



TRAVEL AND HOSPITALITY

**EXPENSES FOR HALIFAX PORT AUTHORITY
BOARD OF DIRECTORS & EMPLOYEES**

Policy Number **FIN - 500**

Formerly FIN500A and FIN500B

Approval		Original Date/ Adopted	
Board of Directors		FIN 500A -Adopted HPA/99/026, March 1, 1999 Revised: HPA/2004-052, Nov 24,2004 FIN 500B - Adopted HPA/99-003, March 1, 1999 Revised HPA/990925, June 30, 1999 HPA/2001-051, Dec. 12, 2001 HPA/2004-007, Mar 24, 2004 HPA/2014-035, Oct 22, 2014 HPA /2020-029, Sept 9, 2020	Latest Revision Date September 9, 2022

1. Purpose

This policy governs travel and hospitality expenses incurred by Directors and employees of the Halifax Port Authority ("HPA") in connection with HPA business.

Members of the Board of Directors and employees should be reimbursed for “reasonable” travel and hospitality expenses incurred on behalf of the HPA.

This policy applies to all members of the Board of Directors, including the Chair, the Vice-Chair and each Director. Unless otherwise stated, provisions of this policy apply to all employees of the HPA. Board members and employees should also be aware of all HPA companion policies that may relate to instances involving travel and hospitality including, but not limited to, drug/alcohol policy provisions, Code of Conduct and the National Travel Directive of the Canada Revenue Agency and Treasury Board <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/travel-directive.html>. Note, that not all elements of this National Travel Directive are applicable to HPA and is limited to those specified in this policy.

Definitions:

Approver: The person who is authorized to approve the claimant’s expenses in accordance with the Delegated Signing Authorities.

Claimant: Directors and employees of the HPA who have incurred expenditures related to Travel and or Hospitality on behalf of HPA.

Hospitality: The provision of food and beverage at HPA’s expense to people who are not employees or board members of the HPA.

Reasonable Travel Expenses: Reasonable Travel Expenses are moderate in nature and at a level that a reasonably prudent person would observe to be fair and sensible according to the situation. Reasonable travel expenses include food, non-alcoholic beverages, lodging and transportation. It is important when booking travel to use good judgment, book reasonable fares and, where you are uncertain, Board members shall contact the Chair to make sure a specific expense will be reimbursable. HPA employees shall contact their approver to ensure an expense will be reimbursable.

Reasonable Hospitality Expenses: Reasonable Hospitality Expenses are moderate in nature and at a level that a reasonably prudent person would observe to be fair and sensible according to the situation. Reasonable Hospitality Expenses could include food, beverages, entertainment, room and equipment rental etc. Alcoholic beverages are considered acceptable expenditures only if related to Hospitality as outlined in section 10 and if consumption levels are limited, safe and reasonable with receipts provided.

Receipt: A document or electronic/paper copy showing the date, the amount of expenditure paid by the claimant by item, and to whom the expenditure was paid. Where expenses are incurred in currency other than Canadian, receipts shall indicate currency.

Travel: Travel is a work-related status in which Claimants are on HPA business at an offsite location that is not designated as a regular HPA work site, or Claimants are traveling to/from a location that is not their designated regular work location. More specifically, work relates to attendance at meetings or conferences, trade shows or business functions, to meet with Port users, business or industry association contacts, other Port representatives, government officials or for other purposes for which prior approval has been granted.

2. Scope

It is the responsibility of each traveler to exercise good judgment, integrity, prudence and moderation in incurring expenses related to travel. The traveler is responsible to ensure they are informed of requirements of this policy and to ensure that amounts claimed for expenses are accurate, complete, reasonable and in accordance with this policy.

An approver reviews the claim to ensure that:

- a expenses are business related;
- b expenses are reasonable based on the explanations provided by the claimant; and
- c all supporting documentation is attached including pre-approved Travel Authorization where required. In no circumstances can an approver approve their own expenses.

The Chair, or in her/his place the Vice-Chair, represents the Board. Directors have no status to represent the HPA outside the Boardroom and are involved in corporate affairs only and specifically at Board meetings, or as specifically authorized by the Board or by the Chair to attend conferences, conventions, seminars or other purposes in support of HPA affairs.

3. Authority to Travel

- 3.1 Whenever possible, anticipated travel for the upcoming year is to be identified during the budgeting process, with as much detail on travel costs as available. Except as otherwise provided herein, and prior to any travel arrangements being made by an employee or Board member of the HPA, prior approval for travel must be obtained, on a trip by trip basis.
- 3.2 The President has the authority to travel, subject to Board approval as part of the HPA Annual Budget, or as circumstances arise throughout the year.
- 3.3 All other employees shall obtain pre-authorization from the President or from the delegated personnel.
- 3.4 The Chair has the authority to travel within North America. The Vice-Chair, when acting in the place of or at the request of the Chair has the authority to travel within North America.
- 3.5 Directors must have pre-authorization from the Chair or the Board for travel other than that required to attend duly called meetings of the Board or its committees.
- 3.6 All Board travel outside North America shall be pre-authorized by the Board.
- 3.7 Overnight accommodations within the geographic area of normal work are permitted if required for attendance at conferences, meetings, training or in exceptional/emergency situations where staff are needed to be near the office.
- 3.8 Conferences
 - 3.8.1 The HPA maintains membership in various industry association in the Region, Canada and globally such as the International Association of Ports & Harbors (“IAPH), Association of Canadian Port Authorities (“ACPA”), the International Association of Port Authorities (“IAPA”), the Association of American Port Authorities (“AAPA”), the Atlantic Canada Cruise Association (“ACCA”), and other like associations (i.e. Green Marine, Seatrade Cruise Global)) related to HPA business.
 - 3.8.2 The President and CEO has the authority to designate those employees who shall attend association conferences. In addition, the President and CEO has the authority to authorize employees to attend such seminars, conferences, trade shows, business functions, etc. that may be necessary for professional, business or educational development. Employees traveling will provide a written or verbal report to the Board, as requested by the CEO, regarding the learning from conference/events.
 - 3.8.3 At the request of Chair, Board members may be asked to attend a conference/event in relation to professional development (such as gaining knowledge in relation to a Board skills matrix area), for advocacy and for business development. The Chair may request that Board members traveling will report to the Board at its scheduled meetings throughout the year regarding the learning from conference/events.

- 3.8.4 The cost of special events directly related to or organized by a particular conference, seminar, etc. will be considered part of the conference/seminar if occurring on the day immediately preceding or following the conference/seminar dates and such reasonable costs shall be paid for by the HPA.

4. Travel Expenses

The mode of transportation chosen should be the one that is most efficient in the given circumstances.

As HPA Board members are appointed with principal residences inside and outside of Halifax Regional Municipality (HRM), Board members will be reimbursed for travel to and from Board and Committee meetings when the Chair of the Board deems that in-person attendance is required or provisions will be made for Board members to participate remotely. For principal residences within driving distance to the HPA meeting (but outside of HRM boundaries), mileage will be reimbursed for travel to and from the meeting. For principal residences only reasonably accessible by other travel means (air or train), travel expenditures will be reimbursed when the Chair of the Board deems that in-person attendance is required or remote provisions will be made.

Air

- 4.1 Traditional airline Economy class is the expected level of fare for all travels where the total transit time to or from the destination does not exceed 5 consecutive hours (transit time includes "in flight" time only from commencement of flight to conclusion of flight). Business class travel is permitted for destination transit times exceeding 5 consecutive hours of in flight time. Travelers are also strongly encouraged to avail themselves of the best available discount fares/"seat sales" if available unless the nature of the travel renders this impossible or imprudent.
- 4.2 "Business" Class may also be utilized where a medical condition is reported with a physician's note to do so.
- 4.3 Travelers are also required to book the most economic cost of air transportation considering a combination of airfare, taxi charges, mileage charges, parking, etc.
- 4.4 Receipt for air travel must be attached to the Travel Expense Claim which details the flight departure and arrival dates and times as well as cost.

Rail

- 4.5 Travelers are to select standard coach class when travelling domestically or the equivalent to coach class when travelling internationally. Sleeper accommodations are permitted when travelling overnight to their destination

Automobile

- 4.6 Use of Private Vehicle - Travel by private vehicle will be authorized only when economical and practical. Use of private vehicle is permitted when pre-authorized for travel locally or within the

Maritime Provinces. Private vehicles may be used outside this radius when pre-authorized, provided that the total cost of travel by car does not exceed the economy class airfare. Reimbursement for the use of private vehicles by travelers shall be calculated at the equivalent rate authorized by Treasury Board.

- 4.7 Car rental - Rental of a vehicle at the traveler's destination point is permitted, subject to pre-authorization, when more conducive to the circumstances of the trip and/or more economical than use of taxis or buses for transportation within the destination area. Receipts for car rental must be attached to the Travel Expense Claim for reimbursement. HPA's Operating and Insuring vehicle on Behalf of Halifax Port Authority Procedure and Guideline is to be read in conjunction with this Policy. A copy is attached in Appendix A.

Taxi, Bus, Shuttle Service or Ferry

- 4.8 Whenever the cost for each fare is more than \$10.00 a receipt is required for reimbursement and must be attached to the Travel Expense Claim.

5. Accommodation & Associated Expenses

- 5.1 Travel expenses must strike a balance among economy, health and safety, efficiency and productivity while travelling.
- 5.2 The HPA encourages travelers to stay in accommodations where conferences and seminars are held or offer discounts. In conducting business, the travelers should use good judgement and book accommodations that are appropriate in the circumstance.
- 5.3 Business travelers may book accommodation in hotels of their preference, provided that the choice of accommodation is reasonable in all circumstances. It is recommended that government discounts be requested whenever these are available. Itemized hotel Receipts must be presented for reimbursement.
- 5.4 The following are not legitimate travel expenses: alcohol purchased out of the mini-bar or on an airplane; in-room movies; personal entertainment, unreasonable expenses for hotels, meals, etc.
- 5.5 Receipts for accommodations and other associated expenses must be attached to the Travel Expense Claim.

6. Meals

- 6.1 Travelers may claim personal reasonable meal expenses.
- (a) Submit a Travel Expense Claim for the daily meal allowance ("per diem") while traveling. The daily meal allowance is equivalent to the meal allowance authorized by Treasury Board. Receipts are not required for this meal allowance.

- (b) When circumstances require a meal cost to be higher than the usual daily meal allowance amount, the traveler must submit a receipt with a Travel Expense Claim for a meal. All claims for meals must be reasonable and fully substantiated by receipts.
- (c) A meal allowance may not be claimed if an amount for meals forms part of the expense included in the cost of transportation, accommodation, seminars and/or conferences and is subject to section 10 regarding Hospitality.
- (d) Travel Expense Claims must be accompanied by receipts. If a receipt is missing it cannot be expensed without approval of the President & CEO in the case of HPA employees and by the Board Chair or the Audit Committee Chair in the case of HPA Board members.

6.2 Alcoholic beverages will not be reimbursed as part of the individual traveler's meal when not related to Hospitality as outlined in section 10.

7. Other Allowable Expenses

Claimants may claim the following expenses while on travel status, provided that they are reasonable and substantiated by receipts attached to the Travel Expense Claim:

- Vehicle parking fees;
- Exchange rate costs incurred for the conversion of foreign currency bought or sold while on business outside Canada;
- Business items or stationery/office supplies;
- Necessary laundry or dry cleaning;
- Telecommunications services - costs of telephone calls, additional cellular phone package, faxes or e-mail incurred in connection with HPA business-
- Passports or Visas - costs of photos and application fees for Canadian passports, or for required foreign visas, may be claimed;
- Change fees, seat selection fees and baggage fees.

A daily allowance for incidental items is intended to cover the many small, out-of-pocket expenditures incurred while travelling, such as tips and personal necessities. For Claimants on travel status, the per diem that may be claimed at the discretion of the traveler for incidentals without receipts is \$30.00 per day.

8. Travel Disruptions, Emergencies, illness, injuries and death while on Travel

In the event of a death in the family or serious illness or injury, and the traveller is required to return home prior to the approved date, the traveller will be reimbursed the additional expenses incurred to return home provided the costs are within this policy and are not covered by insurance.

Claimants will also be reimbursed for travel expenses incurred due to unforeseen travel interruptions *i.e.* weather-related cancellations

9. Travel Expense Claims

All claims for reimbursement of travel or hospitality expenses must be submitted via a Travel Expense Claim. The expense claim must be submitted for approval as soon as possible and within 30 days following completion of travel. All claims must have Receipts. Any refunds for expenses are the property of the HPA and must be returned immediately.

If a receipt or travel expense is submitted over 30 days post travel completion, it cannot be expensed without approval of the Approver in the case of HPA employees and by the Board Chair or the Audit Committee Chair in the case of HPA Board members

10. Hospitality

Claimants may extend hospitality on behalf of the HPA where hospitality is essential to facilitate the conduct of HPA business. Claimants may claim expenses related to commercial gatherings, luncheons or dinners with their business associates while conducting meetings in connection with HPA business. All such claims must be substantiated with receipts and be approved in accordance with this policy.

Hospitality falls within the definition of “Gift” in the Code of Conduct (Schedule “E” to the Letters Patent) and employees and Directors must therefore be guided by the Code when offering hospitality.

The number and names of persons to whom hospitality was extended must be shown on the claim. In exceptional cases where hospitality is extended to a group and where it is impractical to obtain a list of names, the claim should state the name or nature of the group, its size, its relationship to the HPA and the purpose and nature of the hospitality.

11. Approvals

- 11.1 Under no circumstances may a claimant approve his/her own expense claim.
- 11.2 Claims submitted by the President shall be approved by the Chair or, in his/her absence, by the Vice-Chair.
- 11.3 Claims submitted by the Chair shall be approved by the Chair of Audit.
- 11.4 Claims submitted by other Directors shall be approved by the Chair or, in his/her absence, by the Vice-Chair.
- 11.5 Employees travel expenses, hospitality and business meals shall be approved by the claimant's Department Head.
- 11.6 Expenses for a group shall only be approved by the supervisor of the most senior person in attendance (Board member or employee).

12. Exceptions

In exceptional circumstances, travel or hospitality expenses may have to be incurred outside the provisions of this policy. In such cases, pre-authorization must be obtained from the President, or in the case of the President or a Director, from the Chair.

13. Advances

Any advances provided to the traveler must be fully accounted for on the Travel Claim. The HPA reserves the right to deduct any retained travel advances from the traveler's pay cheque.

14. Corporate Credit Cards

Corporate credit cards belong to the HPA and are issued for business-related expenses only and can be utilized for travel and hospitality expenses as outlined in this policy. Receipts with the date and purpose of the expense for expenses are to be submitted with each credit card statement.

15. Reporting

Bill C-58 requires Government Institutions, including HPA, to publish travel expenses within 30 days after the end of the month in which travel and hospitality expenses are reimbursed for applicable employees and Board members.

All hospitality expenses are to be included on HPA employees monthly web reporting, as an HPA employee is required to be present for any hospitality expenses. If a board member attends the hospitality, they are included as an "Attendees (HPA)" on the HPA employee's monthly web report.

The Senior Vice President will present a summary of Travel and Hospitality Expenses of the Board of Directors and employees at each of the Audit Committee meetings.

Document Number revisions157566
Original 121286

**APPENDIX A
OPERATING AND INSURING VEHICLES ON BEHALF OF THE HALIFAX PORT
AUTHORITY**

Procedures and Guidelines

Operating and insuring vehicles (employee owned or rented) on behalf of the HPA.

Employee Owned Vehicles

Employees are expected to maintain and operate their vehicles in compliance with the Motor Vehicle Act. This includes maintaining the vehicle in proper operating condition with a valid safety inspection, current vehicle registration, having both valid and adequate insurance, wearing of seatbelt, hands free cell phone use etc.

It is understood that there are circumstances where employees may prefer to use their own vehicle or where it is more convenient to use their own personal vehicle or where rental companies are not available.

Under those circumstances, employees need to be aware that in the event of an accident, it is the employee's own personal auto policy that will respond to both first party and third-party damages.

Rented Vehicles

1. Guidelines:

Only HPA employees may rent and / or drive vehicles on behalf of the HPA. *Contractors or sub-contractors are NOT authorized to rent and / or drive vehicles on our behalf.*

Rental vehicles are not to exceed \$50,000 in value and the rental period is not to extend beyond 30 days in duration.

Travelers may rent a car to travel to their destination when:

7. Driving is more cost-effective than airline travel,
8. Transporting large or bulky material.

Travelers may rent a car at their destination when:

9. It is less expensive than other transportation modes such as taxis, airport limousines and airport shuttles,
10. Entertaining customers.

Prior to travel, approval for the car rental must be obtained on the travel authority.

Making Rental Car Reservations:

11. Rental car reservations can be made directly through the rental car company.

Rental Car Categories:

Travelers should book the following rental car categories:

12. Compact / Intermediate / Full Size based on the number of persons traveling and length of stay (i.e. luggage capacity, booth displays). The vehicle being rented should be modest and suit the purpose of the rental.
13. At the time of rental, the car should be inspected, and any damage found should be noted on the contract before the vehicle is accepted.

Rental Car Cancellation Procedures:

Travelers are responsible for canceling rental car reservations. Travelers should request and record the cancellation number in case of billing disputes.

Returning Rental Cars:

Every reasonable effort must be made to return the rental car intact (i.e., no bumps, scratches or mechanical failures), on time, to avoid additional hourly charges with a full tank of gas. Cars should be returned to the original rental city unless approved for a one-way rental.

Rental Car Club Memberships:

Travelers may participate in rental car club membership programs that are free of charge or at their own expense. If additional charges are levied for the rental to cover the costs of these memberships, these charges will not be reimbursed by HPA.

2a. Rental Car Insurance (Canada):

Please note: This section only applies to vehicles rented:

- in Canada;
- by HPA employees (note contractors are not covered); and
- for HPA business use only.

To be clear, vehicles rented in the US or anywhere else outside of Canada are not covered by the policies referenced below.

HPA's Non-Owned Automobile (NOA) Insurance Policy

There are two types of losses that may occur as a result of an accident or a claim:

1. ***Third Party Liability: Damage to another vehicle or person.***
2. ***First Party Liability: Damage to the rented vehicle.***

Employees need to be aware that in the event of an accident with the rented vehicle:

- The rental company will be first to respond for third party damage. (primary) □ The employee's personal auto policy will also respond to third party damage.

- HPA's NOA policy (SEF 94) will respond for first party damage only.

Through the NOA Policy, HPA has made provisions for insuring rental cars against first party damage.

When renting vehicles:

- The employee can rent the vehicle in HPA's name or his/her own name, but the vehicle must only be used for company business for the NOA to apply.
- Collision/loss damage waiver coverage is to be declined when renting domestically. (Covered by HPA NOA policy SEF 94)
- The rented vehicle must be registered in Canada.

Employees renting vehicles on behalf of the HPA must check with their personal insurance broker, agent or insurance company to ensure they have adequate coverage based on their circumstance. Note, in most cases this is achieved through a specific endorsement of the employee's personal auto policy. It is the employee's responsibility to review this situation with their insurer and obtain this coverage if required. HPA will require proof of insurance.

Any additional fees incurred by the employee for obtaining business insurance will be reimbursed by HPA provided they are reasonable and pre-approved.

2b. Rental Car Insurance (United States):

HPA's insurance policies **do not** provide coverage to vehicle rentals within the United States.

Employees need to be aware that in the event of an accident with the rented vehicle:

- The rental company is first to respond (primary) for both first and third party.
- The employee's personal auto policy is second to respond.
- Travelers should accept all insurance coverage when renting cars in the United States. The purchase of additional liability insurance is strongly recommended (if available) if included amount is lower than \$1,000,000.

Employees renting vehicles on behalf of the HPA must check with their personal insurance broker, agent or insurance company to ensure they have adequate coverage based on their particular circumstance. Note, in most cases this is achieved through a specific endorsement of the employee's personal auto policy. It is the employee's responsibility to review this situation with their insurer and obtain this coverage if required. HPA will require proof of Insurance.

Any additional fees incurred by the employee for obtaining business insurance will be reimbursed by HPA provided they are reasonable and pre-approved.

Rental Car Accidents:

HPA cannot remove 100% of the liability associated with the renting of vehicles and it is ultimately the employee who has care and control of the vehicle and its inherent risks. If you are responsible for an accident causing injuries or fatalities, or if your rented vehicle damages someone else's property, you may be legally responsible.

If you have an at-fault accident with the rented automobile, the accident may still count against your driving record, regardless of who pays the damage claim.

Should a rental car accident occur, travellers should immediately contact:

- Local authorities, as required.
- The rental car company.
- Your insurance company.
- Designated company personnel at HPA

Flowchart for Renting Vehicles on Behalf of the Halifax Port Authority

