

Staff Report

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Report To: General Government Committee

Date of Meeting: June 2, 2025 **Report Number:** FSD-017-25

Authored By: Trevor Pinn, Deputy CAO/Treasurer, Finance and Technology

Submitted By: Trevor Pinn, Deputy CAO/Treasurer, Finance and Technology

Reviewed By: Mary-Anne Dempster, CAO

By-law Number: **Resolution Number:**

File Number:

Report Subject: Travel and Business Expense Policy

Recommendations:

1. That Report FSD-017-25, and any related delegations or communication items, be received;
2. That the Draft Policy "Travel and Business Expenses" attached to Report FSD-017-25, as Attachment 1, be approved; and
3. That all interested parties listed in Report FSD-017-25, and any delegations be advised of Council's decision.

Report Overview

Staff are recommending the adoption of a formal policy to codify the acceptable expenditure of funds for travel and business purposes. This policy has been drafted using several other municipal policies and is a strategic policy, with specific operational details held within a Management Directive.

1. Background

- 1.1 Council approved CP-001 Clarington Policy System in May 2023. It defines a Council Policy as “a policy of the Municipality which requires the approval of Council for one or more of the following reasons:
 - a. The subject matter/issue has significant material financial implications,
 - b. There are significant aspects of Risk Management and/or public accountability;
 - c. The subject matter relates to governance issues not specifically addressed through the procedural by-law; or
 - d. It is legislatively required.
- 1.2 Staff are proposing the attached draft Council Policy on Travel and Business Expenses as it relates to areas of public accountability, risk management and has financial implications (although not material).

2. Draft Policy

Overview

- 2.1 The draft policy has been reviewed by the Senior Leadership Team. The policy utilizes policies from other municipalities in Ontario, such as London, and modified for applicability in Clarington.
- 2.2 The policy sets the high-level framework for approval and appropriate use of business and travel expenses. Senior Leadership will develop the necessary management directives and standard operating procedures to operationalize the attached policy.

Policy Matters

- 2.3 The Policy sets definitions for certain terminology to ensure consistency. An Expense Review Officer (ERO) is defined and means the person responsible for administering the Policy and authority for the official/staff incurring the expenditure.

- 2.4 The Policy provides a table of who the ERO is for various levels throughout the Corporation. This table follows current practice but adds that expenses related to Council members will be approved by the Treasurer.
- 2.5 The Policy outlines that the preferred method of payment for business and travel expenses is the pCard, with the exception of per diems. The use of the pCard as a payment method provides timely payment and reduces the need for expense reimbursement.
- 2.6 Mileage and per diem rates will be set annually at a reasonable rate, a maximum rate is set by reference to the CRA mileage limit and guidelines for eligible travel. This does not mean that the maximum level will be used but rather sets a ceiling.
- 2.7 The Policy allows for per diems rather than requiring receipt reimbursement. This process is administratively more efficient than receipts as often receipts are lost, and the time to process a receipt outweighs the benefit.
- 2.8 The Policy puts parameters around hosting and entertaining external parties, provision of snacks/refreshments at events and general team building events. These expenses are beneficial to the organization and clarity on their acceptance is evidenced in their inclusion in the Policy.
- 2.9 The Policy is the strategic level guidance for expenditures, additional controls will be put in place through the development of Management Directives and Standard Operating Procedures in accordance with Policy CP-001.

3. Financial Considerations

Not Applicable.

4. Strategic Plan

Not Applicable

5. Climate Change

Not Applicable.

6. Concurrence

This report has been reviewed by the Deputy CAOs who concur with the recommendations.

7. Conclusion

It is respectfully recommended that the Draft Travel and Business Expense Policy be approved.

Staff Contact: Trevor Pinn, CPA, CA, Deputy CAO/Treasurer, Finance and Technology, 905-623-3378 ext 2602 or tpinn@clarington.net.

Attachments:

Attachment 1 – Draft Policy CP-xxx Business and Travel Expenses

Interested Parties:

There are no interested parties to be notified of Council's decision.