

## Corporate - Expense Reimbursement

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### POLICY

This policy complies with the government of Ontario Broader Public Sector Expenses Directive which establishes expense rules for any organization where expenses are reimbursed from public funds.

This policy will apply to all employees except where superseded by their collective agreement. This policy applies to any person in the hospital, including Board members, employees, physicians, and consultants and contractors engaged by QHC providing consulting or other services.

In the policy, when reference is made to "staff", "staff member" or "employee", the discussion, where applicable, is also intended for physicians and Board members. Consultants and contractors are not to be considered "staff".

### KEY PRINCIPLES

The following principles are intended to provide guidance and serve to guide Quinte Healthcare Corporation (QHC), staff and affiliates of their respective roles and responsibilities for the expense reimbursement process.

- a. Staff and affiliates will be reimbursed for reasonable and actual expenses incurred by them when performing hospital business;
- b. The hospital expects discretion to be applied with any expenses incurred and reserves the right to limit reimbursement to reasonable costs.
- c. For staff and affiliates that incur expenses in a situation where they are sponsored by another organization (i.e. Ontario Hospital Association), the reimbursement will be made directly to the individual by the sponsor organization.
- d. In the instance where a collective agreement or an employment contract specifies reimbursement terms/rates, those terms/rates shall apply. Staff and affiliates are expected to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, and corporate expenses.

### PURPOSE

This policy outlines the procedure for the reimbursement of authorized expenses incurred by Quinte staff and affiliates in the course of their hospital responsibilities.

#### 1.1 Inter-Site Travel Expenses

It is recognized that staff members are required to travel to corporate sites to attend to administrative and clinical duties. Employees should seek approval with their manager in advance of any travel

requirements which have not previously been authorized. Employees will be reimbursed for such travel according to the following guidelines.

a) Mileage expense claims are to be submitted monthly using the [Inter-Site Employee Travel Expense Report](#);

b) Personal vehicles used on hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. Miles travelled will be paid at the standardized distance between sites as determined by QHC and as specified on the Inter-Site Employee Travel Expense Report. Mileage rates will be as per the union contracts or \$0.40/km (effective April 1, 2010) if not otherwise listed. This rate is to cover the cost of fuel, depreciation, maintenance and insurance. The hospital assumes no financial responsibility for privately owned vehicles other than paying the kilometre rate of reimbursement;

c) Mileage is paid from the employee's home site. The home site is determined by the Department Manager. It is the site where the employee works the majority of his/her hours;

d) Receipts for parking lot charges and applicable bridge or highway tolls must be submitted with an expense report;

e) Expense reports must be approved by the employee's immediate supervisor with adequate signing authority;

f) Expense reports must be submitted to Accounts Payable. An electronic payment will be processed within ten (10) working days;

g) Mileage will not be paid in the following circumstances:

- The destination is between the employee's residence and home site and the employee is en route to their home site or residence. (e.g., employee residing in Brighton whose home site is Belleville stopping at Trenton).
- An employee chooses to work a shift at other than his/her home site. There is no reimbursement for inter-site travel in this instance.

h) Expenses resulting from unlawful conduct and traffic or parking violations incurred while driving on hospital business will not be reimbursed.

## **1.2 Other Travel-Related Expenses**

It is recognized that staff members are required to travel to locations outside QHC to attend meetings, educational sessions, and other work-related events. Such travel should be approved in advance by the claimant's manager. Where a number of staff members are attending the same function, shared travel should be considered and required where possible. Employees will be reimbursed for such travel according to the following guidelines:

a) Expense reports are to be submitted monthly using the [Employee Expense Report](#);

b) Original, itemized receipts must be attached for each item being claimed (excluding mileage). If the information above is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making;

c) Mileage rates will be as per the union contracts or \$0.40/km (effective April 1, 2010) if not otherwise listed; this rate is to cover the cost of fuel, depreciation, maintenance and insurance (please refer to attached "Standard Mileage Chart" for destinations outside of QHC sites). Personal vehicles used on hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. The hospital assumes no financial responsibility for privately owned vehicles other than paying the kilometre rate of reimbursement;

d) On trips exceeding 500 km return, employees shall use public transportation unless it is demonstrably more economic to use a private vehicle. When road transportation is the most practical and economical way to travel, the claimant should select the least expensive option between rental and personal vehicle. Rental of compact or mid-size vehicles is encouraged and only through rental companies approved by the hospital. Considerations may be given for a car rental upgrade based on the number of passengers and weather conditions;

e) The use of toll highways, including but not limited to Highway 407 (ETR) should be restricted where possible. Any use of such routes should be subject to supervisor approval;

f) Expenses resulting from unlawful conduct and traffic or parking violations incurred while driving on hospital business will not be reimbursed;

g) Receipts for parking lot charges and applicable bridge or highway tolls must be submitted with your expense report;

h) There is a \$6 per trip reimbursement for staff who must use their own vehicle to drop off or pick up items within the community;

i) The standard for transportation is "coach" or "economy". There shall be no first class passage. A copy of the boarding pass or ticket for all modes of transportation should be attached to the expense report;

j) Employees shall endeavour to avoid overnight accommodations for a single day external meeting. In all cases of overnight accommodation, the corporate rate for hotel rooms shall be requested;

k) Where meals are not provided as part of the meeting attended, the attendee may claim the following maximum amounts for meals including taxes and gratuities:

- Breakfast – maximum \$10

- Lunch – maximum \$15

- Dinner – maximum \$30

These amounts are not to be combined for a single meal per day. They are to be applied individually, per meal. Original, itemized receipts must be provided with the claim for reimbursements of actual meal expenses (reasonable gratuities will be reimbursed). Credit card slips by themselves are not sufficient. Costs for alcoholic beverages will not be reimbursed. If a group of staff are at a meal, the highest ranking member of staff should pay for the meal expenditure.

l) Overnight accommodations, if required as part of the travel, may be submitted for reimbursement. However, they must be economical (standard room) and convenient to the event being attended. Long distance business and personal calls (within reasonable norms based on length of absence from the workplace) along with additional business expenses not otherwise covered can also be submitted for reimbursement. A detailed copy of the hotel bill must be attached to the expense report;

m) Hotel expenses incurred because of a failure to cancel a reservation and/or credit card fees and late payment charges are not reimbursable;

n) In the event that travel is cancelled, any travel expenses that have been reimbursed to the staff member by a third party, must be reimbursed to Quinte Healthcare within thirty (30) days of such cancellation;

o) Costs for personal items not required to conduct hospital business will not be reimbursed. Items include but are limited to entertainment, laundry service, pay TV or movies, special facility charges (i.e. fitness club) or mini-bar;

- p) Expense reports must be approved by the employee's immediate supervisor with adequate signing authority and the Finance Department;
- q) Completed and approved expense reports must be submitted to Finance. The electronic payment will be processed within ten (10) working days;
- r) The claimant must repay any overpayments – it is considered a debt owing to the organization; and
- s) If leaving employment with the organization, submit any outstanding claims for expenses prior to leaving the organization

## **2.1 Approvers**

Approvers may not approve their own expenses. Expenses for a group can only be claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver (e.g., an executive who reports to the CEO cannot submit a claim that includes the cost of the CEO's lunch even if they were at the same event, with the result that the CEO would thereby approve his/her own expenses).

Approvers are required to:

- provide approval only for expenses that were necessarily incurred in the performance of organization business;
- provide approval only for claims that include all appropriate documentation.

Approvers are accountable for their decisions, which should be:

- subject to good judgment and knowledge of the situation;
- exercised in appropriate circumstances; and
- comply with the principles and mandatory requirements set out in this policy

When a situation arises and discretion needs to be exercised, approvers should consider whether the request is:

- able to stand up to scrutiny by the auditors and members of the public;
- properly explained and documented;
- fair and equitable;
- reasonable;
- appropriate.

It is the responsibility of both the approver and the claimant to work out appropriate arrangements which would meet the test of being fair and equitable.

## **2.2 Hospitality**

Hospitality is the provision of food, beverage, accommodation, transportation and other amenities paid out of public funds to people who are not engaged to work for:

- designated Broader Public Sector organizations or,
- any of the Ontario government ministries, agencies and public entities covered by the OPS Travel, Meal and Hospitality Expenses Directive (available on the [Ministry of Government Services website](#)).

Hospitality involves hosting an event with invitees external to QHC. Activities involving only people who are

engaged to work for QHC are not considered hospitality and cannot be reimbursed. This means that hospitality may never be offered solely for the benefit of anyone covered by this policy.

When functions are being considered, approval must be obtained from the staff member's manager prior to the event. Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate QHC business or is considered desirable as a matter of courtesy.

Where hospitality events are extended by QHC, and where the guests include vendors (current or prospective), prior consultation with the CEO must occur to ensure that the event does not give, or is not perceived to give, preferential treatment to any vendor.

Hospitality may be extended on behalf of QHC when:

- Engaging representatives of other hospitals, the government, the broader public sector, industry, public interest groups, members of the community or union representatives in discussion on QHC matters;
- Sponsoring formal conferences for representatives of health service provider organizations, or for government, business or labour groups;
- Providing persons from national or international organizations and charitable organizations with an understanding and appreciation of the Health sector or the workings of the organization;
- Honouring distinguished persons from the health care sector in recognition of exceptional public service; and
- Conducting prestigious ceremonies that are attended by government, and/or distinguished persons from the private or public sector.

Hospitality may be extended in an economical and consistent manner when it can facilitate hospital business; and it is considered desirable as a matter of courtesy or protocol. Hospitality may be extended to affiliates.

Hospitality-related expenses are to be approved by the CEO. In instances where there is a request to provide alcohol as part of hospitality, approval is required by the CEO. When the CEO co-ordinates hospitality events, approval is required by the QHC board of Directors.

### **2.3 Staff Recognition Events**

Recognition events, such as service milestones, should be designed to recognize, reinforce or promote positive behaviors and performance that support QHC values, goals and objectives.

Recognition events may be formal (e.g. ceremony) or informal (e.g. presentation). Other informal events, such as non-work-related social gatherings of staff, are not permitted within the scope of hospital policy.

### **2.4 Expenses for Consultants and Other Contractors**

In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between an organization and a consultant or contractor. Therefore, they cannot claim or be reimbursed for such expenses, including:

- meals, snacks and beverages;
- gratuities;
- laundry or drycleaning;
- valet services;
- dependent care;
- home management;
- personal telephone calls.

Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

## **2.5 Documentation**

Good record-keeping practices need to be maintained for verification and audit purposes.