

DEPARTMENTAL TRAVEL, HOSPITALITY, CONFERENCE AND EVENT EXPENDITURES POLICY

For questions or comments, please contact us:
NC-CFOB-Financial Policy Questions Politique Financière-GD

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1. Policy Objectives

- i) To clearly define what constitutes an Event for expenditure initiation approval purposes.
- ii) To ensure that all travel, hospitality, conferences and Events expenditures are managed in an economical and consistent manner.
- iii) To ensure effective oversight for all business activities and Events relating to travel, hospitality and conferences.

2. Policy Statements

- i) All departmental Events and related activities must demonstrate value for money, probity and restraint.
- ii) Travel costs are avoided whenever there is a reasonable and more economical alternative available to achieve the departmental objective.
- iii) Hospitality is extended in an economical, consistent and appropriate manner when it will facilitate the Department's operations or when it is considered desirable as a matter of courtesy.
- iv) Conference attendance and sponsorship are directly related and contribute to departmental objectives.

3. Application

This policy will apply to Employment and Social Development Canada which includes Service Canada and Labour (hereinafter referred to as ESDC, the “Department” or “Departmental”).

The policy must be read in conjunction with Treasury Board’s Directive on Travel, Hospitality, Conference and Event Expenditures, National Joint Council (NJC) Travel Directive, Special Travel Authorities and the respective delegations of authority’s requirements in the [Departmental Financial Delegation Instrument](#).

4. Policy Requirements

4.1 General

- 4.1.1 Government facilities should be used to the extent possible. The following are five conditions that may set aside the requirement to hold an activity in a government facility:
 - i) The department has no discretion in selecting the venue;

- ii) The selected facility can provide the services and infrastructure required for the activity which government facilities cannot;
- iii) Government facilities are not available in the geographic area where the activity is to be held;
- iv) Government facilities exist in the geographic area but are not available at the time of the activity and the activity timetable cannot be suitably altered; or
- v) The choice of a non-government facility can be shown to be cost-effective and withstand public scrutiny.

The selection of a non-governmental facility must be fully documented.

4.1.2 When organizing activities (Events & operational activities), all cost-saving measures must be taken into consideration including:

- i) Teleconferencing or videoconferencing
- ii) Avoiding travel related costs wherever possible
- iii) Selecting the most economical means when booking transportation, accommodations and meeting facilities
- iv) Booking early (transportation, accommodations, facilities, etc.) to take advantage of discounted rates
- v) Keeping the number of participants to the minimum necessary to conduct government business

For all activities, if the most economical alternative available is not selected, sufficient justification must be documented.

4.1.3 The appropriate expenditure initiation approval must be obtained prior to any contract or liabilities being established against the crown.

4.2 Events

4.2.1 Any activities other than operational activities and training will be considered as Events and require Event approval. They include, but are not limited to, the following:

- i) All management/staff retreats
- ii) All awards and recognition ceremonies
- iii) All departmental/governmental celebrations

- iv) Certain Conference participation
- v) All meetings or gatherings of public servants, regardless of the purpose, that are held outside the headquarters area (16km radius) of the majority of the departmental participants and for which the department has the discretion to select the venue and chooses to hold the activity in a non-government facility

4.2.2 Operational activities and training as defined in this policy are not considered as Events.

4.2.3 Expenditure initiation approval for an Event is based on the total of all estimated costs associated to the activity.

4.2.4 **Multiple Events/Activities**

- i) For the purpose of administrative consistency, transportation costs should be attributed to the primary activity that the traveller is travelling for.
- ii) Additional costs should be identified and attributed to the activity for which they are incurred.
- iii) Events that include participants from multiple branches must be approved by an individual who has the delegated authority for all participants. For multi-branch Events below the Deputy Minister approval level, the CFO will be the approval authority on the recommendation of each implicated Senior Departmental Manager for their respective participants.

4.3 Travel

4.3.1 Travel is to be avoided where cost efficient alternatives are appropriate and available.

4.3.2 The number of departmental travellers is to be limited to the minimum necessary to deliver the business of government.

4.3.3 North America business class air travel granted under the Special Travel Authorities is not applicable within ESDC. Requests for an exception must be submitted to the Deputy Minister or Minister for approval on a case-by-case basis and supported by a full rationale.

4.3.4 The purchase and use of flight passes are not permitted within ESDC.

4.3.5 For all travel, including international, associated to an Event, Event approval takes precedence and must be obtained by the appropriate Event approval authority before any travel arrangements are made.

4.3.6 **Blanket Travel Authorities (BTA)**

- i) BTAs are not to be used for a departmental organization or a group of employees.
- ii) It is expected that the use of BTAs will be kept to a minimum and only be issued in situations where there is a compelling argument for administrative efficiency.
- iii) BTAs can be established for the same reason and type of travel only.
- iv) BTAs cannot be used for travel related to Events.
- v) All BTAs must be prescribed using the departmental BTA Form and signed by the employee and their manager as evidence they are aware of the limitations and conditions of the BTA.

4.3.7 **International Travel**

- i) For the purposes of this policy travel in the USA is considered as international travel.

Note: Domestic travel which includes travel through USA airspace, touching down for emergencies, changes of aircraft or stop-overs, en route to Canadian destinations, does not constitute international travel.

- ii) International travel related to training must be supported by written justification as to why the training is not taking place in Canada.
- iii) All international travel must be tied to the department's mandate and priorities and/or part of the Government of Canada foreign agenda.
- iv) The specific purpose/role for each traveller must be identified on the request for approval.

4.4 Hospitality

4.4.1 **Occasions**

Hospitality is restricted within the Department to the following occasions. Any exceptions require Deputy Minister approval:

- i) It is a matter of courtesy, diplomacy or protocol; or

- ii) It is necessary to facilitate government business.

4.4.2 Forms of Hospitality

- i) Hospitality normally consists of meals and refreshments.
- ii) Exceptionally, and with the prior authorization of the Deputy Minister, hospitality may take other forms, such as tickets to theatre or sporting events, tours of the national capital or similar. Exceptional hospitality can also include other items such as room rental, equipment rental, decorations etc. where a certain ambience is required as a matter of protocol when hosting an official hospitality function (e.g. reception for foreign dignitary).
- iii) As a matter of protocol, small items of appreciation or ceremonial offerings may be given when a non-government employee renders a service with or without remuneration such as a guest speaker at a government function. These items may be considered as a normal form of hospitality provided that they are items of minimal resale value such as flowers, traditional cultural offerings, chocolates, gift baskets, books or similar. Managers are expected to apply sound public service values and place a strong emphasis on responsible spending with regard to what is being offered and under what circumstances. In no circumstances can cash or near cash (e.g. gift cards, gift certificates) be provided by the department as part of hospitality.

Requirements:

- A) Given as a matter of protocol
 - B) Recipient must be a non-public servant
 - C) Have minimal resale or fair market value (Max. \$50)
 - D) Withstand the test of public scrutiny
 - E) Justification on items (A-D) must be provided and disclosed in all requests for approval by the appropriate delegated authority.
- iv) The department **does not** have the authority to pay honorariums or give gifts.

4.4.3 General

- i) The authority to provide hospitality does not extend to seasonal holiday lunches, dinners or other activities. This includes the

purchase of cards in celebration of seasonal holidays or other personal milestones (engagements, birthdays, retirements, job promotions, etc.).

- ii) Any cost for attending a discretionary gala/dinner/celebration is considered as entertainment and must be approved as an exceptional form of hospitality requiring minimum Deputy Minister approval.
- iii) In situations where public servants are required to attend a gala/dinner/celebration organized by an external organization as official departmental representatives, any fees to attend that activity should be recorded as Public Relations Services. While the expense is not classified as Hospitality, Deputy Minister approval is required.
- iv) If a gala/dinner/celebration is part of the conference cost (i.e. not a separate cost) no additional approval is required over and above the conference attendance approval.
- v) Any person who is in receipt of hospitality must not seek reimbursement for that meal or refreshment as part of a travel or other expense claim.

4.4.4 **Federal Public Servants & Contractors as Recipients**

- i) When only public servants are present, hospitality can only be offered in exceptional circumstances and must always be supported by a written justification.
- ii) The following conditions apply. Any exception to these conditions requires Deputy Minister approval:
 - a) The activity must be at least 3 hours in duration overlapping a normal morning and/or afternoon break period; and
 - b) Hospitality is offered only when staff dispersal is not effective or efficient or there are no nearby facilities to obtain refreshments or meals.
- iii) There are no exceptions to the following conditions:
 - a) The number of employees must not be greater than the number needed to conduct government business.
 - b) Managers must exercise judgment and take the principle of economy into account by identifying appropriate occasions

and ensuring that hospitality expenses are not incurred for regularly scheduled meetings between colleagues.

- c) Alcoholic beverages cannot be offered at activities involving federal public servants only.
- d) In no circumstances can employees be provided with either gifts or promotional items as hospitality.
- e) In the context of this policy, any restriction to the offering of hospitality to public servants applies equally to government contractors.

4.4.5 **Meals**

- i) Meals should only be offered where they are an integral part of the proceedings. Moreover, breakfast should only be offered in exceptional circumstances and must be supported by written justification.
- ii) Meals should not be offered to employees during meetings of close colleagues working together on a regular basis.
- iii) When meals are provided to participants of an activity or Event, the expenses for all such meals must be coded to hospitality.

4.4.6 **Dollar Restriction**

Written justification is required in all situations where the provision of hospitality exceeds the Standard and/or Maximum per Person limits as described in Appendix B.2.2.2 of Treasury Board's THCEE Directive.

4.4.7 **Blanket Hospitality Authority (BHA)**

- i) Blanket hospitality authorities may be used on an exceptional basis where substantial administrative savings can be demonstrated and assurance that the risks will be mitigated.
- ii) All requests for BHAs must be submitted, in the prescribed form (link) for review and approval by the CFO.
- iii) BHAs cannot be used for hospitality that would otherwise have to be approved by the DM or Minister.

4.5 **Conferences/Training**

- 4.5.1 Approval authority and financial treatment is dependent on the purpose of attending a conference:

A. To gain information on a product or a service

Where the primary purpose is to gain information on a product or service, (e.g. trade shows, supplier/potential supplier-organized activities promoting their product or service), the activity will be considered as an Event and the fees should be charged to Conference Fees. Minimum Event approval for this type of conference participation is Senior Departmental Manager.

B. To promote a departmental program/service or engage with stakeholders

Where the primary purpose is to promote a departmental program/service or to engage with stakeholders in an official capacity, (e.g. guest speaker, exhibitor booth, conference organizer, negotiating with stakeholders.), the activity is considered to be operational and is not an Event. If there are conference fees to attend, they should be charged to Conference Fees and the minimum approval for this type of conference participation is Senior Departmental Manager.

C. In support of a learning plan or professional development

Where the primary purpose is to enable participants to acquire or maintain skills and knowledge including professional development, the fees are either coded to Training or to Conferences Fees depending on how the conference is identified in the [Departmental Conference vs Training List](#) and approved accordingly (i.e. as an Event with minimum Senior Departmental Manager approval when considered as a conference and approved by the employee's delegated manager when considered training).

For conferences not identified on the list, [Financial Policy](#) must be notified. If, due to timing, approval is required in the meantime, the activity is deemed to be an Event and approved accordingly. The fees must be charged to Conference Fees and the minimum Event approval for this type of conference participation is Senior Departmental Manager.

4.5.2 Attendance must be limited to the minimum necessary to achieve departmental objectives.

4.5.3 Conference Sponsorship should be exercised with probity and restraint in mind.

- i) All conference sponsorships must be directly related to the achievement of the departmental mandate.
- ii) Minimum Deputy Minister approval is required for all conference sponsorships.

- 4.5.4 When it is necessary for a conference participant to have a non-public servant accompany them to the conference as a matter of protocol, Senior Departmental Manager approval must be sought. In such cases, personal expenses incurred may be reimbursed to the official representative.

5. Roles and Responsibilities

5.1 Chief Financial Officer

The Chief Financial Officer is responsible for:

- 5.1.1 Establishing and conducting ongoing monitoring activities to assess compliance to all THCEE governing instruments and for taking corrective measures where appropriate.

5.2 Senior Departmental and Delegated Managers

Senior Departmental and Delegated Managers are responsible for ensuring within their areas of responsibility that:

- 5.2.1 Recurring Events or activities are assessed annually to ensure continued relevance, value for money based on past performance, efficient and economical use of resources;
- 5.2.2 Expenditures for which a budget ceiling has been imposed are not exceeded.

5.3 Designated Departmental Travel Coordinator (DDTC)

The DDTC is responsible for:

- 5.3.1 Providing policy interpretation on the [NJC Travel Directive](#) including rates and allowances.
- 5.3.2 Establishing and approving national departmental travel procedures.

5.4 Departmental Travel Card Coordinator

The Departmental Travel Card Coordinator is responsible for:

- 5.4.1 Establishing and maintaining national departmental travel card procedures and processes.

6. Delegations of Authority

6.1 General

- 6.1.1 All activities, and components thereof, must be approved by the appropriate delegated authority prior to entering into any agreements with third parties.

6.1.2 Expenditure initiation approval may be authorized based on estimates. Any major amendments prior to the activity date must be resubmitted for approval. For the purposes of this Policy, major amendments are defined as:

- i) Change in purpose
- ii) Change in venue or location (where costs increase)
- iii) Greater than 25% increase in the total estimated cost.
- iv) Any other aspect that could reasonably be assumed to be of interest to the individual who originally provided expenditure initiation approval.

* Note: The delegated authority may elect to further restrict these conditions.

6.1.3 Any anticipated increase in costs, regardless if they are considered as a minor or major amendment, that would exceed the maximum delegated limit of the original approver must be resubmitted for expenditure initiation approval to the individual with the appropriate level of authority.

6.1.4 In all situations where the appropriate level of approval was not obtained prior to the establishment of a financial obligation for the department, the 'After the Fact Acknowledgment Procedures' must be followed.

6.1.5 For all exceptional situations that are not specifically covered under this policy, the level of delegated approval will be determined by the Financial Policy Unit within CFOB on a case by case basis.

6.2 Events

6.2.1 Events may be comprised of various types of expenditures, (e.g. hospitality, travel, translation fees, room rental). Expenditure initiation approval is required for all Events based on the total estimated cost of all the components related to the Event and any restrictions to any of those components. Approval should be obtained by the most senior authority identified.

6.3 Travel

6.3.1 International travel requires the following approval:

- i) Labour – Deputy Minister (DM) of Labour
- ii) Service Canada – Chief Operating Officer (COO)

- iii) ESDC (excluding Service Canada and Labour) – Joint approval by the Chief Financial Officer (CFO) and Senior Assistant Deputy Minister (SADM) of Strategic and Services Policy Branch (SSPB) is required for international travel related to operational activities and training. For Events that include international travel, and the total estimated Event cost is below the DM Event approval threshold in the delegation instrument, the CFO and SADM, SSPB can jointly approve the Event including the international travel. For international travel related to Events at or above the DM Event approval threshold, the CFO and SADM, SSPB must jointly recommend the international travel.

6.3.2 The CFO is the travel approval authority for the Deputy Minister.

6.4 Hospitality

6.4.1 The CFO is the hospitality approval authority when:

- i) The Deputy Minister is in attendance. This includes activities when the CFO is also attending. The CFO can approve up to the limits of the Deputy Minister in these situations.
- ii) A Senior Departmental Manager is in attendance. When the CFO is also in attendance, Deputy Minister or higher approval must be obtained.

7. Definitions

Entertainment – Includes, but is not limited to, tickets to musicals, theatre, sporting or similar activities, tours of local or other places of interest, and other similar activities for the reason of courtesy, diplomacy and protocol.

Events – All gatherings of individuals (both public and/or non-public servants) engaged in activities other than operational activities or training and all meetings or gatherings of departmental personnel, regardless of the purpose of the gathering that are held outside the headquarters area (16km radius) of the majority of the participants and for which the department has the discretion to select the venue and chooses to hold the activity in a non-governmental facility.

Federal Public Servant - Any person who is currently paid a salary by the Government of Canada from the Consolidated Revenue Fund.

Flight Passes - A prepaid package of electronic one-way flight credits used for travel within a selected geographic zone during a specific period. Generally, one flight credit equals one one-way trip (including connections) per person.

Local Travel – For the purposes of this policy, local travel is defined as:

- i) Module I and part of Module II of the NJC Travel Directive (i.e. no overnight stay); and
- ii) Transportation using means such as taxis, public transit, personal vehicle or government fleet vehicles (no air or train); and
- iii) Travel within a radius of 100 km from the assigned workplace, using the most direct, safe and practical route.

Meals – Breakfast, lunch and dinner only.

Non-Public Servant – Any person who is not currently paid a salary by the Government of Canada from the Consolidated Revenue Fund.

North America – Canada, United States, all Central American & Caribbean countries.

Operational Activities – Activities in support and delivery of departmental programs and services. These activities include internal services and for individuals, all activities in performance of their assigned duties. An activity that could otherwise be considered an operational activity but meets the criteria of section 4.2.1 v) of this policy is deemed to be an Event.

Refreshments – Include beverages or food (e.g. light snacks) or both, that do not constitute a normal meal but are served between meals.

Reception – An extended period between when attendees arrive and when the meal is served, these might also serve the purpose of sustaining attendees during the wait before a meal. Reception food may also be served with no main meal afterward if circumstances dictate.

Senior Departmental Manager – For the purpose of this policy, Senior Departmental Managers are defined as managers reporting directly to a Deputy Minister.

Training – Fees paid for formal learning activities, which include a curriculum and established learning objectives, and where the primary purpose is to enable participants to maintain or acquire skills or knowledge. Training also includes fees paid for attendance at an activity deemed to be training by the government-wide functional community leads or Deputy Minister.

8. References

[Financial Delegation Instrument](#)

[ESDC Hospitality and Event procedures](#)

[National Joint Council Travel Directive](#)

[Special Travel Authorities](#)

[Treasury Board's Directive on Travel, Hospitality, Conference and Event Expenditures](#)

[Policy on the Duty to Accommodate Persons with Disabilities in the Federal Public Service](#)