

TOWN OF BRIDGEWATER

POLICY #94

HOSPITALITY

1. PURPOSE

It shall be the policy of the Town of Bridgewater to provide clear direction to both staff and elected officials on matters of hospitality expenses, whether paid directly by the Town of Bridgewater or a reimbursement. The Town recognizes that hospitality related activities are, at times, necessary and legitimate expenses supporting the effectiveness of government business and for reasons of diplomacy, protocol, recognition, business development or promotional advocacy. The offering of hospitality will be done in such a manner so as to reflect the prudent stewardship of public funds.

2. APPLICATION

- 2.1 This policy applies to Councillors and employees who incur approved hospitality expenses while conducting Town of Bridgewater business.
- 2.2 This policy is not to be used when expensing costs associated with Town of Bridgewater employee ONLY events. (ie: retirement functions, staff appreciation events).

3. DEFINITION

- 3.1 **Hospitality** is defined as expenses incurred while hosting/entertaining individuals from the business and public sector including receptions, ceremonies, conferences, business meetings, or other group events for municipal recognition purposes.
- 3.2 **Allowable expenses** may include such items as meals, beverages, room/venue rental or other approved items.

4. OBJECTIVES

- 4.1 To provide direction and guidance to Council and the Chief Administrative Officer (CAO) with respect to the appropriate expensing of necessary hospitality expenses that support the Town of Bridgewater's objectives.
- 4.2 To ensure hospitality is offered in an accountable, economical and consistent manner to facilitate government business and/or for reasons of diplomacy, protocol, recognition, business development or promotional advocacy.
- 4.3 To ensure taxpayers' dollars are used prudently and responsibly with a focus on accountability and transparency.

5. DETAILS

5.1 Hospitality may be offered under the following circumstances:

- i) hosting foreign dignitaries;
- ii) engaging in official public matters with representatives from other governments;
- iii) hosting business, industry/labour leaders, or other community leaders;
- iv) sponsoring conferences;
- v) hosting prestigious ceremonies/recognition events; or
- vi) other official functions, as approved by the CAO.

5.2 SIGNING AUTHORITY

- i) The following are the Signing Authorities for the positions referred to, and shall be responsible for administering this policy with respect to the individuals in those positions:

POSITION	SIGNING AUTHORITY
Council Member	CAO or designate
Chief Administrative Officer	Mayor or Deputy Mayor
Employees	Immediate Supervisor AND CAO

- ii) The CAO may designate a secondary Signing Authority. The designation of a secondary Signing Authority shall be in writing and shall state the name and position of the designate.
- iii) A Signing Authority is PROHIBITED from authorizing payment of hospitality expenses incurred on his\her own behalf.

5.3 PRIOR AUTHORIZATION

All hospitality events require prior authorization (see Appendix "A"). Any request for prior authorization for hospitality events requires the following details:

- a) rationale/purpose for the event;
 - b) estimated number of attendees and their respective affiliations; and
 - c) estimated itemized costs including gratuities and supplementary expenses.
- 5.3(i) Requests for hospitality events shall be reviewed by either the CAO or their designate, or Mayor/Deputy Mayor, who shall consider the value and benefit of

the proposed event in relation to its cost in deciding whether to approve the hospitality event.

5.3 (ii) A copy of the signed prior authorization form (see Appendix "A") must accompany the claim for reimbursement. In instances where prior approval was not possible, claims for reimbursement must provide the details outlined above along with a document outlining the reasons prior approval was not possible. The claim for reimbursement shall contain itemized receipts.

5.4 Alcohol: While the standard for hospitality is the provision of non-alcoholic beverages, the provision of alcohol in the context for hospitality for reasons of diplomacy, protocol, business development or promotional advocacy is deemed an acceptable expense in limited circumstances. Any request for approval to serve alcohol shall have the approval by the CAO.

Alcohol is not an allowable expense for councillors or an employee on travel status.

6.0 GIFTS

For reasons of diplomacy, protocol, business development or promotional advocacy, the giving of token gifts to individuals outside of government (value not to exceed \$150.00) is deemed appropriate. Giving of gifts requires prior approval.

7.0 CLAIMS FOR REIMBURSEMENT OF HOSPITALITY EXPENSES

7.1 Hospitality expense claims must include the following:

- i) A copy of the signed prior authorization for the hospitality event for which the expenses were incurred;
- ii) a detailed itemized receipt for the expense.

7.2 If no receipt is available for a hospitality expense, a written attestation signed by the Claimant must be submitted to explain why the receipt is unavailable, and a description itemizing and confirming the expense must be provided. Debit or credit card transaction records are not acceptable as receipts.

7.3 Hospitality expenses incurred by one individual on behalf of another must be attributed to the individual for whom those expenses were incurred.

7.4 No hospitality expense claim shall be paid unless the claim is first approved for payment by a Signing Authority. Before approving an expense claim, a Signing Authority must ensure that:

- i) the claim is consistent with this policy;
- ii) the expenses claimed were necessarily incurred in the performance of Town of Bridgewater business;

- iii) appropriate receipts are provided to support the claim, and that the claim documentation is appropriately filed;
- iv) the expenses claimed have appropriate justification; and
- v) any requirements, as determined by the Town of Bridgewater Audit Committee, have been fulfilled.

7.5 In considering a hospitality expense claim for payment, a Signing Authority may request additional explanations, documentation or justification from the claimant, and may refuse to approve any claim or expense did not have prior authorization and that the Signing Authority decides is unreasonable or not in compliance with this policy.

7.6 The use of petty cash to pay a hospitality expense claim is prohibited.

8.0 REPORTING REQUIREMENTS

Pursuant to Section 65A of the *Municipal Government Act*, the CAO shall ensure that the Town of Bridgewater does the following:

- 8.1 Within ninety (90) days at the end of each fiscal quarter, prepares and posts a hospitality expense report on the Town of Bridgewater website that describes all of the hospitality expenses incurred by the Town of Bridgewater;
- 8.2 By September 30th of each year, prepares and files with the Minister of Municipal Affairs, an annual summary report that summarizes the hospitality expense reports for the preceding fiscal year, that is compliant with the requirements of both the Department of Municipal Affairs and the Financial Report and Accounting Manual.

9.0 REVIEW REQUIREMENTS

- 9.1 The Town of Bridgewater Audit Committee shall review the hospitality annual summary report by September 30th each year.
- 9.2 By the January 31st immediately following a regular election held under the *Municipal Elections Act*, Council shall review this policy, and, by resolution of Council, shall either confirm or amend the policy.



REQUEST FOR APPROVAL TO INCUR HOSPITALITY EXPENSES

All hospitality-related expenses require prior authorization. All hospitality expenses incurred must be supported by itemized receipts. Refer to the Hospitality Policy #94 for further information.

REQUESTED BY	
Date of Request:	
Employee/Councillor Name:	
Department:	
Event Location:	
Event Date:	
Purpose of Event/Activity:	<hr/> <hr/> <hr/>

COSTS AND ACCOUNTS	
Estimated Number of Attendees:	
Meal & Beverage Costs:	
Meeting Space Costs:	
Gratuities:	
Gift Costs:	
Other Expenses (provide details):	<hr/> <hr/> <hr/>

_____ Signature of Applicant:	_____ Date:
APPROVAL:	
_____ Authorized Signature:	_____ Date:

Note: Please include this document as part of the reimbursement process and forward to Accounts Payable.