POLICY ON HOSPITALITY, MEETINGS AND EVENTS

Effective Date: April 14, 2022 **Approval Authority:** Board of Governors

Supersedes /Amends: May 1, 2018 **Policy Number**: CFO-10

SCOPE

This Policy applies to all hospitality related events, whether held on or off University Space (as defined below), when such Hospitality Events (as defined below) are paid for, or when such Allowable Expenses (as defined below) will be reimbursed by Concordia University (the "University") funds, including, but not limited to, operating, research and restricted funds.

Allowable Expenses incurred to support research activity and paid for using research grants or contracts must comply with all University policies, including this Policy unless the granting agency or sponsor's policy is different, in which case the policy of the granting agency or sponsor supersedes this Policy. Allowable Expenses must comply with rules and regulations prescribed by the source of funds used to support the activity.

There are no exceptions to this Policy unless approved in writing by the Chief Financial Officer of the University. Faculties or units are free to enact more restrictive rules around the ones set out in this Policy.

This Policy does not govern Hospitality Events sponsored or held by an External Party (as defined below), when such events are paid for entirely by said External Party.

PURPOSE

This Policy and its supporting procedures, which can be found in the Hospitality, Meetings and Events Handbook ("Handbook"), provide University-wide administrative guidelines for the approval and reporting of Allowable Expenses incurred on behalf of the University.

The purpose of this Policy is to also:

- Communicate Allowable Expenses in a Hospitality Event context when they are incurred to promote University activities and interests while ensuring to be prudent, mindful and responsible when using University funds, including, without limitation, all funds entrusted to the University to administer.

- Set out guidelines and general procedures for claiming Allowable Expenses and to support the University community managing such events.

- Ensure accountability and compliance with internal and external reporting regulations including, but not limited to, the following policies: *Policy on Contract, Review, Signing and Required Approvals* (BD-1), *Travel and Conference Policy* (CFO-3), *Procurement Policy* (CFO-20), *Policy on Food or Beverage Service on University Space* (VPSS-7), and *Policy on Travel Outside of Quebec* (VPSS-53).

DEFINITIONS

For the purposes of this Policy, the following definitions shall apply:

"Administrative Unit Head" means the highest position responsible for a unit and who has signing authority to sign on the funds being charged or used to reimburse Allowable Expenses.

"Allowable Expenses" means University-related Allowable Expenses that have been paid directly by Employees, students, or visitors, for a Hospitality Event held to advance the University's activities and interests, and which will be reimbursed to that person by the University from a source of funding administered by the University including, but not limited to, operating, research and restricted funds. The Handbook outlines what constitutes Allowable Expenses.

"Claimant(s)" or "Traveler(s)" means the individual who incurs Allowable Expenses on behalf of the University and that submits an Expense Report to initiate a claim for reimbursement of Allowable Expenses.

"Employee(s)" means a full-time, part-time or temporary employee of the University, including staff, faculty, postdoctoral fellows, researchers, members of the administration, stagiaires and interns or any individual engaged by the University on a consulting basis or in virtue of any other contractual agreement; and appointees (including volunteers) of the University. For the purposes of this Policy, Employee includes a Principal Investigator (as defined below).

"External Event(s)" mean University sponsored events (whether paid entirely or in part by the University), involving both internal and External Parties (as defined below), held to promote the interests of the University on or off University Space. External Events could include the following type of events:

- Entertainment: which includes events when at least 1 visitor or guest is invited to participate in a meal, event or celebration;
- Fundraising / public relations / networking/ external business meals; and
- Recruitment

"External Party(ies)" means any third-party, such as guests, visitors, prospective faculty, prospective donors, benefactors. persons, groups or organizations and other stakeholders who are not members of the University and who wish to use University Space. For greater clarity, Employees, students and all academic and administrative units of the University are not considered as being External Parties and are subject to this Policy.

"Hospitality Event" means the hosting of Internal Events or External Event(s) in promotional and/or other functions involving meals, refreshments, events or social gatherings, other amenities (such as gifts or awards) while occurring on or off University Space to promote the interests of the University.

"Internal Event(s)" means functions organized by internal parties to allow Employees or students, to celebrate occasions on or off University Space.

"Normal Approval Process" means obtaining an approval from the individual who is at a hierarchal level higher than the individual claiming Allowable Expenses.

"Principal investigator" means an Employee that is a faculty member of the University who is the responsible individual of one or more research accounts, which represent internal and/or external funding sources.

"Senior Administration" means the following positions President, Vice-President, Chief Officer appointed by the Board, Secretary-General, Provost, Deputy Provost, Vice-Provost, Associate Vice-President(s) and any other position of equivalent rank and responsibility.

"Types of Hospitality" means meals (breakfast, lunch, and dinner), event reception, refreshments, beverages, or any combination of these. Refreshments refer to beverages and light snacks and could include alcoholic beverages.

"University Space" means any interior or exterior space or facility which is occupied, owned, or leased by the University.

POLICY

General Policy Guidelines

1. All Employees of the University must be prudent, mindful and responsible when using the University's funds, as these funds come from varied private and public sources. It is the responsibility of all Employees and students to be as economical as possible when incurring Allowable Expenses.

2. While the University recognizes that Allowable Expenses will be incurred in carrying out its teaching, research and operational activities, such expenses should be commensurate with the purpose, scope and the significance of the event. Adhering to a different protocol, under certain circumstances, could be considered reasonable for certain expenses to be incurred.

3. To the extent University Space is available and suitable for an intended Hospitality Event, the University Space should be reserved and selected as the venue to host events covered by this Policy. The *Policy on the Temporary Use of University Space* (VPSS-24) must then be followed.

4. Allowable Expenses can be incurred by an individual (UCard, out-of-pocket), charged directly to the University or requested through Hospitality Concordia, depending on the nature of the expenses and the venue.

Responsibilities

5. The Claimant is the individual who will be reimbursed for the Allowable Expenses being claimed. The Claimant is responsible for ensuring that the Expense Report is complete, accurate, legitimate, eligible, appropriate and reasonable. The Claimant must also ensure that the Allowable Expenses were incurred for University purposes, in accordance to this

Policy and that they will not be submitted for reimbursement against any other University funds or to third parties and that the Claimant will not claim any financial benefit for income tax purposes related to such Allowable Expenses.

6. It is the responsibility of the Claimant to ensure that an Expense Report is submitted in accordance with this Policy and the Handbook. Incomplete and/ or inaccurate Expense Reports will result in reimbursement delays. The University is not responsible for any interest or financing charges levied on credit cards used for an Allowable Expenses as a result of delays associated with incomplete and/or inaccurate Expense Reports

7. The Expense Report shall contain a clear description of the University purpose for which the Hospitality Event was held, while also identifying the names of the internal people and the External Parties involved.

Approvals

8. When the total expense related to a Hospitality Event is under $ 5,000, both the manual approval process of the pre-approval form must be followed, as provided in the Handbook and the automated approval process, when:

   - Internal Events include the consumption of alcohol, whether on or off University Space; or

   - The number of internal attendees for an External Event is greater than the maximum internal attendees allowed for such an event, as specified in the Handbook, the manual approval process of the pre-approval form must be followed, as provided for in the Handbook.

Prior Manual Approvals

9. In the case of the situations in section 8 above, the Dean or Administrative Unit Head of the department or unit that the requester reports to must also approve this Hospitality Event.

10. When the total Allowable Expense related to a Hospitality Event is over $ 5,000, prior approval of the Hospitality Event by a member of the Senior Administration must be obtained before the Normal Approval Process is commenced (as set out in section 8 above).

11. For any Allowable Expenses which are claimed using an Expense Report, the processes found in the *Travel and Conference Policy Handbook* will apply. When Allowable Expenses are incurred using vendors or internal Hospitality Services, the approval of such Allowable Expenses must be obtained by the person with authority to sign on the fund(s) being charged.

12. The Claimant's direct manager that approves an Expense Report with Allowable Expenses related to Hospitality Events, is responsible for validating that the expenses incurred are consistent with the Claimant's job functions and position and that such Allowable Expenses are incurred for the benefit of the University

13. The owner of the account(s) that the Allowable Expenses related to Hospitality Events are allocated to, is responsible for ensuring that the Allowable Expenses are in a line with the spending strategy of the approved budget.

14. The authority to approve an Expense Report may be delegated during temporary absences by the approval authority, to another Employee who is of an equal or higher level.

15. Approval and reimbursement of Allowable Expenses claimed on an Expense Report does not constitute final acceptance by the University. All Allowable Expenses reimbursements are subject to subsequent review and adjustment by Financial Services, Internal Audit, granting agencies, or at the request of the Claimant, faculties, or departments. The final decision related to any adjustment rests with Financial Services.

Allowable Expenses

16. Allowable Expenses related to the promotion of teaching, research and operational activities of the University can cover a variety of different Types of Hospitality Events. This Policy applies to any such Allowable Expenses.

17. With respect to the reimbursement of alcohol as an Allowable Expense, strict rules apply. Please refer to the sections and the table below and the Handbook.

<table>
<tr><td colspan="4">EXTERNAL EVENTS
(The amounts herein are before applicable taxes)</td></tr>
<tr><td rowspan="2">CONDITIONS: →</td><td>EVENT TOTAL COST

UNDER $5,000</td><td>EVENT TOTAL COST UNDER

$5,000</td><td>EVENT TOTAL COST OVER
$5,000</td></tr>
<tr><td>NO ALCOHOL

AND

THE MAXIMUM NUMBER OF INTERNAL PARTIES ATTENDING DOES NOT EXCEED THRESHOLD AS PER HANDBOOK</td><td>ALCOHOL

OR

THE MAXIMUM NUMBER OF INTERNAL PARTIES ATTENDING EXCEEDS THRESHOLD AS PER HANDBOOK</td><td>WITH OR WITHOUT ALCOHOL</td></tr>
<tr><td rowspan="2">Events such as:
• Entertainment
• Fundraising
• Public Relations
• Networking
• External Business Meals
• Recruitment</td><td>NO PRIOR APPROVAL NEEDED</td><td rowspan="2">PRIOR APPROVAL by:

Dean or Administrative Unit Head
(see Handbook for included positions)</td><td rowspan="2">PRIOR APPROVAL by:
Senior Administration
(see Handbook for included positions)</td></tr>
<tr><td>Normal approval process</td></tr>
</table>

INTERNAL EVENTS			
CONDITIONS: →	EVENT TOTAL COST UNDER $5,000 **AND** NO ALCOHOL	EVENT TOTAL COST UNDER $5,000 **AND** ALCOHOL	EVENT TOTAL COST OVER $5,000, **WITH OR WITHOUT** ALCOHOL
Events such as: • Banquets • Ceremonies • Internal Events such as: for / Principal Investigators / Staff appreciation recognition • Training (*) • Retreats • (*)Formal training such as: Seminars, Workshops, Trainings, Webinars	**NO PRIOR APPROVAL NEEDED** **Normal approval process**	**PRIOR APPROVAL by:** **Dean or Administrative Unit Head** *(see Handbook for included positions)* **ALCOHOL MAY BE PERMITTED**	**PRIOR APPROVAL by:** **Senior Administration** *(see Handbook for included positions)* **ALCOHOL MAY BE PERMITTED**

Alcohol

18. For the reimbursement of alcohol for Hospitality Events, sections 8 and 9 above apply, and prior approval must be obtained, where applicable. In addition, the grids above offer some clarification to determine when alcohol is an Allowable Expense for a Hospitality Event.

19. Alcohol is allowable under certain circumstances except where prohibited by external or internal funding. In all Hospitality Events where alcohol could be consumed (including events with more than the maximum number of internal people allowed as defined in the Handbook) prior approval must be obtained (as specified in sections 8 and 9 above). The use of alcohol must be in moderation and be served and consumed in a responsible manner in accordance with both this Policy and the *Policy on the Sale and Service of Alcohol on University Premises* (VPSS-3).

Gifts

20. Gifts may be given to Employees for special occasions or in sympathy. The gift should be of modest value. More details may be found in the Handbook.

21. Gift certificates (gift cards) that are given to Employees or students for any reason are considered to be "near cash" by the Canada Revenue Agency (CRA) and therefore are a taxable benefit to the Employee/student if the value of such gift is higher than $ 500.

22. Gift cards from the *Société des Alcools du Québec* (SAQ) are not allowed under this Policy.

Ineligible Expenses

23. Ineligible expenses include but are not limited to:

- Social events and memberships deemed to be personal in nature (do not have a University purpose)
- Non-business related or personal expenses
- Meals included in other reimbursable items
- Expenses related to a spouse */ partner* (where in attendance to an event / meal in this capacity) unless pre-authorized and deemed required for University business
- Political fundraising events

*Companions may accompany a University member during a University related trip. However, all incremental costs are considered personal expenses and cannot be claimed as Allowable Expenses. An exception to this will be made only if expenses for a companion are expressly permitted by a research grant or contract, or one of the following circumstances apply:

- Single parent travelling with child
- Nursing mother/caregiver travelling with child

24. Special or particular circumstances may arise that warrant exceptions to the list of ineligible expenses. In these cases, the approver of the Expense Report must give specific approval of such expenses and explain the University purpose of these expenses. In such case, the approver must be the member of the Senior Administration of the unit the Claimant reports to.

Policy Responsibility and Review

25. The overall responsibility for implementing and recommending amendments to this Policy shall rest with the Chief Financial Officer.

Approved by the Board of Governors on May 1, 20 Hospitality, Meetings and Events Handbook 18, and amended on April 14, 2022.