



Policy Title: Hospitality Policy

Policy Number: To Be Determined

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Approved by: Board of Governors

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Position Responsible for Maintaining and Administering the Policy: Controller

Contact: Rachel McRae, Controller

1. Policy Statement and Purpose

The University recognizes that expenditures for hospitality, or business entertainment, may be incurred in carrying out University educational, research, and other activities. The University will cover the cost of reasonable and necessary hospitality expenses incurred by members of faculty and staff in support of the University's mission, provided the expenses are appropriate, reasonable, authorized, and adequately documented. A "reasonable expense" is deemed to be based on sound judgment and moderation. Any expenses that do not meet the test of legal, ethical, or public perception of appropriateness will be denied and/or the University will seek reimbursement from personal funds. As employees of a public institution which aims to use its resources as effectively as possible, members of faculty and staff must exercise care in incurring hospitality expenses.

Hospitality expenses must relate directly to activities that arise from the performance of duties and responsibilities of the employee. Any expenses that do not meet the test of legal, ethical, or public perception of appropriateness will be denied.

This policy is to establish guidelines to facilitate hospitality in support of the University's mission while maintaining controls of accountability. As a Broader Public Sector (BPS) institution, the University is guided by the [Ontario BPS Expenses Directive](#). As such, the University is accountable for effective and efficient stewardship of its resources and for ensuring that these resources are deployed or leveraged in a responsible manner.

2. Application and Scope

This policy applies to all University entertainment, **regardless of the source of funding**, unless specifically indicated otherwise by the funding source. Please note that claims funded by a third party (e.g., under a research grant or contract) will be governed by the policies and regulations of the funding agency. Where funding regulations are different from University policies, the more restrictive policy will take precedence.

If a circumstance arises that is not specifically covered in this policy or the procedures below, the Claimant or Authorized Approving Officer must consult the Finance department for further guidance. For research-related hospitality expenditures please contact the Research Finance department.

3. Definitions

Authorized Approving Officer: The person with the authority to make approvals under this policy and must have authorization over the account(s) being charged, when approving reimbursement requests, and cannot be the individual seeking reimbursement. They also must not be asked to approve the travel, entertainment, or non-travel business expenditures for an individual to whom they report. The Authorized Approving Officer is typically the one-up approver, the manager or supervisor of the claimant. However, if the Authorized Approving Officer is not also the claimants one-up approver, then an additional approval is required by the Authorized Approving Officer for the general ledger account being charged.

In the case of research accounts, the Authorized Approving Officer must have a one-up reporting relationship to the Claimant, and the claim must always be approved by the Principal Investigator (PI) or their delegate.

Claim: means the non-travel expense claims, submitted by the claimant for reimbursement of University business related hospitality expenditures.

Claimant: is defined as any employee, faculty, staff member, Board member or other approved individual who is being reimbursed for hospitality expenditures, under the terms of this policy, by the University of Windsor. This includes research grant hospitality expenditures.

Claimant Delegate: Employees who can prepare expense reports on behalf of the Claimant.

Delegate Authorized Approver: Employees who can approve expense reports on behalf of the Authorized Approving Officer.

Employee: means any person who directly or indirectly receives wages from the University in return for supply of services. For certainty, this definition includes all unionized and non-unionized academic and support staff as well as those whose salary is paid through sources other than the University's operating funds, such as, but not limited to, grants, research grants and external contracts.

Principal Investigator: an individual eligible to hold a research account based on their job requirements and who has been awarded research funding from an external or internal source in support of specific research activity.

Reasonable Expense: An expense is reasonable if it is deemed to be based on sound judgment and moderation. Any expenses that do not meet the test of legal, ethical, or public perception of appropriateness will be denied and/or the University will seek reimbursement from personal funds. As employees of a public institution which aims to use its resources as effectively as possible, members of faculty and staff must exercise care in incurring hospitality expenses.

4. Roles and Responsibilities

Below is a summary of the roles and responsibilities of University employees as it pertains to hospitality expenditures, claims, approvals and reimbursements:

The **University of Windsor** is responsible for maintaining an appropriate internal control environment as part of its accountability framework.

- The **Claimant** is responsible for:
 - Ensuring that any contemplated hospitality expenditures are necessary, appropriate, allowable and that there is an eligible source of funding.
 - Requesting authorization from the Authorized Approving Officer, for any planned hospitality expenditures, before committing any funds for the hospitality expenditures or for other

reimbursable expenditures. The Authorized Approving Officer has the right to reject claims for reimbursement for hospitality expenditures that they did not approve in advance and/or do not believe was related to business purposes.

- Ensuring all expenditures have been incurred in compliance with University policies and guidelines, and have been adequately documented in accordance with this policy.
 - Ensuring all expenditures are valid, necessary, appropriate, allowable under granting agency policies, guidelines, and agreements, if applicable and that sufficient funding is available to cover the expenditures.
 - Incurring reasonable expenses and to claim for reimbursement only actual out-of-pocket expenses for legitimate university business hospitality.
 - Submitting a claim through the UWinsite Finance system within fifteen (15) working days from the completion of the event, and no later than twelve (12) months thereafter.
 - Ensuring all claims are authorized electronically by the proper Authorized Approving Officer(s) (through UWinsite Finance).
 - Repaying any overpayment of reimbursement back to the University, should there be a situation that arises where an overpayment of a claim was issued. This overpayment would be considered a debt owing to the University, by the Claimant and must be repaid by the Claimant within a month after the overpayment has been identified and made known to the Claimant.
- The **Authorized Approving Officer** is responsible for approving claims and ensuring that claims are:
 - valid, necessary and appropriate,
 - within the conditions of this policy and procedures,
 - for legitimate University related activities or relevant research-related activity,
 - being charged to an appropriate general ledger account, and
 - supported by original detailed receipts as required, for each expenditure item included in the claim.

For claims to be reimbursed from research grants, the Authorized Approving Officer is responsible for ensuring that funding is available and that expenses conform to those allowable under the guidelines of the sponsor.

- The **Accounts Payable Department** is responsible for:
 - Developing and maintaining administrative processes relating to hospitality, processing hospitality reimbursements in a timely manner, and ensuring that claims for reimbursement follow this policy and Procedures.

5. Authorization and Approvals

5.1 Pre-approval of Hospitality Expenditures

Faculty and staff should request authorization from the Authorized Approving Officer on the general ledger account being charged before committing any funds towards hospitality expenditures. The Authorized Approving Officer is typically the person, on one-up basis, to whom a claimant directly reports. However, if the Authorized Approving Officer is not also the claimant's one-up approver, then an additional approval is required by the Authorized Approving Officer, for the general ledger account being charged.

5.2 Approval of Hospitality Expense Claims

All submitted hospitality expense claims from University funds, whether operating, restricted, capital or ancillary funds, require approval by an Authorized Approving Officer on the general ledger account being charged, which is typically the person, on one-up basis, to whom a claimant directly reports. However, if the Authorized Approving Officer is not also the claimants one-up approver, then an additional approval is required by the Authorized Approving Officer on the general ledger account being charged.

The Authorized Approving Officer is responsible for ensuring that claims for expenses are for University purposes only and in accordance with this policy. If the account to be charged is a research account, the Office of Research Finance will also be required to verify that the expenses are in compliance with the funding agency regulations.

When two or more employees attend the same event:

- all hospitality expenses must be submitted by the claimant who incurred the expense; and
- the expense claim must be approved by a minimum of one level of authorization above the individual with the highest authority, who is included in the claim for hospitality expenses incurred.

Expense claims shall be approved in accordance with the **Table 1** below.

Table 1: Authorized Approving Officers for Hospitality Expense Claim Reimbursement

Claimant	Authorization Required
President	Chair of the Board of Governors or their designate.
Vice-President	President or acting designate.
Associate Vice-President	President (or acting designate) or reporting Vice-President (or acting designate), as applicable.
Dean	Provost & Vice-President Academic or designate
Department Head, Associate Dean	Reporting Dean, or designate
Employee/Faculty charging research accounts	<ul style="list-style-type: none"> • When the Principal Investigator (PI) is the claimant, the Authorized Approving Officer must be a minimum one level of authorization above the claimant (i.e., for faculty members, this would be the Department Head or her/his delegate). • When a Department Head is the grantee or where next level in the hierarchy (Dean, Vice President, Academic, or President) is required. • If necessary, the Vice President, Research and Innovation may be called upon to assist in resolving differences between the grantee and the Department Head.
Employee/Faculty charging non-research accounts	The Authorized Approving Officer must have account signing authority and must be a minimum one level of authorization above the claimant.

53 Delegation of Authority

Authorized Approving Officers can appoint a Delegate Approver, to exercise the authority of the Authorized Approving Officer, on a permanent basis, or when absent for any reason, including vacation. They can do this by indicating the period during which absence or permanent delegation is effective (beginning and end date) using the delegation function in UWinsite Finance. Appointments should ideally be in a position at the same level or higher than the Authorized Approving Officer, on the University Organization Chart. Authorized Approving Officers who choose to delegate authority acknowledge and accept that they are fully accountable for decisions made on their behalf by their delegate.

54 Conflict of Interest

Claimant shall not request, nor shall an Authorized Approving Officer authorize an expense reimbursement if there is a conflict of interest situation, being one that would or could appear to interfere with rendering of an unbiased decision on the Claimant’s request or that could appear to prevent the Claimant or Authorized

Approving Officer from acting in the University's best interest. In such cases the Claimant or Authorized Approving Officer should take the proposed expense reimbursement to the Authorized Approving Officer's supervisor for approval. If in doubt, the matter should be brought to the attention of Accounts Payable.

6. Hospitality Expenditures

University hospitality expenditures are any activity that supports the educational, research or other activities of institution. Hospitality or business entertainment expenses incurred for University purposes may include food, alcoholic beverages, and/or the cost of participating in social or recreational activities. Hospitality expenditures are only considered acceptable when they involve a University guest, visitor, current or prospective donor, or benefactor. Hospitality cannot be offered solely for the benefit of University employees.

The University will cover the cost of reasonable hospitality expenses incurred by members of faculty and staff in support of the University's mission, provided the expenses are appropriate and at a reasonable cost, consistent with the status or rank of the guest(s), the number of persons attending, and the specific circumstances. The determination of what constitutes reasonable expenses for entertainment is the responsibility of the administrative head of unit. In all situations, appropriate venues and costs must be considered when entertaining.

6.1 Hospitality Expenses Involving Spouses, Partners and Dependents

Entertainment extended to the spouse, partner, or dependent of a person officially attending a function must be restricted to situations where the presence of that individual enhances the purpose of the function and must be approved in advance by the Claimant's Authorized Approving Officer. Hospitality cannot be offered solely for the benefit of University employees and their spouses, partners and/or dependents.

6.2 Hospitality Expenses for Faculty Recruitment

Expenses incurred related to faculty recruitment should follow the Hotel/Travel Guidelines located at www.uwindsor.ca/facultyrecruitment/.

6.3 Entertainment of Faculty and Staff

Hospitality expenses are not to be charged to the University unless they are incurred in the bona fide entertainment of University visitors as per Section 6 above. Expenditures incurred for social or entertainment purposes, including luncheons, breakfasts, dinners, parties, receptions, etc., primarily for a department or faculty's own staff members, are not permitted and will not be reimbursed.

There are allowable circumstances when a meal or refreshments may be served to faculty and staff as long as the purpose of the event is specifically related to university business and is scheduled for an extended period of time (typically greater than two (2) hours in duration) and surpasses a time typically given to faculty and staff as a lunch hour or break. Generally, these are events at which only university employees will be in attendance but there may also be occasions when a visitor(s) participates in these sessions in an advisory or consultative role. Such hospitality should be restricted to occasions of a formal nature such as group training, workshops, or seminars, the cost per individual is reasonable, and where all or majority of the staff in a department/faculty are in attendance. Alcohol is not a permitted reimbursable expense in this category.

Provision of meals, coffee, or other refreshments at these educational sessions must be pre-approved at the department/faculty level in accordance with regular departmental/faculty operations.

6.4 Gifts and Items of Appreciation

Gifts, flowers, memorials, and donations are personal expenses and are not to be charged against University funds. These gifts include thank you, memorial, holiday, birthday, condolence/sympathy, celebratory, and retirement gifts.

Reimbursement will be made for modest gifts given to external individuals or students as token of appreciation for speaking or presenting at University events such as conferences, workshops, panels or guest lectures, or to individuals in countries where it is a cultural norm to do so, provided that ethical business practices are not compromised. The cost for these modest gifts should not exceed \$50 per individual. Gifts to University employees are not permitted expenditures.

6.5 Contractors, Consultants and Third Party Hospitality Expenses

Expense reimbursement of hospitality expenses incurred by third parties are not considered allowable as per this policy and cannot be claimed and reimbursed by the University. Third party could include, but is not limited to, contractors and consultants.

6.6 Hospitality for Government Officials

Hospitality shall only be extended to government officials pursuant to the Broader Public Sector Expenses Directive.

6.7 Expenditures for Alcoholic Beverages

Alcoholic beverages will be permitted expenditures at University functions where there is a visitor or guest of the University, and the visitor/guests' attendance is the prime justification for the hospitality expense. Consumption should be limited to a nominal or moderate amount and faculty and staff are required to exercise sound judgement in this regard.

7. Ineligible Expenditures

Expenses incurred in relation to the following are considered ineligible expense under this policy and are the responsibility of the individuals participating or the employee(s) hosting the event:

- non-business related or personal expenses;
- celebrations of birthdays, weddings, births, or other functions deemed to be personal in nature; and
- expressions of sympathy for bereavements (including gifts, donations, flowers, cards, etc.).

7.1 Recovery of Ineligible Expenses

Any hospitality expenditures that are determined to be ineligible will not be reimbursed and should these expenditures have been charged directly to the University, the University will recover these costs from the employee(s) who incurred the expense.

8. Consistency and Contradictions

Where there may be apparent contradictions between this policy and other legal requirements to which the University is subject, every effort should be made to interpret both this policy and the other requirement in a consistent and harmonious manner.

If any provision of this policy is found to be inconsistent with the provisions of a collective agreement, the collective agreement will prevail, unless the policy provision is required by law, in which case the policy provision will prevail.

Where funding for hospitality is provided by a funding/external agency, and where those agency guidelines/requirements are different from University requirements, the more stringent requirements will take precedence.

9. Monitoring and Compliance

The policy will be reviewed at a minimum every five (5) years. However, under the following circumstances the policy may be reviewed before the five (5) year term:

- Changes in legislation that affect the policy.
- Specific incident(s) triggers a review of the policy.
- There is a request made by the President and/or Vice-Presidents or the Board of Governors to review the policy.

The University might issue temporary amendments to topics within this policy, that will overwrite this policy for a defined period of time.

10. Appendices

- Appendix 1 – Hospitality Expense Guidelines and Procedures

11. Related policies, guidelines, and procedures

- University of Windsor Procurement Policy
- University of Windsor Travel Policy and Procedures

Appendix 1: Hospitality Expense Guidelines and Procedures

The following procedures have been prepared by the Finance department, to provide additional guidance around the application of the University of Windsor Hospitality Policy. Questions surrounding the interpretation or application of the Hospitality Policy and associated procedures should be directed to the Controller within the Finance department.

1. Reimbursement

Hospitality expenses can be reimbursed only by submitting a properly completed and approved UWinsite Non-Travel expense claim, accompanied by original receipts.

If hospitality expenses are incurred while travelling, they should be included in the UWinsite Travel Expense Claim used by the claimant to claim all travel related expenses.

Should a claimant receive an overpayment of a reimbursement, the claimant is responsible to repay any overpayment of reimbursement back to the University, as this is considered a debt owing. Further, if a claimant is ceasing employment with the University, all claims for expenses must be submitted before leaving.

1.1. UWinsite Finance Travel Expense Claims

1.2. Expense Reporting

- Hospitality expenses will be reimbursed providing they are reasonable in nature and amounts, are properly supported with documentation as described further in **Section 1.3 - Receipts** below and have been appropriately approved as described in the University Hospitality Policy, **Section 5 –Authorization and Approvals**
- To claim hospitality expenses, the Claimant must submit a UWinsite Non-Travel Expense Claim within fifteen (15) working days from the completion of the event, as per **Section 1 – Reimbursement**, above.
 - The expense claim should be submitted for reimbursement within fifteen (15) working days from the completion of the event, and no later than twelve (12) months thereafter. In the event that a claim is submitted after twelve (12) months from the completion of the event, approval for the expense reimbursement must be obtained from the Vice-President of the respective area, in order for the reimbursement to be authorized and issued.
- Claims must be substantiated by sufficient detail to identify the business purpose of the meeting/event, including but not limited to:
 - the date and place of the entertainment,
 - the names of attendees (including guests, donors and non-University employees), and
 - the business relationship of the persons entertained.

1.3. Receipts

- Original receipts are required for reimbursement of all expenses with the exception of gratuitous accommodations.

- Where a receipt is required, an original itemized document on company letterhead acknowledging receipt of payment is needed.
- Neither credit card statements, nor credit card slips, are acceptable substitutes for original itemized receipts unless approved by the Authorized Approving Officer and allowed by the granting agency.
- In instances where an original receipt is not issued or has been lost, please submit a copy of the credit card statement or credit card slip together with a [Lost Receipt Form](#) available on the Finance website.

1.4. Foreign Exchange and Expense Claims

- All expense claims will be converted into and paid in Canadian dollars.
- When completing an expense claim for transactions in a foreign currency, the claimant can select the correct foreign currency for each expense item added to the expense report.
- For US dollar expense items, the system will automatically convert the expense item to Canadian dollars. The expense item is converted to Canadian dollars by the system based on the date assigned to each expense item. Therefore, when adding the expense items to the expense claim, it is important to assign the exact date each expense item occurred. This will ensure you receive the most accurate foreign exchange rate based on the date of travel.
- For expenses incurred outside of Canada and the US, the system will still automatically convert the expense item to Canadian dollars. However, UWinsite Finance is not currently programmed with exchange rates, other than the US foreign exchange rate. Therefore, when entering an expense item in a currency other than Canadian or US dollars, the system will require the claimant to manually enter the foreign exchange rate for each expense item added.
- The University currently uses the Scotiabank foreign exchange rates found on the [Scotiabank Foreign Exchange Website](#).
- Once the appropriate exchange rate is entered, the expense item is converted to Canadian dollars. Since each expense item is entered separately, a different exchange rate can be selected for each expense item, based on the date the expense item occurred.
- Alternatively, the claimant can convert all expense items into Canadian dollars before completing the expense claim, and then complete the expense report in Canadian dollars. If this option is exercised, the claimant should use the foreign exchange rate as noted on the [Scotiabank Foreign Exchange Rate Website](#) to convert expenses to Canadian. The rate used should be noted on the claimant's expense claim, for audit purposes.
- If the expense claim includes both Canadian and US currency, there is no need to complete two separate expense claims. Both Canadian and US expenses can be claimed on one expense claim, by simply applying the proper currency for each expense item added to your report.

2. Processing of Claims

All UWinsite Finance expense claims will be reviewed and audited by the Accounts Payable, within the Finance Department. Reimbursement to the employee shall be by direct deposit. If the expense claim also charges a project account, then the expense claim will also be audited by the Office of Research Finance, prior to payment.

3. Incomplete Claims

Expense claims which have not been properly prepared, authorized or supported by documentation shall be returned to the claimant by the Finance Department, with reasons given for not processing the claim. Ineligible expenses incurred, identified through an audit of the expense claim by the Finance department, shall be reimbursed to the University by the claimant.

4. Payment Methods

Hospitality expenses should be paid using the following options:

- University of Windsor Scotiabank Travel Credit Card
- Direct billing by the vendor to the University of Windsor
- Personal Credit or Debit Card

The University of Windsor Purchasing Credit Card must **not** be used for payment of any hospitality expenses, with the exception Food Services and Catering charges through Sodexo, where Purchasing Card is permitted for University events.