



Council Policy

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Number:	CP-00#
Title:	Travel and Business Expenses
Type:	Financial Management
Sub-type:	Expense Management
Owner:	Finance and Technology
	Treasury
Approved By:	Council
Approval Date:	Click or tap to enter a date.
Effective Date:	Click or tap to enter a date.
Revised Date:	Click or tap to enter a date.
Applicable to:	All Staff

1. Legislative or Administrative Authority:

- 1.1. The Municipal Act, 2001, s.224 (d) and (e) provide that it is the role of Council to ensure that administrative policies, practices and procedures are in place to implement the decisions of Council, and that its role is to maintain the financial integrity of the Municipality.

2. Purpose:

- 2.1. This policy addresses business and travel expenses' eligibility and approval authority.

3. Scope:

- 3.1. This policy applies to all council members, municipal employees, and any elected or appointed official to a local board.
- 3.2. Local Boards shall be governed by policies set from time to time by their respective governing bodies.
- 3.3. It is understood that authority for the expenditure of funds for any expenses covered by this policy extends only to the extent of the financial limitations imposed by the annual (current) budgets.



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- 3.4. It is understood that where an active contract or collective bargaining agreement is in place that addresses items contained within this policy, the terms of the contract/collective bargaining agreement will be followed.
- 3.5. Any question involving the meaning or application of this policy must be submitted to the Deputy CAO/Treasurer or designate for clarification.
- 3.6. Where this policy contradicts an existing policy or corporate practice, the issue will be forwarded to the Chief Administrative Officer (CAO) for a final binding decision. The problem will be documented and included in future revisions.

4. Definitions:

- 4.1. **Accommodation** - commercial lodging facilities such as hotels, motels, corporate residences or apartments. Private residences are excluded.
- 4.2. **Expense Review Officer (ERO)** - shall mean the person responsible for administering this policy, having budgetary control over the general ledger account to be expensed, and having authority over the Officials/Staff incurring the expenditure.
- 4.3. **Expense Reports** - shall include both manual forms (e.g. Travel Advance / Expense Form) and corporate purchasing card statements, as applicable.
- 4.4. **Governing Body** - shall mean Council or a local board or commission.
- 4.5. **Municipality** - shall be used in this policy to mean The Corporation of the Municipality of Clarington
- 4.6. **Municipal Business** - attending an event as a representative of the Municipality to derive a benefit for the Municipality or to advance the interests of the Municipality.
- 4.7. **Officials** - shall mean a Member of Council or an elected or appointed member of the governing body of a local board or commission or an advisory committee of Council.



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- 4.8. **pCard** – the corporate purchasing card issued to select individuals to be used for appropriate business expenses as per existing Municipal policies and directives.
 - 4.9. **Per Diem** -an allowance to cover out-of-pocket expenses exclusive of accommodation or transportation. This allowance is intended to include meals, taxes, and gratuities related to travel.
 - 4.10. **Receipt**—the original document showing the vendor's name, date, amount, HST registration number (if applicable), and description of the expenditure paid by the Officials/Staff.
 - 4.11. **Staff** - shall mean an employee of the Municipality of Clarington or a local board or commission staff member.
 - 4.12. **Travel** - is defined as going beyond the municipal limits of Clarington, Ontario.

5. Policy Requirements:

Expense Review and Authorization

- 5.1. The following are designated "Expense Review Officers" (ERO) for the jurisdictions referred to and shall be responsible for administering this policy within their particular areas of jurisdiction, addressing any justifiable exceptions, and auditing and processing all expense reports under this policy, while maintaining the right to request additional explanations, documentation or justification of any or all of the expense reports:

Jurisdiction	ERO
Mayor	Deputy CAO/Treasurer or designate
Members of Council	Deputy CAO/Treasurer or designate
Appointed Members of Advisory Committees	Deputy CAO responsible or designate
Chief Administrative Officer	Mayor



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Jurisdiction	ERO
Senior administrative official of each of the local boards or commissions	The chair of the respective local board or commission
Deputy Chief Administrative Officers	CAO or designate
Municipality of Clarington Employees	Deputy CAO or designates

- 5.2. The Deputy CAO/Treasurer shall decide whether this policy applies to an expense.
- 5.3. All expense information is considered public and shall be made available upon request by the ERO.
- 5.4. The ERO is responsible for reviewing and authorizing the expense report. **An ERO may not authorize expenses incurred on their behalf.**
- 5.5. The ERO's signature indicates that:
 - 5.5.1. The expense is a legitimate business expense; and funds are available within the approved budget.
 - 5.5.2. The purchasing method does not violate the procurement policy.
 - 5.5.3. Appropriate supporting documentation, as outlined in this policy, is attached.
 - 5.5.4. The expense has been charged to the correct cost account.

General

- 5.6. In this policy, reimbursable expenses include expenses paid by a corporate pCard, payroll reimbursement or accounts payable. The terms reimbursable and expensed are used interchangeably.



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- 5.7. The corporate pCard is the preferred payment method for business and travel expenses, **the except: per diems are paid on an expense form.**
 - 5.8. The Deputy CAO/Treasurer shall set all mileage and per diem rates annually for a reasonable amount not exceeding the CRA mileage limit or CRA guidelines for eligible travel. Rates will be per tax legislation and CRA guidance. The rates will be approved by the CAO.
 - 5.9. Travel, business and mileage expenditures are subject to examination by Municipal administration and the Municipality's auditors. Expense reports and pCard reports must be submitted using the form approved by the Deputy CAO/Treasurer.
 - 5.10. All reimbursements will be made in Canadian dollars. The exchange rate used in calculating the reimbursement will be the actual rate supported by documentation (e.g., credit card receipts). If there is no actual exchange rate, the Bank of Canada rate during the applicable period will be used.
 - 5.11. When personal and business travel is combined, only expenses directly related to the business portion are reimbursable.

Travel, Training and Conferences

- 5.12. Individuals are entitled to receive reimbursement for expenses while attending:
 - 5.12.1. Annual conferences of associations of which the Municipality is a member.
 - 5.12.2. Meetings, associated meetings with federal or provincial ministries, workshops and seminars, provided the individual is a director, committee or task force member within the sponsoring organization and the Municipality is a member.
 - 5.12.3. Out-of-town business as a representative of the Municipality.
 - 5.12.4. Out-of-town business to meet with peers to discuss best practices.
 - 5.12.5. Out-of-town training courses provided that such training benefits the Municipality or is necessary to retain licensing/designations.



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- 5.13. Individuals who receive a per diem may not claim additional personal expenses such as snacks, drinks or meals. Receipts are not required for per diem expenses.
- 5.14. A per diem may be paid in advance for travel exceeding three days upon the approval of the CAO or designate.
- 5.15. Officials and Staff may choose their method of transportation on the understanding that the most direct route, most economical and most practical method should be used.
- 5.16. Officials and staff may use motor vehicles (including municipal, rented, or personal) for out-of-town transportation.
 - 5.16.1. Personal vehicle expenses, such as maintenance, repairs, insurance premiums, accident deductibles, fines or tickets, etc., will not be reimbursed.
 - 5.16.2. 407 ETR charges are reimbursable expenses (support for charges include the itemized bill). Corporate pCards may only be used to pay corporate 407 accounts.
- 5.17. Mileage expenses will not be paid for individuals who receive a travel allowance. However, they may claim travel mileage in excess of 200 km from the Municipality of Clarington.
- 5.18. Officials and Staff may be reimbursed for the actual transportation costs between the individual's home or workplace and the designated transportation terminal and between the transportation terminal and the hotel or other destination point.
- 5.19. Public transportation shall be reimbursed based on the cost of the ride. Where public transit uses card-based fares (e.g. Presto Card), reimbursement will be based on actual rides.
- 5.20. The cost of an additional night(s) of accommodation may be reimbursed if it is required to take advantage of reduced transportation costs or reasonable travel times.



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- 5.21. An overnight stay associated with a one-day meeting or business event outside the Municipality of Clarington may be justified depending on the meeting's scheduled start and end times, location, and travel considerations.
- 5.22. In the event of travel cancellation, the Officials/Staff may be held responsible for 'no-show' charges resulting from failing to cancel a hotel reservation.
- 5.23. Officials and Staff will be reimbursed for all telephone calls (local or long distance) that are directly related to municipal business.

Business Expenditures

- 5.24. When it becomes necessary to host or entertain external parties relating to the advancement of the affairs of the Municipality, the following, with the exception of Council and the CAO, require pre-approval from the ERO:
 - 5.24.1. Hospitality and accommodation.
 - 5.24.2. Identities of Officials/Staff to act as Hosts and Attendants.
 - 5.24.3. Provision of alcoholic beverages, if appropriate and approved by the Mayor or CAO.
- 5.25. Officials or Staff may need to conduct Municipal business over a meal or incur meal expenses in conjunction with attending a function on Municipal business.
- 5.26. Expenses associated with events such as committee meetings, award banquets, political speeches/addresses, or other business-related events where the purchase of a ticket or meal is required will be reimbursed when such expenses are considered to have a direct relationship to municipal interests.
- 5.27. Non-alcoholic refreshments, meals, snacks, or a combination may be offered to officials or staff required to work through meal hours or breaks. Such hospitality should be restricted to occasions where the dispersal of participants during the meal hour or break period is not desirable.



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- 5.28. Expenses will be reimbursed for employee events such as team-building events, general staff appreciation or celebrations, recognition of project milestones, or recognition of extra efforts.
- 5.29. Expenses associated with functions for departing staff may NOT be charged to a Service Area's budget. All costs related to this type of function are the responsibility of those hosting the function.
- 5.30. It is NOT permissible to use Municipal funds to purchase flowers or gifts in recognition of any individual or group of individuals unless required within the business context in such circumstances as:
- 5.31. In the event of the death of an employee, an employee's spouse, child, sibling or parent.
 - 5.31.1. In the event of the death of a current Member of Council, a current Member of Council's spouse or a current Member of Council's child.
 - 5.31.2. In the event of the death of a current local Member of Parliament or current local Member of the Legislative Assembly of Ontario.
 - 5.31.3. In an event deemed appropriate by the Mayor or Council.
- 5.32. Gifts for employees, in accordance with the Council and Corporate Policies and Procedures related to the Employee Service Recognition Program, are reimbursable.
- 5.33. Expenses incurred at or for political fundraising events are not reimbursable.

6. Roles and Responsibilities:

6.1. Council is responsible for:

- 6.1.1. Approving policies related to allowable business and travel expenses.

6.2. Chief Administrative Officer (CAO) is responsible for:

- 6.2.1. Ensuring compliance with this policy through direct reports.



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6.2.2. Ensuring the Deputy CAO/Treasurer has developed adequate internal controls to ensure compliance and detect non-compliance with this policy.

6.3. Deputy CAO/Treasurer is responsible for the following:

6.3.1. Developing the necessary internal controls and procedures to facilitate compliance with this policy.

6.3.2. Ensuring any legislated reporting is completed.

6.3.3. Acting as a resource to Deputy CAOs, Directors, and Managers on the applicability of this policy and its allowances.

6.3.4. Advising Council of required changes to the policy.

6.4. Deputy CAOs/Directors / Managers are responsible for the following within their scope of authority:

6.4.1. Ensuring compliance with this policy by their staff.

6.5. All Staff are responsible for:

6.5.1. Adhering to the provisions of this policy.

7. Related Documents:

7.1. [Purchasing By-law 2021-077](#)

7.2. [CP-014 Financial Control Policy](#)

8. Inquiries:

8.1. Deputy CAO/Treasurer, Finance and Technology

8.2. Manager, Procurement



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9. Revision History:

Date	Description of Changes	Approved By