

Ontario Brain Institute

TRAVEL, MEALS, AND BUSINESS RELATED FUNCTIONS EXPENSE POLICY

1. Purpose

This policy sets out the Ontario Brain Institute (OBI) guidelines and procedures with respect to travel, meals, and business related functions expenses paid by OBI. Expenses must be: work-related; modest and appropriate; and strike a balance among economy, health & safety and efficiency of operations.

2. Scope

This policy applies to all OBI employees; members of the Board of Directors, members of Scientific Advisory Committee (SAC); Industry Advisory Committee (IAC); members of OBI-related committees; other OBI appointees; OBI workshop attendees; individuals under recruitment by OBI and other persons travelling on OBI business.

Individuals providing consulting or other services to OBI are **not eligible** for reimbursement of food and incidental expenses.

3. Definitions

- 3.1 **Claimant** refers to any person making a claim for expense reimbursement under this policy
- 3.2 **Verification** refers to the process of reviewing an expense to ensure the details are correct. Done by an individual with intimate knowledge of the details
- 3.3 **Approval** refers to the process of reviewing an expense to approve the expense for payment. Approval may be a two-level process depending on type and value of the expense incurred
- 3.4 **Independent Consultant and Third Party Contractors** are individuals or entities under contract to OBI providing consulting or other services
- 3.5 **Itemized Receipt** is a receipt that includes the vendor name, date, details of items, amount of each item and the amount of tax. Credit card receipts do not constitute an itemized receipt
- 3.6 **An Exception** is an expense that is not within the OBI policy but is acceptable in certain circumstances **as determined by the Senior Vice President**

4. Responsibilities

Claimants are responsible for:

- Adhering to the OBI policies and procedures
- Obtaining the necessary approvals prior to committing any funds
- Submitting a signed Expense Claim that is authorized at the appropriate level

Ontario Brain Institute

and includes required documentation (see section 5.2). Claimants are prohibited from approving their own expenses.

- Using appropriate procurement methods and exercising good business judgment

Management is responsible for:

- Ensuring that approvals are obtained prior to the expense being incurred
- Reviewing and approving all Expense Claims pertaining to their area of responsibility
- Approving only expenses incurred in the performance of OBI business
- Ensuring compliance with the OBI policies and procedures
- Providing guidance regarding appropriate types and levels of expenses
- Ensuring that expenses are within the budget allocation and that all appropriate documentation is attached to the expense claim

Operations is responsible for:

- Ensuring that all expenses are properly authorized
- Providing guidance regarding appropriate types and levels of expenses

5. Administration

5.1 Pre-Approval

Employees are responsible for obtaining approval in advance of incurring any expense. Wherever possible a pre-approval form (Appendix B) should be filled out and signed by the appropriate authorized individual. Signed forms are to be submitted to the Operations Leads and will be kept in the Pre-Approval Binder as well as in electronic form on the O Drive.

5.2 Submission of Expense Claims (Appendix A)

Expense Claims must be signed and submitted in a timely manner (generally within 30 days of the event). The claim should include the following: purpose, dates, destinations, and names of individuals who attended an OBI paid function.

Claimants must submit the following with their expense claim:

- Original receipts must be submitted (mandatory for OBI staff and wherever possible for non-OBI claimants)
- Claimants are prohibited from approving their own expenses.
- Receipts must have itemized details of charges and taxes
- ***Credit card slips will not be accepted as proof of expense**
- Receipt from a bank or foreign exchange company showing the exchange rate paid for foreign currency used to pay expenses

Ontario Brain Institute

- Copy of credit card statement showing amount of the expense in a foreign currency and the amount charged in Canadian dollars
- Name of an OBI guest (eg. Dinner guest)

Note: When airline tickets are purchased with the traveler's own credit card and the credit card statement must be paid prior to travel, the traveler may submit only the credit card statement and a copy of the electronic ticket with the Expense Statement for reimbursement. If the traveler does not end up taking the trip, s/he must inform Finance and reimburse OBI for the cost.

5.3 Non – Reimbursable Expenses

Examples of non-reimbursable expenses include but are not limited to:

- Recreational expenses, e.g., video rentals, cost of mini-bar items, personal items, personal entertainment, personal travel, fines for traffic and parking violations, towing fees, expenses for accompanying family or friends
- Alcoholic beverages;
- Expenses incurred for an accompanying spouse, friend or family member
- Trip cancellation insurance (see section 6.3)
- Open airline tickets
- Expenses of a **personal nature**

5.4 Exceptions

Where possible, exceptions to the OBI policy should be pre-approved using a pre-approval form signed off by the Senior Vice President. Where situations arise and an exception has not been pre-approved it must be highlighted and an explanation provided on the claim form when appropriate. The Senior Vice President must initial the charge.

5.4.1 Principles to Guide Consideration of Exceptions

- Trust - employees and supervisors use discretion and act in a fair and reasonable manner
- Flexibility - management decisions respect the duty to accommodate, respond to personal needs and consider unforeseen circumstances
- Stewardship - this policy is applied in a consistent, fair and equitable manner that takes into consideration all circumstances and maintains the responsibility for wise and prudent use of public resources

5.5 Overpayments

Overpayments will be recovered from the claimant.

Ontario Brain Institute

6. Travel

6.1 Persons Traveling Together

When multiple senior employees must travel to the same destination for the same event (by plane, train or automobile), consideration should be given to separate travel (e.g., not on the same flight) in order to mitigate risk to business continuity and to reduce the risk of a major disruption in OBI's operations.

6.2 Loyalty Programs

Travelers may participate in loyalty programs (e.g., frequent flyer programs), provided that they select the most cost-effective mode of travel.

6.3 Travel Approval

6.3.1 Travel by OBI Employees

Approval required for OBI employees:

Within Ontario: requires the approval of the employee's director/VP

Within North America (outside of Ontario): requires the approval of the employee's director, and the Senior Vice-President. Senior Vice-President requires the approval of the President and Scientific Director

Outside North America: requires the approval of the President and Scientific Director, and the Board Chair

When an employee remains away for additional days that are not required for business purposes they are to be treated as the traveler's vacation or personal days and the traveler is responsible for all expenses incurred on these days.

6.3.2 Travel by the President and Scientific Director

Travel by the President and Scientific Director within North America does not require approval. Expenses for the President will be reviewed and signed off by the Senior Vice-President prior to payment. Quarterly the expense claims will be forwarded to the Chair for review and approval sign off. Any adjustments required will be applied to the next expense claim.

6.3.3 Travel by members of the Board of Directors, the Scientific Advisory Committee, the Industry Advisory Committee, and Other OBI Board Committees

Travel by members of the Board of Directors, the Scientific Advisory Committee (SAC), the Industry Advisory Committee, and other OBI Board Committees including travel both inside and outside of North America, requires approval by the Board Secretary and the President and Scientific Director. Approval by the Chair is not required.

Ontario Brain Institute

6.3.4 Other Travelers

Travel by other travelers requires approval by the relevant Director/Vice President and the Senior Vice-President. Travel outside of North America requires approval by the Board Chair and President and Scientific Director.

6.4 Mode of Travel

The decision on mode of travel (e.g. air, rail, road, transit vs taxi) should take into account the most reasonable cost effectiveness for travel expenses and time.

6.5 Air Transportation

Travel by air is permitted when this is the most practical and economical way to travel. Tickets must be purchased sufficiently in advance of travel to obtain the most favourable rates and booked for fixed dates. Open tickets may not be purchased.

If the traveler elects to travel in business or first class, then the traveler will pay the incremental cost directly to the airline or railway company with his/her own credit card.

6.5.1 Flight Cancellation Insurance

Trip cancellation insurance may not be purchased unless there is a strong possibility the Traveler will have to cancel the flight due to medical or personal (vulnerable family situation) reasons.

6.6 Road Transportation

When road transportation is the most practical and economical way to travel, employees may choose either personal vehicle or rental vehicle. When a private vehicle expense exceeds the costs of equivalent public transportation, economy airfare, economy rail, or rental vehicle then the most cost efficient mode should be taken unless there are valid business reasons.

OBI assumes no financial responsibility for personal vehicles. However, OBI will reimburse for distances driven on business travel for a personal vehicle at 40 cents per kilometer.

Employees should keep daily logs to track distance driven for business use and calculate reimbursement in kilometers on the Expense Claim.

Parking fees, ferry and highway tolls paid while on OBI business will be reimbursed. Receipts must be obtained and submitted with the travel claim.

Mileage does not require pre-approval where the travel is in the regular course

Ontario Brain Institute

of business and will not exceed the cost of other forms of travel.

6.6.1 Vehicle Rental

The size of the rental vehicle must be the most economical and practical required for the business and number of occupants. Rental of luxury vehicles or sports cars is prohibited. The rental vehicle must be refueled prior to return to the rental agency to avoid incurring refueling charges and higher gasoline rates imposed by the rental agency.

6.6.2 OBI Insurance Coverage When Employees are Traveling on Business

OBI Employees should be aware of the following aspects of insurance coverage if they are travelling on business for OBI.

a) Basic Life and AD&D

OBI employees have basic life and AD&D, as well as long term disability. See coverage in ENCON Group benefits booklet (see page 8) in the O drive: O:\3. Operations\Human Resources\Group Health Benefits – Encon

b) Emergency Medical Insurance Coverage

Coverage for out-of-province emergency medical costs is provided under the ENCON Group benefits plan (see page 36). This policy covers both work related and personal/vacation travel.

c) Theft or Loss of Personal or OBI property

The OBI insurance coverage with HIROC does provide coverage for large value losses, however, the deductible is \$2500, so would be of little value in the event your luggage is lost.

d) Use of Your Own Vehicle for OBI-related Business Travel

If you use your personal vehicle while on OBI business, the vehicle must be insured at the vehicle owner's expense for personal motor vehicle liability. It is the driver/owner's responsibility to ensure that the motor vehicle insurance includes coverage for business use of the vehicle. OBI will not reimburse the costs of insurance coverage for business use, physical damage or liability. OBI is not responsible for reimbursing deductible amounts related to insurance coverage.

In the event of collision damage to your vehicle, or a liability lawsuit, the following occurs:

Ontario Brain Institute

Losses first go to your personal auto insurance. For collision damage, the OBI coverage does not apply. In the event of a liability claim, your personal auto insurance would apply first, up to the limit of liability coverage you carry. If the claim exceeds that limit (and the claim also names OBI) the OBI policy would then be triggered up to a \$5M limit.

e) Use of a Rental Vehicle for OBI-related Business Travel

When you rent a vehicle for OBI business purposes, you should take the collision and liability insurance available from the rental agency. The OBI policy does not cover collision damage. With regard to the liability coverage, the OBI policy is a last resort coverage. For example, if there was a liability claim against you, the rental insurance would apply first, and then your personal auto insurance (if you are an insured driver) and only then does the OBI policy apply if the claim exceeds the coverage of the other insurers.

f) OBI Corporate Credit Card

The OBI Corporate Credit Card is a Visa Business Platinum Avion card. It covers only the person in whose name the card is; it does not cover other travellers whose travel may be booked using the card. If you have a card, it is best to use it to book your travel or make purchases as there are insurance benefits that you may be able to access such as trip cancellation and interruption insurance, travel accident insurance, flight delay insurance, auto rental collision/loss/damage insurance, hotel/motel burglary insurance, purchase security, and extended warranty. For more information, please go to:

<http://www.rbcroyalbank.com/business/financing/visa-business-avion.html>

6.6.3 Reporting of Accidents

Accidents must be reported immediately to local law enforcement authorities, the rental vehicle agency (if applicable), the Traveler's insurance company (if using a personal vehicle), the employee's immediate supervisor and the corporate credit card company if the rental vehicle was booked with the corporate credit card.

6.6.4 Other Road Transportation

Whenever practical, local public transportation/hotel shuttles must be used when traveling on OBI business. Receipts are not required for reimbursement of bus or subway fares.

Ontario Brain Institute

Taxicab expenses are justified where warranted based on cost-effectiveness of travel time.

Reimbursement for the cost of taxicabs between home and office may be claimed only where justified by exceptional circumstances, including, but not limited to:

- When other means of transportation are not available
- When weather conditions so warrant
- When health or safety warrants
- When the transport of work-related baggage or parcels is required

6.7 Rail Transportation

Travel by Via Rail (economy/coach class) is permitted when this is the most practical and economical way to travel. International rail travel will be at the equivalent of Canadian economy/coach class. An exception will be made to travel Via 1 class if traveling during meal hours, there is a need to work together with a team, there are accommodation requirements, or for health and safety considerations.

6.8 Meals while travelling

Allowable amounts for meals (inclusive of taxes and gratuities) are provided in the table below.

Meal	Canada	United States
Breakfast	C\$10	US\$15
Lunch	C\$15	US\$15
Dinner	C\$30	US\$35
Daily Total (not to exceed)	C\$55	US\$65

The daily limit per person, per day for all meal expense claims is \$55 in Canada and US\$65 in the US, with a maximum of \$30 for a single meal within Canada and US\$35 within the United States.

With regard to meals, only one meal per day can go to the limit and the meal allowance amounts apply to the remaining meal(s) with the maximum total for all meals per day applying. For example, if two meals were eaten in Canada and breakfast was \$30, lunch can only be \$15.

OBI will not reimburse the cost of alcoholic beverages. If you are purchasing alcohol, costs should be itemized on the receipt and paid for separately by the Traveler.

Ontario Brain Institute

When more than one Traveler is present **each Traveler should obtain a separate receipt**. If there is a joint receipt, expenses must be claimed by the most senior person present.

Outside of continental North America, please refer to the appendices of the Treasury Board of Canada Travel Directive, July 1, 2013, or successor directive. Please refer to the Appendix D found on the federal government website (http://www.njc-cnm.gc.ca/directive/app_d.php?lang=eng&let=A) using their alphabetical listing of countries. The rates are in funds identified for each country; there are different rates dependent on the city; and the rates include taxes and gratuities.

With regard to meals related to Business Related Functions – see Section 7.0

6.9 Accommodation

Accommodation will be for single accommodation in a standard room and no reimbursement will be made for executive floors or concierge levels. Suites may be booked if this is more cost effective than booking separate rooms, if there is a need to work together with a team, and/or for business related functions.

When booking hotel rooms, travelers must ensure that the booking is guaranteed for late arrival. Travelers are responsible for cancelling hotel rooms within the deadline stipulated by the hotel to avoid the cost of rooms not used and must notify the hotel directly of the cancellation. Travelers must request and record the cancellation number in case of billing disputes. Note that cancellation deadlines are based on the local time at the hotel.

OBI will not reimburse the cost of overnight accommodation within 24 km of the claimants' home.

In situations where after event networking is likely to take place an individual may be offered accommodation regardless of distance as noted above. This is at the discretion of OBI's senior management.

In exceptional or emergency situations that require an individual to remain close to the office for lengthy periods of time in excess of normal working hours, the cost of overnight accommodation within the vicinity of the office may be authorized.

For extended stays at one location, long-term accommodation should be arranged to take advantage of lower weekly or monthly rates.

Travelers are advised that there may be difficulty in obtaining a detailed invoice from a hotel if the room was booked and paid through an online, tourism, or

Ontario Brain Institute

conference (third party) service prior to the trip. Travelers are still responsible for obtaining a detailed invoice from the third party service and proof of stay. If the third party service cannot provide proof of stay then the traveler should provide proof of stay such as a letter or email from the hotel including dates of stay.

6.10 Other Travel Costs

6.10.1 Gratuities

Reasonable gratuities for meals, bellman service and hotel room service will be reimbursed. Receipts are not necessary to support reimbursement of these expenses. Examples of reasonable amounts for gratuities include:

- 15% on a restaurant meal
- 15% on a taxi fare
- \$2 - \$5 for housekeeping for up to 2 nights in a hotel, up to \$10 for longer stays
- \$2 - \$5 per bag for a porter

6.10.2 Business Phone Calls

OBI will reimburse OBI business-related telephone calls made while traveling. Travelers are asked to use the most cost-effective method for these calls.

Employees travelling outside Canada should take necessary precautions to avoid incurring roaming charges, and make arrangements through IT support for roaming packages if phone use is required outside Canada.

6.10.3 Phone Calls Home

Reimbursement will be made for reasonable costs for necessary personal calls home for each night away. The most cost-effective method should be used for these calls.

6.10.4 6.6.4 Laundry/ Dry Cleaning Services

Individuals who are away from home for five or more consecutive days on business travel may claim up to \$25/day for laundry and dry cleaning.

6.10.5 Travel Insurance

OBI employees should refer to the Employee Benefits Handbook, the ENCON Insurance website, and ServiceOntario to determine if they need to purchase supplemental travel insurance. Travelers may purchase insurance coverage when required and this can be claimed on the Expense Statement after pre-approval.

Ontario Brain Institute

6.10.6 Other Business Expenses

While traveling on OBI business, additional business expenses not otherwise covered will be reimbursed. These include phone calls, air/rail phones, photocopying, word processing services, facsimile transmissions, Internet connections, and rental and transportation of necessary office equipment.

7. Business related functions

Business related functions for small events (4 guests or less) require pre-approval of the Director/Vice President. Larger events (more than 4 guests) require pre-approval of the Senior Vice President.

Business related functions can be extended in an economical and consistent manner when it is required to facilitate OBI business and when non-OBI employees are also present.

Business related functions may include the consumption of alcoholic beverages with a meal or during a reception when there is a business case and it has been pre-approved by the Senior Vice-President. **The cost of alcoholic beverages cannot exceed the cost of food. Alcoholic beverages must be detailed on the itemized receipt.** Preference should be given to wine, beer and spirits produced in Ontario when offering such refreshment to guests.

Hosts are responsible for ensuring there is documentation related to the function such as planning, date, location, reason, type of business meal (breakfast, lunch, dinner, reception, or refreshments), managing the guest list (e.g. attendees by category such as guests, OBI employees)

8. Staff events and training

Staff events such as staff development workshops, education sessions, retreats, working meetings, and corporate wide events are permitted. Any decisions regarding expenses should be made with consideration to value for money, transparency, and accountability; authorization prior to the occurrence of the event must take into consideration timing, location, number, and reasonableness of the event. **Alcohol is not an acceptable expenditure at staff events.**

9. Gifts of appreciation

Gifts valued \$50 and under may be extended to persons who are not provided with an honorarium and have completed work for OBI on a pro bono basis.

Ontario Brain Institute

10. Managerial Discretion

For the purposes of the OBI Travel, Meals, and Business Related Functions Policy, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with the intent of the Policy. When a situation arises and discretion needs to be exercised, approvers should consider whether the request is able to stand up to scrutiny by the auditors and members of the public; properly explained and documented; fair and equitable; reasonable; appropriate; and consistent with the Broader Public Sector Accountability Act and the Expenses Directive. It is the responsibility of both the approver and the claimant to work out appropriate arrangements which would meet these requirements.

11. Expenses for Independent Consultants and Third Party Contractors

Independent consultants and third party contractors will not be reimbursed for any hospitality, incidental or food expenses, including:

- Meals, snacks and beverages
- Gratuities
- Laundry or dry cleaning
- Valet services
- Dependant care
- Home management
- Personal telephone calls

12. Related Documents

- [Appendix A: Expense Claim for Travelers](#);
- Appendix B: Pre-approval form
- Appendix C: Expense Guidelines Summary

13. References

- Management Board of Cabinet (Province of Ontario): Travel, Meal and Hospitality Expense Directive (November 2004; revised April 1, 2010)
- Management Board of Cabinet: Broader Public Sector Accountability Act, April 1, 2011
- Management Board of Cabinet: Frequently Asked Questions: Broader Public Sector Expenses Directive (August 20, 2011)
- Management Board of Cabinet: Broader Public Sector Expenses Directive (April 1, 2011)

Policy: Travel, Meal, and Business related functions	
Issued by: Finance and Governance	
Approved by: Board of Directors	Date: October 21, 2013

Ontario Brain Institute

Revisions Approved by: OBI Senior Management	Date: January 15, 2016
Insurance Revisions Approved by: OBI Senior Management	Date: May 25, 2016
Gift Revisions Approved by: OBI Senior Management	Date: September 27, 2016
Accommodation Revisions Approved by: OBI Senior Management	Date: November 21, 2017

Appendix A: Expense Claim for Travelers

For Office Use Only

OBI Expense Claim

COMPANY _____ ADDRESS: _____ PERIOD: From _____
 To _____

EVENT _____

CLAIMANT _____ ADDRESS: _____ PHONE: _____

Receipt #	Date	Description	Parking	Taxi	Airfare	Meals	Lodging	Oth. Travel	Mileage	Other	Total
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											Advances
											Total

CLAIMANT: _____ DATE: _____

VERIFIED: _____ DATE: _____

APPROVED: _____ DATE: _____

NOTES: When choosing a mode of travel, please choose the most cost and time efficient mode of travel.
 The current reimbursement rate for mileage is \$0.40 per kilometer. Should the expense of using a private vehicle exceed the costs of other forms of travel then the most cost efficient mode of travel will be reimbursed.
 All expense reimbursement requests MUST be accompanied by documentation, original itemized receipts. Alcohol is NOT an acceptable expense.