

7.12 Hospitality Policy

Policy Statement

The Government of Nova Scotia recognizes that hospitality-related activities are, at times, necessary and legitimate expenses supporting the effective conduct of government business and for reasons of diplomacy, protocol, business development or promotional advocacy. The offering of hospitality will be done in such a manner so as to reflect the prudent stewardship of public funds.

Definitions

HOSPITALITY

Expenses incurred while hosting individuals from outside of government for reasons outlined above including receptions, ceremonies, conferences, performances, or other group events. Allowable expenses may include meals, beverages or other approved items.

Note: The expenses are not connected to an employee's traveling expense while on the employer's business (see Manual 200: Budgeting & Financial Management, 26.1 Travel Policy).

DEPUTY HEAD

Deputy Head means the deputy of the member of the Executive Council presiding over a department and all others whom the Governor in Council from time to time designates as having the status of deputy head.

DEPARTMENT

Any department, office or public service entity established by the Government of Nova Scotia, as identified under Category I in Appendix I-A of the Corporate Administrative Policy Manuals Policy (Manual 100).

EMPLOYEE

An employee as defined in the *Civil Service Act*; an employee as defined in the *Highway Workers' Collective Bargaining Act*; any other person directly employed by the Government of Nova Scotia.

Policy Objectives

- To provide direction and guidance to departments/employees with respect to the appropriate expensing of necessary hospitality expenses that support government's objectives.
- To ensure hospitality is offered in an accountable, economical and consistent manner in the facilitation of government business and/or for reasons of diplomacy, protocol, business development or promotional advocacy.
- To ensure taxpayers' dollars are used prudently and responsibly with a focus on accountability and transparency.

Application

All government departments and employees who incur hospitality expenses while conducting government business.

Policy Directives

Hospitality may be offered under the following circumstances:

- hosting foreign dignitaries;
- engaging in official public matters with representatives from other governments; business, industry / labour leaders; or other community leaders;
- sponsoring conferences;
- hosting prestigious ceremonies / recognition events; or
- other official functions, as approved by the deputy head, their designate or the Minister, as appropriate, of the hosting department.

Note: This policy is not to be used when expensing costs associated with Nova Scotia government employee only events, such as retirement ceremonies or office social events. Depending on the event, these events may be employee-funded or may qualify as meeting expenses, which would be submitted to Financial Service Delivery for payment.

AUTHORIZATION

All hospitality events require **prior** authorization by the Deputy Head or their designate. Ministerial approval is required in instances where the Deputy Head is hosting the hospitality event and in all instances where the estimated cost of the hospitality event exceeds established procurement thresholds (Manual 300 Common Services, 3.1 Sustainable Procurement Policy). See Appendix 7-L for Request and Approval to Incur Hospitality Expenses.

Any request for prior authorization for hospitality events requires the following detail:

- rationale/purpose of the event;
- estimated numbers of attendees and their respective affiliations; and,
- estimated itemized costs including gratuities and supplementary expenses.

A copy of the signed prior authorization must accompany the claim for reimbursement.

In instances where prior approval was not possible, claims for reimbursement must provide the details outlined above, and also include a document outlining the reasons prior approval was not possible. These claims must be submitted to the Deputy Head or Minister for approval as noted above.

The claim for reimbursement will provide itemized receipts, in addition to a copy of the signed prior authorization and/or Ministerial approval, as appropriate.

SERVING OF ALCOHOL

While the standard for hospitality is the provision of non-alcoholic beverages, the provision of alcohol in the context of hospitality for reasons of diplomacy, protocol, business development or promotional advocacy is deemed an acceptable expense in limited circumstances. Any request for approval to serve alcohol at a hospitality event **must** have prior approval by the deputy head, their designate or the Minister, as appropriate, in advance of the event.

Note: Alcohol is not an allowable expense for an employee on travel status (see Manual 200 Budgeting & Financial Management, 26.1 Travel Policy).

The hosting department and its employees are expected to act responsibly in the use of public funds and in the care and well-being of themselves, other employees and their respective guests with respect to the serving of alcohol.

The hosting department will demonstrate good judgement in the reasonableness of the quantity and expense of alcoholic beverages offered to guests, and food must be served. Preference will be given to wine, beer or spirits produced in Nova Scotia.

GIFTS

For reasons of diplomacy, protocol, business development or promotional advocacy, the giving of token gifts to individuals outside of government (value not to exceed \$40.00) is deemed appropriate. Any giving of gifts requires prior approval by the Deputy Head or their designate. If the Deputy Head is the claimant, Ministerial approval of the request is required.

Please consult with the Government of Nova Scotia's Protocol Office on matters of diplomacy, protocol, business development or promotional advocacy and for ordering gifts from the Gift Bank.

Note: For the acceptance of gifts or hospitality by Government of Nova Scotia employees, refer to Manual 500: Human Resources, 8.1 Conflict of Interest Policy, and Manual 200: Budgeting and Financial Management, 25.1 Issue of Income Tax Receipts for Gifts to the Crown.

Accountabilities

Members of Executive Council are responsible for:

- Ensuring all hospitality events and related expenses initiated or incurred by a Minister are approved by the respective Deputy Head.
- Approving requests and claims for hospitality-related expenses for Deputy Heads and in instances where the estimated cost of the hospitality event exceeds established procurement thresholds.

Deputy Heads are responsible for:

- Ensuring compliance with the requirements established by this policy with respect to hospitality expenses
- Communicating this policy to their employees
- Approving requests and claims for hospitality-related expenses
- Consistent application of this policy

Note: Deputy Heads may not alter this policy within their own departments.

Managers are responsible for:

Using discretion to make decisions and choices with some degree of flexibility, while maintaining compliance with this policy. When exercising discretion, the following factors must be considered.

Managers are accountable for their decisions which must be:

1. Subject to good judgment and knowledge of the situation;
2. Exercised in appropriate circumstances; and
3. Comply with the requirements set out in this policy.

When a situation arises and discretion needs to be exercised, Managers should consider whether the request is:

1. Able to stand up to scrutiny by auditors and members of the public;
2. Properly explained and documented;
3. Fair and equitable;
4. Reasonable; and,
5. Appropriate.

Employees are responsible for:

- Acting in accordance with this policy and the Conflict of Interest Policy with respect to the acceptance of gifts and hospitality.

The **Department of Service Nova Scotia and Internal Services** is responsible for:

- Providing advice and assistance to departments regarding the application of this policy;
- Monitoring hospitality expenses for appropriate usage and consistency with policy directives; and,
- Processing hospitality-related expense claims.

Monitoring

The Department of Service Nova Scotia and Internal Services shall monitor the effectiveness and consistent application of this policy including coordinating periodic reviews of hospitality expenses to ensure compliance with this policy by departments.

Departments shall provide documentation deemed necessary to conduct any reviews of this policy.

References

- Manual 200 Budgeting & Financial Management, 26.1 Travel Policy
- Manual 100 Management Guide, 1.1 Corporate Administrative Policy Manuals Policy
- Manual 300 Common Services, 3.1 Sustainable Procurement Policy
- Manual 500 Human Resources, 8.1 Conflict of Interest Policy
- Manual 200 Budgeting and Financial Management, 25.1 Issue of Income Tax Receipts for Gifts to the Crown
- *Civil Service Act*
- *Highway Workers' Collective Bargaining Act*

Appendices

Appendix 7-L Request and Approval to Incur Hospitality Expenses

Enquiries

Operational Accounting
Financial Service Delivery
Department of Service Nova Scotia
and Internal Services
902-424-0778

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TransactionalServices@novascotia.ca

Appendix 7-L



Request and Approval to Incur Hospitality Expenses

All hospitality-related expenses require prior authorization. All hospitality expenses incurred must be supported by itemized receipts. Refer to the Hospitality Policy (Manual 300, Policy 7.12) for further information.

Destination & Purpose

Date of Request	
Department	
Branch/Division	
Employee Name	
Title	
Destination	
Date of event	
Purpose of event or activity	

Cost Assignment

Business Area	
Cost Centre	
GL	815300

Estimated Hospitality Expense Details

Number of attendees and affiliations	
Meal & non-alcoholic beverage costs	
Alcohol costs	
Meeting space costs	
Gratuities	
Gift costs	
Other expenses	

Approval	
Minister or Deputy Minister	Date

Please include this document as part of the reimbursement process and forward to Accounts Payable.