



<b>TITLE:</b> Expense Rules	<b>POLICY NUMBER:</b> A-2-130
<b>APPROVED BY:</b> Board of Directors	
<b>DEVELOPED BY:</b> CEO	<b>DATE:</b> March 23, 2023
<b>REVISED BY:</b>	<b>DATE:</b>

### **POLICY:**

Cota is designated as a broader public sector organization and, as such, complies with the Ontario Broader Public Sector Accountability Act (BPSAA) and related Directives. This includes making its rules and practices regarding expenses.

### **PURPOSE:**

In compliance to the Ontario Broader Public Sector Expense Directive, 2020 the purpose of this policy is to establish principles and rules Cota follows when approving and reimbursing expenses using public funds.

### **APPLICATION AND SCOPE:**

The expense rules apply to any individual in the Agency making an expense claim, including but not limited to the following:

- appointees,
- board members,
- employees,
- volunteers
- students; and
- consultants and contractors engaged by the Agency, providing consulting or other services.

In addition, every funding agreement between the Cota and a ministry or agency of the Government of Ontario or any other government funding agency is deemed to include the requirement of this Directive. This Directive prevails over any relevant terms of an agreement if there is any conflict or inconsistency between them.

### **PRINCIPLES:**

This policy is based on the following key principles:

- **Accountability:** Cota is accountable for public funds used to reimburse travel, meals, hospitality, and other expenses. All expenses must support business objectives. Since expense accounts can become matters of public record through audit or other means, expenses must be incurred and claimed in a manner that is publicly defensible and will not harm the Cota's reputation as a good manager of public resources.
- **Transparency:** Cota is transparent to all stakeholders. The rules for incurring and reimbursing travel, meals, hospitality, and other expenses are clear, easily understood, and available to the public.
- **Value for Money:** Public funds are used prudently and responsibly. Plans for necessary travel, meals, hospitality, and other expenses are economical with and considered with due regard for health, safety and efficiency of operations.
- **Fairness:** Legitimate authorized expenses incurred during the course of the business of the Cota are reimbursed.

## **RULES:**

1. Members of Cota's Board of Directors may be remunerated only for reasonable expenses they incur in the performance of their duties
2. Cota employees, volunteers and students will be reimbursed for expenses that are:
  - Are directly related to the business of the Cota
  - Modest and appropriate
  - Are supported by acceptable documentation
  - Are properly authorized in accordance with Cota's Reimbursement of Expenses Policy A-2-120
3. Consultants and Other Contractors
  - A consultant or contractor can only claim and be reimbursed for expenses in accordance with the terms of the contract Cota holds with them, which may include provisions for travel, necessary accommodation and/or other expenses incurred in the performance of the contract. Any such expenses must be modest, appropriate and pre-authorized by Cota.
  - In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between Cota and a consultant or contractor. This includes:
    - Meals, snacks, beverages
    - Gratuities
    - Laundry and dry cleaning
    - Valet Services
    - Dependant Care
    - Home Management
    - Personal telephone calls

- Reimbursement for expenses can only be claimed and reimbursed when the contract specifically allows for them.
4. Individuals Making Expense Claims (Claimants) are required to:
- Obtain all appropriate approvals before incurring expenses;
  - Submit, itemized receipts (paper, electronic or scanned format), with all claims, except for meal expenses where meal allowances are used
  - Submit expense claims within 30 days of the expense being incurred;
  - If the information above is not available or is not possible, submit a documented explanation with the claim to provide the approver with adequate information for decision-making;
  - Repay any overpayments – it is considered a debt owing to the organization;
  - If leaving employment with an organization, submit any claims for expenses before leaving the organization.
5. Individuals Approving Claims (Approvers):
- Are prohibited from approving their own expenses,
  - Provide approval only for expenses that were necessarily incurred in the performance of organization business;
  - Provide approval only for claims that include all appropriate documentation
6. Expenses for a Cota Staff Group
- Can only be claimed by the most senior person present – an individual cannot claim expenses that are incurred by his/her approver (e.g., an executive who reports to the CEO cannot submit a claim that includes the expense of the CEO, as the result would be that the CEO would thereby approve his/her own expenses).
7. Hospitality
- Hospitality, in the context of this policy, is the provision the provision of food, beverage, accommodation, transportation and/or other amenities, at public expense, to people (or groups of people) who are not engaged in work for Cota.
  - Hospitality may be extended in an economical and consistent manner when:
    - It can facilitate Cota business;
    - It is considered desirable as a matter of courtesy or protocol
  - Functions which are solely for the benefit of anyone working or volunteering at Cota (e.g., office social events, retirement parties, holiday lunches and staff recognition events) are not considered hospitality and cannot be expensed against public funds.
8. Gifts
- Appropriate token gifts of appreciation, valued up to \$30, may be offered in exchange for gifts of service of expertise to people who are not

engaged in work for Cota. Gifts over \$30 must have prior approval of the CEO or Board Chair.

#### 9. Meals

- Reasonable and appropriate meal expenses may be claimed/reimbursed if it is incurred:
  - While an employee/student or volunteer is away at a pre-authorized conference, training event, etc. that is a minimum of at least 25 km outside of their normal location/work boundaries
  - With prior approval for the expense (e.g., while attending an business meeting within the office area that *must* occur over lunch)
- Meal expenses will be reimbursed at the established meal reimbursement rates set out in Cota's Reimbursement of Expenses Policy A-2-120
- Meals must be purchased in order to be able to submit a claim for reimbursement
- Reimbursement will not be provided for meals consumed at home or included in the cost of transportation, accommodation, seminars or conferences

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#### 10. Alcohol

- Cannot be claimed as an expense against public funds and will not be reimbursed using public funds

#### 11. Travel

- Reimbursement for transportation expenses incurred by Cota employees, student and volunteers, during their regular course of duties, will be approved and reimbursed in accordance with Cota's Reimbursement of Expenses Policy A-2-120
- Expenses for travel outside of a staff member's regular course of duties and travel boundaries (e.g., to attend a conference, workshop etc.), must be pre-approved in order for them to be reimbursed. Approvals levels for such infrequent and irregular travel are outlined in Cota's Reimbursement of Expenses Policy A-2-120

#### 12. General

- Good record-keeping practices must be maintained by the Finance Department for verification and audit purposes.
- Finance is required to review and may request additional information for any expense claim submitted
- Claims submitted to Finance without appropriate documentation will be returned to the approver.
- Electronic approval is considered written approval for the purpose of this policy if the approver has sufficient information to make an informed decision.
- Individuals are responsible for maintaining a record of their own claims.