

<b>62.51</b>	<b><i>Entertainment and Other Expenses</i></b>	<b>POLICY</b>
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### 1.0 PURPOSE

- 1.1 The purpose of this Policy is to set out guidelines and boundaries for NSCC employees who have a requirement to entertain, plan team meals, student celebrations/events, purchase supplies, purchase office decor and/or to buy gifts for recognition purposes for individuals both internal and external of the College.
- 1.2 The following guidelines will assist in making decisions surrounding such expenses and will ensure that the College demonstrates financial accountability whilst recognizing the need for various expenses that will support the initiatives and goals of the College as it moves forward.

### 2.0 SCOPE

- 2.1 This policy applies to all employees of NSCC unless certain collective agreements state otherwise.

### 3.0 POLICY

- 3.1 Entertainment expenses result when an employee of the Nova Scotia Community College (NSCC) incurs expenses for entertaining stakeholders or potential stakeholders while on official College business. Entertainment expenses might include meals, beverages, refreshments, receptions, etc.
- 3.2 Other expenses, i.e. non-entertainment and non-travel related expenses result when an employee of the NSCC incurs expenses while on official College business. These other expenses might include team dinners, student celebrations/events, appreciation gifts, speaker gifts, office supplies, flowers, etc. Travel related expenses are covered under the NSCC Travel and Reimbursement Policy.
- 3.3 **APPROVAL OF ENTERTAINMENT AND OTHER EXPENSES**  
 Entertainment and other expenses incurred for NSCC business does not only include food, beverages, and social or recreational activities. They may also include meetings, conferences, memberships and subscriptions.
  - a. Normally, acceptable purposes for entertaining involve an NSCC guest, visitor, group of students or stakeholders. Entertainment must be arranged at reasonable cost, involving individuals at a number appropriate to the significance of the event.
  - b. Only Senior Leadership Forum (SLF) members responsible for the budget impacted, or a Manager of Business Development with appropriate signing authority can incur or approve entertainment expenses without prior approval up to a maximum of \$1,000 (pre-tax). An expenditure in excess of \$1,000 (pre-tax) requires documented pre-approval from an Executive Team Member.
  - c. It should be noted that a staff member cannot approve a reimbursement or expense that directly benefits them personally.

<b>Executive Policy Sponsor:</b> VP, College Services and CFO	<b>Policy Steward:</b> Director, Financial Services	<b>Approved:</b> VP, College Services and CFO	<b>Effective Date:</b> JAN 1, 2018	<b>Next Review:</b> OCT 2020
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**3.4 Meals:**

- a. Meals with College stakeholders, guests, governors, alumni, prospective employees, professional colleagues and donors are acceptable when the strategic directions of the organization are being discussed. As noted above, SLF members who are responsible for the budget impacted and Business Development Managers with appropriate signing authority can submit meal receipts for College business purposes, without prior approval for up to a maximum of \$1,000 (pre-tax). In excess of this amount, documented pre-approval is required from an Executive Team Member.
- b. When tipping, a reasonable gratuity is defined as approximately 15%. Gratuities exceeding 18% with a difference between an 18% gratuity and the actual gratuity of greater than two dollars, will not be reimbursed. In cases where the gratuity exceeds the allowable threshold, the allowable gratuity to be reimbursed at 15%.

**3.5 Catering and meetings:**

When a College business meeting has a duration that includes the lunch hour, catering expenses are reimbursable with the Budget Manager/Supervisor documented approval (the signature approving the Travel and Expense Claim Form (Appendix A) (or invoice, if the charge is invoiced directly to the College) will be taken to be evidence of approval).

**3.6 Overtime meals:**

When a non-union employee is *requested* by their Budget Manager/Supervisor to work at their primary work location for a minimum of 3 hours of overtime following their scheduled hours, a meal may be claimed when a receipt is provided (the signature approving the Travel and Expense Claim Form (or invoice, if the charge is invoiced directly to the College) will be taken to be evidence of request/approval).

**3.7 Alcohol:**

For certain functions, meals or events, alcohol may be appropriate as long as the dollar value signing authorities are maintained (as noted above) AND documented pre-approval is granted by an Executive Team Member.

**3.8 Employee and or student events:**

Expenses associated with employee and or student events which are complementary and specific to a department, school, campus or other employee group, will be reimbursed with documented pre approval from the SLF member responsible for the budget impacted, or by Business Development Managers with the appropriate signing authority, so long as the event fosters a sense of community among faculty, staff and students, and its purpose is to directly benefit the College.

**3.9 Personal events:**

The College disallows expenditures of a personal nature such as holiday celebrations, office parties, birthday celebrations, wedding celebrations, or baby showers, attendance at theatrical and athletic events, and political fundraising events. Under special circumstances, documented pre-approval can be sought from a member of the Executive Team.

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**3.10 Gifts:**

Gifts are defined as items given without the expectation of receiving anything in return. Gifts that form part of entertainment, hospitality or gifts that show a token of appreciation of modest value must have documented pre-approval by a member of SLF with appropriate signing authority. If gifts of significant value (over \$100 (pre-tax)) are contemplated, then documented pre-approval from an Executive Team Member is required.

**3.11 OTHER EXPENSES**

**a. Flowers, gift baskets and greeting cards:**

- i. Staff funds and collections must be used for the purchase of flowers, gift baskets or greeting cards for special occasions for an employee or group of employees.
- ii. The purchase of flowers, gift baskets or greeting cards will only be reimbursed in the case of retirement or an employee departure, illness requiring hospitalization, and in the death of an employee or immediate family member.

**b. Donations:**

Unless documented pre-approval is obtained from a member of the Executive Team, donations to charities are not a reimbursable expense.

**c. Personal space décor:**

It is not acceptable to use College funds to make purchases for an employee’s personal work space. Personal workspace refers to an employee’s office or cubicle. Pictures, plants, vases, mirrors and other decorations should not be expensed to the College, however common space décor may be purchased with SLF documented pre-approval. Items acceptable for reimbursement, which would be purchased for an office or cubicle, must be supported with reason for why the item will improve or benefit the employee in carrying out his/her work, for example, a desk lamp.

**3.12 NON-REIMBURSABLE EXPENSES**

A listing of non-reimbursable entertainment and other expenses has been prepared as a guideline for individuals claiming entertainment and other expenses; however, this list does not include every non-reimbursable item, and employees must use reasonable judgment and care when making their purchase (exceptions may be made with Executive Team documented pre-approval).

- a. Clothing
- b. Club dues
- c. Credit Card interest and fees
- d. Golf fees/ski passes
- e. Movies
- f. Personal entertainment
- g. Political fund-raising events

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**3.13 DOCUMENTING AND SUBMITTING ENTERTAINMENT AND OTHER EXPENSES**

- a. Employees can submit their approved entertainment and other expenses using form 62.03 *Travel and Expense Claim*.
- b. The ‘Miscellaneous Expenses (Non-Travel Related)’ section of the *Travel and Expense Claim Form 62.03* must be completed, providing any documents and substantiation to support the purpose of the entertainment. Names of all attendees must be listed.
- c. **All expenses permissible under this policy require a clearly stated NSCC business purpose and must be reasonable and prudent in nature.**
- d. The *Travel and Expense Claim Form 62.03* must be approved by the employee’s Budget Manager/Supervisor, and then sent to the campus administration department for review before being sent on to the Finance Department in Central Office.
- e. Original receipts and tickets must be submitted with the *Travel and Expense Claim Form*. In most instances credit card receipts will not provide adequate support.
- f. Employees must provide sufficient details when filling out a claim. This can be done on each receipt or on the form itself. Substantiation should include the purpose of the expenditure, names of participants, timeline, etc.  
  
*Document 62.04 – Guidelines to Completing the Travel and Expenses Claim Form can be used to assist you in properly completing your expense claim.*
- g. Should an employee use their College credit card for payment of entertainment and other expenses, they must provide substantiation of the event or meal as outlined in the *Purchase Card Use Policy 62.11*

**3.14 FRAUD POLICY AND PROCEDURES**

The College’s *Fraud Policy 76.21 – section 2.2.d* emphasizes that fraudulent activity includes the inaccurate reporting of financial information for personal advantage. The College retains the right to audit entertainment and other expenses. The payment of entertainment and other expenses does not represent final approval.

**4.0 POLICY SUPPORTS**

- 76.21 Fraud Policy
- 62.61 Purchase Card Policy
- 62.71 College Travel Card Policy
- 47.11 Employment Service and Retirement Recognition
- 47.11A Employment Service Recognition Guidelines for 10 and 25 Year Awards – Appendix A

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