



RED LAKE MARGARET COCHENOUR MEMORIAL HOSPITAL

-STATEMENT OF POLICY AND PROCEDURE-

SUBJECT: Travel, Meal, & Hospitality Expenses		DOC. ID#: ADM-FIN-I-06
MANUAL: ADMINISTRATION / BOARD OF GOVERNORS		Original Date: Feb-91
CATEGORY: FINANCE		<i>Last Revision Date: See electronic version</i>
DEVELOPED BY: CEO	APPROVED BY: BOARD CHAIR	<i>Next Revision Date: See electronic version</i>
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1. PURPOSE:

This policy is a guide for any person in the organization making an expense claim, including Board members, employees and appointees who incur expenses while on authorized hospital business.

2. GUIDELINES:

- Reimbursable expenses will support program objectives of the organization.
- Expenses will be reimbursed providing they are supported with original receipts and documentation.
- Expense reports that do not comply with policies and procedures may be returned to the staff member and not processed until corrected.
- Expense reports should be submitted in a timely manner.
- Staff will aim to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, personal and corporate expenses.
- Staff expenses will be approved by the appropriate supervisor.
- No individual should approve his or her own expenses, or that of a subordinate that has paid for travel, meal, etc expenses to the supervisor's benefit.
- The person approving the expense report is responsible to ensure all claims are correct, reasonable and in accordance with the expense policy.

3. PROCEDURE:

Individuals Making Claims

Claimants are required to:

- Obtain appropriate approvals before incurring expenses by completing and submitting a Travel and Education Request Form;
- Submit original, itemized receipts with all claims;

- Submit claims within 30 days of the event, unless otherwise stipulated by the supervisor
- If the information is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making;
- Repay any overpayments
- If leaving employment with the Hospital, submit any claims for expenses before leaving the organization;
- Claimants should only submit claims for expenses that support program objectives of the hospital.

Meals

Business Meals (includes meals when traveling for business):

- Staff are reimbursed for reasonable meal expenses, subject to approval by the claimant's manager, if expenditures are incurred while the claimant is away from his or her place of work on organization business.
- Original, itemized receipts must be provided with claims for reimbursement of actual meal expenses. Credit card slips do not provide enough detail.
- No reimbursement shall be made for meals consumed at home prior to departure or on return or for meals included in the cost of transportation, accommodation, seminars and/or conferences.

The daily limits on reimbursement for a meal, and/or for a full day are \$75/day with a cap of \$50 for a single meal. Tips must be included in these totals (maximum 15%) and must be included on the original

Alcohol

- Costs incurred for alcoholic beverages are not reimbursable and staff are encouraged to ask the restaurant for a separate invoice when having alcohol with their meals.

Travel

- Staff and Board members will be reimbursed for the most direct and economical mode of travel available, considering all of the circumstances. Every effort should be made to take advantage of early booking and seat sale incentives.
- There will be no reimbursement for additional costs incurred by taking indirect routes or making stopovers for personal reasons.
- Own vehicle for business travel will be reimbursed by way of an all-inclusive mileage allowance at a preset rate of \$0.55 per kilometers.
- Trip cancellation insurance will be reimbursed
- Excess personal baggage costs will not be reimbursed unless they are related to the business for which the employee is travelling.
- Original itemized receipts must be submitted along with a completed expense claim form.

Personal Vehicles

- Personal vehicles used on hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. Coverage should be equal to or greater than the minimum liability specified in the Insurance Act. Drivers must satisfy themselves whether their motor vehicle insurance coverage should include business use of their vehicles. The Hospital will not reimburse costs of collision and liability coverage.

- For greater clarity, the Hospital assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate when used for hospital business. Those driving a personal vehicle on hospital business cannot make claims to the hospital for damages as a result of a collision.
- When own vehicles are used for hospital business, reimbursement will be in accordance with the approved kilometer allowance. This allowance is to cover the costs of fuel, depreciation, maintenance and insurance.
- Staff and Board members are encouraged to travel together if possible.
- If Staff or the Board members wish to use their own vehicle for travel to other destinations instead of airfare, the Hospital will reimburse either the cost of a return economy airfare or kilometer rate, whichever is the lesser.
- Traffic and parking violations incurred while driving on hospital business will not be reimbursed

Ground Transportation

The cost of taxi fares or shuttle service will be reimbursed, provided receipts are included in the expense submission. Generally taxi costs are not covered if mileage has been paid.

Accommodation

Accommodations, including room and taxes will be covered. Mini bar, in-house movies, video games expenses are not reimbursed. Hotel expenses incurred due to failure to cancel are not reimbursed.

Private stays with friends or family are acceptable, and a cash payment or gift may be provided to the friends or family:

- A maximum of \$40 per night to a combined total of \$100 per stay is allowed for accommodation in lieu of commercial accommodation. A receipt or a written explanation identifying the hosts, the number of days and nature of expense must be submitted with expense claim.
- The \$40 value may be given in the form of a gift, groceries, meal or cash given to the hosts.
 - In exceptional circumstances, the CEO may approve reimbursement beyond the \$100 maximum for stays in excess of five days.

Program Registration Costs

- The registration form must be channeled to the accounts payable clerk after the Staff member has received authorization from the department manager/senior leader; or Board Member has received authorization from the Board Chair.

Travel Advance

An advance can be arranged if requested a minimum of two weeks prior to travel departure. Travel advance cheque requisitions must be completed and approved by the Board Chair or CEO.

Miscellaneous Expenses

Long distance phone calls from Hotels are not reimbursable. Calling cards are available upon request.

AUTHORIZATION – Individuals Approving Claims

Completed expense requests for reimbursement must accompany original receipts for travel. The form will be signed by the member of staff requesting reimbursement and the immediate supervisor and then submitted

to the Chief Nursing Executive or CEO for authorization and subsequent processing. Reimbursements will be made within a minimum of two weeks.

CEO and Board member expenses must be approved by the Board Chair. Board Chair expenses will be approved by the Vice-Chair.

Consultant Expenses

Consultants are not considered staff and therefore are not covered by personal business expense policies. Any contract between the organization and the consultant will clearly specify any and all reimbursable expenses.

Provision of Hospitality

Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at the organization's expense to persons who are not engaged in work for the organization.

- Hospitality expenses are only reimbursable if a reasonable ratio of staff to persons who are not engaged in work for the organization are demonstrable.
- Hospitality will be extended in an economical, consistent and appropriate way when it will facilitate organization business or is considered desirable as a matter of courtesy.
- Functions that are the exceptions to the above must have prior approval of the CEO or the CEO's designate.
- Where hospitality events are extended by the organization, and where the guests include vendors (current or prospective), managers are responsible for obtaining prior approval to ensure that the event does not give, or is not perceived to give, preferential treatment to any vendor.
- Functions involving only those people in the organization cannot be reimbursed because they are not considered hospitality functions. Office social events, retirement parties, holiday lunches, etc., are also not considered hospitality functions and therefore cannot be expensed as such.

Hospitality may be extended on behalf of the organization when:

- Engaging representatives of other organizations, the government, the broader public sector, industry, public interest groups or union representatives in discussion on organization matters;
- Sponsoring formal conferences for representatives of health service provider organizations, or for government, business or labour groups;
- Honouring distinguished persons from the health care sector in recognition of exceptional public services; and
- Conducting prestigious ceremonies that are attended by government, and/or distinguished person from the private or public sector;
- As part of a strategy in the recruitment of individuals for the purposes of employment with the organization.

Providing Alcohol

Costs incurred for alcoholic beverages as part of travel or meal expenses are not reimbursable.

Consumption of alcoholic beverages during an event supporting hospital business is a reimbursable cost that must be approved by the CEO prior to the date of the event.

The decision to provide alcohol as part of hospitality will be made by the CEO or the CEO's designate and will be consistent with the principles of this expense policy.

- Providing alcohol will be limited to meals and receptions.

- The organization may also choose not to provide alcoholic beverages or to limit the number of beverages offered at an event or to provide beverages paid for by attendees through a drink ticket system.

Acceptance of Hospitality

Acceptance of hospitality from vendors (current or prospective) may constitute a conflict of interest, and may therefore be prohibited. Managers are responsible for ensuring that staff are aware of their conflict of interest obligations.

- Staff/Board will ensure that they avoid the appearance of impropriety or favoritism when accepting hospitality from vendors (current or prospective).
- Staff attendance on behalf of an organization at various third party events, including but not limited to sporting events, entertainment, dinners or speaking engagements, must not violate the organization's conflict of interest obligations, nor will such attendance appear to violate those obligations.

Staff Events

The following events are financially supported in whole or in part, by the organization:

- Annual Employee Recognition Night
- Volunteer Recognition event
- Medical Staff Recognition event
- Staff Christmas/Holiday party

The decision to provide alcohol at the staff event must be approved by the CEO and the Board of Governors, and appropriate measures will be taken to ensure a reasonable limit is placed on the quantity and cost of alcohol to be provided in advance of the event.

Individual departments and/or teams may wish to hold a holiday event and/or other social event during the year with the staff. The costs of these events are to be borne solely by the staff and the activities will take place during a time so as not to disrupt the regular operations of the organization.

3. Reference:

- Ontario Organization Association, March 2010: Organization Expense Policy
- Management Board of Cabinet, Government of Ontario Guidelines Broader Public Sector Expenses Directive, Effective April 1, 2011