0 Reimbursement Procedures

- 5.1 Expense Claims must be summarized and submitted using the CLASS prescribed form "*Expense Report*". An electronic template is available to all employees on the common network drive. See – Reimbursement Forms Excel Workbook

Always open the most recent Excel Workbook and save a copy to your personal file.

- Complete the tab – Employee Information
  - Use tab "*Expense Report*" form for all types of expenses incurred
- 5.2 The expense claim form should include:
    - the date(s), name and location of the event;
    - description and reason for the expense, including record of any required prior approvals;
    - the form of hospitality (breakfast, lunch, dinner, reception, refreshments, etc.);

## **CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES**

- original detailed or itemized receipts, clearly showing costs and applicable sales taxes, to support the eligible expense. Photocopies of receipts or credit/debit card slips are not acceptable as they do not provide sufficient original detail to authorize payment or meet audit requirements;
  - the number of attendees;
  - names of individuals entertained, their titles, and employers; and
  - Ontario government attendees listed by name.
- 5.3 The form must contain the original signature of the claimant to certify the hospitality expense claim. The claimant signature may also be obtained using electronic encrypted signature method (i.e.; Adobe eSign).
- 5.4 All hospitality expense claims will be reviewed and signed by the General Manager of CLASS. Claims for the General Manager of CLASS will be reviewed and signed by the Operations Committee. Signatures may also be obtained using electronic encrypted signature method (i.e.; Adobe eSign).
- 5.5 At a minimum, expense claims are to be summarized and submitted no more than sixty (60) days after the event.
- After the close of the August 31<sup>st</sup> year-end, expense claims are to be submitted within ten (10) business days. A written explanation is required if not submitted within these timeframes.
- 5.6 Claimants are required to repay any overpayments that may have been made in error. This may be resolved by deducting the amount from a subsequent expense claim.
- 5.7 All documentation shall be retained in accordance with CLASS's record retention guidelines.
- 5.8 Approvals Required:
- General Manager – Operations Committee
  - All other CLASS employees – General Manager

# CHATHAM-KENT LAMBTON ADMINISTRATIVE SCHOOL SERVICES

## Definitions

**Board(s)** means the Lambton Kent District School Board and/or the St Clair Catholic District School Board.

**CLASS** mean Chatham-Kent Lambton Administrative School Services.

**Conflict of Interest** exists where the decisions made and/or the actions taken by a CLASS employee could be, or could be perceived to be, affected by financial or business interests of the decision maker or the person's family or business associates.

**Consultant** means one who provides expertise or strategic advice that is presented for consideration and decision-making by an entity or a person that is under an agreement and not employed by CLASS.

**General Manager** means the head of operations at CLASS.

**Hospitality** means the provision of food, beverage, accommodation, transportation and other amenities paid out of public funds to people who are not engaged in work for Broader Public Sector organizations, including CLASS and the Boards or any of the Ontario government ministries, agencies and public entities (i.e.; those covered by the BPS Directive and by the Expense Directive).

**Itemized receipt** means the original document identifying the vendor with the date and amount of each expense item paid by the claimant.

**Procurement Card (P-Card)** means an organizational credit card program primarily used for low-cost, non-inventory, non-capital items, such as office supplies. The card allows employees to obtain goods and services without going through the requisition and authorization procedure. P-cards may be set up to restrict use to specific purchases with predefined suppliers or stores and offer central billings.

## References

- Policy Hospitality Expenditures
- Management Board of Cabinet – Broader Public Sector Expenses Directive, January 2020 (Referred to as BPS Directive)
- Management Board of Cabinet – Travel, Meal and Hospitality Expenses Directive, January 2020 (referred to as Expense Directive)
- Procedures Travel and Expense Reimbursement
- Income Tax Act