

# Board Education & Expense Policy

BOARD



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January 1, 2019

## OVERALL PRINCIPLES

Director education and development is intended to help individual Directors and the AC Board discharge their responsibilities and meet their fiduciary duties.

Directors are entitled to be reimbursed for the actual cost of expenses incurred in connection with the business activities of OMERS, including education and development.

Expenses reimbursed by OMERS should at all times be reasonable and necessary. When incurring expenses, Directors are expected to act with the same care and standard as when they have custody of the property of another person.

When in doubt – consult the Director, AC Board Secretariat in advance of incurring such expenditures.

This Policy provides clarification on the interpretation of SC By-Law No. 6 to OMERS Administration Corporation.

**This Policy applies to all Directors of OMERS Administration Corporation (“AC”).**

Next renewal date:	January 2021
Frequency of review:	Every 2 years

## Education and conferences

Annually Directors should prepare an Individual Development Plan, including their goals and objectives, which should be reviewed and approved by the Chair of the Governance Committee. Normally these plans are due by the end of January.

This plan should include proposed conference and programming expenditures. Such expenditures should be aligned to individual development goals and must be approved in advance by the Director, AC Board Secretariat.

Expenses incurred while conducting development activities will be reimbursed in accordance with this Policy.

## Meals and entertainment

Actual costs of meals, together with a modest amount of alcoholic beverages, at reasonable prices, and reasonable tips/gratuities will be reimbursed.

It is anticipated that alcoholic beverages would only be reimbursed in connection with meals.

No meals should be claimed when they are otherwise provided at events/meetings.

The business purpose and names of those attending a meal should be recorded and submitted with the expense claim.

## Hotel accommodation

Hotel accommodation required in connection with Board meetings will be booked in advance through the AC Board Secretariat. Such costs will be paid centrally and will include room, telephone, communication and parking, where appropriate. Directors will be responsible for incidental costs.

Otherwise reasonable hotel accommodation (standard rooms) will be reimbursed when required for other purposes. OMERS preferred hotels should be used where possible.

### Travel

**Air:** When travelling for business purposes outside of North America, Directors may travel in business class; otherwise all air travel, including for education purposes, should be at economy class rates.

**Train:** Club car rates (Via 1) for business travel, including related service/cancellation fees and costs.

**Taxi/Limousines:** At actual costs incurred.

**Rental Cars:** Standard class, including fuel. When renting cars in Canada or the U.S., there is no need to purchase additional insurance as it is provided for under the general insurance for AC.

**Mileage:** Reimbursed at CRA prescribed rates at the date on which the expense is incurred. Directors are responsible for ensuring that their auto insurance includes occasional business use.

Costs incurred for travel should take into consideration the most economical method of transportation.

### Travel from primary residence

Directors will only be reimbursed for travel from their primary residence. Exceptions can be granted with the approval of the Board Chair.

### Technology

Directors are responsible for providing their own technology devices and related costs. All such devices must be approved in advance for use on OMERS systems by our IT group. Recognizing that OMERS requires its Directors to use technology for effective communication, Directors will be provided with an

annual allowance of \$2,000, which will be treated as a taxable benefit.

Where there are valid business reasons for OMERS to provide technology devices to a Director, an exception to this Policy can be granted with the approval of the Board Chair on the advice of the CFO.

### Submitting an expense claim & approval

Directors should submit their expense claims to the Director, AC Board Secretariat with original receipts, using the electronic expense claim form provided.

Expense claims for Directors can be approved by the Director, AC Board Secretariat up to \$10,000. Above that limit, expenses are required to be approved by the Board Chair. Expenses for the Board Chair are reviewed by the Audit & Actuarial Committee Chair quarterly in arrears.

### Exceptions

The Board Chair has the authority to grant exceptions to this Policy. Also, the Director, AC Board Secretariat has the authority to approve exceptions up to \$100 per occasion, which would include items being claimed where no receipts are available.

### Responding to Incidents of Non-Compliance

When a matter is found which is not in compliance with this Policy, the expense claim will be denied, in consultation with the Board Chair and Chief Risk Officer.

### Monitoring and Reporting

**Annually:** The Director, AC Board Secretariat is responsible for approving a summary of all expenses claimed by Directors. Such summary will be presented to the Audit & Actuarial Committee.

**Quarterly:** A summary of expenses claimed by Directors is provided to the Board Chair for information.

#### ROLES & RESPONSIBILITIES

Policy Approver	Governance Committee of the AC Board of Directors	Responsible for approving the Policy
Policy Sponsor	Chief Financial Officer	Ultimately accountable for the Policy, including its development, implementation and administration
Policy Manager	Vice President, Legal & Corporate Secretary	Responsible for the design and operational effectiveness of the day-to-day administration of the Policy
Policy Monitor	Director, AC Board Secretariat	Responsible for the monitoring, compliance and reporting functions of the Policy