

TRAVEL AND MEAL EXPENSE REIMBURSEMENT POLICY

April 2025

1. PURPOSE

The purpose of the Expense Reimbursement Policy is:

- To set out rules and principles for the reimbursement of business expenses to ensure fair and reasonable practices; and
- To provide a framework of accountability to guide the effective oversight of resources in reimbursing business-related expenses.

2. APPLICATION AND SCOPE

This Policy applies to the Ontario Motor Vehicle Industry Council (OMVIC) and the Motor Vehicle Dealers Compensation Fund (MVDCF), hereafter referred to collectively as OMVIC:

- Board of Directors and Board of Trustees
- Committee members
- Employees
- Consultants and contractors

3. GUIDING PRINCIPLES

This Policy is based on the following principles:

- Funds are used prudently and responsibly with a focus on accountability and transparency.
- Expenses for travel, meals and hospitality support OMVIC objectives.
- Plans for travel, meals, accommodation and hospitality are necessary and economical with due regard for health and safety.
- Legitimate authorized expenses incurred during the course of OMVIC business are reimbursed.

Best practices:

- Prior approval to incur expenses is obtained.
- Other meeting options are always considered before travel is approved, including audio or video conferencing.
- Corporate credit cards, where provided, are used for authorized business travel and business-related expenses.

4. GENERAL REQUIREMENTS

Requirements:

- Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense.

- Expenses for a group should be claimed by the most senior person present. For example, a departmental director should not submit expenses to a manager.
- Good record-keeping practices must be maintained for verification and audit purposes.

Claimants must:

- Obtain all appropriate approvals before incurring expenses; if no prior approval was obtained, a documented explanation must be submitted with the claim.
- Submit itemized receipts with all claims.
- In the absence of an itemized receipt, provide a documented explanation of why the receipt is unavailable and a description itemizing and confirming the expenses.
- Submit claims for expenses before leaving positions with OMVIC.

Approvers must:

- Provide approval only for expenses that were necessarily incurred in the performance of OMVIC business;
- Provide approval only for claims that include all appropriate documentation (e.g., original itemized receipts) and
- Not approve their own expenses.

Note: In the event of an overpayment to a claimant, it is considered a debt owed to OMVIC and must be repaid.

5. MANAGERIAL DISCRETION

Managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this Policy. However, there is no discretion to depart from the principles and requirements of this Policy.

All decisions should be taken very carefully. When exercising discretion, the rationale must be documented and filed with the claim.

Approvers are accountable for their decisions, which must be:

- based on good judgment and knowledge of the situation;
- exercised in appropriate circumstances; and
- compliant with the principles and requirements set out in this 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; and
- appropriate

It is the responsibility of both the approver and the claimant to work out appropriate arrangements which would meet the test of being fair and equitable.

6. TRAVEL

The following general rules apply for reimbursement of employee travel and incidental expenses:

Claimants must:

- Obtain all appropriate approvals before incurring expenses; if no prior approval was obtained, a written explanation must be submitted with the claim.
- Submit scanned copies of original, itemized receipts with all claims (credit card slips are insufficient). If there is no itemized receipt, a written explanation must be submitted to explain why the receipt is unavailable, and a description itemizing and confirming the expenses must be provided.
- Submit claims for expenses before leaving positions with OMVIC.

Approvers must:

- Provide approval only for expenses that were necessarily incurred in the performance of OMVIC business;
- Provide approval only for claims that include all appropriate documentation (e.g., original itemized receipts); and
- Not approve their own expenses.

In addition:

- a. All expenses, except mileage, are supported by original, itemized receipts.
- b. When traveling on OMVIC business, claimants should consider the most economical and direct route.
- c. Employees commuting to and from home to their normal place of work are not regarded as travelling on official OMVIC business.
- d. All expenses must be submitted to your Manager on the prescribed form, with supporting receipts, for approval. Credit card slips may not be sufficient.
- e. Whenever possible, the claimant's original or scanned e-copy of his/her signature must be on expense claim forms. In the absence of a signature, some other evidence that the particular claim is submitted by that claimant may suffice, e.g. an accompanying email that identifies the claim by date and amount. The claimant's signature signifies that the claim is being submitted in accordance with OMVIC's expense policies. With the introduction of an automated payment and expense system for employees, an employee's signature is not required, given that each possesses a unique userID and password.

- f. The claimant's Manager must approve all expense claims. Without a Manager's signature, some other evidence that the claim is approved by the Manager or the CFO may suffice, e.g., an accompanying email that identifies the claim by date and amount.
- g. Expense claim forms are reviewed by Finance for mathematical accuracy and compliance with this Policy. If any non-compliance is identified, it must be brought to the attention of the Manager in consultation with the CFO prior to processing.
- h. Expense reimbursements are processed every second Tuesday. Approved claim forms should therefore be submitted to the Finance Department no later than 11:00 a.m. of the prior Tuesday. Full-year reimbursement schedule is available in SharePoint.
- i. Special cheque runs to accommodate individual employee needs will not normally be made.
- j. Written approval is required **before** any arrangements are made for the following:
 - International travel
 - Hospitality events involving alcohol.
 - Expenses over \$2,500 for Senior Managers (not including capital purchases such as computers, which require prior approval from the CEO)

The following chart identifies the level of approvals for expense claims:

Role	Travel and Hospitality in Ontario	Travel and Hospitality in Canada and continental USA	International Travel and Hospitality
CEO	Chair of the Board	Chair of the Board	Chair of the Board
CAO, CCPO, GC & Board members	CEO	CEO	CEO
Departmental Directors	CAO, CCPO, GC	CAO, CCPO, GC	CAO, CCPO, GC
Managers	Departmental Director	Departmental Director	CAO, CCPO, GC
Employees	Manager/Director	Departmental Director	CAO, CCPO, GC
Consultants	CAO, CCPO, GC or CEO	CAO, CCPO, GC or CEO	CAO, CCPO, GC or CEO

- k. Good record-keeping practices must be maintained for verification and audit purposes.

MILEAGE

Claimants using their personal vehicle on OMVIC business are paid a mileage allowance of \$0.60 per kilometre (km) for the first 5,000 km driven each calendar year. Mileage will be reimbursed at a rate of \$0.53 per kilometre beyond the first 5,000 km for the balance of that calendar year.

All such travel must be by the most direct route. Any exception must be justified as officially necessary and approved in advance by your manager.

For field staff (i.e., Inspectors and Investigators who work from home offices), the maximum travel without pre-authorization is generally within a 200km radius from their home office (i.e., 400 km round trip). Managers may vary this limitation at their discretion.

Include the complete civic address (street number, street name, city, and postal code) for all starting and destination points when claiming mileage.

OTHER TRAVEL EXPENSES

OMVIC also reimburses board members and employees directly or reimburses for expenses outlined below relating to OMVIC business travel. In recognition of the fact that there are many meetings scheduled during the year and board members and senior staff are required to maintain a high rate of attendance, board members and senior managers may, on occasion, be required to claim reimbursement of travel expenses from outside their normal place of residence to attend board and committee meetings.

Make advance reservations for travel by air and train or using a rental car whenever practicable. If travel is no longer required, cancel the reservation promptly to avoid unnecessary charges.

Parking

Reimbursement is provided for necessary and reasonable expenditures for parking. Parking costs incurred in the office area as part of a regular commute to work will not be reimbursed. There is no reimbursement for traffic or parking violations.

Air Travel

Air travel is permitted if it is the most practical and economical way. All travel by air is economy class and by the most direct route and is authorized in advance by your manager. Advance reservations should be made to take advantage of special fares. It is your responsibility to cancel a reservation when necessary. Promptness in canceling is essential to avoid any unnecessary charges. Charges resulting from failure to cancel a reservation will usually only be reimbursed if you can show that such failure resulted from circumstances beyond your control.

Travel by Train

Travel by train is permitted when it is the most practical and economical way. All travel by train is economy class and by the most direct route and is authorized in advance by your manager. Advance reservations should be made to take advantage of special fares. It is your responsibility to cancel a reservation when necessary. Promptness in canceling is essential to avoid unnecessary charges. Charges resulting from failure to cancel a reservation will usually not be reimbursed unless you show that such failure resulted from circumstances beyond your control.

Rental Car

Rental cars may be used when it is considered more advantageous to OMVIC than using any other means of transportation. Advance reservations for a compact car or a vehicle practical for the purpose should be made to take advantage of discount rates. It is your responsibility to cancel a reservation when necessary. Promptness in canceling is essential to avoid unnecessary charges. Charges resulting from failure to cancel a reservation will usually not be reimbursed, unless you can show that such failure resulted from circumstances beyond your control. To avoid higher gasoline charges, refuel a rental car before returning it.

Travel by Taxi/Ride-Share

Prior approval to use a taxi/ride-share should be obtained whenever possible.
Taxis/ride-share may be justified in cases where:

- group travel by cab/ride-share is more economical than the total cost of having individuals travel separately by public transit or shuttle, or
- taking a cab/ride-share allows you to meet an unusually tight schedule for meetings

Taxis/ride-share may not be used to commute to work or home except under exceptional circumstances, for instance:

- weather, health or safety conditions indicate it is the best, appropriate option; or
- transport of work-related baggage or parcels is required.

Usage of Toll Roads

Employees should exercise discretion when using toll highways or lanes (e.g. 407 ETR, QEW HOT, etc.) for travel within Ontario when a non-toll alternative exists. Tolls will be reimbursed when the use of a toll route results in significant savings in travel time or distance travelled and is approved by the manager.

Eligible Expenses – Trip charge, per km toll charge and camera charge

Ineligible Expenses – Monthly/annual transponder lease fees, Monthly statement fees, fees for not having a transponder, and all other fees (unrecognizable plate charge, returned payment fees, etc.). Tolls for travel between an employee's residence and the location where the employee normally works will not be reimbursed.

Required documentation in Concur/SAP – Attach a copy of the detailed toll statement (including individual trip details).

Local Buses and Streetcars

Local public transportation, including hotel/airport shuttles, should be used wherever practical. Fares for use of local buses and streetcars are refundable.

ACCOMMODATION

In the normal conduct of business, reimbursement for overnight accommodation within your office area will be neither authorized nor approved. However, in emergency or unusual situations exceptions will be considered. For example:

- You are required to remain close to your office for extended periods in excess of (your) standard working hours.
- Your services are deemed necessary

Claimants traveling on OMVIC business use single accommodation, standard rooms in economy class hotels for overnight stays, wherever practical.

In the normal course, travel requiring overnight stay must be approved by your Manager in advance. Departmental Directors may waive this requirement at their discretion for field staff or those who travel regularly outside a 200 km distance from their offices. Advance reservations should be made wherever practicable. Hotel charges may be billed directly to OMVIC.

It is your responsibility to cancel a hotel reservation when necessary. Promptness in canceling is essential to avoiding unneeded charges. Charges resulting from failure to cancel a reservation will usually not be reimbursed, unless you can show that such failure resulted from circumstances beyond your control.

OMVIC will pay the cost of the room, parking, internet access and any necessary telephone calls, plus applicable taxes. Individuals are responsible for all other expenses. For extended stays at a single location, accommodation must be arranged with prior approval. This will take advantage of lower weekly or monthly rates.

Private stays with friends or family are acceptable, and a cash payment or gift may be provided to the friends or family:

- A maximum of \$50 per night is allowed for accommodation, including any meals with friends or family, in lieu of commercial accommodation. Instead of a receipt, you must submit a written explanation describing the purpose of the trip, identifying the host and the number of days you stayed.
- The \$50 value may be given in the form of a small gift (which must be accompanied by a receipt) or by cash or cheque.

You may be reimbursed for reasonable gratuities for porter, hotel room services, and taxis. Keep a record of gratuities paid.

Examples of reasonable amounts for gratuities include:

- Up to 18% on a restaurant meal
- Up to 15% on meal delivery services
- 10% on a taxi/ride-share fare
- \$2-\$5 for housekeeping for up to two nights in a hotel, up to \$10 for a longer stay, \$2-\$5 per bag for a porter

7. MEALS

Expenses incurred on meals while travelling on OMVIC business are reimbursed up to a daily maximum of \$90.00 per person, following the meal limits of \$20 for breakfast, \$35 for lunch, and \$45 for dinner, excluding applicable taxes and a maximum gratuity of 18% on the food plus tax amount.

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. In very limited and exceptional circumstances (e.g. special occasions; stakeholder engagement; health or dietary considerations; limited options available) where a meal expense is higher than the meal allowance rate, the actual cost of the meal may be reimbursed. Where these circumstances are anticipated, prior approval by the respective Executive Management Team member is required. Where these circumstances have not been anticipated and prior approval has not been obtained, the CEO's approval for reimbursement of the expense is required. Where the expense has been incurred by the CEO, and prior approval has not been obtained, board chair approval for full reimbursement of the expense is required. In any situation where there is a claim for a meal expense higher than the allowance, the claim must be accompanied by an itemized receipt and a documented rationale for exceeding the rate.

Itemized receipts are required. A credit card slip is not sufficient. Where a claim covers multiple persons, their names and the reason for the meal should be provided on the claim form.

The meal allowance rate is for food eaten in a restaurant or for the purchase of prepared food only. Reimbursement for groceries must have prior approval. A receipt and a documented rationale must be submitted with the claim, including a breakdown of the actual groceries used for the claimed meal(s). Reimbursement will not be provided for meals consumed at home or included in the cost of transportation, accommodation, seminars or conferences.

8. HOSPITALITY

Hospitality is the provision of food, beverage, accommodation, transportation, and other amenities to people who are not engaged in work for any entity covered by this policy. Hospitality cannot be offered solely for the benefit of anyone covered by this policy.

Hospitality may be extended in an economical and consistent manner under the following circumstances.

- When hospitality facilitates business, including:
 - engaging in discussion of official public matters with or sponsoring formal conferences for:
 - representatives from other governments;
 - business and industry;
 - public interest groups; or
 - labour groups.
- When the business of a provincial agency/organization includes hospitality

- When hospitality is considered desirable as a matter of courtesy or protocol, including:
 - providing people from national, international, or charitable organizations with an understanding or appreciation of Ontario and the workings of its government
 - honouring people for exceptional public service in Ontario
 - conducting ceremonies for heads of state, government, or guests from the private sector
- Other hospitality as approved by the CEO, providing it conforms to the rules set out in this section of the Policy.

Planned Hospitality Events

The OMVIC head office facilities should be used if available and appropriate. If not, prior approval from the CEO is required.

Costs should be minimized where possible with due regard for the guests' status, the size of the party, and the intended business purpose.

- The host extending the invitation:
 - must document and justify the list of guests;
 - keep the number of guests to a minimum, limiting it to those who have a direct involvement in the purpose of the event; and
 - may include the partner of a host or guest only when required by protocol, and may reimburse their expenses, as a guest of hospitality with the following provisions:
 - may be paid only on authorization by the CEO
 - may include costs for travel, event tickets or tours and
 - must be paid directly to the partner.

Hospitality that Includes Alcohol

Hospitality may include the provision of alcohol;

- at a planned hospitality event; or
- at a business interaction (e.g. networking dinner)

Prior to serving alcohol at a planned hospitality event, documentation with approval from the CEO is required.

Reimbursement of alcohol expenses is allowed only when the appropriate approvals are in place. Alcohol must be provided in a responsible manner (e.g., food must be served when alcohol is provided). Preference should be given to wine, beer and spirits produced in Ontario.

Gift-Giving

Appropriate token gifts of appreciation, valued up to \$50, may be offered in exchange for gifts of service or expertise to people who are not engaged in work for OMVIC. Gifts valued over \$50 must have prior approval.

Documentation for Hospitality Reimbursement and Payment

Hospitality expenses for planned events should be paid using a corporate purchase card, if possible. All expenses must be documented and include itemized receipts. The claim must include hospitality details regarding: purpose, date(s), hospitality provided, attendees, appropriate prior approvals.

9. EXPENSES FOR CONSULTANTS AND OTHER CONTRACTORS

Consultants and other contractors will not be reimbursed for any hospitality, incidental or food expenses, including:

- Meals, snacks and beverages
- Laundry or dry cleaning
- Dependent care
- Personal communications

Reimbursement for allowable expenses under this policy can be claimed only when the contract with OMVIC specifically allows for it and all necessary approvals have been obtained.