

	<h2>POLICY</h2>	<u>Policy No:</u> <b>GOV-COU-025</b>
<u>Policy Title:</u> <b>COUNCIL EXPENSE REIMBURSEMENT &amp; REPORTING</b>  <u>Policy Type:</u> COUNCIL  <u>Category:</u> Governance  <u>Sub-Category:</u> Council  <u>Author:</u>  <u>Dept/Div:</u>		<u>Approval Date:</u> Click here to enter a date.  <u>Reviewed Date:</u> Click here to enter text. <u>Next Review Date:</u> Click here to enter text.  <u>Reviewed Date:</u>  <u>Last Amended:</u> June 25, 2012  <u>Replaces:</u> GOV-COU-025 - Council Expense Reimbursement & Reporting  <u>Repealed:</u> GOV-COU-047 Technology & Home Office Expenses – Mayor and Council  <u>Replaced by:</u>
Related Policies, Procedures and/or Guidelines: ADM-ELE-226 Use of Corporate Resources for Political Campaign Purposes <i>Municipal Act, 2001</i> <i>Municipal Elections Act, 1996</i> <i>Municipal Conflict of Interest Act, 1990</i>		

**1. POLICY PURPOSE:**

The Council Expense Policy provides guidance to Members of Council on expenditures that support the Member in fulfilling their statutory duties as an elected official.

A Constituency Services Budget is intended to provide Members of Council (Members) with the resources to:

- to fund any home office and technology needs for their offices at City Hall and in their wards to support their role;

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- to conduct meetings and communicate with their constituents and other stakeholders;
- to represent the City at functions, events or conferences, and
- to enhance their learning through workshops, seminars or other training methods.

The policy is intended to:

- provide Members of Council with the flexibility to allocate resources in the most efficient way to meet their own particular requirements;
- clarify the processes that Members use to administer their budgets by simplifying and outlining the rules; and
- recognize Members' accountability for managing City resources allocated to them.

## 2. **DEFINITIONS:**

Asset – physical items purchased from a Member's Constituency Services Budget. These include IT equipment and furniture.

Community Event – an event hosted or co-hosted by a Members of Council.

Hospitality – the provision of meals or refreshments to members of the public.

Intellectual Asset - any results or products of research and development activities of any nature (including, but not limited to studies, reports, publications and other information products, databases, software) that are paid for out of the Member's Constituency Services Budget.

Personal Expense – an expense that is primarily of personal benefit to the Member of Council or their staff and/or is not related to the business of the City of Kitchener.

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**3. SCOPE:**

<b>POLICY APPLIES TO THE FOLLOWING:</b>	
<input type="checkbox"/> All Employees	
<input type="checkbox"/> All Full-Time Employees	<input type="checkbox"/> All Union
<input type="checkbox"/> Management	<input type="checkbox"/> C.U.P.E. 68 Civic
<input type="checkbox"/> Non Union	<input type="checkbox"/> C.U.P.E. 68 Mechanics
<input type="checkbox"/> Temporary	<input type="checkbox"/> C.U.P.E. 791
<input type="checkbox"/> Student	<input type="checkbox"/> I.B.E.W. 636
<input type="checkbox"/> Part-Time Employees	<input type="checkbox"/> K.P.F.F.A.
<input type="checkbox"/> Specified Positions only:	<input type="checkbox"/> Other:
<input checked="" type="checkbox"/> Council	<input type="checkbox"/> Local Boards & Advisory Committees

**4. POLICY CONTENT:**

1. Budget for Members of Council

The budget will be subdivided into three distinct funding envelopes that will each be given a budget limit per term of Council, as determined during the budget approval process. The categories and examples of eligible expenses are as follows:

Home Office & Technology:

- Cell phones
- Laptops, notebooks, and tablets
- Office furniture (purchased in the first year of a term)
- Printers
- Cell phone monthly charges
- Dedicated home office phone line
- Home internet plans
- Paper and office supplies
- Ink cartridges

Conferences, Training & Learning

- Conferences and seminars
- Webinars/Courses
- Books

Community Engagement & Meetings

- Direct mail, newsletters, flyers, etc. relating to city business including costs related to writing, design and distribution

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- Community meetings and constituent engagement directly related to City business, including any hospitality costs
- Digital tools for graphic design or social media management

Members of Council cannot exceed their term Constituency Services Budget within each budgeted category. Any over-expenditure is the personal responsibility of the Member and to be paid personally by the Member. There is no carry-over of deficits or surpluses from one term to the next.

A member of Council is required to have their final travel costs approved by the Mayor. The Mayor is required to have their final travel costs approved by the Chief Administrative Officer.

Technology purchases and contracts are encouraged to be administered by the City in order to ensure consistency of technology and to maximize purchasing power. Any technological purchases that integrate or connect to the City's data or telecommunications network in any way must be verified to meet all current security requirements to mitigate any potential risks to the City's technological assets. Repairs to hardware that was purchased directly by the City and that fall under warranty coverage will be administered by the City provided the faulty equipment is brought back to City Hall.

Technology purchases with a useful life greater than one year will have a useful life period assigned to it.

If the Mayor or a Council member is re-elected for a subsequent term, they can choose either to:

1. replace their technology equipment, returning any equipment with a useful life remaining to the City or paying out the value of any remaining useful life, or
2. continue with the existing equipment.

If the Mayor or Council member is not re-elected or does not complete a full four year term, they can choose either to:

1. pay the value of any remaining useful life to purchase the technology equipment personally, or
2. return the technology equipment to the City.

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## 2. Council Administration Budget

As distinct from Constituency Services Budgets, the corporate budget for the Elected Officials is overseen by the Chief of Staff. Under the supervision of the Chief of Staff, the Council Administration Budget is used to finance a range of corporate resources commonly used in the operation of each Office, shared staffing within the Office of Mayor and Council, along with certain other expenses supporting the Council or required by the Municipal Act, 2001.

The salary, benefits, Mayor's car allowance, purchase of event tickets, and Councillors' mileage reimbursement of all Members of Council will be drawn from the Council Administration Budget.

The Council Administration Budget may also fund travel by members of Council in relation to being executive members of provincial and/or national associations or organizations as well as costs associated with trade missions.

The Mayor may participate in one international business mission per year with the Waterloo Economic Development Corporation to advance the regional economic development objectives related to foreign direct investment.

## 3. Spending guidelines, reimbursement and reporting

Members' ability to incur expenditures must follow basic accounting and audit principles and the following *guidelines*:

- Expenses must relate to the business of the City of Kitchener.
- Members cannot claim expenses of a personal nature.
- Expenses incurred by third parties may not be reimbursed in the same manner.
- Invoices must include a description of the goods purchased or services rendered, the cost, applicable taxes, and HST Registration Number. In the event a HST Registration Number is not provided, Constituency Assistants are required to contact the vendor to obtain the information.
- Any material and intellectual assets purchased through the use of the Constituency Services Budget are the property of the City of Kitchener, not the Member.

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*Reimbursement*

- If a member of Council is entitled to be reimbursed for actual business-related expenditures, the request for reimbursement, including receipts, must be submitted to the Mayor for approval in a timely fashion.
- Any expenditure not submitted by January 31<sup>st</sup> of the following year will forfeit reimbursement eligibility. It is imperative that expenditures are recorded in the appropriate fiscal year in order to provide accurate information on the annual Statement of Remuneration and Expenses.
- The Mayor is required to have their summary of business-related expenditures approved by the Chief Administrative Officer.

*Reporting*

- An itemized annual Statement of Remuneration and Expenses paid to each member of Council in respect of their services as a member of Council shall be prepared and submitted to Council by March 31<sup>st</sup> of the following year.
- Remuneration and expenses to be reported in the Statement of Remuneration and Expenses will include:
  - i) any salary and fringe benefits paid to the Mayor and Council members
  - ii) any conferences attended by the Mayor and Council members, or costs incurred for training and learning
  - iii) any meetings attended by the Mayor and Council members as Special Council Appointees
  - iv) Mayor's car allowance
  - v) any business-related mileage costs incurred by Council members
  - vi) any complimentary tickets or golf passes
  - vii) all home office and technology expenses
  - viii) all expenses relating to community engagement and community events
- In the spirit of accountability and transparency, the Statement of Remuneration and Expenses for Members of City Council are publicly disclosed on the City's website.

4. Restrictions on Expenses

- No expense shall create a conflict of interest, or the appearance of such a conflict, that may arise through the purchase of goods or services from a family member.

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- In an election year, Constituency Services Budgets will be restricted 60 days prior to and including Voting Day to ensure that corporate resources are not being utilized for any election-related purposes, in alignment with ADM-ELE-226, the Use of Corporate Resources During an Election Year Policy.
- In general, alcohol will not be permitted except in a meeting involving external business contacts.
- Personal expenses (i.e., clothing, etc.) are not eligible expenses.
- Gifts for employees of the City, its agencies, boards, commissions, and special purpose bodies are not eligible expenses.
- Members' budgets shall not be used to provide a personal benefit to specific individual citizens or businesses (i.e., payment of tax penalties, parking tickets, sponsorship of personal travel, etc.).
- Members should keep in mind the general integrity principles set out in the Code of Conduct and may consult with the Integrity Commissioner as required on other matters that may create a real or perceived conflict of interest under the Code.
- Advertising that promotes for-profit organizations, third parties, other levels of government, political parties, or candidates in any election campaigns.
- Paid advertising for initiatives, interests or personal causes unrelated to City business.
- Expenses related to the creation of personal or non-city-business websites, including the purchase of domain names.
- Direct mail or marketing expenses for a geographic area outside of a Member's ward will not be permitted without prior approval from the City Clerk, in consultation with the Integrity Commissioner. Notwithstanding, it is recognized that advertising in mass media and broader circulation publications and some unaddressed postal walks will cross ward boundaries, and these are exempt where outside the control of the Member seeking to direct mail/direct market to their ward residents.
- Expenses regarding retaining consultants or hiring staff.

## 5. **HISTORY OF POLICY CHANGES**

### Administrative Updates

### Formal Amendments