



Purpose:

The purpose of this policy is to provide guidance to staff and elected officials with respect to the appropriate expensing of necessary hospitality expenses that support government objectives. The Municipality of the District of St. Mary's 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.

Definitions:

- **Hospitality** – Expenses incurred while hosting individuals for reasons outlined above including receptions, ceremonies, conferences, performances, business meetings or other group events. Allowable expenses may include meals, beverages or other approved items. These expenses are not connected to an individual's travelling expenses while on municipal business.

Responsibility:

No later than January 31st following an election year, Council shall formally review this policy as well as the Mileage/Expense Policy, by way of motion, to ensure that the contents of the policies are in accordance with provincial legislation and best practices.

Procedures:

- The Warden, CAO, and Economic Development and Planning Officer will have the authority to incur hospitality expenses. Other staff approved by the CAO or designate; and the Deputy Warden or a Councillor as approved by Council, may incur hospitality expenses.
- The offering of hospitality shall be done in such a manner as to reflect the prudent stewardship of public funds.
- Hospitality may be offered under the following circumstances
 - Hosting foreign dignitaries
 - Engaging in official public matters with representatives from other governments
 - Hosting business, industry and labour leaders; or other community leaders
 - Sponsoring conferences
 - Hosting prestigious ceremonies/recognition events

- Other official functions, upon approval
- Costs associated with Municipality of St. Mary's staff and/or council events such as retirement ceremonies, holiday gatherings or office social events
- Gratuities up to 20% will be eligible for reimbursement.
- All hospitality events require prior authorization. Authorization requests must be submitted using the Hospitality Expense Preauthorization form (Appendix A).
- A copy of the signed Hospitality Expense Preauthorization form must accompany the claim for reimbursement (Appendix B).
- Claims for reimbursement must be accompanied by sufficient supporting documentation to validate the expenses (i.e. receipts and invoices detailing the expense)
- While the standard for hospitality is the provision on non-alcoholic beverages, the provision of alcohol in the context of hospitality for reasons of diplomacy, protocol, business development or promotional advocacy is deemed an acceptable expense in limited circumstances. Alcohol is not an allowable expense for council or staff members on travel status.
- Serving alcohol at events hosted by the municipality requires prior approval.
- When hosting municipal events, the hosts of the event will demonstrate good judgement in the reasonableness of the quantity and expense of alcoholic beverages offered. Preference will be given to wine, beer and spirits produced in Nova Scotia. All laws must be observed.
- For reasons of diplomacy, protocol, business development or promotional advocacy, the giving of token gifts is deemed appropriate. Any giving of gifts requires prior approval.
- Staff and elected officials are responsible for acting in accordance with this policy and all other relevant municipal policies with respect to the acceptance of gifts and hospitality.
- Any breach of this policy shall result in corrective or disciplinary action in accordance with the Municipal Human Resources policy for staff and under the Code of Conduct for elected officials.

Accountabilities:

Warden and Council are responsible for:

- Overseeing and ensuring compliance of hospitality-related expenses for the CAO or designate and hospitality expenses that are approved by the CAO or designate; and approving hospitality for events that Council see as warranted under this policy.
- Consistent application of this policy

CAO or designate is responsible for:

Using discretion to make decisions and choices with some degree of flexibility while maintaining compliance with this policy. When exercising discretion, the following factors must be considered.

- Ensuring all hospitality events and related expenses initiated or incurred are in compliance with this policy.
- Approving requests and claims for hospitality-related expenses in instances where the actual cost of the hospitality event exceeds the estimated cost.

The CAO or designate should consider whether the request is:

1. Defendable under audit
2. Properly documented
3. Fair and equitable
4. Reasonable
5. Appropriate

Employees are responsible for:

- Acting in accordance with this policy.

The Finance Department is responsible for:

- Providing advice and assistance to Council, CAO or designate regarding the application of this policy
- Monitoring hospitality expenses for appropriate usage and consistency with policy directives
- Processing hospitality-related expense claims and ensuring compliance with this policy.

Municipal Clerk

Date

Municipality of the District of St. Mary's Hospitality Expense Preauthorization Form

Department

Name	Title

Event

Date of Event		
Purpose of Event		
Estimated Number of Attendees		
Estimated Itemized Costs Including Gratuities	Item	Cost

Signature

Date

Approved By

Date

Municipality of the District of St. Mary's Hospitality Expense Form

Department

Name	Title

Purchases

Date	Description	Amount	Budget Line Item
Total			

Summary

Budget Line Item	Amount
Total	

Authorization

Preauthorization form attached

If preauthorization not obtained please complete the following:

Reason preauthorization was not possible: _____

Purpose of Event: _____

Number of Attendees: _____

Signature

Date

Approved By

Date