



Expense Claim Policy

Date:	March 20, 2017
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

A revised Expense Claim Policy is being presented to the Toronto Public Library Board for approval. The amendments are generally minor in nature and adopt, where appropriate, changes in City policies since the Library originally passed its policy in 2004. The amendments cover a number of issues, several of which were not addressed in the original policy. The new provisions clarify reimbursement for alcohol (only permitted for Protocol Events with external business contacts), prorate the per diem allowance, increase the allowable reimbursement for tips and require staff to select the “most cost efficient” method of travel.

In keeping with City policy, the revised Library policy clarifies that the City Librarian approves business travel for training/education in excess of \$3,500.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the Expense Claim Policy in Attachment 1.

FINANCIAL IMPACT

This report is not expected to have any incremental financial impact.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

The Expense Claim Policy was approved by the Board in 2004. No revisions have occurred since that time.

ISSUE BACKGROUND

The Expense Claim Policy is being amended following a review by Library staff. In order to ensure the Library was in keeping with current best practices and remained consistent with City policy, Library staff began reviewing the Expense Claim Policy following the City's revision to their Business Expense Claim Policy in 2016. Note that the Library's Expense Claim Policy applies to all staff and Board members.

COMMENTS

The revisions to the Expense Claim Policy are intended to address issues that have emerged since the policy was first approved in 2004 and are generally in keeping with City policies. The revisions being proposed are based on provisions found in the following City policies:

1. Business Expenses Policy
2. Toronto Public Service Food and Beverage Expenditure Policy
3. Business-related Alcohol Expense.

Following the review by staff, the following revisions are proposed to address the following issues:

Personal Items

The policy is being amended to clarify that items of a personal nature will not be reimbursed.

Parking or Traffic Violations

As a general rule, the Library will not reimburse staff who receive parking or traffic tickets in the course of their duties. However, there may be limited situations in which a parking or traffic infraction would be deemed reimbursable. For these situations, the City Librarian must approve the reimbursement. Previously the policy was silent on this issue.

Meetings with External Business Contacts – Protocol Events

As a general rule, alcohol is not reimbursable. The proposed amendments clarify that alcohol may only be reimbursed for meetings involving external business contacts with prior approval of the City Librarian. This is consistent with the City's policy.

Staff Meetings

The proposed amendment specifies that food and beverages may be reimbursed for shorter (under two hours) staff meetings, but only for special events such as staff recognition or training. Food and beverages for purely social events (such as a retirement party) would not be reimbursed. No alcohol will be reimbursed for staff meetings. This is consistent with the City's policy.

Business Travel in Excess of \$3,500

The revised policy clarifies that Board approval is required for business travel to conferences and seminars in excess of \$3,500, but business travel for training/education in excess of \$3,500 will be approved by the City Librarian. This is in keeping with City policy.

Loyalty Points

In keeping with City policy, staff will be allowed to collect loyalty points for Library business travel. The policy did not address this issue previously.

Tips

The maximum amount that may be reimbursed for tips has been increased to 15% from 10%, which follows City policy. Note that tips for accommodation are not reimbursed, but may be covered under the travel per diem allowance granted to staff.

Per Diem Allowance

The provisions on per diem allowance would be amended to adjust for half days of travel and for meals that are already being provided. The per diem allowance is reduced according to which meal(s) are provided and prorated when travel starts or ends before noon. Previously, no adjustments were made and a flat rate per diem was provided. These provisions are based on City policy.

Ground Transportation

For clarity, the proposed amendments add newer forms of ground transportation such as rental bicycles and car sharing as well as new forms of payment such as the Presto card.

Air Travel

The policy now specifies that staff must take the “most cost efficient method” for the Library. This means that staff should consider the impact on productivity and not just cost. For example, a flight with multiple connections may be cheaper compared to a direct flight, but would lead to lost hours of productivity in the process. The City policy requires three quotes and the selection of the cheapest fare. The Library is deviating from City policy in order to maximize staff productivity. Note that the amount of air travel incurred by Library staff is limited.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Expense Claim Policy

POLICY: EXPENSE CLAIM**SECTION: II – General Policies – Finance****MOTION#/DATE: 04 - 150 – November 15, 2004
xx - xxx – March 20, 2017****Table of Contents**

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1. Effective Date

March 20, 2017

2. Policy Objective

To ensure the reimbursement of legitimate, reasonable expenses incurred by employees and approved by others conducting business for Toronto Public Library.

3. Underlying Principles/Background

As in all financial transactions of the Toronto Public Library, high ethical standards, good judgment, and accountability, as well as a commitment to due diligence and transparency, will guide the actions of all individuals covered by this policy.

4. Policy Statement

The Toronto Public Library's intent is to reimburse individuals for legitimate, reasonable expenses incurred by individuals for approved library-related activities as defined in the Specific Directives. Individuals who do not comply with the policy or the intent of the policy will not be reimbursed for the expenses. Individuals are not to be reimbursed for situations where there has been a breach of the Conflict of Interest Policy or where there has been a breach of any Ontario or Canadian law.

5. Scope

This policy covers the reimbursement of personal expenditures for conferences and seminars, business travel and accommodation (in-town and out-of-town), travel advances, per diem allowances, reimbursement for use of personal automobile and parking, meal allowance, business meetings, and professional memberships, association fees, travel to meetings on the way to/from place of work and tips.

The non-reimbursable expenses include, but are not limited to the following:

- a. Expenses of a personal nature, including expenses for companions, spouses and other family members.
- b. Traffic and parking violations, unless approved by the City Librarian.

6. Application

This policy applies to all staff and Board members. It will be used as a guideline for reimbursing others including consultants, volunteers, visitors/guests, contractors, and agents who are pre-approved to submit an expense claim.

7. Specific Directives

a. General

Individuals who are entitled to reimbursements for expenses covered by this policy are to submit all required documentation for pre-approval at least two weeks prior to the event, where possible, and to file a completed expense report with all supporting original receipts along with reimbursement for any unspent travel advance associated with the event within 10 working days after returning to work or as soon as possible. Claims for other expense should be made at least quarterly and at year-end.

It is a fundamental understanding that pre-authorization and subsequent authorization of any expenses to be reimbursed under this policy are to be reviewed and approved by the Manager or Director to whom the individual reports, unless otherwise established within this policy.

b. Original Receipts

Original receipts are to be attached to the Expense Claim form. Itemized receipts should be provided whenever possible.

If a receipt is missing, an approved Affidavit for Missing Receipt is required before a claim can be reimbursed.

c. Accommodation

Eligible accommodation for conferences, seminars or for business travel is

a single standard room, at the least of the government rate, the room rate charged for the event or the actual cost.

This includes the cost for room rate, hotel parking and all applicable taxes and services charges only.

This does not include personal charges such as telephone calls, entertainment and room service.

Original receipts for accommodation should be submitted with the Expense Claim form for the conference, seminar or business travel within 10 working days of the return to the office.

d. Business Meetings or Protocol Events involving External Business Contacts

It may be necessary for staff to host business contacts who are not employees of the Library, the City or Agencies and Corporations when hosting Events related to the Library's business. Meetings held at eating establishments and hotels may be claimed provided the purpose of the meeting is related to the business of the Library and is documented along with the names of all those in attendance.

The most senior Library staff person present should pay for the entire bill and an original itemized receipt is submitted with the Expense Claim form.

The expenses relating to alcoholic beverages may be reimbursed for Library-hosted or Library-sponsored Events or official visits by national and international delegations. The City Librarian must approve of this expense in advance.

e. Staff Meetings/Planning Days

Food and beverage expenses for staff business meetings of less than two hours will not be reimbursed except for special events (staff recognition, appreciation, staff training or team-building exercises), emergency response (labour disruption, infrastructure failure, ice storms etc.) then food and beverage expenditures are permitted as long as they are reasonable, appropriate and within budget.

Where possible, Library staff should avoid scheduling meetings during normal meal times.

Alcohol should not be served at a Library meeting, and will not be reimbursed as part of any Library meeting, travel or meal expense. There will be no reimbursement for office social events, retirement parties and holiday gatherings.

f. Business Travel

Staff travel outside of the GTA requires pre-approval by a Director.

Director's travel outside of the GTA requires pre-approval by the City Librarian.

Director's or staff travel outside of the Province or Canada requires pre-approval by the City Librarian.

City Librarian's travel outside of the Province or Canada, up to \$3,500 requires pre-approval by the Board Chair.

City Librarian, Director, or staff travel for attendance at Events, including travel costs in excess of \$3,500 requires approval by the Library Board.

Training/education, including travel costs provided through an academic institution, professional body, other professional organization/person(s) or service provider in excess of \$3,500 requires approval by the City Librarian.

g. Meal Allowance

The meal allowance for union staff is the rate specified in the collective agreement with the bargaining unit.

A meal allowance for non-union staff of up to \$15 may be granted when an employee is required to work at least two hours of overtime on a normal business day or at least four hours of overtime on a non-scheduled workday.

~~If actual expenditures are submitted for reimbursement instead of an allowance, an original itemized receipt must be submitted with the Expense Claim form.~~

With the submission of an original itemized receipt, a meal allowance of up to \$15 may be reimbursed, when submitted with the Expense Claim

form.

h. Loyalty Programs

Employees travelling on Library business may participate in loyalty programs, e.g. frequent flyer programs, provided that they select the most cost-efficient mode of travel. Employees may retain the benefits offered for business or personal use provided that the use of the benefit results in no additional cost to the Library.

i. Tips

The Library will reimburse reasonable payment of tips up to a maximum of 15% of the total cost of the bill. If the service charge is included in the invoice, no more tipping is allowed and will not be reimbursed. The rules apply to tips on ground transportation, restaurants and food brought to office. However, tips on accommodation, if paid, must be covered within the per diem payment to staff.

j. Parking Fees, Parking and Traffic Violations

Parking fees for day-to-day local business travel in excess of regular parking fees paid at normal place of work may be claimed.

P-Card and Petty Cash should not be used to pay or reimburse for parking; an Expense Claim form should be used. Original receipts must be submitted with the Expense Claim form.

Traffic and parking violations are non-reimbursable expenses, unless approved by the City Librarian.

k. Personal Automobile

~~Use of a personal automobile for day-to-day local business in excess of regular commuting kilometrage or commuting costs to normal place of work may be claimed.~~

~~The rate per kilometer for individuals in the bargaining unit is to be the rate specified in the collective agreement with the bargaining unit.~~

~~The rate for non-bargaining unit individuals is to be the rate established by~~

~~the City of Toronto.~~

~~Individuals who use their automobiles for Library business must carry at least \$1,000,000 of public liability and property damage insurance.~~

~~Where a personal auto is used for transportation to attend a conference, seminar, or business trip, the kilometrage claimed shall be included in the overall request for reimbursement for the event.~~

I. Per Diem Allowances

Per diem represents the maximum allowance ~~is~~ for sundry expenses, which includes meals, telephone, entertainment and other local transportation for pre-approved out-of-town conferences, seminars or business trips.

The numbers of days to be claimed will be the number of days of the event, including the day of departure and the day of return. The per diem daily rate shall be pro-rated by 50% if the travel starts after or concludes before noon.

Receipts are not required to support the per diem claim. An employee who receives a per diem allowance may not claim additional personal expenses.

The per diem claim is to be submitted on an expense claim form within 10 working days of return to the office.

The rate for the per diem claim will be the rate established by the City of Toronto.

In circumstances where meals are provided at the event, the per diem allowance shall be reduced according to pre-set limits per component. These limits are: breakfast \$10, lunch \$15, dinner \$25 and miscellaneous \$15.

If provision of a meal is known at the time of registration for the event, a declaration shall be made in the expense claim form prior to its approval, and the per diem amount reduced accordingly.

Where provision of a meal is not known prior to attendance, the employee must advise their approver and reduce eligible per diem amount upon return to the office. Please refer to the following table for the eligible per diem amount for the various event arrangements.

Eligible Per Diem Amount		
Event Arrangement Category	Per Diem Rate	
	Within Canada	Outside Canada
No Meals Provided	CAD 65	USD 65
Breakfast Provided	CAD 55	USD 55
Lunch Provided	CAD 50	USD 50
Dinner Provided	CAD 40	USD 40
Breakfast & Lunch Provided	CAD 40	USD 40
Breakfast & Dinner Provided	CAD 30	USD 30
Lunch & Dinner Provided	CAD 25	USD 25
Breakfast, Lunch, & Dinner Provided	CAD 15	USD 15

m. Professional Memberships and Association Fees

Professional membership and association fees may be claimed when the employee is required to have a professional designation for the performance of the job and where, in the opinion of the City Librarian, membership will benefit job performance.

Where possible, the original invoice is to be approved by the supervising Manager or Director and submitted to Toronto Public Library for payment directly to the organization.

When reimbursement to an employee is required, the approved original invoice and proof of payment, e.g. credit card statement or cancelled cheque is required to be submitted to support payment directly to the individual.

n. Travel Advances

Advances may be requested for accommodation, the per diem sundry expenses allowance and ground transportation for attendance at out-of-town conferences or seminars or for associated business travel.



Request for advance must be approved by the supervising Manager or Director and submitted on a separate cheque requisition and sent to Accounting with a copy of the approval to attend the event attached.

Advances should be requested within seven to 15 business days prior to the start of the event.

The total of all unspent advances must be remitted to the Library with the Expense Claim form.

Travel advances are considered to be a loan to the employee until an Expense Claim is made to clear the advance.

o. Travel Arrangements

When attending an out-of-town conference, seminar, or business trip, air travel shall be economy class and eligible alternative travel expenses for bus, train, or automobile shall be limited to the economy class air rate.

Air travel must be at the most cost efficient method for the Library.

p. Travel to/from Transportation Terminal

Reasonable economic means of transportation between residence and terminal and between terminal and hotel may be claimed.

This may include taxi, buses and trains.

Car rentals, including gas for car rental and kilometrage for personal automobile may be included when required.

When receipts are available, they are required and are to be submitted with Expense Claim form.

q. Local Business Travel ~~Travel to Meetings on the Way to/from Place of Work~~

Business travel to meetings should be at the most cost efficient method for the Library. The options may include personal automobile, public transit, taxicabs, or sharing rides. Only costs in excess of the regular commuting costs will be eligible for reimbursement. Regular commuting costs to be deducted includes normal cost of kilometrage to and from work, parking fees and public transportation.

Where a personal automobile is used:

- The rate per kilometer for individuals in the bargaining unit is to be the rate specified in the collective agreement with the bargaining unit.
- The rate for non-bargaining unit individuals is to be the rate established by the City of Toronto.
- Individuals who use their automobiles for Library business must carry at least \$1,000,000 of public liability and property damage insurance.
- Where a personal automobile is used for transportation to attend a conference, seminar, or business trip, the kilometrage claimed shall be included in the Expense Claim for reimbursement for the event.

~~Use of a personal automobile for day-to-day local business in excess of regular commuting kilometrage or commuting costs to normal place of work may be claimed.~~

~~Costs in excess of the regular commuting costs will be eligible for reimbursement for travel to meetings on the way to work or on the way home from work in situations where the meeting is held at the beginning or ending of a normal work day.~~

~~In this situation, the employee is to claim the total travel costs for the actual method of travel used (e.g. kilometrage and parking for personal automobile to place of meeting), less the travel costs associated with the regular method of commuting (e.g. cost of public transit or regular kilometrage and parking for personal automobile to normal place of work).~~

8. Accountability

a. Forms

Expense Claim forms are provided by the Library and may be revised by the Library Treasurer as necessary to provide documentation supporting the financial records of the Board.

b. Controls

The Library Treasurer shall undertake such tests and inquiries as are appropriate to ensure that the Library maintains satisfactory control practices, and that all officials and employees duly carry out the terms of this policy, and shall carry out such tests and inquiries as are requested by the Board.

c. Implementation

The City Librarian, Directors and Managers who approve expense claims are to ensure that all individuals who are required to submit an expense claim are made aware of this policy and to ensure that the expense claims which they approve, comply with this policy and are supported by valid original receipts.

9. Approvals

The following approvals will apply:

- a. expense claims are to be reviewed and approved by the Manager or Director to whom the individual reports;
- b. pre-approval by the Board is required for events exceeding \$3,500 per individual;
- c. the City Librarian's and Board member's expense claims are to be reviewed and approved by the Board Chair;
- d. the Board Chair's expense claims are to be reviewed and approved by the Board Vice-Chair;
- e. the Directors' expense claims are to be reviewed and approved by the City Librarian.

10. Appendices

Appendix A - Definitions
Appendix B - Inquiries

Appendix A – Definitions

In this policy,

- a. “Business Travel” means:
 - i. travel necessary to carry out duties directly related to staff job responsibilities;
 - ii. travel by staff undertaken in their capacity as an executive of a professional association where membership has been paid by the Library;
 - iii. travel to an event where a member of staff is a speaker, panel participant or presenter of a paper;
 - iv. travel to training events other than seminars;
 - v. travel to participate in study or inspection tours, visits, or meetings when specifically directed by the Board;
 - vi. day-to-day business travel within the GTA, such as kilometrage, TTC fares, GO transit, etc. may also be claimed;

- b. “Conference” means a meeting sponsored by a professional, trade or similar organization that involves a series of presentations or discussions, related to the purpose and goals of the association or the goals of the Library;

- c. “Event” means a conference or seminar and includes all of the following eligible costs, expense limits and receipt requirements:
 - i. Registration Fees: Copy of registration document required. Should be paid in advance directly by the Library to the conference/ seminar payee in the appropriate currency;
 - ii. Accommodation: Reimbursement limited to standard single room at the lesser of the government rate or actual cost. Receipts are required;
 - iii. Travel: Reimbursement limited to economy class by air where applicable. If alternative transportation (e.g. train, bus, automobile) is used, reimbursement is limited to the lesser of the actual costs and the economy class air fare. Ticket receipts are required. Except where kilometrage is claimed, receipts are required for reimbursement of all gasoline costs. Claims for kilometrage must be included in the total Expense Claim for that conference / seminar;
 - iv. Ground Transportation: Cost of transportation from home/office to terminal and from terminal to accommodation. Receipts are required;

- Travel by using bike-share, auto-share and other modes shall be reimbursed based on incremental cost up to a maximum of equivalent kilometrage. If Presto Card is used, staff shall be reimbursed on the basis of a receipt.
- v. Per Diem/Sundry Expense: Applicable only for overnight stay out-of-town. Expenses include personal meals, personal telephone calls, gratuities, cleaning and laundry and other incidental expenses, entertainment and local transportation, including the day of departure and return. Reimbursement is up to \$65.00 CDN per day in Canada and up to \$65.00 US per day outside of Canada. No receipts are required. The per diem daily rate shall be pro-rated by 50% if the travel starts after or concludes before noon.
 - d. “GTA” means the Greater Toronto Area and includes the City of Toronto, and the Regions of Durham, York, Peel and Halton;
 - e. “Per Diem” means a daily allowance for meals, telephone, entertainment, local transportation and other sundry expenses, at a rate as specified by the City of Toronto;
 - f. “Seminar” means a compact program of not more than five working days, that is educational in nature, but not necessarily offered through an approved academic institution or professional body, and is for an individual’s professional development.
 - g. “Training” represents education provided through an academic institution, professional body, other professional organization/person(s) or service provider. It may include training on technical or management skills, presentations by a professional organization on best practices and case studies.

Appendix B – Inquiries

All inquiries concerning this policy are to be directed to:

Director, Finance & Treasurer,
789 Yonge Street
Toronto ON M4W 2G8