

# EXPENSE REIMBURSEMENT

## Policy Statement

This policy is to ensure that Humber River Hospital (HRH) is in compliance with the Broader Public Sector (BPS) Expenses Directive (Directive) issued in accordance with the BPS Accountability Act, 2010. This policy applies to all persons (claimants) submitting expense reimbursement claims including Board Members, Employees, Volunteers, Students, Consultants and Contractors. Also, this policy applies to all persons (approvers) who approve expense claims.

This policy supports the following four key principles:

1. **Accountability** – HRH is accountable for public funds used to reimburse travel, meal, hospitality and other expenses. All expenses support the Hospital business objectives.
2. **Transparency** – HRH is transparent to all stakeholders. Our Expense Reimbursement policy for travel, meal and hospitality expenses is clear, easy to understand and available to the public on our internet site.
3. **Value for Money**– HRH uses taxpayers dollars prudently and responsibly with due regard for health and safety.
4. **Fairness** – HRH reimburses eligible, authorized, expenses that are supported by 3<sup>rd</sup> party documentation that are incurred due to Hospital business.

## ACCOUNTABILITY FRAMEWORK

Prior to an expense reimbursement payment, all expense reimbursements are approved by the claimant's direct supervisor. All approvers are prohibited from approving their own expense reimbursements.

The approval levels are consistent with the HRH Signing Authority.

Travel outside of the GTA, but within Ontario, requires prior approval from the claimants supervisor. The approval should be documented (i.e. email) and attached to the Expense Reimbursement Form before being submitted to the Accounts Payable Dept. for reimbursement.

Travel outside of Ontario requires prior approval from the CEO using the Travel Approval Template (see Appendix A). The authorized Travel Approval Form should be attached to the

Expense Reimbursement Form when you submit the reimbursement request to the Accounts Payable Dept.

**Claimants will use their best efforts to minimize the expense to the Hospital when incurring travel and meal expenses and will adhere the following:**

Submit an Expense Reimbursement Form (see Appendix B) *within 45 days of the actual expense being incurred*. All Expense Reimbursement Forms must be approved by the *claimant's* immediate supervisor before being submitted to the Accounts Payable Dept. If not evident from the attached receipts, provide documentation on the business purpose and reasonableness of the expenses claimed.

*Provide* original receipts detailing the expenses incurred. Should the original invoice be lost, then a document indicating when, why, where, who, and what may be provided with sign off by the direct supervisor *to the claimant*.

Provide proof of payment. Acceptable forms of proof of payment include receipts or transaction slips, and copies of personal cheques. Credit card receipts are not sufficient on their own and must be supported with a detailed vendor receipt (i.e. must provide detailed hotel and restaurant bills)

Expense reimbursement exceeding \$50.00 will be paid by cheque or EFT to the employee submitting the request. Requests for reimbursement for less than \$50.00 will be paid through petty cash at the Cashier's Office at Church or Finch site.

Ensure that reimbursement claims are accurate, complete, reasonable and in accordance to this Policy and charged to the correct entity, cost centre and secondary account.

Ensure that expenses claimed for Research, including Clinical Trials, are in compliance with the research granting agency directives. Should the Research Granting agency not provide direction as to what are eligible expenditures, then this Expense Reimbursement Policy would be followed.

Should a claimant choose to stay at a place of travel for more days than required for business purposes, any expenses related to accommodation, meals, car rentals etc. incurred during the extra personal days shall be at the personal expense (not reimbursable).

HRH will reimburse claimants in arrears for expenses incurred during travel. In exceptional circumstances, as approved by the Director of Finance and the appropriate Vice President, employees may be given an advance against anticipated travel expenses. The claimant is to prepare an Expense

Reimbursement Form, attaching all supporting documents for the expenses incurred, obtaining approval from their direct supervisor, and then attaching the documentation relating to the advance.

The grant amount will be deducted from the total expenses incurred. If an amount is to be returned to the Hospital, a personal cheque in the correct amount payable to Humber River Hospital must be attached to the Travel and Expense Reimbursement Form. If an advance is received and the original purpose for the advance is cancelled, then the advance must be repaid to the Hospital immediately. This can be done through payroll deduction or by way of issuing a cheque.

Gratuities are reimbursable (**e.g. maximum 15%**), but should be documented on the Expense Report.

All reimbursable travel and meal expenses will be reimbursed in Canadian funds.

## **TRAVEL WITHIN THE GREATER TORONTO AREA (GTA)**

When using a private vehicle for occasional travel between HRH sites and within the GTA for business purposes, claimants will be reimbursed for each kilometer traveling between their first HRH site of work and their last site of work at a rate of \$ 0.40 / kilometer, or as outlined in the applicable union agreement if for unionized employees. Designated direct reports to Vice Presidents, who received the travel allowance (outlined below), do not qualify for kilometer reimbursement for travel within the GTA. Reimbursement for kilometers traveling will only be claimed by the driver of the car and not for or by any employee passengers in the same car.

*Claimants* are responsible for paying for parking at all HRH sites. They will be reimbursed for parking expenses incurred on hospital business at non-HRH sites within the GTA.

*Claimants* will not be reimbursed for accommodations for multiple day travel (i.e., two-day courses) within the GTA.

*Claimants* will be reimbursed for reasonable meal costs upon presentation of receipts (refer to "Meals" section for greater details).

Designated direct reports to Vice President, and other Management staff, as approved by the applicable Vice President, who are required to travel frequently among HRH sites and to other locations within the GTA on hospital business, will receive an annual travel allowance.

## TRAVEL OUTSIDE OF THE GTA

Claimants traveling outside of the GTA, but within 100 kilometers of the GTA will be reimbursed for travel expenses as outlined above.

Claimants traveling more than 100 kilometers from the GTA, including travel outside of Canada, will be reimbursed for travel expenses as follows:

- *Claimants* are expected to use the least expensive mode of transportation when traveling outside of the GTA *consistent with the least amount of interruption to the member's regular business and personal schedules. Consideration should be taken as to the length of time away from the workplace.*
- When traveling by air, *claimants* are expected to fly at the most reasonable and economical rate available. The hospital will not reimburse for business class or first class seats. *Any upgrades would be the responsibility of the claimant.*
- When traveling by air a copy of the original boarding pass **must** be retained and submitted as part of your expense claims.
- The choice of carrier should be based on cost to the hospital, not potential points collected by the claimant.
- Where airfare is less expensive than driving and the claimant chooses to drive, the reimbursement for kilometers driven will be limited to the value of the least expensive return airfare to the same destination during the same time. The kilometer rate will be the same as that paid for travel within the GTA.
- Where a number of staff members are attending the same function, shared travel should be considered and required where possible.
- When personal travel is combined with business travel, the claimant will be reimbursed for only the business portion of the trip at the lowest available fare.
- Travel with others (i.e. spouse), including meals and cancellation fees, are not covered and must be paid for by the claimant.

## Accommodation

HRH will pay for accommodation for a standard room that is convenient to the event being attended. *No reimbursement will be made for suites, executive floor, or concierge levels.*

Employees will be reimbursed only for those nights of accommodation required for hospital business.

Cancellation charges resulting from failure to cancel guaranteed hotel bookings prior to the deadline are the claimant's responsibility.

Staff will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or facility charges (e.g. fitness clubs).

Refer to "Incidentals" section below.

## Meals

Claimants will be reimbursed for reasonable expenses incurred for meals consumed during travel, upon presentation of receipts (*no alcoholic beverages*). *For example:*

Reimbursement for meal expenses incurred is subject to the maximum rates set out in the chart below. These rates include taxes and gratuities.

<b>Meals</b>	<b>Maximum Amount</b>
Breakfast	\$8.75
Lunch	\$11.25
Dinner	\$20.00

The rates are not an allowance. They are for individual meals – you must have eaten the meal to be able to submit a claim for reimbursement.

When more than one meal is claimed for any day, you may allocate the combined maximum rates between the meals. For example, if you will be eating both breakfast and lunch, the combined rate is \$20.00. This now becomes the maximum rate for the two meals, regardless of what you spend on each meal. Note that it is not permitted to use a combined maximum rate and not claim for each of the meals. For example, it is not permitted to combine the maximum amounts for breakfast and lunch (\$20.00) to claim for brunch. Nor is it permitted to combine the maximum 3 meal rate (\$40.00) if only 2 meals are eaten.

When a staff member is authorized to pay for meals of others, expense reports must include a brief explanation of the event and a list of those in attendance. The highest ranking member of staff should pay for the meal expenditures.

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.

Reimbursement must not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt accompanying the claim.

Alcohol is not reimbursable.

## **Insurance**

Travel cancellation insurance is an allowable expense; no other form of travel insurance or medical insurance will be reimbursable.

## **Transportation at Travel Location**

*Claimants* will be reimbursed for the cost of car rentals, gasoline, and insurance in such cases where other methods of local transportation are not available or the cost of local transportation will exceed the cost of the car rental

Employees are expected to rent economy, compact or sub-compact cars except in such cases where the number of people using the car justifies the expense of renting a larger vehicle (*all luxury and sports car rentals are prohibited*).

## **Hospitality**

In accordance with the BPS Directive, Hospitality is the provision of food, beverage, accommodation, transportation and other amenities paid by the Hospital from public funds for people who are not engaged to work for HRH.

Hospitality is permitted for events attended by external people to HRH for the purpose of business, including receptions for donors and volunteers.

Staff social events (birthday, shower, etc) are not to be funded from public funds.

## **Corporate Events**

Events held on hospital premises must be pre-approved by the appropriate Vice President. These events might include staff recognition (i.e. retirement tea, a project celebration), and engagement parties (i.e. trainee event, team building).

Events held off hospital premises require prior approval by the CEO (Seasonal hospital party).

Must have available budget, the costs must meet overall hospital business objectives and demonstrating prudence with costs incurred.

## **Alcohol**

Generally, alcoholic beverages cannot be charged to the Hospital.

Pre-approval is required from the CEO under exceptional circumstances (i.e. business reception with external visitors). The justification for the pre-approval must be documented, approved, and attached to the Travel and Expense Reimbursement 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 staff use their own vehicles for hospital business, reimbursement will be in accordance with the approved kilometer rate of \$ 0.40 / kilometer This is to cover the costs of fuel, depreciation, maintenance and insurance.

Receipts for parking lot charges and applicable bridge or highway tolls must be submitted with expense reports.

The use of toll highways, include but not limited to Highway 407 (ETR), should be restricted where possible, and the use of such routes should be subject to supervisor approval.

## **Taxi**

Taxi chits issued by HRH to staff and patients should have received prior approval from manager and where applicable the contract price for the trip filled in.

HRH does not pay tips for taxi service as this was factored in with the current taxi contract.

Please refer to HRH Taxi Chit Policy and Procedures.

## **Incidentals**

Long distance business and personal calls are reimbursed, however discretion should be used in the frequency and length. Reimbursement will be made for reasonable incidental costs for necessary personal calls. Wherever possible, the most cost-effective method should be used (e.g. hospital- issued cell phones utilizing travel discount packages or calling cards) in order to minimize costs.

While travelling on hospital business, additional business expenses not otherwise covered will be reimbursed, such as computer access charges, photocopying, word processing services, facsimile transmissions, internet connections, rental and transportation of necessary office equipment, provided the charged incurred are reasonable and related to hospital business.

Staff will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or facility charges (e.g. fitness clubs).

## **Expenses For Consultants And Other Contractors**

In accordance with the Act and Directive, effective 2011, in no circumstances will consultants and other contractors be reimbursed for any hospitality, incidental, or food expenses, including meals, and beverages. Reimbursement for allowable expenses such as travel and accommodations can be reimbursed only when the contract specifically provides for it.

## **Approver's Responsibilities**

As per the BSP Directive, approver's are expected to ensure that expenses being reimbursed are in a manner that is consistent with the principles of this policy.

Ensure that all expenses being reimbursed are due to conducting HRH business.

Provide approval within the scope of the Approver's Signing Authority.

Not self-approved.

Advise the employee if any requests for reimbursement have been denied and the reason for such denial.

Ensure that adequate detailed receipts and prior approval documents, if required, are attached to support the reimbursement of the costs

Ensure that the Travel Expense Reimbursement form clearly indicates the business purpose for the reimbursement.

## **Expense Administration**

Accounts Payable Dept. oversees all reimbursements and related inquiries. Expense submissions are subject to random audits to ensure compliance with this Expense Reimbursement Policy.

Expenses are to be submitted for reimbursement within 45 days of being incurred.

HRH and all Hospitals in general, will be submitting annually attestations indicating compliance with the requirements of the BPS Act and Directive. This compliance reporting will start with 11/12 and is due on June 30th, every year.

Starting in 11/12 Hospitals will be required to post the expenses reimbursed for Board Members, CEO & President, as well as for the Senior Team.

## **Definitions**

Expenses include travel and meal expenses, hospitality expenses, and any expenses incurred by an individual or group of individuals in the course engaging in HRH hospital business.

Authorization – The approval of an expense payment by the appropriate person with adequate signing authority which is usually the immediate supervisor as long as the expense claim is within their signing limit.

## **Infection Prevention and Control Considerations**

None applicable to this policy

## **Definitions**

None applicable to this policy

**Accountability / Responsibility**

None applicable to this policy

**Documentation**

See body of policy

**Reference Standard**

Travel and Expense Reimbursement Procedure