

Hospitality, Conference, and Event Expenditures Policy

The policy of the Corporation is derived from the Treasury Board Secretariat (TBS) [Directive on the Management of Expenditures on Travel, Hospitality and Conferences](#), the TBS [Guideline on Travel, Hospitality, Conference and Event Expenditures](#), and the National Joint Council (NJC) [Travel Directive](#). In case of omissions, please refer to these documents.

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General Principles

The Corporation acknowledges that its managers may incur hospitality, conference or events expenses for reasons of appropriate business conduct, courtesy or compliance with protocol.

For everyday functions, managers must make use of the Corporation's modern, efficient facilities as a matter of priority so as to limit hospitality-related expenses.

For the best possible results in terms of savings, the activities subject to this policy should be carefully planned and approved in advance, and produced at an appropriate level with respect to both their goals and the choice of suppliers and facilities. The total annual Telefilm budget for hospitality expenditures must likewise be approved by the Executive Director.

Hospitality functions should be planned so as to minimize costs, with due regard for certain factors:

- The status or rank of the guests
- The number of persons attending
- The circumstances justifying the activity

Exceptions to this policy must be authorized in advance by the Director, Administration and Corporate Services, or by the Controller. The Finance Department is responsible for making sure that transactions comply with this policy in principle and in practice.

Application

This policy applies to members of the Board, to the Executive Director, and to all Telefilm employees. However, members of the Board and the Executive Director are allowed some latitude in that they are also subject to the rules and guidelines of the TBS "[Special Travel Authorities](#)". Some employee-oriented activities of a social nature and/or occurring annually must also comply with the rules in force. The hospitality expenses of the Chair and the Executive Director are disclosed on the Corporation's website.

Definitions

- **Hospitality:**
The provision of meals, beverages or refreshments to non-public servants in activities which are necessary for the effective conduct of government business and for courtesy, diplomacy, or protocol purposes. The associated costs of hospitality do not include rental of facilities, except for the sole purpose of hosting a meal.
 - **Conference:**
A congress, convention, seminar, symposium, or other formal gathering, where participants debate or are informed of the status of a discipline.
 - **Event (Program codes 811 to 817):**
A business meeting, departmental or corporate management meeting, conference, or any other formal gathering of public servants or non-public servants invited to participate in these activities.
- Telefilm considers that program expense activities which serve the investments or to promote the film industry are part of its core mandate and thus, do not define as an event for the purpose of this policy.*

Please refer to the TBS [Directive](#), Appendix 5, for other definitions of key terms.

Forms of Hospitality

Hospitality expenses are costs incurred by the Corporation, a manager, or a specific sector, particularly for the purpose of strengthening ties with clients or forming new relationships. Such costs may also be incurred in discussion groups and forums with the industry.

There are many different sorts of hospitality. However, they typically take the following forms:

▪ Breakfasts	▪ Cocktails	▪ Other refreshments
▪ Luncheons	▪ Beverages	▪ Other incidentals
▪ Dinners	▪ Appetizers and snacks	
▪ Receptions	▪ Entertainment: Tickets and Excursions	

In standard hospitality, non-alcoholic beverages are served. Alcoholic beverages are permitted only in special circumstances. The following criteria apply:

Circumstances	
Meals between employees	Alcohol is not allowed
Meals or cocktails with guests in the Canadian industry – in Canada or abroad	Alcohol is not allowed
Meals or cocktails with visiting guests from other countries, in Canada or abroad, when required by protocol	Alcohol is allowed for the guests, glass only* Alcohol in a bottle (wine) is not allowed

* NOTE: Only alcoholic beverages for guests will be reimbursed. No reimbursement is allowed for alcoholic beverages consumed by employees.

In exceptional circumstances, it may be deemed appropriate to provide beverages and entertainment as a matter of courtesy, diplomacy, or protocol involving non-public servants.

Recipients of Hospitality

Clients and Industry

It is understood that the recipients of hospitality must be clients of the Corporation and the industry. Managers may organize hospitality activities on behalf of the Corporation, particularly during official discussions with third parties or industry representatives, or during activities staged by the sectors in charge of promotion in order to meet special interest groups, industry task forces, and during other forums or on special occasions.

Employees attending activities organized for clients or the industry should be limited in number to those who are essential for conducting Corporation business at the time.

Employees

The following restrictions cover the hospitality activities of employees. Costs of meals between employees working together on a regular basis or in the same sector are not considered allowable expenses.

- **Beverages**

Beverages may be served to employees required to work through “breaks.” Such hospitality should be restricted to occasions of a formal nature.

Managers should exercise good judgment and due regard for economy in determining occasions where hospitality is appropriate, and should make sure that hospitality is not offered during meetings of close colleagues working together on a regular basis.

Standard Rates and Spending Limits

The following table determines, based on the form of hospitality, the standard costs and allowable spending limits per person for use in planning all hospitality functions.

Form of hospitality	Standard cost per person			Maximum allowable cost per person <u>per activity</u>		
Breakfast	1.5	X	Breakfast Allowance	2.25	X	Breakfast Allowance
Refreshments	0.5	X	Breakfast Allowance	0.75	X	Breakfast Allowance
Lunch	2	X	Lunch Allowance	3	X	Lunch Allowance
Dinner	1.75	X	Dinner Allowance	2.6	X	Dinner Allowance
Reception	2	X	Breakfast Allowance	3	X	Breakfast Allowance

These daily allowances are based on Appendix C, “Allowances – Canada,” in the National Joint Council [Travel Directive](#).

Reasonable hospitality expenses: Moderation and frugality must be exercised in presenting hospitality functions. Understanding the two following rules is essential for compliance with Corporation policy:

1) Standard cost per person (See table above)

The Corporation expects that the average cost per form of hospitality incurred by a manager for meal-related expenses in the fiscal year should be less than or equal to the standard cost per person set by the TBS.

2) Maximum allowable cost per person (See table above)

In exceptional circumstances, hospitality costs may be claimed up to the maximum cost per person set by the TBS (based on the form of hospitality). This is the spending limit per person for which the Corporation provides reimbursement.

The spending limit per person for a given form of hospitality may not be exceeded. It is imperative that managers plan their functions accordingly.

Conferences

The primary objective when attending a conference should be specified in the applicable conference approval document. When several employees are attending the same conference, **this is considered an event** and the total planned conference registration costs should be included in the event costs, along with other costs (travel, hospitality, if applicable),

The number of employees attending a conference should be the fewest necessary to accomplish the given objective.

Education and Training

Education and training activities **are considered as being events**, except for those that meet the following criteria:

- Formal programs approved and delivered by Telefilm for its employees, in order to ensure that they possess the necessary skills to perform their jobs
- Formal instruction programs approved by Telefilm and delivered by third parties, including universities and colleges
- Formal instruction or accreditation programs approved by a professional organization and delivered by a professional organization for the particular purpose of obtaining or retaining a certain professional accreditation (e.g. lawyers, accountants)

The rules for approval of other costs (such as travel or hospitality) still apply even if the training course is not considered as being an event.

Prior Authorization Required

Prior authorization is required for hospitality functions, conferences, and events. These activities must be delivered within the scope of the budgetary items approved by the Corporation.

Approval criteria	Chair of the Board	Executive Director	Cost Centre Manager (Level 13 or higher)
Total cost of event	\$ > \$25,000	\$5,000 < \$ ≤ \$25,000	\$ ≤ \$5,000
Total hospitality costs	\$ > \$5,000	\$1,500 < \$ ≤ \$5,000	\$ ≤ \$1,500
Required level of authorization when hospitality expenses include: - Alcohol - Entertainment - Standard cost per person <u>exceeds the limit authorized</u> by this policy	X	N/A	N/A
Cost of attendance and registration at a conference	X	X	X

X: full amount

The Cost Centre Manager may not approve an event when he or she is a participant. Approval must then be referred to the manager's immediate superior.

Prior approval is obtained as follows:

- Events: Use of the Event, Hospitality, Conference and Training Form
- Hospitality and conferences: Use of the form: Events or on an approved travel application in STS system

The approved forms must be archived in Docunet.

Expense Claims and Approval of Expense Report

To be eligible for reimbursement, all expenses must be accompanied by an itemized invoice supporting the amounts incurred and including proof of payment. All taxes and tips must be included in the amounts. The claim must be made by the manager who initiated and is responsible for hosting the event, regardless of the seniority levels of the participants.

The following information must be entered on the expense account report or when authorizing the purchase order and payment

- Authorization form: Event, Hospitality, Conference and Training Form
- The circumstances of the activity
- The form of hospitality
- The actual costs
- The number of persons attending (guests and employees)

Disallowed Expenses

While not being exhaustive, the list of disallowed expenses includes:

- Meals between employees who work together on a regular basis
- All alcoholic beverages except for occasions specified in this policy

- Any amount exceeding the spending limit per person set by the TBS
- Any expenses that cannot be justified in terms of the Corporation's objectives

Coding of Accounts

Activities	General Ledger
Hospitality activity with the industry: <ul style="list-style-type: none"> ▪ Meals and other refreshments 	GL # 4810 Hospitality expenses
Hospitality expenses with clients	GL # 4810 Hospitality expenses
Hospitality functions with employees of a social and/or annual character Beverages and meals at working sessions	GL # 4550 Meeting Expenses – Meals – Employees
Conference expenses	GL # 4610 Registration Fees – Other

Effective Date

This policy takes effect on April 1, 2016 and is reviewed annually.

Pertinent Documents

- Event, Hospitality, Conference and Training Form