



OCE Travel and Business Expense Policy

Introduction

This policy outlines the procedure and practices for the reimbursement of business and travel expenses incurred for the purpose of conducting Ontario Centres of Excellence Inc. (OCE) business. This policy will be administered by the Vice President of Finance, Programs and Administration with direct responsibility to the President and CEO.

Responsibility

It is the responsibility of all employees, agents, consultants, Board members, or other authorized individuals (Claimants) who incur expenses on behalf of OCE to adhere to the policies contained herein.

Definitions

- i. Policies: provide instruction, direction, establish basic philosophies and limits and determine the major values upon which OCE should operate.
- ii. Procedures: are the prescribed means of accomplishing policy. Their intent is to ensure uniformity, compliance and control of all policy related activities.

Objectives

- i. To ensure the propriety of all business and travel expenses/activities.
- ii. To strike a balance between the prudent, accountable and cost effective use of OCE resources and the need to ensure employees are properly reimbursed for work related expenses.
- iii. To increase the amount of discretion and latitude for claimant(s) and approval managers to act in a fair and reasonable manner.

OCE Travel & Business Expense Policy

Policy

OCE will reimburse claimant(s) for reasonable costs incurred while undertaking authorized company business. In general, expenses should be necessary and reasonable under the circumstances, and when appropriate approved in advance such as for major travel and conference related instances.

All OCE travel and business expenses over \$2,000 require approval from the claimant's manager and departmental VP. All OCE travel and business expenses over \$5,000 require approval from the claimant's manager, departmental VP and the CEO.

All OCE business travel outside of Ontario requires pre-approval from the claimant's manager, departmental VP and the CEO.

Receipts are required unless otherwise noted and all amounts are in Canadian dollars unless otherwise specified (for expenses in other currencies use the amount on credit card statements; for cash transactions use the rate actually received or the rate in force on the day the expense was incurred). Claimants are required to keep all original receipts, which are to be used for all expense claims made. OCE retains the right to request the original receipt at any time.

Claimant(s) are to use OCE commissioned providers as directed for all flight, hotel, train and car rental booking arrangements unless special rates are available such as conference rates or it would otherwise be unreasonable to do so under the circumstances.

1. Transportation

The most economical mode of transportation should be used, keeping in mind the purpose and urgency of the trip. Advantage should be taken of excursions or other discount fares and by booking as far in advance as possible.

Significant discounts may be available provided you are staying a Saturday night. In cases where travel is extended by a weekend (before or after a business trip) to achieve a lower overall net cost, OCE will absorb the added hotel and meal expenses.

Reasonable travel arrangement change costs outside the claimant's control will be reimbursable; preference is for fixed travel dates rather than open-ended tickets.

N.B. Travel points accumulated as a result of business travel may be considered a taxable benefit by the Canada Revenue Agency.

1.1. Air Travel

- Regardless of mode of transportation, economy class should be booked. While encouraged to travel economy class, on an exception basis and with senior management approval (via the OCE Travel Authorization process) claimant(s) may request Preferred Economy or Business Class service on any trip that exceeds five hours transit time. First Class is not allowed.
- Seat selection fees are not reimbursable.

1.2. Rail Travel

- Economy class travel is permitted when this is the most practical and economical way to travel.

OCE Travel & Business Expense Policy

1.3. Ground Transportation

Rental Cars

- Use rental cars or personal car for ground transportation unless other means of transport such as taxis or limousines are less expensive.
- Rental Cars should be refueled before drop-off where possible to avoid rental company fuel charges.
- Coordinate travel with colleagues. Choose rental car size that is most appropriate under the circumstances from economy through to full size. Premium class and higher are not allowable. Extras are generally not reimbursable.
- OCE has collision insurance coverage in Canada and the United States when the rental car is valued at less than \$50,000. OCE has personal liability coverage in Canada and the United States. Employees need not purchase additional liability coverage over and above that required by local laws when renting vehicles. Outside of North America, employees must acquire the appropriate collision and liability insurance.

Personal Car Use

- Use of a personal car will be reimbursed at a rate of \$0.48 per kilometer; this covers all costs of use of the vehicle including gas. Please ensure to track kilometers travelled.
- Claimants using their own cars for business use must have a minimum of \$1 Million personal liability insurance and their insurance coverage permits the use of a personal vehicle for business purposes.
- Bridge, ferry, highway tolls and necessary parking fees are reimbursable and should be supported by receipts.
- The use of a transponder for the 407 electronic toll road is encouraged and is reimbursable if it is more cost effective to do so than to pay video toll charges.
- Claimants will not be reimbursed for penalties levied in respect of traffic violations.

Public Transportation

- TTC tokens are available from reception at head office for use in the GTA and should be used when practical and more cost effective than taxis.

2. Meals

Where a Claimant is hosting business associates or incurring meal expenses while traveling on OCE business there should be an adherence to the general policy of reasonableness and compliance within the spirit of this policy. It is the responsibility of the approval manager to assess whether these expenses adhere to policy, taking into account the circumstances (e.g. nature of discussions and business associations of person(s) attending).

Receipts are required for any meals claimed. If more than one OCE claimant is present, the most senior OCE claimant should submit charges for approval and reimbursement.

OCE Travel & Business Expense Policy

2.1. Meals incurred as part of conducting OCE Business

- Meals taken with outside business associates or clients for the purpose of conducting business and in an atmosphere conducive to a business discussion are reimbursable.
- Meals where the only attendees are OCE employees are generally not reimbursable. Exceptions would be working sessions during normal meal times conducted on OCE premises.
- Meals which are a part of a business program, or which are officially sponsored by business or professional associations and are considered directly related to the active conduct of business are reimbursable.
- The name(s) of persons attending and purpose of the meeting are to be provided with the claim.
- Alcohol is not reimbursable

2.2. Meals incurred while traveling on OCE Business (applies to Canada and U.S travel – amounts are in local currency)

- Personal meals incurred when traveling on OCE business where it is reasonable under the circumstances will be reimbursed (e.g. day trips to visit a client or attend conferences that exceed a distance of 150km round trip from the base office).
- Maximum reimbursable costs for meals per person (exclusive of taxes and gratuities) are below. Receipts must be attached; per diems are not permitted:
 - ✓ Breakfast - \$10.00
 - ✓ Lunch - \$15.00
 - ✓ Dinner - \$35.00
- Alcohol is not reimbursable.

Consultants may not be reimbursed for any hospitality, incidental, or food expenses. However, reasonable expenses for travel, air, rail, and car or hotel accommodation in accordance with this policy may be allowed by the VP of the consultant's department provided that the contract stipulates this is allowable.

3. Accommodation

Claimants should stay at moderately priced hotels in standard category rooms.

The original hotel bill, itemizing room and other charges should be attached with the claim. Non-room charges (e.g., internet charges) should be entered separately and, where available, be supported by individual receipts (e.g. restaurant receipts).

Out-of-pocket expenses up to a maximum of \$50.00 per night may be claimed in lieu of accommodation charges when a claimant stays with friends while traveling.

OCE Travel & Business Expense Policy

4. Incidentals

Certain other costs are reimbursable up to \$10 per day (without receipts) if incurred while traveling on OCE business.

These include reasonable expenditures for:

- Tips/gratuities (guideline is 15%)
- Laundry – minimum five days (four nights) must be spent away from home
- Other miscellaneous items

Reasonableness is based on applicable circumstances and it is the approval manager's responsibility to determine.

The following expenses are not allowable and will not be reimbursed:

- Hotel convenience charges (health clubs etc.), Mini bar charges
- Movies
- Admission to sports events, theatre tickets or use of recreational facilities (i.e. golf course charges)
- Magazine / Books
- Personal care items (grooming, over the counter drugs etc.)

5. Telephone & Internet Use

Reasonable calls to a claimant's home while away for business are reimbursable. Try to utilize least cost alternatives, as hotel room charges can be significant.

5.1. Telephone

Please refer to OCE's Mobile and Wireless Device Policy (version 3, Jan 2013) for more details regarding all calls made from home, personal or OCE cellular phones.

5.2. Internet Use

Claimants should inquire about internet use charges prior to using any hotel facilities; internet use for business purposes will be reimbursed.

6. Corporate Credit Card

OCE employees who incur business-related expenses on a regular basis may be provided with a corporate credit card after probation. By accepting this card, employees agree that this card is to be used for business purposes only. Employees are bound by the Corporate Cardholder Agreement.

Details of all expenses on Corporate credit card accounts will be available in the expense claim system.

Corporate credit card charges must be reconciled every month through the expense claim system and receipts provided as backup. Employees are responsible for ensuring that all items on the monthly corporate credit card statement have been included on an expense report.

If the card is lost or stolen, the employee should notify the credit card company and OCE Finance immediately. The employee will take responsibility for reviewing and notifying the credit card company of any disputed items charged to the card. Finance should also be notified of disputed expenses.

OCE Travel & Business Expense Policy

7. Expense Reporting Procedure

Claimants are responsible for submitting expense reports to their managers using the current OCE expense claim system and must submit expenses no later than 30 days after the end of the month in which the expense was incurred.

The following guidelines apply:

- Receipts are required for all expenses. In circumstances where receipts are not issued for small amounts (i.e. parking meters, toll booth fees etc.); expenses will be reimbursed without a receipt by providing an explanation in the expense claim system.
- All expense reports must be reviewed and approved by the claimant's immediate supervisor or other appropriate approval for all claimant(s) (or higher authority if required) prior to submission to Finance.
- For out of province travel, OCE's commissioned travel provider booking system must be used as directed. This is to allow for the required approvals process to be triggered when bookings are initiated by the claimant. Once the booking has been submitted by the claimant, an email for approval will be circulated to the required approvers.
- Claimants are responsible for identifying any expenses which are billable to another organization, and notifying Finance.

Attachments:

- ✓ Steps to complete expense reporting (Concur Instructions & Frequently Asked Questions)
- ✓ OCE Expense Claim - For Non-OCE Staff Only

Approved by:

Date:

April 1, 2016

Narinder Dehal
Vice President, Finance, Programs & Administration

