

NEWS RELEASE

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City Business Expense Policy Review Completed

The City of Nanaimo has completed a review of its business expense policy suite, referring to recommendations from the City's auditors, KPMG. For more than a decade, the City has, in practice, permitted elected officials and staff to incur both business expenses and personal expenses on City-issued purchase cards and credit cards. While there has been no defalcation, fraud or misappropriation of City funds, the outdated policies need to be updated to reflect changes to the City's procurement system and to provide clearer guidelines to City staff on eligible business expenses, permitted incidental expenses and prohibited uses. We have also taken this opportunity to set annual limits on travel expenses, attendance at municipal conferences & professional development and hospitality budgets.

Changes include:

- new guidelines on eligible business expenses, incidental expenses, and prohibited uses
- adoption of a formal reimbursement system for incidental expenses
- reduction in the total number of purchase cards
- annual limits on attendance at municipal conferences & professional development events
- annual limits on hospitality expenses
- new guidelines on travel expenses including per diem rates and incidentals
- introduction of travel cards which are separate from purchase cards
- issuance of a request for proposal for travel services

Over the next month, senior management will make recommendations on any further refinements of the business expense policy suite and determination of the number of cards required at the departmental level. Our objective is to provide clear instructions to staff on how and when they may expend public funds to carry out City business.

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Continued... City Business Expense Policy Review Completed

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