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Senior Management Expense Policies

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Appendix A: Organizations surveyed

Main points

What we found

We examined senior management expense policies in 113 provincial agencies, boards and commissions. This included 16 special operating agencies, 37 school divisions, 11 regional health authorities (prior to the recent amalgamation), 7 post secondary education institutions, 6 government business enterprises, and 4 child and family service authorities. We wanted to find out if policies existed in each of these organizations and whether they were consistent with the central government's *General Manual of Administration* (GMA). We then randomly selected 10 for detailed examination to determine if senior management was complying with the policies in place in their organization, and to assess if all of the expenditures were reasonable.

We found that the GMA generally covered appropriate topics related to senior management expense policies and those policies were comprehensive. Not all provincial organizations had senior management expense policies in place. The policies that were in place varied significantly from one another and from the GMA. For the sample that we examined in detail, senior managers were complying with policies, with few exceptions. We did not identify any excessive expenditures.

Why it matters

Policies are critical for all organizations, setting the expectations and obligations of both management and staff. Senior management expense policies ensure fair treatment of employees. They are also important as a means of cost control.

The operating environment, corporate culture and management expectations will determine whether the senior management expense policy will impose lax, moderate or restrictive spending controls. Organizations with excessively loose controls may be incurring higher than necessary expenses and may be leaving themselves open to abuse or fraud.

Over three quarters of government spending takes place outside of government departments. At a time when government is working to reduce deficits, clear central guidance about spending expectations is critical to control costs. Compliance monitoring and enforcement strategies are also necessary to ensure that expectations are being met.

Audit approach

We examined expense policies in place for senior management in 113 provincial agencies, boards and commissions to determine if policies exist and to determine the degree to which policies vary across government.

We examined expense transactions by senior management in 10 randomly selected organizations to determine if they are complying with the policies in place in their organization and to assess if expenditures are excessive.

Expense policies included credit card transactions, travel and other expenses that senior managers claimed directly.

We conducted our audit between October 2011 and August 2012 and examined primarily the policies in place at December 31, 2011. In our random sample of 10 organizations, we looked at the expense claims submitted by the top two levels of employees in each organization over the time period of April 1, 2010 to March 31, 2012. Our audit was performed in accordance with the value-for-money auditing standards recommended by the Canadian Institute of Chartered Accountants and, accordingly, included such tests and other procedures as we considered necessary in the circumstances.

The audit included review and analysis of applicable legislation, policies and practices in place in central government, as well as in place in each of the organizations included in our comparison; travel and expense claim files, records, reports and other related documents in each of the organizations included in our sample; and information on similar policies in selected other jurisdictions.

For the sample of 10 organizations, we reviewed each claim against the policies in place in the organization at the time, and also against a reasonableness expectation based on the other policies across government, including those in the GMA. Overall, we looked at 815 expense claims from 79 senior managers for a total of \$453,709. We also looked at 519 credit card statements with a total of \$1,242,916.

For those organizations in our sample that had no policies in place, we looked at the expense's reasonableness based on the other policies in place across government, including those in the GMA.

Findings

1. Policies did not exist in all organizations

We sent a survey out to the 113 organizations listed in Appendix A. We asked them for a copy of the senior management expense policies in place or a description of their practices. All of these organizations replied to our survey.

Twenty-eight organizations told us that they followed the *General Manual of Administration* (GMA), while an additional 2 organizations follow certain sections of the GMA. The remainder of the organizations had policies in place that ranged from a complete absence of any policy to a very comprehensive and in depth policy.

Some organizations, who had practices in place for reimbursement of senior management expenses, used the GMA as a guide while others used other documents such as the federal government employees policy and the rules established by Canada Revenue Agency for income tax purposes.

2. Policies varied significantly from the GMA and from each other

The GMA is the authoritative, government-wide manual outlining the administrative policies and procedures of the government of Manitoba. The GMA includes the government's travel and expense policy. It states "this policy establishes the conditions under which government employees may be reimbursed for travel and related expense incurred when engaged in government business". The GMA is developed, published and maintained under the authority of Treasury Board. The Treasury Board Secretariat (TBS) has been charged with the responsibility for the manual.

The GMA applies to all government departments, and, in the absence of specific legislation or operating charters that dictate otherwise, to all government Crown Corporations, agencies, boards, commissions and special operating agencies (SOAs). The GMA provides reference to, and is coordinated with, other central government policy and procedure manuals such as the *Financial Administration Manual*, *Procurement Administration Manual*, and the Civil Service Commission's *Principles and Policies for Managing Human Resources*.

We reviewed the GMA to determine whether it covered the appropriate topics related to senior management expenses and whether it was comprehensive enough.

We reviewed the policies in place in three other jurisdictions, as well as documents provided to organizations by experts when they are considering developing a travel and expense policy, to determine what topics should be included in a travel and expense policy. We found that the topics included in the GMA are consistent with those.

We also reviewed the level of detail included in those other jurisdictions as well as the documents provided when developing a policy, to determine whether the GMA was comprehensive enough. We found that the GMA was comprehensive.

We found that the GMA included policies on all of the appropriate topics with the exceptions of reimbursement of traffic violations, and reimbursement for alcohol. We found that the topics included in the GMA are covered with differing amounts of detail. There is a significant amount of detail in some areas, while some high risk areas, such as credit cards and advances, provided less detail.

While we understand that agencies, boards and commissions operate with a different governance structure than government departments, we believe that the Province has a role to play in setting clear spending limits across the public sector. The GMA clearly states that it applies, unless legislation permits otherwise. We are concerned by the extent of the variation and the deviation from the GMA. This likely extends beyond senior management expenses, and may be the case for all of the policies covered in the GMA.

3. Approval requirements vary

Under the GMA, expense reimbursement claims require approval by the branch head or other senior official or by the designated authorizing official. Some items require pre-approval, and some specifically require pre-approval by the Minister. Out-of-province travel requires approval by the Minister; however, he or she may delegate this to the Deputy Minister.

In the entities we surveyed, we found that claims for reimbursement of expenses by the Chief Executive Officer (CEO) (or most senior employees in the organization if called something other than CEO) were to be approved by:

- the Board Chair in 44 organizations. One of these required approval of the claims on an annual basis.
- the Board Chair or an employee lower than the CEO in 3 organizations.
- the Board as a whole in 5 organizations. In one of these it is on an annual basis.
- the Board Chair and an employee lower in the organization in 7 organizations.
- any Board Member in 2 organizations.
- the Finance and Audit Committee Chair in 2 organizations.
- the Finance Committee in one organization.
- the Minister in 2 organizations.
- another employee lower on the organization chart in 17 organizations. In 4 of these, there is a summary given to the Board – for one organization, annually; for 3, monthly.

In 3 organizations there are no approval requirements, only the requirement to stay within budget limitations. “Ethical use and good judgement” was required in one organization. Some organizations required pre-approval for out-of-province travel by the CEO. Many of these approval requirements are not consistent with the GMA.

In our sample of 10 organizations:

- In 9 organizations, all expense claims were properly approved according to the policies in place in the organization.
 - N In 2 organizations, the expense claims of the CEO were approved by someone that reported to the CEO. In one of these situations, the expense of the CEO were summarized and submitted to the Board on an annual basis for approval.
 - N In another organization the expense claims of the Superintendent/CEO and Secretary Treasurer/CFO were approved by the Assistant Secretary Treasurer.
 - N In one organization, expense claims of the person approving the expense claims were not approved by someone other than themselves.
 - N In one organization, policy required out-of-province travel to be pre-approved on a travel authorization form and 4 instances of out-of-province travel were not supported by a travel authorization form.
- In one organization, 7 expense claims were submitted for reimbursement without the proper approval. In this case, each claim was subsequently reviewed (evidence by initial) by a board member.
- In one organization, there was a duplicate claim for wireless charges for the claimant’s cellphone. The organization said this would be repaid and the organization would start paying these charges directly.
- In one organization, there was one claim for reimbursement for meals, for which the claimant had also claimed per diems. The organization indicated this was done in error and would be repaid.
- In one organization, the Assistant Secretary Treasurer was responsible for approving expense claims, including those of the CEO. They felt this was more appropriate than having the Board Chair approve them as the Assistant Secretary Treasurer would be more knowledgeable about administrative matters than the Board Chair would be.
- Some expense claims did not clearly identify the purpose of the travel that was being claimed, but were still approved.
- In one organization, there were 2 expense claims that included duplicate expenses from the previous claim.

Recommendation and response of officials

We recommend that Treasury Board Secretariat monitor whether all agencies, boards and commissions have appropriate expense policies in place, consistent with the GMA or applicable legislation.

Response - Treasury Board Secretariat: Treasury Board Secretariat appreciates the conclusion that the *General Manual of Administration's* coverage of expense policy issues is appropriate and comprehensive. Treasury Board Secretariat agrees that appropriate expense policies, consistent with the *General Manual of Administration* should be in place for all agencies, boards and commissions which fall under the scope of the *General Manual of Administration*, and undertakes to communicate this requirement to all affected parties.

Policy comparisons

The following subsections summarize our findings, comparing the policies in the 113 agencies, boards and commissions we surveyed to the policies in the GMA.

Documentation requirements

The GMA states:

Originals of receipts, not photocopies, are required for:

- ‘Business’ lunch/dinner meeting meals.
- Dry cleaning.
- Hospitality costs.
- Hotel, motel, room or cabin accommodation.
- Laundry.
- Limousines, livery vehicles, and other vehicles if not hired by meter rate.
- Occasions where a personal credit card is used.
- Transportation for which receipts are normally available (ticket stubs are suitable).
- Other payments, especially unusual items, where it is reasonable to expect a receipt to be produced.

The absence of a receipt will delay payment and may cause rejection of the claim. There is no justification for waiver or dispensing with a receipt. Where a receipt is lost or damaged, other evidence of payment to support the claim must be submitted. Such accounts must be approved, with appropriate certification supporting a claim, by the Department Head.

Receipts should be made out by the payee on official letterhead whenever possible. Complete details, including dates of services rendered, accommodation supplied or materials purchased and prices and rates should appear on the receipt or the receipted amount.

Receipts may not be altered or defaced in any way, except that personal items not allowable as a claim may be deleted or entered as a deduction.

There were 79 organizations that identified that receipts, and/or other type of supporting documentation, such as a boarding pass for air travel, were required with reimbursement requests. Seven policies identified that if a receipt was lost, accidentally destroyed, or unobtainable, a personal declaration from the employee could replace the receipt. Four policies also included a requirement for an itemized breakdown and explanation of the business purpose of the expense. Two policies indicated that a credit card receipt was sufficient for meals, “business” luncheon, dinner meeting meals and hospitality. Eight other policies specifically identified that a credit card receipt could not be used as the sole piece of supporting documentation as they do not provide sufficient details. One policy identified that receipts were only required if the expense was in excess of \$10.00.

In our sample of 10 organizations:

- 9 organizations reimbursed regularly with only a credit card slip as supporting documentation for the expense. Of these 9,
 - N The policy of one organization does not specify the type of supporting documentation required.
 - N The policy of one organization specifies “receipts or other appropriate documentation”.
 - N The policy of seven organizations require “receipts”, with one of these identifying that credit card slips would not be accepted instead of receipts.
- The business purpose of the expense was not clearly defined in many situations. Usually this would be a meal expense for a business meeting, where either the purpose of the meeting or the guests at the meal, or both, were not identified.
- One organization reimbursed a hotel charge with only the hotel reservation as supporting documentation.
- Two organizations reimbursed airfare with only the airfare reservation or booking confirmation as supporting documentation. In one of these organizations another claim provided the boarding pass as supporting documentation for airfare reimbursement which proves the travel occurred.
- Two organizations that reimbursed some meals that were included on a hotel bill, with only the hotel bill as supporting documentation (which doesn’t detail what was included in the meal).

General policies for travel and related expenses

The GMA states:

Except where otherwise directed by Statute, Regulation or Order-in-Council, this policy applies to all employees and for all cases where travel expenses have been duly authorized.

The payment of expenses is to reimburse employees for actual expenses incurred on government business, within specified terms and conditions, and up to specified maximum amounts. An allowance may be provided in lieu of actual expenditures.

Travel must be arranged in such a way as to keep expenses to a minimum.

Transportation should be arranged so that the minimum expense, where possible, is incurred and will generally be by the shortest direct route, whether within or outside the Province.

Advantage shall be taken of return tickets, reduced fares, special rates or limited tickets where schedules permit.

A general policy sets the tone or framework for how the employees should spend public money. It reflects the overall tone and culture of the organization. It also identifies general rules for employees to follow when an employee is in a unique situation for which the organization does not have a specific policy. We would have expected that each organization would have a general policy for where situations do not meet the specifics; however, only 102 organizations' policies included a general policy.

Travel cancellation charges

The GMA states:

Employees will be reimbursed for any cancellation charge in the event that the trip is cancelled due to circumstances beyond the employee's control.

There were 49 organizations with a policy for travel cancellation charges.

The wording of the policies that we reviewed varied considerably. They ranged from placing the responsibility on the employee to pay for reservations not cancelled and not used, to identifying that the organization would reimburse employees for cancellation charges included in the reservation with no reference to the circumstances. Some of the policies also required employees to purchase cancellation insurance against as many contingencies as possible, while others identified cancellation insurance as an optional but allowable expense and others identified that flight cancellation insurance is not an allowable expense.

In our sample of 10 organizations we noted one instance where cancellation insurance was purchased. In this case the organization did not have a policy for whether or not cancellation would be reimbursed. In this situation there were extenuating circumstances to suggest that cancellation insurance should be purchased.

Air travel

The GMA states:

All air travel on scheduled flights will normally be Economy Class. This requirement should only be varied when the extra cost is justified by program-related reasons and requires Department Head approval.

All aircraft charters should be arranged through Air Services Branch, Manitoba Infrastructure and Transportation, whether by private carrier or via government aircraft. Travel by government-owned aircraft or chartered aircraft must be authorized by a Minister or designate.

Before privately-owned or leased aircraft may be used on government business, approval must be obtained from the Deputy Minister or Agency Head. Such use should normally be permitted only as a supplement to service available through Air Services Branch or private carriers, and where in the opinion of the Deputy Minister, operational requirements can most effectively be met through that use.

There were 67 organizations with a policy for air travel.

Many organizations did not specifically identify separate policies for air travel. Some simply identified that all air travel was to be economy class. Four organizations identified that all air travel was to be booked through the corporate travel agent, while the others gave the employees the option of booking the travel themselves. One organization required that travel be booked at least 14 days prior to the travel, some others suggested booking early, and others did not identify a preference. Some organizations identified an option of a longer stay if it meant a lower air fare; others did not identify this option.

Two organizations identified that business class air service could be used. The policy in one organization identified the President and CEO could fly business class; while the policy in another organization identified business class could be used by any staff on international travel; or one specific member of senior management, as well as any staff travelling with him.

The GMA's position that travel should normally be economy class, except in circumstances where business related reasons would require business class, is reasonable. We would say that always allowing it or never allowing it would be going too far.

In our sample of 10 organizations we noted that giving the employee a rate that included the option of seat selection was allowed.

Frequent flyer and similar programs

The GMA states:

As the benefits of air travel plans and similar services cannot be used effectively for corporate purposes, enrolment fees, service charges or other related costs will not be reimbursed.

Except for the organizations following the GMA, no organizations had a policy for reimbursing enrolment fees, service charges and other related costs. However, there were 42 organizations with a policy for Frequent Flyer or similar programs.

Of those organizations that do have a policy, the policies ranged from employees being allowed to accumulate frequent flyer program benefits on corporate travel and use them personally to expecting employees to use the benefits accumulated on future corporate travel. One organizations policy identified that the use of a frequent flyer program membership would be acceptable only if it did not result in a conflict of interest.

In our sample of 10 organizations, in one organization, an employee used personal memberships which may have accumulated personal benefits to the individual based on value of purchases, to purchase photography items for the organization.

Bus, taxi, rail travel

The GMA states:

Local public transportation can and should be used where practical.

For daytime rail travel, coach accommodation should normally be used.

There were 65 organizations with a policy for bus, taxi, or rail travel.

For the most part these policies simply stated that “local transportation is a covered expense” or something similar. Four policies identified that other less expensive forms of transportation should be considered when available. Public transportation was identified in 13 policies as an option; it was identified as preferable to taxis whenever practical and convenient in one policy. One organization provided an allowance of \$50 or the actual round trip transportation costs to and from the airport to the conference attendee’s hotel.

Four organizations included a policy for rail transportation. When rail transportation was identified, club car accommodation was considered reimbursable for day trips, while roomette class accommodation may be used for overnight travel.

One organization only requires receipts when the cost is over \$10.00, one organization only requires receipts for taxi trips when the cost is over \$6.00, and one organization only requires receipts for other ground transportation when the cost is over \$5.00.

In all of our samples of 10 organizations, there were no claims for bus or rail travel. All claims for taxi costs were claimed and reimbursed according to policy.

Use of Fleet Vehicles

The GMA states:

When a group of employees are travelling to the same destination, the least number of government vehicles necessary to transport the government employees should be used.

A government vehicle should only be used for a business trip outside the province following specific authorization from the Department Head and, normally, provided that the expense of such travel would be less than alternative forms of transportation.

More in section 2.3 of GMA.

There were 41 organizations with a policy for the use of fleet vehicles.

One organization requires the use of fleet vehicles for any business travel outside of town. Other organizations encourage the use of fleet vehicles for business purposes. One organization identifies that the employee will be required to pay the organization \$0.24/km for all personal use. The other policies do not specify policies for personal use of fleet vehicles.

Rental and leased vehicles

The GMA states:

The Department Head may authorize the use of rental or leased vehicles where that use is more economical than alternate forms of transportation, either within or outside the province.

The department or agency is responsible for payment of all rental or lease costs directly to the supplier.

There were 55 organizations with a policy for renting vehicles.

Three require the employee to obtain any and all insurance that is available for the rental. Others require that the employees turn down all insurance usually because the corporation has coverage either separately or through payment with the corporate credit card. Some organizations specify what type of vehicle can be rented. Luxury vehicles, when mentioned by the policies, are either not allowed, or allowed only under special circumstances. Many of the policies identify that a rental should only be used if it is the most economical option. Very few require evidence of comparisons between the rental and other forms of transportation or comparison between different rental agencies.

In one organization in our sample, car rental insurance was reimbursed for one claim, although the organization's policy identified that it should not be.

Privately-owned vehicles

The GMA states:

The rate paid for use of a privately-owned vehicle for travel on government business, when authorized by a Branch Head, will be in accordance with the schedule.

Privately-Owned Vehicle Reimbursement Rates

	For Employees Resident	
	South of 53	North of 53
Distance up to 12,000 kilometres per year	\$0.400/km	\$0.444/km
Distance over 12,000 kilometres per year	\$0.323/km	\$0.355/km

Note that the rate reflects the cost of running the vehicle and an appropriate proportion of the fixed costs. It includes All Purpose insurance, coverage to the standard deductible and Third Party Liability. The allowance does not include the cost of bridge, ferry or highway tolls or parking as authorized, which may be claimed as incurred.

When authorized by a Branch Head, an employee requested to provide a vehicle for its service use will be paid at the rates according to the type of vehicle supplied and the area of use. A claim may not be made for Service Use on the same day as a claim for the basic reimbursement for business travel.

Service Use Rates

	For Employees Resident	
	In other areas of the Province	In areas covered by remoteness allowance
Automobiles	\$15.72/day plus \$0.22/km	\$19.34/day plus \$0.264/km
Trucks up to and including one(1) ton or vans	\$17.77/day plus \$0.243/km	\$21.23/day plus \$0.285/km

Service use rates may be authorized by the Branch Head for stand-by for emergency purposes in field situations (e.g., fire tower emergency vehicles) and will be considered to include payment for up to 16 kilometres per day of use on government business.

Travel in the vicinity of towns which are in those areas covered by Remoteness Allowances and which do not have road access to a Provincial Trunk Highway, will be paid for at a special rate (\$19.34/day plus \$0.264/km) authorized in lieu of the normal rate.

Employees will be reimbursed for the additional cost of Commuter insurance above that required for the All Purpose rate, when business use of the vehicle will exceed 1,609 kilometres in the insurance year. The 1,609 business kilometres does not include travel between the residence and the designated place of work.

There were 107 organizations with a policy for business use of employee's private vehicles.

The lowest general reimbursement rate was \$0.35/km, however, in another organization, if an employee's vehicle were to travel over 11,000 km for business purposes in a year; the employee would only receive \$0.32/km for the km over 11,000.

The highest general reimbursement rate was \$0.52/km. Other higher rates for specific situations included:

- One organization will reimburse \$0.55/km to employees north of the 53rd parallel.
- One organization will reimburse \$0.56/km if the employee was carrying passengers.
- One organization will reimburse \$0.57/km to an employee for the first 5000 km that their vehicle is pulling a trailer in the year.

Some of the policies require that the employee's vehicle carry sufficient insurance, however, they consider this to be the responsibility of the employee so is not reimbursable. One organization does indicate that if additional insurance is required due to the frequent use for business purposes they will reimburse the difference in coverage.

Five policies require employees to carpool whenever possible. One policy requires employees to carpool if more than one employee is going to the same place. Some reimburse an additional rate for carrying passengers, while others do not.

Some only have one rate for reimbursement. Some policies have different rates for different areas of the province, and some have different rates depending on how far the vehicle is driven for business purposes during the year. Some policies have different rates for different types of vehicles and different types of roads that will be traveled on. Some policies have different rates for different classes of employees within the organization.

One organization will only reimburse if the distance of the trip is more than 10km. Some policies limit the amount that they will reimburse to the amount that would have been paid for airfare for the trip.

There are 3 organizations that pay a fixed allowance to some employees for business use of their personal vehicles.

In our sample of 10 organizations, one organization reimbursed all claims for personal vehicle use supported only with the destination listed. The location the individual started the travel, or the reason for the travel were not identified on the claim. Another organization reimbursed a number of mileage claims where the destination was identified, but the purpose of the travel was not identified.

Residence to work location

The GMA states:

Transportation of an employee between residence and headquarters may not be claimed as business kilometres except where the employee has been called back to work:

- outside of normal hours on a regular working day or shift; or
- on a day which the employee would not be required to work in the normal course of duties.

Where an employee is assigned to a beat, patrol area, territory or work location outside the headquarters area, the additional kilometres to travel to that location over the usual residence to work distance may be claimed.

There were 48 organizations with a policy for transportation between the employees' place of residence and work location.

All of the policies identified that travel between the employee's residence and primary place of work is considered personal travel and not reimbursable. Two policies provided an exception to this if the employee was required to return to work or come into work on a scheduled day off.

Parking

The GMA states:

When in travel status, an employee may claim parking expenses as follows:

- short term parking;
- overnight parking when not provided with accommodation; and/or
- parking at an airport or other terminal when the cost is more economical than bus or taxi charges to the terminal.

Within an employee's headquarters area, but not at the headquarters, short term parking while conducting government business may be reimbursable.

Weekly or monthly parking charges may be approved by the Branch Head where the frequency of attendance at a location away from the employee's headquarters warrants it and is more economical than short term parking charges.

Any continuing or long term parking of personal vehicles in an employee's headquarters area is not claimable under the terms of the Manitoba Government Parking Program.

Long term parking costs for government vehicles at an employee's headquarters are normally the responsibility of the assigned driver, and not claimable. Parking costs for unassigned and pool vehicles under the Manitoba Government Parking Program are the responsibility of the department to which the vehicles are assigned.

There were 70 organizations with a policy for parking costs.

Most of these simply stated that parking fees are reimbursable when on approved business. Three policies identified how to deal with meter parking where no receipts are provided. Twenty-one policies specifically identified that receipts were required. Seven identified whether or not parking at the normal place of business was reimbursable.

One policy identified that receipts were only required for expenditures greater than \$6.00. Six policies identified that parking at an airport would only be reimbursed if it did not exceed the taxi fares to and from the airport.

Meals

The GMA states:

Meal expenses incurred within the headquarters area, especially lunch, are not normally reimbursable. The inability of an employee to return to his or her home or residence does not constitute grounds for a claim for the cost of a purchased meal.

Breakfast – An employee is expected to have had breakfast before the start of the day's work, even though some travel may be necessary before the recognized starting time. Exceptions occur to this pattern and cost of breakfast may be claimed when;

- the employee is in travel status; or
- the employee has been travelling for more than an hour on government business before the recognized time for the start of the day's work.

Lunch – An employee is expected to make arrangements to provide or purchase lunch, or the mid-day or mid-shift meal. For many employees, either because of lack of facilities in the area of work or for general convenience or economy, lunch is carried to work rather than purchased. Exceptions to this pattern, when the cost of lunch may be claimed, occur when:

- the employee is in travel status; or
- the employee is away from the employee's normal place of work and outside the headquarters area which would cause the employee to disrupt the employee's normal mid-day or mid-shift meal arrangements.

Individual Meals

	Breakfast	Lunch	Supper	Per Diem
In areas covered by remoteness allowance	\$7.35	\$9.35	\$16.90	\$33.60
In all other areas	\$6.85	\$8.85	\$15.70	\$31.40

Travel within the Province

- An employee who is eligible may claim only the actual cost of his or her own purchased meals up to the maximum applicable amounts as specified.
- For each full day in 'travel status' an eligible employee may claim a 'Per Diem Allowance' in lieu of individual meal claims to cover the cost of purchased meals, as specified.
- Where no overnight accommodation is involved, only the appropriate individual meal expense may be claimed.
- Where a single price or flat rate is charged for meals by the supplier and no other reasonable alternative in the location is available (which may occur in some remote or isolated communities), actual meal expenses exceeding the applicable maximum rates may be claimed if supported by receipts.

Travel outside the Province

A claim for the actual cost of meals will be allowed, provided that the cost is at a reasonable rate for the locality and the amount does not include alcoholic beverages.

Meals during overtime work

- Extension of Working Day -- Where an employee's working day has been extended beyond the standard working day or shift at the normal place of work by EITHER:
 - at least two hours, exclusive of a dinner break, a meal allowance will be paid at \$4.80 per day; OR
 - at least three and one-half hours, exclusive of a dinner break, a meal allowance equivalent to that payable for "Lunch" will be paid.
- Qualification -- To qualify for the above, employees in the category of office personnel and classroom teachers must have been at work for a total (exclusive of lunch or dinner periods) of not less than:
 - nine and one quarter hours, or
 - ten and three quarter hours,
 - as applicable, on the day for which the allowance is claimed.
- Travel Status -- An employee in travel status is not entitled to either of the above allowances since late meals or snacks are considered part of the appropriate incidentals allowance provided for in Section 2.1.1 - "Rates and Allowances - Incidentals Allowance".

Special Emergencies

- Where circumstances arise (e.g., flood control, fire fighting, etc.) and an employee is required to work extended hours in connection with that emergency, with the authority of the Branch Head, the employee may claim the cost of purchased meals appropriate to the period worked.

Field or Construction Operations

- Where an employee is engaged in construction or field operations outside the employee's headquarters area and provided that:
 - the employee is not supplied with rations; or
 - a meal or meals is not supplied at a charge or otherwise from a field kitchen or similar facility; or
 - arrangements have not been made by the department or agency for group meals or meals by contract at a restaurant, café or other facility;
 - an allowance to cover the cost of preparing meals away from home or taking prepared meals will be paid.

	Individual Meals			
	Breakfast	Lunch	Supper	Per Diem
In areas covered by remoteness allowance	\$6.00	\$6.65	\$10.15	\$22.80
In all other areas	\$5.75	\$6.30	\$9.55	\$21.60

The above allowance will universally be used where the department provides cooking or eating facilities in a caboose, trailer or other suitable accommodation. When no such cooking or eating facilities are available, and provided that commercial facilities for purchase of cooked meals are in the vicinity of the field or construction operations, employees are eligible to claim individual meal expenses as provided for under "Travel Within the Province".

There were 98 organizations with a policy for reimbursement of meals. Eighty-five of these organizations had policies specifically for breakfast, lunch and supper.

Fourteen policies reimbursed actual costs for meals, while 36 reimbursed a per diem amount. Nine only reimbursed the lesser of actual or per diem. Two of those that reimburse actual costs qualified it with a requirement that the costs be reasonable for the locality. Six policies that reimburse a per diem identified that actual expenses exceeding the maximum may be claimed if supported by receipt. One of these limited it to a maximum of \$50 per day including gratuities and taxes.

Some organizations have established different per diems for different areas. For example, some policies have different per diems whether the employee is north or south of the 53rd parallel, or different per diems for areas covered by remoteness allowance or not. Also, some organizations have different per diems for outside of Manitoba, or outside of Canada, while others only require that the claim be reasonable for the locality.

One organization reimburses some staff a per diem and other staff actual expenses. Some of the policies identify that the established per diems include taxes and tips, while others do not. Some per diems are also identified as including laundry, valet services, and incidentals.

Some policies refer to amounts established in collective agreements.

Some policies included instructions for when employees were claiming for reimbursement for meals for clients.

The lowest per diem (without receipts) is \$5.00 per meal.

The lowest amount reimbursable for breakfast is \$6.00; highest is \$20.00.

The lowest amount reimbursable for lunch is \$8.50; highest is \$25.00 (outside Manitoba \$40.00).

The lowest amount reimbursable for supper is \$15.00; highest is \$40.30 (outside Manitoba \$60.00).

Some policies do not split up the per diems by meal, but rather only reimburse for a full day. The highest for this is \$150.00.

In our sample of 10 organizations small errors were found in some claims. For example, in 2 organizations, we found that an individual claimed the basic per diem and could have claimed the out of province per diem, which would have resulted in being reimbursed more, and in one organization, there was a claim for \$28.13 and the supporting documentation showed \$23.13. There was another claim for \$26.68 and the supporting documentation showed \$28.68.

- One organization limits claims for meals in different ways for different employees. Some staff were able to claim \$100/day, while others were limited to \$57/day. Also, this organization was reimbursing half day per diems for conferences that lasted 2 or more days when a half day rate is not identified in policy.
- In 2 organizations, some meal claims exceeded the per diem amount without explanation of why more than the per diem should be reimbursed.
- Most claims did not identify the time the claimant left, or the time they returned, so we could not determine if they should have been claiming full per diems or not.

Business meetings/entertainment

The GMA states:

Attendance at lunch or dinner meetings must be authorized by the Branch Head when the location is within the employee's headquarters area and should, whenever possible, be approved in advance. Authorization should be restricted to cases where disruption of the employee's normal lunch or dinner arrangements occurs.

Where attendance at a lunch or dinner business meeting within the employee's headquarters area has been authorized, and the meeting comprises employees of the Manitoba Government including those of its corporations and agencies, the amounts claimed per employee must not exceed the amount allowable under Section 2.1.1 - "Rates and Allowances - Meals and Incidentals".

Where the group includes guests of the Manitoba Government, meal expenses should be kept to the minimum commensurate with the occasion. The Deputy Minister will establish what meal and other related costs are reasonable and personally approve all such expenditures; with the exception that the Minister will approve the expenditures incurred by the Deputy Minister.

Hospitality involving the purchase of beverages prior to a meal, or separately, should be carefully controlled and specifically authorized by the Deputy Minister (or equivalent). It should normally be limited to occasions that involve government guests and shown separately to the meal claim on the expense account, which should show the purpose of the meeting and the names of attendees.

There were 56 organizations with a policy for business meetings/entertainment.

Many of the policies required prior approval for business meetings expenses. Eleven also required specific details to be included in the claim including the purpose of the meeting and the attendees.

One policy indicated that this type of expense should be exercised with discretion.

In our sample of 10 organizations:

- Three organizations reimbursed claims for meals for business meetings that were not supported by an adequate description of the purpose of the meeting, or a list of the people that attended the meeting.
- In one organization, meals for business meetings were generally supported by a list of the people attending the meal, and a description of the purpose for the meeting, however, there were claims for 25 meals for approximately \$600.00 that did not include this list or description. This organization did not have a policy for reimbursement of meals for business meetings.
- In one organization, golf fees were reimbursed on a number of occasions.
- In one organization, one round of golf was paid for a group of 4 people, and was identified as a committee meeting.

- One organization reimbursed a claim for tickets for a Jet's game for an out of province delegation. This organization owned 4 season tickets and we verified that the claim was publicly disclosed in 2012.
- In one organization there was a claim for \$100.00 less than the invoice for the meal showed. There was also a claim where the invoice showed \$2.00 less than the claim.

Accommodation

The GMA states:

An employee will be reimbursed for necessary accommodation expenses incurred when travelling on government business. Claims may not exceed actual costs.

Employees travelling on government business are entitled to standard hotel room accommodation. The type, standard and cost of accommodation will, in the opinion of the Branch Head, be reasonable given all relevant circumstances.

No accommodation expenses are claimable when the government provides a caboose, trailer or other suitable accommodations.

Although an employee in travel status would normally stay in commercial establishments, these may not be available in the area to carry out program duties efficiently, and an employee may need to make arrangements for non-commercial lodging. Under these circumstances, a receipt must be obtained for payment made and submitted with the expense claim.

In general, hotels should be selected in such a manner as to keep total trip expenses to a minimum.

Discount rates are sometimes provided to Manitoba Government employees travelling on government business which are usually less than, or equal to, their commercial rates or are 'guaranteed rates'. Advantage should be taken of these discounted rates whenever possible.

Hotels rates above \$115.00 per night require Department Head approval prior to use (excluding Churchill and Thompson, and communities north of 53 that have only one hotel in the community for accommodation).

If an employee stays at any hotel requiring prior Department Head approval without first obtaining that approval, the employee must pay the difference between what has been charged and the \$115.00 per night rate.

Please note that where breakfast is included in the room rate, employees are reminded not to claim breakfast as an additional expense.

An additional charge for an upgraded room is the responsibility of the employee.

There were 84 organizations with a policy for general accommodation.

Thirty-five of the policies indicated that actual costs would be reimbursed. Seven, however, limited it to a maximum amount per night. The maximums ranged from \$70.00 to \$125.00

per night. One policy indicated that \$30.00 would be reimbursed without receipt. Ten policies indicated that they would reimburse a standard hotel room. Three even indicated that it should include a bath. Seven specified that luxury accommodations would not be reimbursed. Three policies indicated that they would take into consideration proximity to the business place being visited when choosing a hotel. Thirteen policies indicated that they would reimburse a single room. One policy indicated an exception to the single room if employees were to share a room and a further one policy actually requires employees to share a room when they are travelling together with no gender reference in the policy. One policy indicated that the organization could approve accommodation expenses incurred by the employees spouse to accompany them on the trip. And one policy specifically identified that spouse expenses were not reimbursable. Some policies required the employee to pay for the hotel room and then request reimbursement, while other required the hotel be booked by the organizations travel agency and billed directly to the organization. Seventeen policies indicated that the employees should take advantage of government discount rates when booking the room.

Private accommodation

The GMA states:

The Branch Head must not unreasonably withhold permission for the employee to make private arrangements for overnight accommodation with friends or relatives where not inconvenient to the program.

Where private accommodation is selected as an alternative to a commercial establishment, the employee may make a gift in the form of food, drink or related items as a thank-you to the host or hostess. Details of the nature or kind of gift, together with the amount, must be shown on the expense account if claimed. Under no circumstances should the cost of gifts exceed 80% of the costs that would otherwise have been incurred in lodging, including appropriate meals and rooms at the commercial establishment that would likely have been used at the locality, less the cost of travel to and from the residence. No receipts are required. However, if an employee uses private accommodation but takes meals in a restaurant and wishes to claim 100% of the allowable amount for those meals, receipts should be provided to support the meal claims.

In our view, receipts for the gifts provided to the host should always be required for reimbursement.

There were 57 organizations with a policy for private accommodation. The reimbursement rate ranged from \$10.00 to \$75.00. Ten of the policies indicated that receipts were not required for reimbursement. Five policies did require receipts. Some policies identified that employees may make a gift in the form of food or related items as a thank you to their host and would be reimbursed while others just indicated that the employees would be

reimbursed to a certain amount. None of the policies address the situation where the private accommodation is owned by the employee making the claim.

In our sample of 10 organizations we found one instance of private accommodation being used. The claim was made according to the policy in place which allowed reimbursement of 80% of the costs that otherwise would have been expended without supporting evidence required.

Conferences and conventions

The GMA states:

Where employees are authorized to attend a conference, convention or part thereof (e.g., lunch or dinner), employees may claim the related expenses provided that the expense claim clearly indicates the name of the sponsoring organization and the detail of the function. This also applies to activities such as monthly meetings of approved professional and other organizations where attendance has been authorized, when actual meal costs may be claimed.

If desirable for the conference, the employee may stay at a specific hotel, even though this does not conform to that indicated under “Accommodation”.

Meal claims other than those provided for by the sponsoring organization will be in accordance with Section 2.1.1 - “Rates and Allowances – Meals and Incidentals”.

When a membership fee is embodied in, or is available in association with the registration fee, this will require separate prior authorization in accordance with Section 3.3 - “Professional Fees and Membership Fees”.

There were 54 organizations with a policy for conferences and conventions.

The policies varied with some reimbursing registration fees, others allowing attendees to stay at the hosting hotel, and some only allowing meal per diems for meals not provided as part of the conference. Some policies identified that indirect functions of the conference which are of a strictly social or recreational nature and not program related or covered in the general cost of the program are not reimbursable. One policy authorizes senior administration to attend an annual conference and one other major conference in Canada or the US. One other organization has included in their contract with their senior administrator that he is allowed to attend a maximum of 3 international conferences per year as well as any local Manitoba conferences. Some of the policies require approval for each conference, while others seem to give blanket approval as long as the total year expenses stay within the original budget approved for the year. One policy identifies that it will reimburse for one banquet per convention in addition to conference registration fees and the meal per diems.

In our sample of 10 organizations, we found many expense claims that did not include the dates of the conference in the supporting documentation. Without the dates being identified in the supporting documentation, the person approving the expense would not know how many days to approve.

Incidentals

The GMA states:

For each night in travel status, an incidentals allowance will be paid to an employee to cover reimbursement for snacks, gratuities, personal local telephone calls, local personal travel and other miscellaneous expenses, with no requirement for receipts.

Commercial accommodation	\$4.60
Non-commercial accommodation	\$3.20

There were 61 organizations with a policy for incidentals.

Policies for incidentals ranged from incidentals being included in the per diem, to reimbursement of a dollar amount without receipts to reimbursement of actual out of pocket expenses. The amounts ranged from \$2.40/night if the employee stayed at a private accommodation or \$3.00/night if the employee stayed at a commercial accommodation to \$17.30/day. Some policies had different rates for travel in province and out of province. Some policies specified what was to be included in the incidental allowance while others did not. One organization reimburses up to \$4.60/night for in-scope staff, while exempt staff are reimbursed for all out of pocket expenses.

Excess baggage

The GMA states:

Where an employee travelling by air is required to take bulky items or additional baggage containing official documents etc., any excess baggage charges supported by receipts may be claimed.

37 organizations included a policy for excess baggage charges.

The policies for excess baggage charges ranged from specifying that they were only reimbursable if the excess baggage was required for business purposes to reimbursable where appropriate. Some policies specifically required receipts while others did not.

Drycleaning/laundry

The GMA states:

Dry cleaning may only be claimed where essential due to extraordinary circumstances and performed during the period that the employee is in travel status. Claims must be supported by receipts. No claim for dry cleaning may be made where special reimbursements are provided, such as a weekly or monthly allowance for living costs.

Laundry charges may be claimed if:

- the employee is in travel status in excess of four nights; and
- the laundry service is performed while the employee is in travel status, and the claim is accompanied by receipts for the laundry service performed.

No claims for laundry may be made where special reimbursements are provided, such as a weekly or monthly allowance for living costs.

46 organizations included a policy for laundry or dry-cleaning expenses.

Most policies for laundry and dry-cleaning indicated that the expense would be reimbursed with receipts. Some policies included laundry and drycleaning in the per diem. Most of the policies required the business trip to be of a specified duration prior to the employee being eligible for reimbursement of laundry or drycleaning. The required duration ranged from 3 nights to 5 days. Two policies specified dollar amounts that would be reimbursed for laundry and drycleaning. One specified \$7.00 for laundry and \$15.00 for drycleaning, while the other specified \$25.00 total for both.

Telecommunications

The GMA states:

Telecommunication charges necessary for business purposes may only be claimed when they are supported by a listing of the person contacted and the city or town involved.

Charges for personal telephone calls must not be included on an expense claim, except for employees who have been in travel status for three consecutive nights. They may claim one three minute long distance telephone call to the area of the employee's residence for each such period, or the total cost of more than one call not exceeding \$4.78.

61 organizations had a policy for telecommunication charges.

All policies that specified a policy for telecommunications charged for business purposes identified that they would be reimbursed. Some policies for personal phone calls home while on business travel included reimbursement in the per diem, while other reimbursement

allowances ranged from one call per travel day to “a weekly personal telephone call home if you are away for a period exceeding 3 nights”. Others identify that they will reimburse the reasonable cost of personal long distance calls. The amount that would be reimbursed ranged from \$3.00 to \$10.00.

In one organization from our sample of 10, there was one hotel bill that included long distance charges. These were not identified as business or personal. If they were business, the person being called should have been identified as well as the purpose of the call. If they were personal, they exceeded the amount that policy allowed and should not have been fully reimbursed.

Gratuities

The GMA states:

Examples of non-allowable expenses are:

- Gratuities.

No gratuities may be claimed for in-province meals, since allowance is made for them in either the individual meal allowances or the per diem allowances. They may be claimed as part of the claim for the actual cost of meals during travel outside the province, if supported by receipts.

45 organizations included a policy for gratuities.

Policies for gratuities ranged from not reimbursable to reimbursable to 15% of pre-tax value of meals purchased, to reimbursable to a reasonable amount, to they are included in the per diem.

In our sample of 10 organizations one organization reimbursed gratuities, although their policy is silent on whether they should be reimbursed or not.

Travel medical and accident

The GMA states:

Claims for doctor, hospital, ambulance or similar expenses which have not been paid by Manitoba Health must be the subject of a separate request for indemnity signed by the Department Head, and must not be included in the normal expense account. Employees or the estate are normally reimbursed for costs incurred as a result of unforeseen circumstances resulting in medical incapacitation or death during travel on government business. Blue Cross or other medical insurance coverage is a personal expense and the premiums may not be claimed.

- Travel Personal Accident Insurance

The government carries a policy which provides Personal Accident Insurance in the amount of \$50,000 on employees of the government who are not covered by Group Life Insurance while engaged on work pursuant to their employment, which includes travelling on government business in any form of transportation.

In the event of accidental death or disablement, employees who are covered by Group Life Insurance would receive an amount (determined by salary and insurance class) in accordance with the Accidental Death and Disablement Plan administered by the Civil Service Superannuation Board.”

47 organizations included a policy for travel personal accident insurance.

Policies for Personal Travel Accident Insurance ranged from providing travel accident insurance to the traveler, to identifying it as a reimbursable expense, to reimbursing for premiums, if required, for the duration of authorized activities outside of Manitoba, to requiring the employee to ensure that coverage is adequate.

Traffic violations

The GMA does not identify any policy on reimbursement of traffic violation costs.

There were 17 organizations with a policy for traffic violations. All of the policies identified that the organization would not provide reimbursement for traffic violations.

In our sample of 10 organizations, there was one organization that reimbursed a claim that included a parking ticket.

Out-of-province travel

The GMA states:

Necessary expenses incurred in converting Canadian dollars to foreign currencies or the reverse may be claimed.

When an employee is required to proceed outside Canada on government business and a passport or visa, inoculations, vaccinations, etc., are required, the costs may be claimed. Where the journey is combined business and pleasure, the employee is responsible for these costs.

It is the responsibility of the employee to safeguard travel funds. When the expenses of the journey are expected to exceed \$100, the cost of converting the excess into travellers' cheques and for any cost necessarily incurred in cashing the cheques may be claimed.

Out-of-province travel is authorized only when it is of high priority relative to the function of the job, the mandate of the department, and the goals of corporate government. Prudence and fiscal restraint are factors in the expenditure of public funds on out-of-province travel.

The Minister's approval is required for:

- out-of-province travel, including the cost estimate;
- the Deputy Minister's expense claim.

Where an employee may have a continuing reason for travelling outside the Province (e.g., program requirement to travel to adjacent provinces or states), a continuing authorization to travel may be approved. That continuing authorization must be reviewed on an annual basis.

The Minister may delegate the authority to approve out-of-province travel to the Deputy Minister.

Deputy Ministers (and equivalents) are responsible for:

- approving claims where the established amount has been exceeded (this could take the form of requiring an explanation and post-facto approval); and
- providing the Minister with a semi-annual report on all out-of-province travel, including the purpose, the result and actual amount expended.

Insurance premiums related to travel medical insurance and personal accident insurance may not be claimed. It should be noted that:

- medical expenses not covered by Manitoba Health or employee insurance plans may be paid by the department with Department Head approval if the expense was incurred during the business portion of the trip;
- employees and members of boards and commissions are covered by the government's accident insurance policy when travelling.

Transportation expenses airfare cancellation insurance may not be claimed, as the government is self-insured. Should a trip be cancelled, the department may pay any non-refundable portion of the ticket price.

Claimable

- to the destination and return:
 - air travel at reduced fare whenever possible, or economy if necessary;
 - air travel at business class for Ministers, Deputy Ministers (and equivalents) and accompanying staff;
 - mileage for use of a personal vehicle (not exceeding comparable air travel cost);
 - bus and train fare;
- related transportation expenses required for business:
 - rental vehicle, mileage for use of a personal vehicle, taxi, bus;
 - parking;
 - all perils insurance (loss damage waiver) for rental vehicles;
 - liability insurance for rental vehicles hired outside of Canada and the continental United States only. (Liability insurance for fleet vehicles includes rental vehicles hired within Canada and continental United States.)
- accommodation, meal, meeting and other expenses:
 - hotel room (no personal charges);
 - breakfast, lunch and dinner;
 - business meeting expenses (with Deputy Minister or Minister's approval);
 - hospitality expenses (with Deputy Minister or Minister's approval);
 - incidental expenses such as laundry, dry cleaning and personal phone calls;
 - other miscellaneous expenses:
 - charges for obtaining a passport, visa, inoculation or vaccination;
 - telecommunications charges for business purposes;
 - other justifiable business expenses (with Deputy Minister's approval)".

There were 65 organizations that identified separate policies for travel out of province.

Most of these were simply identifying that prior approval was required before the travel occurred or identifying a different per diem rate for meals when travelling outside the province.

Use of corporate credit cards

The GMA states:

The Government of Manitoba has contracted with American Express Canada Inc. for the provision of a corporate travel charge card system. Cards are assigned to and held in the name of individual employees, who are responsible for payment of charges incurred and filing expense claims for reimbursement of eligible costs incurred. The system provides a mechanism for charging travel-related expenses, as well as cash access from automated teller machines (ATMs) where use of the card at a point of sale is not feasible.

Liability for expenses charged on the corporate card is shared between the government and individual cardholders. The government's liability is limited to legitimately incurred business expenses only. Individual cardholders are responsible for all other charges except those arising as a result of fraudulent use of a lost or stolen card.

American Express is also able to provide departments with Business Travel Accounts (BTAs), that may be used for booking air travel and hotel accommodation for employees, thereby avoiding GST charges.

The corporate card should constitute the primary means for effecting payment of eligible expenses incurred by employees on authorized government business. It should replace the use of accountable advances for travel-related purposes except in those particular instances where requirements cannot be satisfied effectively through merchant acceptance of the card or through access to ABM cash advances.

Specific procedural details concerning use of the Corporate Travel Charge Card can be found in Section 8B-Appendix A of the *Financial Administration Manual*.

Fourteen of the organizations indicated that they do not have corporate credit cards. Seventy-six of the remaining organizations have a policy for the use of their corporate credit cards. Twenty-three organizations that have corporate credit cards do not have formal policies for their use. Some organizations did not have specific policies for the use of their corporate credit cards, but did feel that other, more general, policies that they had in place were relevant to the use of the credit cards. Other organizations had specific policies for the use of the credit cards.

Policies regarding the use of the corporate credit card ranged from being allowed only in situations when the vendor would not accept a purchase order from the organization, to allowed when it is the easiest form of payment. Some policies had limits of certain types of purchases and others had no limits. Few of the policies specifically identified the supporting documentation required for credit card purchases; however, many organizations had a general requirement that receipts be provided for all purchases. No policies identified any other approval requirements outside of the general purchase approval requirements, however, few of them identified that the general purchase requirements actually applied to credit card purchases.

Advances

The GMA states:

An advance of funds for travelling expenses may be made available to the employee where use of the corporate travel charge card is impractical. The advance can be obtained by completing a request and forwarding it to the departmental accounting section for approval. Such advances, which are made by cheque, are a charge to the individual, and must be fully accounted for by expense claim, or the balance of the advance repaid by the designated time.

There were 51 organizations with a policy for advances. One policy identified that an advance would be issued when a charge card was impractical. Another organization specified that if an employee needed an advance they should get a charge card. Twenty-three policies are to provide travel advances while 3 do not. Two of the policies identified what expenses an advance could be issued for. Eleven policies identified when the advance had to be accounted for, while others did not.

Alcohol

There are no GMA policies that specifically mention alcohol, but there are references to beverages in other sections.

There were 19 organizations with a policy for alcohol costs.

Thirteen policies indicated that alcoholic beverages were not reimbursable. Six other policies identified certain situations when alcohol would be reimbursed. These were:

- A maximum of one alcoholic drink per person per meal, although not condoned by the organization, is generally reimbursable if consumed with the meal.
- In cases where an employee is the host of a business/client meeting or meal where the serving of alcohol may be expected, the eligible claim must be limited to no more than 2 drinks per guest and must be considered reasonable under the circumstances. Full details of the event, along with the appropriate itemized bill, must be provided with clear substantiation of the business purpose and attendees.
- Reimbursement of expenses related to the purchase of alcoholic beverages may be allowed in special circumstances where prior approval of the specified supervisor has been obtained and the expense is reasonable.
- Personal alcohol consumption shall be covered when consumed as part of a meal and claimed within the per diem limits.
- Costs related to alcohol may be approved for Board approved functions, hosting potential recruits or special events on behalf of the organization.

Other organizations policies do not specifically mention alcohol, however references to beverages or hospitality is understood to refer to alcohol.

In our sample of 10 organizations:

- Two organizations reimbursed the purchase of alcohol, but their policies are silent on whether alcohol should be reimbursed or not.
- One organization that does not reimburse alcohol did purchase alcohol for a retirement party.
- One organization allows the purchase of alcohol when meeting with business associates and is considered acceptable industry practice and there were multiple claims that included the purchase of alcohol.
- In one organization there was one claim that included alcohol, but their policy is silent on the purchase of alcohol. Additionally, there were 2 charges on the corporate credit cards that included alcohol. One was included in a room service charge on a hotel bill, while the other was included with a business meeting meal.
- In one organization, there were 7 claims for business meeting meals that included alcohol.
- In one organization, alcohol was reimbursed on a few meal charges, in addition to alcohol purchased for business meeting or hospitality purposes.

Use of personal credit cards and other policies

The GMA states:

The use of a personal credit card will only be permitted as a means of payment, not accounting. In cases where a credit card is used, an itemized receipt must be obtained and submitted with the expense claim. The credit card receipt may only be used where it is fully detailed as to the item or items charged and provided it is clearly identified as a charge to the account of the individual employee whose name must appear thereon.

Provided that work schedules permit, any employee in travel status may return home over a weekend and shall be reimbursed travel expenses in an amount not exceeding the cost of maintaining the employee in travel status over the weekend.

If travel is by government vehicle, this cost should be evaluated using the kilometric rate applicable for personal distance driven for that class of vehicle.

None of the organizations surveyed had any of these other policies.

Use of claim forms

The GMA states:

Claims for Travel and Related Expenses must be claimed on an “Expense Account Form” or other authorized departmental or agency expense claim forms. In all cases, the claim must be signed by the employee claiming the expense, who must certify the correctness of the statement and claim. All claims must be approved by the Branch Head or other senior official, or where specific authorization is required, by the designated authorizing officer.

Any alteration to the claim must be by way of deletion or re-entry, not by erasure, and must be initialed by the claimant. The only exception to this rule is that where a claim is disallowed, in which case the deletion or corrected amount must be initialed by the approving officer or certifying accountant.

Every item that is payable following only on the specific authority of the Department Head (or the Branch Head) must be initialed or the total claim approved by that authority.

There were 88 organizations that specifically identified the use of claim forms. Twenty-nine included when the claims must be made. Twenty-eight included requirements of things to be included on the claim form such as a record of the travel destination, departure and arrival times, etc. Twenty identified who should approve the expense claim.

In our sample of 10 organizations:

- In one organization, there were a number of items claimed, and reimbursed, that were not adequately explained on the expense form.
- In one organization, we found a claim for 7 months worth of parking receipts. There was no description of the purpose for each of the individual parking expenses.
- In 2 organizations, we found 2 claims that included expenses for more than one month.

Appendix A - Organizations surveyed

Addictions Foundation of Manitoba
Cancer Care Manitoba
Centre culturel franco-manitobain

Child and Family Services Authorities:

First Nations of Northern Manitoba Child & Family Services Authority
First Nations of Southern Manitoba Child & Family Services Authority
General Child and Family Services Authority
Métis Child and Family Services Authority

Communities Economic Development Fund
Council on Post Secondary Education
Crown Corporations Council
Diagnostic Services of Manitoba Inc.
Funeral Board of Manitoba

Government Business Enterprises:

Manitoba Hydro-Electric Board
Manitoba Liquor Control Commission
Manitoba Lotteries Corporation
Manitoba Public Insurance Corporation
Venture Manitoba Tours Ltd.
Workers Compensation Board of Manitoba

Helen Betty Osborne Foundation
Insurance Council of Manitoba
Legal Aid Services Society of Manitoba
Manitoba Agricultural Services Corporation
Manitoba Arts Council
Manitoba Boxing Commission
Manitoba Centennial Centre Corporation
Manitoba Community Services Council Inc.
Manitoba Film and Sound Recording Development Corporation
Manitoba Floodway Authority
Manitoba Gaming Control Commission
Manitoba Habitat Heritage Corporation
Manitoba Health Research Council
Manitoba Horse Racing Commission
Manitoba Housing and Renewal Corporation
Manitoba Trade and Investment Corporation
Manitoba Water Services Board

Appendix A (cont'd)

Pension Plans:

- Civil Service Superannuation Board
- Teachers' Retirement Allowances Fund

Post secondary education institutions:

- Assiniboine Community College
- Collège universitaire de Saint-Boniface
- Brandon University
- Red River College
- University College of the North
- University of Manitoba
- University of Winnipeg

Public Schools Finance Board

Regional Health Authorities:

- Assiniboine Regional Health Authority Inc.
- Brandon Regional Health Authority Inc.
- Burntwood Regional Health Authority Inc.
- Churchill Regional Health Authority Inc.
- Interlake Regional Health Authority Inc.
- Nor-Man Regional Health Authority Inc.
- North Eastman Health Authority Inc.
- Parkland Regional Health Authority
- Regional Health Authority - Central Manitoba Inc.
- South Eastman Health/Sante Sud-Est Inc.
- Winnipeg Regional Health Authority Inc.

Rehabilitation Centre for Children Inc.

School Divisions:

- Beautiful Plains School Division
- Border Land School Division
- Brandon School Division
- Division Scolaire franco-manitobaine
- Evergreen School Division
- Flin Flon School Division
- Fort La Bosse School Division
- Frontier School Division
- Garden Valley School Division
- Hanover School Division
- Interlake School Division
- Kelsey School Division

Appendix A (cont'd)

Lakeshore School Division
Lord Selkirk School Division
Louis Riel School Division
Mountain View School Division
Mystery Lake School Division
Park West School Division
Pembina Trails School Division
Pine Creek School Division
Portage La Prairie School Division
Prairie Rose School Division
Prairie Spirit School Division
Red River Valley School Division
River East Transcona School Division
Rolling River School Division
Seine River School Division
Seven Oaks School Division
Southwest Horizon School Division
St. James-Assiniboia School Division
Sunrise School Division
Swan Valley School Division
Turtle Mountain School Division
Turtle River School Division
Western School Division
Whiteshell School Division
Winnipeg School Division

Special Operating Agencies:

Civil Legal Services Agency
Companies Office
Crown Lands and Property Agency
Food Development Centre
Green Manitoba Eco Solutions
Industrial Technology Centre
Manitoba Education Research and Learning Information Networks
Manitoba Securities Commission
Manitoba Text Book Bureau
Materials Distribution Agency
Organization and Staff Development
Pineland Forest Nursery
Property Registry
Public Trustee
Vehicles and Equipment Management Agency
Vital Statistics Agency

Appendix A (cont'd)

Special Operating Agencies Financing Authority
Sport Manitoba Inc.
Travel Manitoba