



REPORT TO THE LIBRARY BOARD

MEETING DATE: JUNE 23, 2011

Session:	Public Session
Subject:	Policy Review: Travel and Expenses Policy
Prepared By:	Margaret Mitchell, Barbara Jessop, Kim Travers, Susanna Hubbard Krimmer
Presented By:	Margaret Mitchell
Purpose of Report:	For Approval <input checked="" type="checkbox"/>

RECOMMENDATION

It is recommended that the Board review and approve the following policy, as amended, found in Appendix 1 as part of its cyclical review process:

OR-T-01 Travel and Expenses Policy.

ISSUE AND OPPORTUNITY

Under the requirements of the **Municipal Act, 2001** Section 284 (1)(3), an annual statement of remuneration for expenses incurred by members of the Library Board and Senior Administration must be submitted to the City of London.

City Requirements

In support of this reporting requirement, in 1996 the City of London established the following directive:

“That policies be established with respect to travel and expenses for elected and appointed officials, as set out in Appendix 28(1A); and that the following local boards and commissions also be directed to adopt the said policies:

- (i) the London Transit Commission;*
- (ii) the London Convention Centre Corporation;*
- (iii) the London Police Services board; and*
- (iv) the London Public Library Board.*

The City of London's Policy Manual Chapter 28(1A) Appendix to Travel & Expenses details requirements of the local boards and commissions.

This policy addresses the methods and procedures by which the Elected and Appointed Officials outlined below will be governed when attending to business related to their respective Governing Bodies, including conferences, conventions and seminars, either within the City limits or beyond, and provides for the associated compensation entitlement for registrations, accommodations, travel and per diem allowances.

This Policy applies to:

- *Members of the City Council*
- *London Transit Commission*
- *London Convention Centre Corporation Board*
- *London Police Services Board*
- *London Public Library Board*
- *Members of the Senior Administration Members of the governing bodies of the local Boards and Commissions; namely:*
 - *of the City of London and of the local Boards and Commissions*
 - *(Other members and administrators shall be governed by whatever policies are set from time to time by their respective Governing Bodies, provided that the said policies do not exceed those contained within this policy).*

It is understood that authority for the expenditure of funds for any and all expenses covered by this policy extends only to the extent of the financial limitations imposed by the annual (current) budgets of the respective Governing Bodies."

Policy Review Opportunity

The LPL **Travel and Expenses Policy** (formerly the *Travel and Conventions Policy*) was established in 1995 in anticipation of Council's directive. It was last reviewed in 2001.

This annual review provides the opportunity to:

- ensure consistency with the requirements of the *City of London's Travel and Conventions Policy*; and
- address required amendments and additions based on current practice and the need for clarification in some areas.

It should be noted that the LPL Travel and Expenses Policy applies to Trustees, Senior Administration and all Employees.

BACKGROUND AND REVIEW

Consistency with the City of London's Travel and Conventions Policy

In order to affirm consistency with the *City of London's Travel and Conventions Policy*, LPL requested peer review by Linda Rowe, Deputy City Clerk and Mike Turner, Deputy City Treasurer. As a summary observation, the policy recommended in this report is consistent

the City's policy and does not exceed the provisions of Chapter 28(1). The City's policy is under review and as changes are made in the future, the LPL will review its own policy at that time.

Recommended Amendments and Additions

The following amendments and additions are being recommended. Please refer to the current *Travel and Conventions Policy* in the LPL Board Policy Binder.

Format & Numbering

The policy has been formatted to correspond with update format. Numbering of clauses has been altered in some places due to reorganization or to inclusion of new clauses.

Trustee

The term "trustee" has been substituted for Board member throughout the policy to reflect the legal term under the **Ontario Public Libraries Act, 1990**.

Meal Allowances and Alcohol (new 4.1 and 4.2)

Clause 4.3 in the old policy mentions meal allowances. Based on current practice, it was necessary to codify the practice of "prior approval" being need to receive meal allowances. By not reimbursing meal expenses, the LPL is able to stretch its conference budget. For example, the Library is able to increase the number of attendees at a conference, such as OLA, by not funding meal allowances. Expenditures for alcoholic beverages have never been funded.

Travel Allowances (old 5.19)

This clause has been eliminated as the practice is no longer in effect.

Transportation (new 5.2 and 5.3)

These clauses address the condition for use of first class rail transportation and have been revised based on current practice.

Private Vehicle Usage (new 5.4)

Insurance requirements for the use of private vehicles for Library business have been included for clarification, based on the requirements of the Risk Management Policy of the City of London. Employees have been advised of their obligations regarding insurance and liability.

Airfare (new 5.8)

A change is recommended regarding the number of hours of continuous flight before business class may be authorized. The previous policy indicated 5 (five) hours (consistent with the City's policy). It is recommended that this be increased to 8 (eight) hours for financial reasons.

Acommodation (new 5.12, 5.14)

Clauses 5.12 and 5.14 are additions to the policy for affirmation of current practice.

Travel and Expense Statements (new 8)

A number of clauses from the old policy have been drawn together under this new Section to deal with the filing of a variety of forms for accounting purposes. They include part of clause 4.1 and clauses 4.2, 4.4 and 5.17.

Accountability (new 9)

Section 9 is new and has been added to meet the requirements of the City policy with regards to:

- identifying those positions acting in the role of the Expense Review Officers within the LPL;
- establishing an appeals process; and
- stating the reporting requirement.

Section 9.1 clarifies and completes the authorization of travel and expenses responsibilities throughout the organization. This information was previously presented in narrative form in old section 4.1.

It is recommended that all of these changes be approved as included in the revised ***Travel and Expenses Policy***. (See Appendix 1.)

NEXT STEPS

Following approval of the recommendation, the Board Policy Manual and website will be updated.



LONDON PUBLIC LIBRARY POLICY

Title of Policy: Travel and Expenses
Policy Type: Board Operational Linkage
Policy No: OR-T-01

Effective Date: June 23, 2011

Review: June, 2015

PURPOSE:

The purpose of this policy is to address the methods and procedures by which the London Public Library Board trustees and employees will be governed when attending to business authorized by the London Public Library, including conferences, conventions and seminars, either within the City limits or beyond, and provides for the associated compensation entitlement for registration, accommodation, travel and other related expenses.

SCOPE:

The scope of this policy includes Library Board trustees, senior managers and staff.

DEFINITIONS:

“Authorized” means that prior approval has been received for the activity from the designated approval authority.

“Employee” means a person who is employed by the London Public Library, at any level.

“Trustee” means a person who is appointed as a member of the London Public Library Board.

POLICY STATEMENT:

It is the policy of the London Public Library (LPL) to reimburse Library Board trustees (“Trustees”) and Library employees (“Employees”) for expenses incurred while conducting authorized business on behalf of the LPL; the LPL may partially or wholly reimburse Trustees and Employees for expenses incurred while attending approved conventions, seminars and workshops, meetings, etc., based on existing financial resources.

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1. Travel and Expenses Budgets

- 1.1 Prior to the finalization of the annual budget, each Trustee and the Chief Executive Officer (“CEO”) shall be required to submit an annual estimate of travel and expense costs prepared on the basis of this policy to the Director, Financial Services as part of the regular budgeting process.
- 1.2 Separate travel and expense budgets shall be set for Trustees and Employees annually.
- 1.3 Trustees and Employees incurring expenses, while conducting business on behalf of the LPL, may be held responsible for expenditures in excess of the appropriate budget and/or approved expenditure amount.

2. Authorized Travel and Expenses

- 2.1 **Trustees** may be entitled to receive reimbursement for travel and expenses while attending the following:
 - 2.1.1 Annual conferences of associations of which the LPL is a member;
 - 2.1.2 Annual conferences or board meetings of any organization on which the Trustee sits as a director/committee member representing the LPL and where the LPL is entitled to voting delegate status because of its membership;
 - 2.1.3 When travelling on specific library business and expenses are incurred (e.g. out-of-town library visits).

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2.1.4 The number of conferences that a Trustee may attend is limited to the annual budget referred to in 1.2. Consideration shall be given to equal opportunity for all Trustees within their term.

2.2 **Employees** may be entitled to reimbursement for expenses while attending the following and when prior approval has been granted:

2.2.1 Annual conferences of relevant associations of which an Employee or the LPL is a member;

2.2.2 Board/Executive/Committee meetings of associations referred to in 2.2.1 above, provided that an Employee is a director or member of the said Board/Executive /Committee; or

2.2.3 Meetings with provincial officials, officials of other libraries, workshops, conventions, seminars, or any other library-related events, functions or meetings, provided that prior approval is received and subject to funds being available in the current budget.

3. Travel and Expense Cash Advances

3.1 The amount of a cash advance for approved travel is to be calculated based on the estimated expenses associated with each individual instance and approved by the immediate Manager/Director and the Director, Financial Services.

3.2 Cash advance requests must be made to the Director, Financial Services at least two weeks prior to departure.

3.3 No cash advances will be provided for amounts less than \$100.00 (Can.).

4. Meal Allowances and Alcohol

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- 4.1 Meal expenses may be reimbursed, providing prior approval has been given by the appropriate Manager/Director and receipts are provided in support of the expenditure.
- 4.2 The maximum daily meal expenses that will be reimbursed are:
 - \$10 (Can.) for breakfast,
 - \$15 (Can.) for lunch and,
 - \$25 (Can.) for dinner.
- 4.3 Expenditures for alcoholic beverages will not be reimbursed.

5. Travel Allowances

Transportation

- 5.1 Trustees and Employees may choose their own method of transportation on the understanding that reimbursement will be based on the most direct route and the most economical method being used, taking into account any City of London discounts, as approved by the Director, Financial Services.
- 5.2 Trustees may be reimbursed for first class rail transportation, (provided that they actually travel first class), and provided that the trip extends over a normal meal period (breakfast, lunch or dinner), noting that no additional meal expenses will be reimbursed for meals already provided as part of the first class rail service. Otherwise, only economy rail transportation costs will be reimbursed.
- 5.3 Employees will be reimbursed for economy rail transportation costs.

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- 5.4 Private vehicles may be used by Trustees and Employees for out-of-town transportation when it is the most economical and practical method of travel. The mileage rate coincides with the amount approved by the LPL Board.
- a) A Trustee or Employee may use his or her personal vehicle to travel when conducting LPL business at his or her own risk and is responsible for advising his or her insurance provider of this use.
 - b) In order to claim reimbursement for mileage costs, a Trustee or Employee is responsible for ensuring that his or her vehicle is:
 - (i) insured in compliance with applicable legislation and the requirements of his/her insurance provider; and
 - (ii) covered by valid third party liability insurance of not less than \$1,000,000.
 - c) In the event of an accident while travelling to conduct LPL business the Trustee or Employee will promptly provide a report to the immediate supervisor (or the CEO in the case of the Trustee) and the driver's insurance representative. In case of accident, the first claim will be against the automobile insurance of the driver of the vehicle.
- 5.5 If Trustees or Employees elect to use private vehicles and it is not approved as the most economical and direct method of transportation, reimbursement will only be up to the cost for the most direct and economical method of transportation as determined by the Director, Financial Services.
- 5.6 Rental vehicles may be used by Trustees and Employees where it is demonstrated that this method of transportation is more cost effective than the use of taxis, limousines, etc. The most economical size of vehicle must be

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used, depending on the requirements of the occasion and the number of passengers.

- 5.7 Trustees and Employees may be reimbursed for the actual costs of taxicabs, airport limousines or buses (or equivalents) for transportation between the individual's home or workplace and the designated transportation terminal as well as between the transportation terminal and the hotel or other destination point. Reimbursement will also be made for actual and reasonable costs incurred for such vehicles on approved LPL business whether within the City of London or at an approved location.
- 5.8 Economy airfare is normally to be used, but business class may be authorized by the Director, Financial Services if:
- less expensive seats are not available; or
 - the departure time is not acceptable; or
 - the individual is travelling on a continuous flight in excess of eight hours.
- 5.8.1 The cost of an additional night(s) accommodation may be reimbursed if it is required in order to take advantage of a discount airfare, provided that the cost of the extra accommodation is not greater than the savings realized from the discounted airfare.
- 5.9 Trustees or Employees who wish to combine a business trip with personal travel may do so provided that they assume all additional expenses not related to the business travel.
- 5.10 When more than one Trustee and/or Employee is travelling in the same motor vehicle, only the owner of the said vehicle is entitled to reimbursement for mileage expenses as provided by this policy.

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Accommodation

- 5.11 The name "London Public Library" should appear on all hotel (room) registrations and in each case available government, corporate or conference rates should be requested.
- 5.12 If a conference rate is available at the specific hotel(s) and a Trustee or Employee chooses accommodation at another hotel, instead of a hotel where conference rates apply, accommodation expenses will be reimbursed only to an amount that is equal or less than the conference rate.
- 5.13 If a Trustee or Employee chooses to stay overnight with friends or relatives while on business related to the LPL instead of at a hotel, accommodation expenses will not be reimbursed.
- 5.14 Incidental room charges for services that are required for business (e.g. telephone, Internet) are part of accommodation expenses. Other incidental room costs (e.g. mini-bar, movies) are not considered part of accommodation expenses and will not be reimbursed.

Telephone Calls

- 5.15 Trustees and Employees will be reimbursed for all telephone calls (local or long distance) that are directly related to LPL business, subject to the submission of appropriate receipts.

Spousal Expenses



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5.16 Trustees and Employees shall be responsible for all additional expenses incurred as a result of a spouse or companion travelling with them, save and except the cost of accommodation as referred to in section 5.09 above if the per room rate is a flat rate.

Parking Expenses

5.17 Trustees and Employees will be reimbursed for the cost of parking their motor vehicle at a transportation terminal while they are out-of-town on business, subject to the submission of appropriate receipts and provided that the cost of the parking does not exceed the cost of ground transportation from their home or place of business to the transportation terminal. Loss or damage to the vehicle, while parked, shall not be the responsibility of the LPL.

5.18 Trustees and Employees will be reimbursed for the cost of parking their motor vehicle overnight while they are out-of-town on business, subject to the submission of appropriate receipts. Loss or damage to the vehicle, while parked, shall not be the responsibility of the LPL.

5.19 Trustees and Employees will be reimbursed for parking while on authorized LPL business within the City limits, subject to the submission of the appropriate receipts.

6. Registration Fees

6.1 Registration fees for authorized attendance at a convention, conference, seminar, workshop or annual meeting may be reimbursed partially or in full by the Library upon submission of a registration form/invoice from the appropriate organization or receipt of payment.



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- 6.2 The maximum Library contribution for registration fees for conventions and related events will not exceed the preferred rate for members of the organization sponsoring the event unless the Trustee or Employee is required by the LPL to attend.

7. Hosting

- 7.1 On occasions when it becomes necessary for a Trustee or an Employee to host or entertain people while on out-of-town business relating to the affairs of the LPL, such hosting or entertaining shall not be extended solely to an individual(s) who is employed by the LPL or solely to the spouse or companion of the Trustee or Employee, unless the individual, spouse or companion is attending in an official or business related capacity. In such cases, all expenses must be accompanied by receipts plus a written explanation setting out the following:
- (a) reason for the hosting and the particular circumstances;
 - (b) names and the positions held (if applicable) of the person(s) hosted; and
 - (c) location at which the hosting took place.

8. Travel and Expense Statements

- 8.1 Trustees and Employees are responsible for filing a *Travel and Expense Claim* form with the Director, Financial Services within ten days of their return in order to claim expenses from an event covered by this policy.
- 8.2 Individual receipts for all expenses must be filed with the *Travel and Expense Claim* form.

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- 8.3 Trustees and Employees claiming mileage expenses, will complete an *Incidental Mileage Allowance Claim* form detailing the date, destination and distances of their travels.
- 8.4 Any funds owed to the LPL as a result of cash advances or uncovered expenses of a personal nature, etc. shall be submitted to the Director, Financial Services with the *Travel and Expense Claim*. Any funds owing to the LPL beyond a 30-day period from the date of return from an event will be billed directly to the Trustee or deducted from the Employee's next pay.
- 8.5 Payment for expenses will be made in Canadian dollars. Foreign currency will be compensated in Canadian dollars, using exchange rates at the time of the transaction as noted on the receipt, calculated by Director, Financial Services.

9. Accountability

9.1 Authorization of Expenses

Travel and expense claims are approved in the following manner:

- **Employee expense claims:** approved by the immediate Manager/Director or designate
- **Manager expense claims:** approved by the immediate Director or designate
- **Director expense claims:** approved by the CEO
- **CEO expense claims:** approved by the Board Chair or Vice Chair
- **Trustee expense claims:** approved by the Board Chair or Vice Chair

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- **Board Vice Chair expense claims:** approved by the CEO or Director Financial Services
- **Board Chair expense claims:** approved by the CEO or Director, Financial Services

9.2 Expense Review Officers (“ERO”)

In accordance with the requirements of the City of London’s Travel and Expense Policy 28(1), the following are appointed as Expense Review Officers for the LPL and shall be responsible for administering this policy within the LPL and for addressing any justifiable exceptions and for auditing and processing all expense statements in accordance with this policy, while maintaining the right to request additional explanations, documentation or justification of any or all of the expense statements:

- Chief Executive Officer & Chief Librarian,
- Director, Financial Services, and
- Manager, Human Resources.

9.3 Appeals

The Library Board shall appoint an Appeal Committee for the purpose of dealing with disputes between Trustees and the Expense Review Officer. The Appeal Committee shall be comprised of the:

- Chair of the LPL Board,
- Vice Chair of the LPL Board
- Chief Executive Officer & Chief Librarian, and



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- Director, Financial Services.

Decisions of the Appeal Committee shall be final.

9.4 Release of Expense Information

The LPL will submit an annual statement of expenses, incurred by Trustees and Senior Administration, to the City Treasurer for submission to Council, under the requirements of the *Municipal Act, 2001*.

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BACKGROUND:

This policy is prepared in compliance with the requirements of the City of London's Travel and Expenses Policy 28(1) as amended August 1999. Specifically the City policy directs "that policies be established with respect to travel and expenses for elected and appointed officials, as set out in Appendix 28(1A); and that the following local boards and commissions also be directed to adopt the said policies to direct the expenditure of funds for any and all expenses covered by this policy, subject to the limitations of the annual budgets of the governing bodies listed below.

The policy specifically names:

- Members of the City Council
- Members of the governing bodies of the locals Boards and Commissions, namely:
 - London Transit Commission
 - London Convention Centre Corporation
 - London Police Services Board
 - London Public Library Board, and
- Members of the Senior Administration of the City of London and of the local Boards and Commissions.

INQUIRIES:



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Director, Financial Services

Chief Executive Officer & Chief Librarian

KEYWORDS:

RELATED DOCUMENTS:

Travel by Employees within the City of London, Using Non-Library Vehicles (March 7 2011)

DOCUMENT CONTROL:

Board Motion: L01/34.2

Replaces: L95/93 (Travel and Convention Policy), L94/101.3