

## BOARD OF DIRECTORS TRAVEL & HOSPITALITY POLICY

### TRAVEL

#### 1. OBJECTIVES:

To ensure that economy and consistency in travelling and offering hospitality by Board members are maintained while ensuring the required level of control.

#### 2. PRINCIPLES:

The following principles were developed by the Board of Directors. These principles are the cornerstone of managing the Board of Directors' business travel and for extending hospitality. These principles will guide the Directors in achieving fair, reasonable and modern practices.

- **Trust:** Increase the amount of discretion and latitude for Directors to act in a fair and reasonable manner.
- **Respect:** Create a sensitive, supportive environment and processes which meet Directors' needs.
- **Transparency:** Ensure consistent, fair and equitable application of the policy and its practices.
- **Modern Travel Packages:** Introduce travel management practices that support these principles and are in keeping with travel industry trends and realities.
- **Fiscal Responsibility:** Ensure that public funds are properly managed.

#### 3. RESPONSIBILITIES:

The Corporate Secretary shall:

- support the Chair in determining whether travel is necessary;
- ensure that travel arrangements are consistent with the provisions of this policy;
- ensure that accommodation of needs is provided to avoid undue hardship;
- make arrangements for commercial accommodation;
- verify and ensure proper approval of travel expense claims before reimbursement;
- verify and ensure proper approval of hospitality expenses before reimbursement;
- ensure all travel and hospitality arrangements comply with the policy; and
- make travel arrangements for Board members using the YDC credit card.

Directors shall:

- become familiar with the provisions of this policy;

- consult and obtain authorization to travel in accordance with the policy;
- submit travel expense documentation to the Corporate Secretary within 30 days after the completion of travel;
- consult and obtain authorization for the extension of hospitality in accordance with the policy; and
- notify Corporate Secretary as soon as possible if travel needs to be canceled.

#### **4. TRAVEL**

##### **AUTHORIZATION**

In territory travel may be approved by the Chair and/or President.

Out of territory travel must be authorized by the Board of Directors by resolution for Yukon Development Corporation Board members and to ensure that all travel arrangements and expenses are consistent with the provisions of this policy and may approve exceptions to this policy where with is consistent with the principles stated above. The Corporate Secretary will assist the Board with the interpretation and implementation of this policy. The Minister responsible for the Yukon Development Corporation must be informed of all travel for the Board of Directors along with the costs for travel.

Business travel must be authorized in advance by the Board to ensure all travel arrangements are in compliance with the provisions of this policy. The Boards business travel shall be recommended in advance by the Audit Committee and/or Governance Committee.

Generally travel expenses may be authorized when a Director is away from his/her home city on YDC business or as otherwise approved by the board in advance, on a case-by-case basis.

A blanket authorization is granted to Directors for all Board and Board Committee meetings.

##### **COUPONS**

Where a Director is provided with travel industry promotional vouchers or credit coupons in connection with travel on behalf of YDC, the vouchers or coupons are to be returned to YDC with the Director's travel expense documentation.

No Director who has obtained a promotional voucher shall use the voucher to upgrade a ticket used for travel on YDC business.

##### **OVERPAYMENTS AND IRREGULARITIES**

Overpayments, namely amounts reimbursed or paid to Directors which are not in accordance with the terms of this policy, will be recovered from the Director as a debt owing to YDC.

Irregular expenses resulting from misinterpretations or mistakes will be reviewed on a case by case basis by the Chair.

## **RECEIPTS**

Where the Director certifies that the receipt was lost, accidentally destroyed or unobtainable, a personal declaration must replace the receipt.

## **TRAVEL FORMS**

Travel expense forms must be used for submitting travel claims with the supporting travel documentation where necessary.

## **5. ACCOMMODATIONS**

### **COMMERCIAL ACCOMMODATIONS**

The accepted standard for accommodation is a standard room in a four-star hotel provided that it is in a safe environment, conveniently located and comfortably equipped.

### **PRIVATE ACCOMMODATIONS**

Private accommodation refers to a private dwelling or non-commercial facility where Directors do not normally reside.

A Director who chooses to stay in a private accommodations will be reimbursed at the rate specified in the Yukon government travel rate.

## **6. TRANSPORTATION**

The selection of the mode of transportation must be based on cost, duration, convenience, safety and practicality. In addition to provisions outlined in this section under Commercial and Vehicles, expenses associated with the selected mode of transportation, such as ferries, tolls, and docking fees will be reimbursed.

### **COMMERCIAL**

Where commercial transportation is authorized and used, the Corporate Secretary shall arrange for Board members respective travel.

The lowest available airfares appropriate to particular itineraries must be sought and bookings must be made as far in advance as possible.

Taxis, shuttles and local transportation services expenses will be reimbursed.

### **VEHICLES**

The standard for rental vehicles is mid-sized. Rental vehicles beyond the standard will be authorized based on factors such as but not limited to safety, the needs of the traveler and the

bulk or weight of goods transported. **Authorization for a rental vehicle must be obtained before travelling.**

The kilometric rates payable for the use of a privately owned vehicles driven on authorized YDC business are prescribed by Yukon government travel rates.

Directors shall use the most direct, safe and practical road routes and shall claim only for distances necessary to be driven for YDC business travel.

Directors who drive, who are driven or picked up from a public carrier terminal, will be reimbursed the kilometric rate based on the distance to and from the public carrier terminal for each round trip.

In the interest of safe driving, when Director-driven vehicles are used, Directors should not normally be expected to drive more than:

- 250 kilometres after having worked a full day;
- 350 kilometres after having worked one-half day; or
- 550 kilometres on any day when the member did not work.

#### **VEHICLE INSURANCE**

Collision damage waiver coverage for the entire period that a vehicle is rented is required and will be reimbursed.

Directors will not be reimbursed for personal accidental insurance coverage premiums when using privately owned vehicles.

YDC assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate and the supplementary business insurance premium for the applicable period, where required. YDC is not responsible for reimbursing deductible amounts related to insurance coverage.

Privately owned vehicles or other types of transportation used on YDC business must have at least the minimum territorial insurance coverage of public liability and property damage.

Directors who intend to carry passengers are advised to confirm with their insurance agent that they are adequately insured.

#### **7. MEALS AND INCIDENTAL EXPENSES AND OTHER**

For each full calendar day on travel status a Director is eligible to be reimbursed a composite allowance as outlined in Yukon government travel rates as reimbursement of reasonable costs for personal meals and expenses.

Where this allowance is paid no additional amount may be claimed for meals, gratuities, laundry, dry cleaning, other personal supplies or services or depreciation of luggage.

For each of the first and last day of absence a Director shall be eligible to be reimbursed an allowance to cover incidental expenses, plus the amounts in Yukon government travel rates in respect of those meals that are reasonably expected to be missed.

When a Director is on travel status for less than one day or where the round trip journey takes place on the same day a Director shall be eligible to be reimbursed on allowance for those meals missed while outside the headquarters area as outline in Yukon government travel rates. While no firm meal time are set for this purpose, the Director shall only be reimbursed for meals that are reasonably expected to be missed. Where a Director is not absent overnight, the Director is shall not be eligible to be reimbursed the incidental expense allowance.

When a Director is required to travel in an area of unusually high costs (e.g. Alaska, NWT and some Yukon localities), and these costs exceed the limits set out in the Yukon government travel rates, the Director shall be eligible for reimbursement of actual expenses for meals and incidental expenses to the extent that such expenses are reasonable in the circumstances and are supported by receipts for all meals and all incidental expenses for each day such actual expenses are claims.

The allowances for meals and incidental expenses are payable only in respect of period a Director is on travel status. No payment shall be made under the authority of this Directive for meals purchased in the headquarters area.

Where the meals of a Director on travel status are paid for by the government in advance or by contract or provided for, the Director is not eligible for reimbursement of meal expenses, but the Director shall be eligible for the reimbursement of incidental expenses at the rate set out in the Yukon government travel rates.

#### **TRAVEL ADVANCES**

A Director authorized to travel on YDC business may be issued a travel advance. The amount of the travel advance shall not exceed the estimated costs to be incurred by the Director during the trip.

A travel advance shall not be issued to a Director until every previous travel advance has been accounted for.

#### **EXCESS LUGGAGE**

The Board may approve costs incurred in transporting YDC owned equipment at excess luggage rates if it was necessary for the equipment to be taken on the journey.

### **8. ADDITIONAL BUSINESS EXPENSES**

A Director on travel status shall be eligible for the reimbursement of entertainment expenses in connection with YDC business.

For greater certainty, while on travel status, directors whose schedules have been altered for reasons outside their control will be reimbursed reasonable telephone costs to attend to situations related to the Directors' altered schedule.

## **9. ENTERTAINMENT**

A Director on travel status shall be eligible for the reimbursement of entertainment expenses in connection with government business that are reasonable and justified under the circumstances.

A Director shall be eligible for the reimbursement of reasonable gratuities paid in connection with entertainment expenses in connection with government business.

A claim for entertainment expenses and related gratuities incurred while on travel status shall be supported by an entertainment substantiation form and shall state the names of the persons entertained and the reason for the entertainment.

## **10. CHILD CARE**

A Director on travel status who is required to make additional arrangements for care of dependents who permanently reside with the employee shall be eligible to be reimbursed actual and reasonable expenses to a daily maximum of \$26 for each dependent. Claims under this section shall be for expenses in excess of that incurred by the employee for care of dependents during the work day. Reimbursement shall not be made where payment is made to a member of the immediate family who permanently resides with the employee.

For the purposes of the section, dependents shall mean children under the age of 16 or if over 16 years of age, must be dependent on the employee by reason of mental for physical infirmity.

## **11. DELAYS AND EXTENDED TRAVEL STATUS**

Where a Director has started the journey and is unable to make connections because the aircraft is delayed overnight due to airline error or aircraft serviceability, commercial air carriers are obliged by law to provide overnight accommodation for passengers free of charge. In such circumstances a Director will obtain such services from the airline and no expenses are payable under the policy for such overnight accommodation.

A stop-over necessitated by delays beyond an employee's control does not affect his/her travel status. However, where a stop-over or side-trip is made for personal reasons, the employee is not on travel status during that period and no expenses are payable under this policy.

### **BUMPS FROM FLIGHTS**

Where a Director who is on travel status, is "bumped" from a flight and receives a hotel allowance from the airline, no claim shall be paid by the government in respect of such accommodation.

Where a Director who is on travel status, is “bumped” from a flight and receives a compensation payment from the airline (in addition to a hotel allowance), the Director shall refund this sum to YDC.

## **12. INTERNATIONAL TRAVEL**

When a Director is required to travel outside Canada on authorized YDC business, YDC shall reimburse Directors for obtaining an appropriate passport and/or visa and any inoculations, vaccinations, x-rays, certificates of health and supplementary health insurance where these are required for the trip.

The average Bank of Canada currency exchange rate for the month in which travel occurred will be applied for travel claims.

## **13. ILLNESS AND DEATH**

A Director shall be reimbursed expenses incurred as a result of illness or accident while on travel status, to the extent that the Board is satisfied that the expenses were additional to those which the employee would have incurred had he/she not been absent from home, and which are not otherwise payable to the employee under the Yukon Health Care Insurance plan or an insurance policy.

If a Director dies while on travel status, the Board may authorize payment of the expenses which are additional to those that would have been incurred had death occurred in the headquarters area. Included in the expenses payable under this section are:

- a) at the place where death occurred, ambulance, hearse, outside case (but not the cost of a coffin) and any other services required by local health laws; and
- b) transportation of the body to the headquarters area or, if desired by the employee’s next of kin, to some other place not exceeding the same cost. Costs of an escort are not payable under this policy.

## **14. TRAVEL CLAIMS**

Following completion of travel on YDC business a Director shall forward all travel documentation to the Corporate Secretary for completion of the travel claim.

The following expenditures claimed by a Director shall be supported by vouchers, receipts or other documents.

- Air, rail, sea, shuttle and intercity bus transportation costs whether or not these have been purchased or provided by YDC.
- Overnight accommodation, except for private accommodation.
- Car rentals including insurance coverage for liability protection.

- Excess luggage.
- Expenditures for meals and incidental rates in excess of the Yukon government travel rates.
- Entertainment and related gratuities.
- Taxis and shuttles where the charge exceeds \$5.00.
- Long distance business calls.
- Passport and other expenses authorized with respect to travel outside Canada.
- Hospital, medical or other expenses arising from illness, injury or death.
- Vouchers showing the rate of exchange in effect at the time of purchase of foreign currency.
- Luggage insurance for losses in excess of airline coverage.
- Claims for child care under the provisions of this policy.
- A kilometerage diary/claim for kilometerage claimed for use of a private vehicle.
- An entertainment substantiation form to support entertainment expenses.

The arrival and departure times must be noted on the travel claim.

Deductions and travel advances must be noted on the travel claim. Any money due to YDC must accompany the travel claim.

Where a Director incurs travelling expenses which are charged to the government and are not included in the Director's travel claim the Director shall indicate the name of the supplier of the services and the amount to be charged separately.

Once the travel claim is completed the Corporate Secretary will have the Chair review the travel claim for a Director and forward to the CFO for processing. A copy of the travel claim and accompanying documents will be kept for record keeping purposes.

## **15. USE OF CREDIT CARDS**

All travel will be booked by the Corporate Secretary using the YDC Corporate Credit Card. Hotels will be held using the YDC Credit Card but will be paid for by the Director and receipts turned into the Corporate Secretary for reimbursement.

## **HOSPITALITY**

### **APPROVAL OF HOSPITALITY**

Directors may extend hospitality (lunches, dinners, beverages) on behalf of YDC to third parties where it is considered appropriate to facilitate the conduct of business and within customary business practices.

All extension of hospitality by Directors must be pre-approved by the Chair. The Chair can expense up to \$500.00 anything in excess requires pre-approval by the Audit Committee Chair or Governance Chair.

### **REIMBURSEMENT FOR HOSPITALITY EXPENSES**

Expenses for food and beverages will be reimbursed by YDC upon provision of receipts. Expenses must be reasonable and consistent with the status or rank of the guest(s), the number of persons attending, the circumstances and local prices. The provision of alcohol is not normally reimbursable unless pre-approved by the Chair and the event is of a nature where the provision of alcohol is reasonable and customary.

Claims for reimbursement of hospitality expenses must include the name, title and organization of all attendees as well as the location of the event.

### **EFFECTIVE DATE AND REVIEW**

This policy is effective at the date of its approval by the Board of Directors. The Corporate Secretary will review the document annually and present any recommendations or modifications to the Board of Directors if required. If not recommendations or modifications are deemed necessary, the document will be queued on the Committee workplan for the review by the Committee on a triennial basis.

**YDC DIRECTIVE TRAVEL APPROVAL FORM**

**NAME OF PERSON(S) TRAVELLING**

\_\_\_\_\_

\_\_\_\_\_

**DESTINATION**

\_\_\_\_\_

**DURATION OF TRIP**

\_\_\_\_\_ TO \_\_\_\_\_

**ESTIMATED COST**

\_\_\_\_\_

**PURPOSE OF TRIP**

\_\_\_\_\_

**APPROVED:**

\_\_\_\_\_  
**Chair**

\_\_\_\_\_  
**Corporate Secretary**