

# International Development Research Centre

## Corporate Policy

### Hospitality Activities, Conferences and Events

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#### 1. Objective

Parliament, funding partners and Canadians expect the International Development Research Centre (IDRC) to exercise proper stewardship of funds and to make effective, efficient and economical use of its resources.

The objectives of this policy are to provide guidance to IDRC employees in planning, organizing, approving, recording and reporting expenses related to hospitality, conference and event activities.

#### 2. Application

This policy applies to all hospitality, conference and event expenses incurred by IDRC employees and members of the Board of Governors. It also applies to external guests invited to participate in IDRC hospitality activities offered for reasons of courtesy, protocol, or to facilitate the conduct of IDRC business.

The provisions of this policy **do not apply** to the following specific activities:

- Employee participation in conferences and events or hospitality activities that have no cost to IDRC. Employees should refer to [section 7.8 on Conflict of Interest, including appendices A and B, of Chapter 7, Volume I of the Management Policy Manual \(MPM\)](#) prior to accepting invitations to participate in such gatherings or activities.
- Training activities, more specifically
  - Learning activities with established objectives where the primary purpose is to enable participants to maintain or acquire skills or knowledge;
  - Large information-sharing or learning sessions (or conferences) that support an individual's learning and professional development or help them maintain professional accreditations.

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- Employee appreciation events, except for the aspects that may be specifically mentioned in that policy (refer to Volume II, Chapter 12 on Employee Appreciation Events for more details).

#### 3. Definitions

**Approval Authority** – means an employee who has the authority to approve hospitality or conference and event expenses in accordance with the [General Authority Matrix](#).

**Blanket Hospitality Authority (BHA)** – authorization for hospitality activities which are continuous or repetitive in nature and where it is not practical or administratively efficient to obtain prior approval for each hospitality occurrence.

**Conference** – refers to a congress, convention, seminar, symposium or other formal gathering, which is organized by a third party and where persons participating debate or are informed of the status of a discipline that relates to the business of IDRC.

**Event** – means gatherings of individuals (employees and/or external participants) engaged in activities other than IDRC operational activities or training. Examples of such events include, but are not limited to, management and employee meetings or retreats, participation in conferences (when **two or more** employees attend the same conference organized by a third party), and corporate celebrations.

**Hospitality** – the provision of meals, beverages or refreshments during meetings or events that are necessary for the effective conduct of IDRC business or for reasons of courtesy, diplomacy or protocol.

**Refreshments** – include beverages or food (e.g., light snacks), or both, served between meals.

**Operational Activities** – activities undertaken to deliver IDRC’s programming and services, including internal services. Specifically, operational activities consist of

- Visits to research project locations or research partner institutions, participation in project-related meetings organized by recipients, participation in meetings to promote IDRC’s programs, etc.;
- Activities undertaken by employees in the performance of their assigned tasks as set out in position descriptions, terms of reference, statements of work, etc.

**Training** – means a formal learning activity, which includes a curriculum and established learning objectives and where the primary purpose is to enable participants to maintain or acquire skills or knowledge.

#### 4. Guiding Principles

Employees who have the responsibilities of planning, organizing, approving, recording and reporting hospitality, conference and event expenses should be guided by the following principles and must ensure that these principles are adhered to by considering the following questions:

- Public scrutiny (would Canadians agree that the expenditure is necessary for the achievement of IDRC’s objectives?);

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- Value for money (is there a more cost-effective way to achieve IDRC's objectives, for example, were remote meeting solutions considered? Is the minimum number of attendees participating in the event?);
- Accountability (are effective oversight, accountabilities and controls in place to monitor these expenditures? Was the procurement policy applied when required?);
- Transparency (is the information released for disclosure accurate and complete?).

#### 5. Accountabilities

The Chief Financial Officer (CFO) is responsible for:

- Approving the total annual budgets for hospitality, conferences and events;
- Ensuring that hospitality expenses incurred by the President, Vice-Presidents and Governors, or by individuals who act on behalf of any of these persons, are proactively disclosed on a monthly basis, through IDRC's website. These hospitality expenses must be published within 30 days after the end of the month in which they were reimbursed;
- Ensuring that hospitality disclosures include the date(s) of the activity, a description of the purpose and the type of hospitality, the number of attendees (both IDRC and non-IDRC employees), the location (city, province or state, country), the name of the hospitality provider (restaurant, catering service, etc.) and the total amount incurred;
- Disclosing, as per the prescribed timeline, the total annual expenses for hospitality and conferences on IDRC's website, including the main variances relative to the previous financial year actual;
- Ensuring that the guidelines for hospitality, conferences and events set out in this policy are clearly communicated to IDRC employees.

The vice-presidents and directors, in their areas of authority, and all employees, within their areas of responsibility, must ensure that:

- Hospitality, conference and event costs are avoided or minimized by considering other possible options, such as the availability and appropriateness of having a virtual presence or conducting other remote meeting solutions;
- Hospitality, conference and event expenses are necessary to support IDRC's mandate, operational activities, objectives or priorities;
- Applicable provisions of legislation, regulations, orders in council, collective agreements or directives approved by the Treasury Board are respected in the management of hospitality, conference and event expenses;
- The requirements for hospitality, conferences and events set out in sections 6 and 7 below are applied;
- The highest standards of ethical conduct, as outlined in IDRC's Code of Conduct, are applied.

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#### 6. Hospitality Requirements

Hospitality activities are sometimes held to facilitate the achievement of IDRC business or for reasons of courtesy, diplomacy or protocol.

##### 6.1 Planning

In the planning of hospitality activities, the following requirements must be fulfilled:

- The decision to offer hospitality is carefully made and the activity is deemed necessary based on courtesy, diplomacy or protocol considerations or to facilitate the achievement of the Centre's operations.
- The provision of food and beverages does not exceed what is considered to be normal and acceptable for the area and locale where such hospitality is extended and must be in accordance with the standard and maximum per person cost limits established in Table 1.

**Table 1**

Type of Hospitality	Standard Cost per Person	Maximum Cost per Person
Breakfast	1.5 x (multiplied by) breakfast allowance	1.5 x (multiplied by) Standard Cost per Person
Lunch	2.0 x (multiplied by) lunch allowance	
Dinner	1.75 x (multiplied by) dinner allowance	
Refreshments	0.50 x (multiplied by) breakfast allowance	
Reception	2.0 x (multiplied by) breakfast allowance	

- The maximum cost per person shall apply exceptionally, when non-IDRC employees are invited to the activity.
- The approver of hospitality expenses must be notified of any variances in costs that exceed 15% of the estimated amount that was originally approved.
- When **only IDRC employees are present**, hospitality in the form of meals, refreshments and non-alcoholic beverages can be provided, on an exceptional basis, and only when operational meetings, training or other events extend beyond normal working hours, or when staff dispersal would not be effective or efficient or there may not be nearby appropriate facilities to obtain food or refreshments.

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- The following hospitality provisions, subject to pre-approval, are permitted in special circumstances only to groups composed mostly of non-IDRC employees for reasons of courtesy, diplomacy and protocol:
  - alcoholic beverages;
  - entertainment activities;
  - local transportation to and from an event or activity; and
  - facility rental and associated items which are directly and inherently for hospitality purposes.

The purchase of private club memberships for the purpose of engaging with stakeholders or conducting business is not permitted.

#### 6.2 Hospitality Pre-approval Authority

Authorization for hospitality must be obtained prior to the activity taking place and should be limited to the amounts provided for in the divisional budgets.

Any variations of estimated hospitality costs when they exceed the original amount by 15% must be re-approved prior to the activity taking place.

The approval authority for hospitality expense initiation is assigned to senior management, or their sub-delegates (as per the [How To 1.06.01 on Sub-delegation of Authority](#)) as follows:

**Table 2**

Approval Authority	Threshold
<b>The President</b> must issue an approval when one of the following hospitality components are present	Total hospitality costs associated with an event exceed 3,000 CAD
	Alcoholic beverages are provided
	Food and beverage costs exceed the standard cost per person indicated in Table 1
	Entertainment is provided
	A spouse or another person accompanying an IDRC participant is present at the hospitality activity
<b>Vice-Presidents</b>	Total hospitality costs associated with an event up to and including 3,000 CAD
<b>Regional Directors</b>	Total hospitality costs associated with an event up to and including 3,000 CAD

All approvals of hospitality expenses must be conducted in accordance with the [General Authority Matrix](#), the [Principles of Delegation](#) and the [How to 1.06.01 on Sub-delegation of Authority](#).

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A person who is authorized to approve hospitality expenses cannot approve the hospitality costs of an event in which he or she participates.

The President shall authorize hospitality expenses incurred by the Vice-Presidents.

The Vice-President, Resources shall authorize hospitality expenses incurred by the President and by members of the Board of Governors.

The Vice-President, Strategy, Regions and Policy shall authorize hospitality expenses incurred by Regional Directors.

#### 6.3 Blanket Hospitality Authority

A blanket hospitality authority (BHA) can be obtained for hospitality that is continuous or repetitive in nature, low in value and for which it is not practical or administratively efficient to obtain prior approval for each hospitality occurrence. An expense initiation request for a BHA of a value not exceeding 1,000 CAD may be issued by the Vice-President, Resources, and Chief Financial Officer or the President or their sub-delegates (as per the [How To 1.06.01 on Sub-delegation of Authority](#)). Unused BHA amounts cannot be carried over to the next financial year and cannot include any of the hospitality components that require the President's approval in accordance with sub-section 6.2 on Hospitality Pre-approval Authority, Table 2.

The application of the BHA shall be supported by a sound rationale and proper oversight and controls over financial management. All hospitality expenses under a BHA must be recorded and supported by receipts.

#### 6.4 Reimbursement

Hospitality expense claims must be authorized and approved in accordance with sub-section 6.2 and all costs must be supported by receipts.

### 7. Specific Guidelines for Conferences and Events

Conferences and events provide unique opportunities for:

- Exchanging specialized or professional information;
- Increasing awareness of certain subjects; and
- Establishing or maintaining relationships which are necessary for the conduct of IDRC business or the delivery of IDRC's operational activities.

Fees for conferences organized by external organizations, as described in section 3, and attended by IDRC employees are to be considered as conference expenses. In situations where **two or more** employees attend the same conference organized by a third party, the registration fees along with other costs associated with the attendance at such conference must be approved as an "events" expense by the appropriate authority as per the [General Authority Matrix](#).

Costs for events organized by the Centre, also as described in section 3, are to be considered as "event" expenses as opposed to "conference" expenses. Such costs may include, but are not limited to, room rental, equipment and purchase of material.

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Operational activities, as described in section 3, are not “events” and therefore do not require event approval as described in sub-section 7.2.

#### 7.1 Planning

In the planning of conferences and events, the following requirements must be fulfilled:

- The business needs of the conference or event are clearly identified;
- The number of employees required to attend a conference or an event is determined with prudence and is limited to the minimum number required to achieve the Centre’s objectives;
- Detailed information and scope of the event to be held are provided to the person holding the approval authority for the expense initiation;
- As a rule, employee events should not include the provision of food or refreshments and beverages, but in situations where this cannot be avoided, such expenses shall be considered hospitality expenses. Refer to section 6.1 for details. When submitting an authorization request for an event, hospitality costs are to be considered part of the total costs of the event for approval purposes.

#### 7.2 Pre-approval Authority

Approval authorities are set out in IDRC’s [General Authority Matrix](#).

The pre-approval of employees’ participation in a conference organized by third parties is assigned to the employee’s supervisor and is limited to the amounts set out in the divisional budget.

The pre-approval authority required for events’ expense initiation is assigned to senior managers or their sub-delegatees (as per the [How to 1.06.01 on Sub-delegation of Authority](#)) as follows:

**Table 3**

Approval Authority	Threshold
President	Greater than 25,000 CAD
Vice-Presidents	25,000 CAD or less
Regional Directors	25,000 CAD or less
Directors and Corporate Secretary	25,000 CAD or less

All event expense approvals must be conducted in accordance with the [General Authority Matrix](#), the [Principles of Delegation](#) and the [How to 1.06.01 on Sub-delegation of Authority](#).

To determine the authority approval required, the total cost of the event needs to be calculated.

The total cost of a single event is calculated by adding all costs for items such as conference registration fees (only when **two or more** IDRC employees attend the same conference organized by a third party); travel-related accommodation, transportation and taxes;

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professional service charges (facilitators, interpreters, etc.); hospitality, and other service charges or relevant costs directly attributable to the particular event (for instance, purchase of material, room rental, etc.).

The actual event costs should be monitored against planned event costs to minimize cost increases.

#### **7.3 Contracting Authority**

Contracting authority for event-related goods and services must be exercised in accordance with the [General Authority Matrix](#) and can be delegated on a case-by-case basis.