



# ADMINISTRATIVE MANUAL

## Policy

TITLE:	Hospitality	NUMBER:	509.0
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Applies To:	All IWK Team Members who incur hospitality expenses while conducting IWK Health Centre business		

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### PREAMBLE

For the purposes of this policy, Hospitality refers to expenses incurred while hosting individuals from outside of the IWK Health Centre (IWK) to advance the organization’s mission and for reasons of diplomacy, protocol, business or partnership development, promotional advocacy, or recruitment. This includes receptions, ceremonies, conferences, performances, or other Hospitality Events.

The IWK recognizes that Hospitality-related expenses incurred while hosting individuals

from outside the organization are, at times, necessary and legitimate expenses. The offering of Hospitality will be done in an accountable, transparent, economical, and consistent manner so as to reflect the prudent stewardship of public funds.

This policy provides direction and guidance to senior leadership, managers, and Organizers with respect to the appropriate expensing of necessary Hospitality Event transactions that support the organization's Mission and objectives.

## POLICY STATEMENTS

1. Hospitality Event expenses must be for the following circumstances:

- 1.1. Diplomacy, protocol, partnership and business development, promotional advocacy, or recruitment;
- 1.2. The Hospitality Event expenses are within the bounds of good taste, moderation, and legal requirements;
- 1.3. The Hospitality Event expenses are within reasonable limits of discretion;
- 1.4. The Hospitality Event expenses incurred fall under the following circumstances:
  - 1.4.1. Hosting visiting dignitaries, officials or key partners;
  - 1.4.2. Engaging in official IWK business with external representatives from governments; business, industry or labour leaders, donors, or other community leaders;
  - 1.4.3. Sponsoring conferences with external partners;
  - 1.4.4. Hosting prestigious ceremonies / recognition events with external guests;
  - 1.4.5. Holding recruitment events; or
  - 1.4.6. Other official functions, as approved by the President and CEO and/or the Vice Presidents, as appropriate.
- 1.5. This policy **does not apply** to internal events such as long service awards, staff meetings and consultations, professional development and training sessions, retirement ceremonies, or office events (Internal Events). **IWK – 508.0 Internal Meetings** applies when expensing costs associated with Internal Events.

2. Eligible Hospitality Event include meals, beverages, room rentals, entertainment, gifts or other approved items

3. IWK Team Members who have travelled to attend the Hospitality Event, must also follow **IWK – 501.6 Travel Policy** and submit any travel-related expenses using the **Cheque Requisition- Travel Expense Claim (Form 3461)**. The hosting department/portfolio and its IWK Team Members will act responsibly in the use of public funds.

**Note:** Only when costs exceed certain financial thresholds, other regulatory/contractual rules must be followed. IWK Procurement is the department with the required expertise to ensure these rules are not breached. Refer to **IWK - XXX Procurement Policy**.

## GUIDELINES

1. When the IWK acts as an official host, the occasion is to serve a clear organizational business purpose and **IWK – 135.0 Conflict of Interest Policy** applies wherever expenses are approved pursuant to this policy.
2. Authorized Authority are to exercise prudent judgment in reviewing proposed Hospitality expenditures for meals and refreshments based on their reasonableness, eligibility, and benefit to the IWK. In addition, such expenditures should be cost effective and in accordance with the best use of public funds.
3. While the standard for Hospitality is the provision of non-alcoholic beverages, the provision of alcohol in the context of Hospitality for reasons of diplomacy, protocol, partnership or business development, promotional advocacy, or recruitment, and where networking can lead to philanthropic donations back to the organization, is deemed an acceptable expense in limited circumstances. Any request for approval to serve or cover alcohol costs at a Hospitality Event must have prior approval by the President & CEO, in advance of the event. If the President & CEO is hosting the event, prior approval of the IWK Board Chair is required.

**NOTE:** Alcohol is not an allowable expense for an IWK Team Member on travel status. Refer to **IWK – 501.6 Travel Policy**.

4. The hosting department and its IWK Team Members are expected to act responsibly in the use of public funds and in the care and well-being of themselves, other IWK Team Members and their respective guests with respect to the serving of alcohol.
5. The hosting department/portfolio will demonstrate good judgement in the reasonableness of the quantity and expense of alcoholic beverages offered to guests, and food must be served. Preference will be given to wine, beer, or spirits produced in Nova Scotia. The Organizer will consult with IWK Procurement personnel to ensure all costs approved pursuant to this policy are incurred in accordance with **IWK - XXX Procurement Policy** and that any alcohol-related purchase is approved in advance by the President & CEO (or in the case of the President & CEO hosting the event, approval in advance by the IWK Board Chair).
6. Although Foundations / Auxiliaries are considered independent organizations with separate policies and procedures, the sections of this policy surrounding alcoholic beverages will apply when Hospitality Events are held on IWK premises, and hosted by Foundations / Auxiliaries.
7. For reasons of diplomacy, protocol, business development, or promotional advocacy, the giving of token gifts to individuals outside of IWK of a value typically not to exceed \$100 may be deemed appropriate. Any giving of gifts requires prior approval by the VP of the

Department / Portfolio. Gifts on behalf of the VP requires prior approval by the President & CEO. Gifts on behalf of the President & CEO requires prior approval by the IWK Board Chair.

8. IWK Board Members who attend a Hospitality Event organized on IWK premises are required to adhere to this policy, where applicable.

## PROCEDURE

1. The Authorized Authority gives prior authorization for all eligible Hospitality Event expenses after the Organizer completes the [Events Pre-Approval Expense Form](#). The Form should capture the following detail:
  - 1.1. Rationale/purpose of the event;
  - 1.2. Estimated numbers of attendees and their respective affiliations; and,
  - 1.3. Estimated itemized costs including gratuities and supplementary expenses.
2. The Organizer submits approved Hospitality expenses for reimbursement or payment on the [Events Claim Form](#). Hospitality expenses are not included in routine Travel Expense claims, even if costs were incurred while IWK Team Member is on Travel Status.
  - 2.1. The Organizer submits the **Events Claim Form** to the Authorized Approver for approval.
3. The Organizer includes a copy of the signed [Events Pre-Approval Expense Form](#) with the [Events Claim Form](#) for reimbursement.
4. The Organizer provides the details outlined above with the **Events Claim Form** when prior approval using the [Events Pre-Approval Expense Form](#) was not possible.
  - 4.1. The Organizer also includes documentation outlining the reasons prior approval was not possible. Circumstances where prior approval is not possible could include when an opportunity to further the Mission of the IWK is available on short notice and there is not enough time to submit the pre-approval documentation.
  - 4.2. In the absence of such circumstances noted above, expenses incurred without prior approval are not reimbursable pursuant to this policy.
  - 4.3. These claims are submitted to the Vice President for approval. Claims for the VP are submitted to the President & CEO for approval. Claims for President & CEO are submitted to the IWK Board Chair for approval.
5. The Organizer provides itemized receipts in the claim for reimbursement.
  - 5.1. No credit card statement or interact slips are permissible as receipts, with any exception approved by the Vice President.

## ROLES & RESPONSIBILITIES

1. IWK Board Chair, President & CEO and Vice Presidents:
  - 1.1. Ensure compliance with the requirements established by this policy with respect to

Hospitality expenses;

- 1.2. Communicate this policy to their IWK Team Members / IWK Board Members;
- 1.3. Approve eligible requests and claims for Hospitality-related expenses;
- 1.4. Ensure consistent application of this policy;
- 1.5. Use discretion to make decisions and choices with some degree of flexibility, while maintaining compliance with this policy. When exercising discretion, they are accountable for their decisions and the following factors must be considered:
  - 1.5.1. Subject to good judgment and knowledge of the situation;
  - 1.5.2. Exercised in appropriate circumstances; and
  - 1.5.3. Comply with the requirements set out in this policy.
- 1.6. When a situation arises and discretion needs to be exercised, the IWK Board Chair, President & CEO and Vice Presidents should consider whether the request is:
  - 1.6.1. Able to stand up to scrutiny by auditors and members of the public;
  - 1.6.2. Properly explained and documented;
  - 1.6.3. Fair and equitable;
  - 1.6.4. Reasonable; and,
  - 1.6.5. Appropriate.
2. IWK Team Members:
  - 2.1. Act in accordance with this policy;
  - 2.2. Act in accordance with all other applicable IWK Policies.
3. Financial Services Department:
  - 3.1. Provides advice and assistance regarding the application of this policy;
  - 3.2. Monitors Hospitality expenses for appropriate usage and consistency with policy directives;
  - 3.3. Processes Hospitality-related expense claims.

## **MONITORING**

1. The Financial Services Department monitors the effectiveness and consistent application of this policy including coordinating periodic reviews of Hospitality expenses to ensure compliance with this policy by departments.
2. Departments shall provide documentation deemed necessary to conduct any reviews of this policy.

## **RELATED DOCUMENTS**

### **Policies**

IWK - 135.0 Conflict of Interest

IWK - 132.0 Signing Authority

IWK - 501.6 Travel

IWK – 402.1 Procurement Policy

### **Forms**

[Events Pre-Approval Form](#)

[Events Claim Form](#)

## APPENDICES

### Appendix A: Definitions

**Hospitality**

Expenses incurred while hosting individuals from outside of the IWK Health Centre to advance the organization's Mission and for reasons of diplomacy, protocol, business development, promotional advocacy, or recruitment. It includes receptions, ceremonies, conferences, performances, or other group events. Allowable expenses may include meals, beverages, room rentals, entertainment, gifts, or other approved items.

**Note:** The expenses are not connected to an IWK Team Member's traveling expense while on the employer's business (see travel policy).

**Hospitality Event**

Event which hosts individuals from outside of the IWK Health Centre to advance the organization's Mission and for reasons of diplomacy, protocol, business development, promotional advocacy, or recruitment.

**Authorized Authority**

The Vice President of the Department / Portfolio.

**IWK Team Member**

Unless specifically limited by a certain policy, refers to all employees, physicians, learners, volunteers, board members, contractors, contract workers, franchise employees, and those with affiliated appointments and other individuals performing activities within the IWK.

**Organizer**

The IWK Team Member who is organizing the Hospitality Event and is responsible for submitting the pre-approval and claim forms for reimbursement.

**Travel Status**

Absence of the IWK Team Member from their home site on the Employer's business involving travel and/or accommodation with the approval of their Supervisor / Manager.

**Vice President**

A member of the Executive Leadership Team, excluding the President & CEO.

**Version History**

<b>Major Revisions (e.g. Standard 4 year review)</b>	<b>Minor Revisions (e.g. spelling correction, wording changes, etc.)</b>