



Manual	Hospital General Manual	FINANCE POLICY AND PROCEDURE RE: EXPENSE ACCOUNTS
Distribution	Hospital Wide	
Section	Finance	
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Expense Guidelines Policy and Procedure

Guiding Principles:

- Staff should be reimbursed for reasonable and actual expenses incurred by them when on hospital business.
- Reimbursable expenses should support program objectives of the hospital.
- Expenses should be reimbursed providing they are supported with original receipts and/or 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. Any expenses submitted past the accepted timeframe may not be reimbursed and an explanation indicating reasons for the delay in submission should accompany the request for reimbursement.
- Staff should aim to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, personal, and corporate expenses.
- Staff expenses must be approved by the appropriate supervisor or next higher level.
- No individual should approve his or her own expenses, or that of a subordinate that has paid for travel, meal, etc., expensed 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.

Definitions

The terms below are found frequently throughout this policy.

Authorization – The approval of an expense reimbursement and business travel claim by the appropriate person with adequate signing authority. Generally, authorization requires the immediate supervisor’s approval as long as the expense claim amount is within their signing limit.

Business Expenses – Reasonable expenses incurred by staff in the course of performing their duties.

Business Travel – Travel required for hospital business and authorized by the appropriate level of authority.

Hospitality – The provision of food, beverage, accommodation, transportation and other amenities at the hospital’s expense to persons who are not employed by hospital.

Consultants – persons providing services to the hospital on an independent contractor basis, and who are not employees of the hospital. For greater clarity, consultants are not to be considered “staff”; that term is defined below.

Office – The hospital-related regular place of work. For example, the address on a staff person’s business card or where the staff person regularly performs their duties, has an office, desk, computer, telephone etc.

Personal Vehicle – A vehicle owned, borrowed or rented/leased personally by a member of staff.

Receipt – An original document, or carbon or certified copy, with the details of the expenditure, the amount, the date and indicating proof of payment.

Staff – For the purposes of these Guidelines, “staff” includes all hospital employees, credentialed staff, volunteers, faculty, Board Directors, outsourced service staff and other individuals engaged in hospital business and who intend to receive travel and expense reimbursement under this policy.

1.1 EXPENSE REIMBURSEMENT

Reimbursable business expenses will:

- Be work related;
- Be modest, appropriate and reasonable;
- Strike a balance among economy, health and safety, and efficiency of operations; and,
- Be submitted in a timely fashion, and in the form and manner stipulated under hospital policy.

Generally, expenses of a personal nature will not be reimbursed. Such expenses include but are not limited to expenses for:

- expenses resulting from unlawful conduct
- traffic and parking violations incurred while driving on hospital business.
- recreational purposes (e.g. video rentals, mini-bars, special facilities charges, entertainment not directly related to hospital business, etc.)
- personal items not required to conduct hospital business
- memberships to reward programs or clubs (e.g., airline clubs)
- social events that do not constitute hospitality as described in 2.0
- alcoholic drinks
- expenses incurred due to the presence of friends or family members
- hotel expenses incurred because of failure to cancel reservation
- credit card fees and late payment charges
- additional ancillary charges such as premiums for failure to refill fuel in a rental car

1. Expense Reimbursement Form:

All claims for expense reimbursement will be submitted on the standardized reimbursement form (copy attached).

- A hard copy of the form should be accompanied with original, itemized receipts.
- The claim should clearly state to whom the payment should be made.
- The claim should state the business purpose for the expenditure in an expense description column.
- If the individual seeking reimbursement incurred costs on behalf of other individuals (e.g. meals purchased on behalf of clients), the names and titles of those other individuals should be included.
- Any travel advance should be deducted from the claim.
- The form should be signed by the member of staff requesting reimbursement and the member of staff's immediate supervisor if the total is within their authorization limit. It should include a valid accounting unit and expense account code.

1.2 TRAVEL

Travel and Transportation:

- When possible, travel should be approved in advance by a claimant's department head or director. Pre-approval should be documented (e.g. email) and attached to the travel claim.
- A copy of the boarding pass or ticket for all modes of transportation should be attached to the expense report.
- Where a number of staff members are attending the same function, shared travel should be considered and required where possible.
- The mode of transportation chosen – air, train, or car, should be that which enables the member to attend to hospital business with the least cost to the hospital, 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.
- Basic economy/coach fares will be paid by the hospital. Any upgrades would be the responsibility of the member of staff.
- Travel costs associated with others (i.e. spouse), including meals and cancellation fees, are not covered and must be paid for by the staff member.
- When personal travel is combined with business travel, the staff member will be reimbursed for only the business portion of the trip at the lowest available fare.
- Personal travel does not include travel to or from home when traveling for business.

- In the event that travel is cancelled, any travel expenses that have been reimbursed to the staff member by the vendor, including but not limited to the cost of train or flight tickets, must be reimbursed to the hospital within thirty (30) days of such cancellation.

1. Travel by Vehicle

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 allowance. This allowance 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.
- Where a traveler accumulates more than 1000 km/month on a regular basis, the manager will investigate lower cost options. Where a traveler continues to use a personal vehicle, the rationale for this practice should be documented.

Mileage is calculated at the rate of 43 cents per kilometer. Return mileage from Nipigon to the following centres has been approved:

Thunder Bay – 240 km	Geraldton – 336 km	Terrace Bay – 224 km
Marathon – 384 km	Manitouwadge – 592 km	Beardmore – 160 km
Red Rock – 38 km	Atikokan – 680 km	Dorion – 76 km
Hurkett – 60 km	MacDiarmid – 120 km	Armstrong – 680 km

Taxis

- The use of taxis by staff should be reasonable.
- Original receipts be attached to the expense report.

Examples of when taxis may be appropriate include:

- situations requiring transportation between stations or airports and the hospital; and
- situations requiring transportation between stations or airports and a staff member's home.

2. Travel by Air

- Staff may travel by air for trips that are beyond reasonable driving distance. Prior approval for all travel by air must be obtained and documented in writing.
- Staff should travel Economy class for all domestic and international travel
- Every effort should be made to book in advance to take advantage of discounted fares and to obtain the lowest fares compatible with necessary travel requirements.
- The original boarding pass/passes and ticket/E-ticket must be attached to the expense report for each segment of travel.

1.3 MEALS

Business Meals (includes meals when travelling 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 hospital business.
- Original, itemized receipts must be provided with claims for reimbursement of actual meal expenses. Reimbursement must not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt accompanying the claim.
- Even with itemized receipts, reimbursement of meals will be subject to limits of \$60 per day and/or \$30 per single meal

- 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.
- 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.

1.4 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.
- The decision to provide alcohol at a staff or any event must be approved by the CEO and should be consistent with good judgment, business case, value for money and the principles of this expense directive.
- 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.
- The provision of alcohol will be limited to meals and receptions.

1.5 ACCOMMODATIONS

- Staff should use the most economical accommodation available (generally a standard quality hotel room) that is convenient to the event being attended. No reimbursement will be made for suites, executive floors, or concierge levels.
- Staff are responsible for all room charges and must review the hotel bill carefully to ensure all charges are correct. A detailed copy of the hotel bill must be attached to the expense report.
- Generally, staff will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or special facility charges (e.g. fitness clubs). However, under certain circumstances, including but not limited to long-term business trips, the hospital may choose to reimburse some or all of these costs. Costs should always remain reasonable.
- Long-distance business are reimbursed, however discretion should be used in the frequency and length. Reimbursement will be made for reasonable costs for necessary personal calls home for each night away.
- Standard tips and gratuities are reimbursable, but should be documented on the expense report.
- 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 charges incurred are reasonable and related to hospital business.
- The hospital expects discretion to be applied with any expenses incurred and reserves the right to limit reimbursement to reasonable costs.

CASH ADVANCES TO COVER COSTS RELATED TO OUT OF REGION TRAVEL

Will be approved upon request and at the discretion of the Chief Executive Officer or designate, to cover hotel, transportation costs or other related anticipated costs prior to attendance at conferences/workshops out of region. All expenses require original receipts to be presented upon return and are recorded on the Expense Claim for Reimbursement. Any under or overpayments will be adjusted when the expense account is submitted.

2.1 CONSULTANT EXPENSES

Consultants are not considered staff and therefore are not covered by personal business expense policies. Subject to the Broader Public Sector (BPS) Expenses Directive any contract between the hospital and the consultant will clearly specify any and all reimbursable expenses with a prohibition on reimbursement of meal and hospitality expenses. Consultants must be made aware of the principles of accountability, transparency, value for money and fairness and any expense claims submitted per contract should include receipts as supporting documents.

3.1 PROVISION OF HOSPITALITY

- Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at the hospital's expense to persons who are not engaged in work for the hospital or in work for other Broader Public Sector organizations and/or Ontario government ministries and agencies.
- Hospitality expenses are only reimbursable if a reasonable ratio of staff to persons who are not engaged in work for the hospital or other BPS organization or Ontario government is demonstrable.
- Hospitality will be extended in an economical, consistent and appropriate way when it will facilitate hospital business or is considered desirable as a matter of courtesy.
- Where hospitality events are extended by the hospital, 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.
- The CEO must give prior documented approval for the provision of hospitality that includes any alcoholic beverages subject to the provisions under this policy.

Hospitality may be extended on behalf of the hospital when:

1. Engaging representatives of other non-BPS organizations, industry, public interest groups or union representatives in discussion on hospital matters;
2. Providing persons from national or international organizations and charitable organizations with an understanding and appreciation of the hospital sector or the workings of the organization;
3. Honouring distinguished persons from the health care sector in recognition of exceptional public service; and
4. Conducting prestigious ceremonies that are attended by government, and/or distinguished persons from the private or public sector.

3.2 ACCEPTANCE OF HOSPITALITY

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

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

4.1 STAFF EVENTS AND PARTIES

The Hospital will support one major holiday reception each year.

- If, in addition to an annual major holiday reception, individual departments and/or units/teams wish to hold their own holiday event and/or other social activities during the year for their staff, the costs should be covered by staff and the activities should take place during a time so as not to disrupt the regular operations of the hospital.

5.1 POSTING

The Hospital will post this policy on the organization's website, so that it is available to the public.

Reference: Broader Public Sector Expenses Directive April 1, 2011 available from the Ontario Ministry of Finance