



## **Hospitality Policy**

Approved: 2020-01-21

*Motioned by Deputy Chair Van Kroonenburg*

*"I move that Village of Bible Hill re-adopt the Hospitality Policy."*

*Seconded by Commissioner Kennedy*

*Motion carried*

## Purpose

1. To safeguard the appropriate use of public funds through the establishment of uniform standards and procedures respecting Commissioner, Clerk and Treasurer and Village employee hospitality expenditures, and in doing so:
  - a. providing direction and guidance with respect to the appropriate expensing of necessary hospitality expenses that support the Village's objectives;
  - b. ensuring hospitality is offered in an accountable, economical and consistent manner in the facilitation of government business and/or for reasons of diplomacy, protocol, business development or promotional advocacy; and
  - c. ensuring taxpayers' dollars are used prudently and responsibly with a focus on transparency.

## Definitions

2. In this policy,
  - a. "Clerk and Treasurer" means the person appointed and employed by the Village as Clerk and Treasurer as described in the Municipal Government Act, and includes a person delegated the responsibilities of the Clerk and Treasurer by the Village Commission.
  - b. "employee" means any person employed by the Village.
  - c. "hospitality" and "hospitality event" means a reception, ceremony, conference, or other event that involves hosting individuals from outside the Village.
  - d. "hospitality expense" means the cost of meals and beverages, meeting space, gifts and other expenses associated with the act of holding, hosting or sponsoring a hospitality event.
  - e. "Village" means the Village of Bible Hill.
  - f. "Village Commission" and "Village Commissioners" have the same meanings as defined in the Municipal Government Act.

## Principles Supporting Policy

3. The Village recognizes that hospitality-related activities are, at times, necessary and legitimate expenses supporting the effective conduct of government business and for reasons of diplomacy, protocol, business development or promotional advocacy.
4. The offering of hospitality will be conducted in such a manner so as to reflect the prudent stewardship of public funds.

## Terms of Policy

### Hospitality

5. Hospitality may be offered under the following circumstances in accordance with this policy:
  - a. Hosting dignitaries;
  - b. Engaging in official public matters with representatives from other governments, business, industry or labour leaders, or other community leaders;
  - c. Sponsoring or hosting conferences;
  - d. Hosting ceremonies or other recognition events; and
  - e. Other official functions, as approved by the Clerk and Treasurer or the Village Commission.

### Prior Authorization

6. Subject to this policy, all hospitality expenditures require prior authorization by the Clerk and Treasurer or his/her designate.
7. Individuals are prohibited from authorizing expenses incurred on their own behalf, therefore hospitality expenses relating to guests and the Clerk and Treasurer's position exclusively must be approved by the Chair.
8. A request for prior authorization to incur hospitality expenditures requires the following information:
  - a. rationale/purpose/business objective of the event;
  - b. estimated numbers of attendees and their respective affiliations;
  - c. estimated itemized costs including gratuities and supplementary expenses.
9. Requests for hospitality expenditures shall be reviewed by the Clerk and Treasurer, who shall consider the value and benefit of the proposed event in relation to its cost in deciding whether to approve the hospitality expenditure.
10. In considering a request for prior authorization for hospitality expenditures, the Clerk and Treasurer may request additional explanations, documentation or justification from the organizing individual, and may refuse to approve any expenditure that he/she decides is unreasonable or not in compliance with this policy.

## **Accountabilities**

11. The primary individual organizing a hospitality event shall prepare and submit a hospitality expense prior authorization request for approval.
12. The Clerk and Treasurer is responsible to approve prior authorization requests for hospitality expenses and shall be responsible for enforcing compliance with this policy with respect to expenditures approved under his/her authority.
13. The Chair is responsible to approve prior authorization requests for hospitality expenses described in paragraph 7 and shall be responsible for enforcing compliance this policy with respect to expenditures approved under his/her authority.
14. The Clerk and Treasurer or Chair may designate an individual to act on their behalf in undertaking the responsibilities of paragraph 12 and 13. The designation of a secondary individual shall be made in writing and shall state the name and position of the designate.
15. The Clerk and Treasurer or Chair providing prior authorization of hospitality expenses under this policy may do so in an amount not to exceed the value set from time to time in the Village of Bible Hill Purchasing Policy that requires a purchase decision to be passed by a motion of the Commission.

## **Beverages**

16. The standard for hospitality shall be the provision of non-alcoholic beverages.
17. The provision of alcohol in the context of hospitality for reasons of diplomacy, protocol, business development or promotional advocacy is acceptable in limited circumstances.
18. Alcohol is deemed an unacceptable Village expense and shall not be paid for or reimbursed by the Village.
19. Alcohol may be offered to individual hospitality event attendees for purchase, only in a venue that:
  - a. is appropriately licensed;
  - b. is staffed with bartenders or servers that enforce appropriate drink limits;
  - c. serves food at the event; and
  - d. offers means to contact alternative transportation.

## **Gifts**

20. For reasons of diplomacy, protocol, business development or promotional advocacy, the giving of token gifts to individuals outside of government (value not to exceed \$50.00) is acceptable in limited circumstances.

## **Incurring of Costs**

21. Hospitality expenses shall be incurred directly by the Village of Bible Hill through the use of corporate credit card(s) or direct billing and not by way of reimbursement of expenses incurred by an employee, Clerk and Treasurer or Commissioner.

## **Documentation**

22. Supporting documentation for payment of hospitality expenses shall include the following:
  - a. A copy of the approved prior authorization request;
  - b. A reasonable summary of the names and positions of those offered hospitality;  
and
  - c. Detailed itemized receipts.
23. In instances where prior authorization of the hospitality event was not possible, the supporting documentation must also provide the information required in paragraph 8 and an explanation from the organizing individual of why prior approval was not possible.
24. If no receipt is available for a hospitality expense, a written attestation signed by the organizing individual must be submitted to explain why the receipt is unavailable, and a description itemizing and confirming the expense must be provided. Credit card transaction records are not acceptable as detailed itemized receipts.

## **Fraud, Misuse or Misappropriation of Municipal Funds**

25. Fraudulent irregularity, misuse or misappropriation of Village of Bible Hill funds shall result in disciplinary action up to and including termination of employment.
26. Suspicious activity and potential misuse of funds must be reported immediately to the Finance and Audit Committee.

## Reporting and Review Requirements

27. Pursuant to the Municipal Government Act, the Clerk and Treasurer shall ensure that the Village of Bible Hill is in compliance with the following requirements:
  - a. Within 90 days of the end of each fiscal quarter, prepare and post a hospitality expense report on the Village of Bible Hill website summarizing the following:
    - i. Meals and beverage expenses;
    - ii. Gifts;
    - iii. Meeting space; and
    - iv. Other
  - b. By September 30th of each year, prepare and file with the Minister of Municipal Affairs an annual summary report that summarizes the hospitality expense reports for the preceding fiscal year.
  - c. Reports prepared pursuant to subsection 24 (a) and (b) shall be compliant with the requirements of the Department of Municipal Affairs and the requirements set out in the Financial Reporting and Accounting Manual.
28. The Finance and Audit Committee shall review the hospitality expense annual summary report by December 31st of each year.
29. The Village Commission shall review this policy by January 31st each year and either re-adopt or adopt an amended policy.

## Policy Document Attestation

Date of Notice to Village Commission of Intent to Consider: 2020-01-14

Date of Passage of Policy: 2020-01-21

I certify that this Policy was adopted by Village Commission as documented above:

Les Mac Dermid

Chair

February 11 - 2020

Date

Michael Bell, CPA, CA

Clerk and Treasurer

2020-01-23

Date