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<i>Travel and Business Expense Policy</i>		
Signing Authority:	Board of Directors	
Approval Date:	29-11-2016	Effective Date: 01-01-2017

SCOPE:

This policy and procedure applies to any Claimant seeking reimbursement from or incurring expenses covered by this policy on behalf of Royal Victoria Regional Health Centre (RVH). It also applies to the Approver.

POLICY STATEMENT:

The purpose of this policy is to set out the rules and principles for those incurring or seeking reimbursement of travel and other business expenses to ensure fair and reasonable practices. It also demonstrates accountability to stakeholders by ensuring that the expense policy is in accordance with the standards expected of the Broader Public Sector (BPS). It is expected that all Claimants seeking reimbursement shall adhere to the policy and procedures outlined in this policy.

Policy principles:

- Persons will be reimbursed for reasonable and actual expenses incurred by them when performing RVH business.
- Persons are expected to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, and other business expenses.
- RVH expects discretion to be applied with any expenses incurred and reserves the right to limit reimbursement to reasonable costs.
- All expense reimbursements must be approved by an authorized individual (see the RVH Approval Authority Policy).
- For persons that incur expenses in a situation where they are sponsored by another organization (i.e. Ontario Hospital Association), where possible, the reimbursement will be made directly to the individual by the sponsoring organization. If the sponsor will only pay RVH, any differences in the sponsor's payment will be reimbursed to the individual (i.e. sponsor pays a higher km rate, the individual may claim at the higher amount).
- In the instance where a collective agreement or an employment contract specifies reimbursement terms/rates, those terms/rates shall supersede this policy.
- To the effect that RVH has established rates for certain items (i.e., meal reimbursement limits, mileage), they must be adhered to.

The following four key principles apply to this policy:

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- **Accountability** – RVH is accountable for the use of public funds when reimbursing travel, meals and hospitality expense. All expenses must support RVH’s business objectives.
- **Transparency** – RVH is transparent to all stakeholders. The rules for incurring and reimbursing expenses are clear, easily understood and available to the public.
- **Value for Money** – Taxpayer dollars are used prudently and responsibly. Plans for expenses are necessary and economical with due regard for health and safety.
- **Fairness** – Legitimate authorized expenses incurred during the course of business are reimbursed.

DEFINITIONS:

Approver: Those who have been delegated authority to approve expenditures as set out in the RVH Approval Authority Policy.

Broader Public Sector (“BPS”) Organizations: BPS Organizations are as follows:

- Every hospital
- Every school board
- Every university in Ontario and every college of applied arts and technology and post-secondary institution in Ontario whether or not affiliated with a university, the enrolments of which are counted for the purpose of calculating annual operating grants and entitlements
- Every approved agency designated as a children’s aid society under subsection 15(2) of Part I of the Child and Family Services Act
- Every community care access corporation
- Every corporation controlled by one or more designated broader public sector organizations that exists solely or primarily for the purpose of purchasing goods or services for the designated broader public sector organization or organizations,
- Every publicly funded organization that received public funds of 10 million dollars or more in the previous fiscal year of the Government of Ontario, and
- Every organization that is prescribed for the purposes of this definition.

Claimant: The individual (board member, staff, professional staff, volunteer, student) who has incurred the expense or who is seeking reimbursement for the expense. It is not necessarily the person who is completing the expense reimbursement or other related form.

Consultant: A person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

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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 a BPS organization, notably:

- RVH
- Other hospitals
- Government Agencies (i.e. Ministry of Health, Local Health Integration Network, (LHIN), Cancer Care Ontario (CCO))

PROCEDURE:

ACCOUNTABILITY FRAMEWORK

Expenses incurred by the Claimant must be approved by the next senior level of management. See the RVH Approval Authority Policy for approval limits and any additional approval requirements (e.g. contracts, leases).

Approvers are prohibited from approving their own expenses directly or indirectly. Where feasible, individual receipts should be obtained; however, if the expense is for a group function, the most senior person present will submit the claim for approval. For example, if a less senior person pays for the event where the approver is present, the approval must be escalated to the next senior level of management.

Approvers are responsible for:

- Ensuring Claimants who incur expenses are familiar with the expense claim policy.
- Exercising good judgment and knowledge of the situation.
- Ensuring the travel arrangements and expense claims comply with the principles and mandatory requirements set out in this policy as well as the RVH Procurement and RVH Approval Authority policies.
- Ensuring the expense can stand up to audit and public scrutiny.
- Ensuring the business rationale for the expense is documented.
- Ensuring there is proper documentation such as original, itemized receipts.
- Ensuring the expenses are fair and equitable.
- Ensuring the expenses are reasonable and appropriate.
- If applicable, ensuring the names/titles/organization of individuals incurring the expense are listed on the claim (i.e. meals purchased on behalf of the clients or other staff members).

Claimants are responsible for:

- Being familiar with and adhering to the principles and requirements outlined in this policy when incurring business expenses.

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- Obtaining all appropriate approvals before incurring expenses (alcohol, travel authorization forms, etc.).
- Providing timely notification to the travel service provider (if applicable) of travel arrangements to avoid additional fees.
- Submitting original, itemized receipts with all claims. Credit card receipt totals are not acceptable for meal and accommodation reimbursement unless the itemized detail is attached.
- Submit claims within 30 days of the incurred expense, otherwise the claim may not be paid.
- Clearly documenting the business purpose and, if applicable, the names/titles/organization of individuals incurring the expense are listed on the claim.
- If any of the 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.
- Repaying any overpayments; it is considered a debt owing to the organization.
- Submitting any claims for business expenses before leaving employment with the organization.

EXPENSE REIMBURSEMENT

Claims less than \$50:

Reimbursement Expense Claims \$50 or less, may be presented to the cashier for reimbursement, using the RVH Petty Cash Reimbursement form. All rules set out in this policy will apply (i.e. detailed receipts, approvals, etc.).

Expense Reimbursement Form:

All claims for expense reimbursement greater than \$50 must be submitted on the COHPA Payment Request Form.

Health Centre Credit Cards:

Corporate procurement (credit) cards will be provided to staff that are regularly required to make business purchases outside of the Health Centre's purchase requisition system and/or who are required to travel and entertain regularly. The purpose for the card is to expedite business transactions where vendors will only process transactions with a credit card payment, and not on a Corporation account. See RVH Approval Authority Policy.

Foreign Exchange:

When claiming expenses incurred in currencies other than Canadian, the amount must be claimed in Canadian dollars using the following exchange rates:

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1. The exchange rate as it appears on the credit card statement; or,
2. The Bank of Canada daily or monthly average exchange rate for the period the expense was incurred (<http://www.bankofcanada.ca/rates/exchange/>)

Proof of the exchange rate must be attached to the expense claim.

Advances:

In extenuating circumstances, the Health Centre can provide an advance for travel expenses. Travel advance request forms must be approved by the Claimant's respective leader as well as the Director, Finance or Manager, Finance. Payment requisitions for advances should be received in Finance three weeks prior to the date of travel to allow sufficient time for processing. Travel advances must be reconciled 10 business days after the Claimant's return.

TRAVEL EXPENSES

Approvals Prior to Making Travel Arrangements:

All travel requirements must be requested in writing prior to incurring travel expenses using a Travel Authorization Form as follows:

- Travelling within Ontario (only when travel costs will include accommodations): form is approved by their leader
- Travelling elsewhere in Canada: form is approved by their VP or delegate
- Travelling outside of Canada: form is approved by the CEO or delegate
- Using the guidelines above, the Board Chair, or delegate, shall approve board member travel expenses and requests. The Board Chair's expenses will be approved by the 1st or 2nd Vice Chair.

Personal Travel Arrangements:

Claimants may extend their business trip for personal business providing the following conditions are adhered to:

- There is no additional cost to the Health Centre.
- Staff use vacation or other banked time if the extended stay covers regular work days.
- All additional costs shall be paid directly by the Claimant.
- The time away from work must be pre-authorized by the Claimant's manager.

Time spent on an extended stay will not be considered travel time or work time. Time spent on the return trip home will be considered travel time.

Transportation:

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The mode of transportation chosen should be that which enables persons to attend to RVH business with the least cost to RVH, consistent with the least amount of interruption to regular business and personal schedules. Consideration should be taken as to the length of time away from the workplace. Where a number of persons attend the same function shared travel will be considered and required where possible. Wherever possible, travel arrangements should be made in advance to ensure availability of economy class seats and the best price.

Travel by Vehicle

Rental Vehicle:

The size of the rental car must be the most economical and practical for the business task and number of occupants. Where possible, rental vehicles should be compact or sub-compact models. If circumstances necessitate renting a larger model, a written explanation must be submitted with the expense claim. All luxury and sports car rentals are expressly prohibited. Collision and liability insurance offered by the car rental companies must be obtained since RVH's insurance coverage does not cover replacement value for rental cars. Rental cars must be refueled before returning to avoid extra charges.

Use of Personal Vehicle:

Personal vehicles used for RVH business must be insured at the vehicle owner's expense for personal motor vehicle liability. Coverage must be equal to or greater than the minimum liability specified in the Insurance Act. Drivers must satisfy themselves whether their motor vehicle insurance coverage includes business use of their vehicles.

RVH assumes no financial responsibility for privately-owned vehicles, other than paying the kilometric rate of 0.42/km, when used for RVH business. This allowance is to cover the costs of fuel, depreciation, maintenance and insurance. Persons driving a personal vehicle on RVH business cannot make claims to the hospital for damages as a result of a collision. When calculating the total kilometers of a trip that originates from the Claimant's home, the normal distance driven to RVH should be excluded.

Air, Rail & Bus:

All efforts should be made to minimize the cost of air or rail travel by booking travel arrangements in advance and using appropriate judgement in booking options (e.g. fixed dates or open-ended tickets).

Where applicable, a copy of the boarding pass or ticket for all modes of transportation must be attached to the expense claim form.

Taxis:

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Reasonable use of taxis and airport limousines is permitted. Where possible, hotel shuttles or airport buses should be used. A reasonable gratuity of up to 15% will be permitted as an allowable expense.

Meals While Traveling:

Reasonable and appropriate meal expenses may be reimbursed when you are on RVH business and you are away from the office area over a normal meal period.

Expenses should not be claimed when meal(s) are part of a conference, meeting or otherwise provided. In certain circumstances where it is not feasible to consume the meal provided, a meal expense may be claimed.

If individual bills are not obtained, the highest ranking individual must pay for meal expenditures. Meal reimbursements will be provided (up to a maximum of \$80.00 per day plus taxes and gratuities) in CDN dollars, each day traveling away from home on RVH business, supported by original itemized receipts. Each meal is also subject to a maximum amount as noted below:

- Breakfast - \$15 + taxes and gratuity of up to 15%
- Lunch - \$25 + taxes and gratuity of up to 15%
- Dinner - \$40 + taxes and gratuity of up to 15%

Accommodations:

Hotel accommodations will be reimbursed if the location of a business event is a reasonable distance from RVH and provides a reasonable disruption to regular business and personal schedules. All reasonable efforts should be made to secure hotel accommodations for a single/standard room and the person should ask for an available discount such as Canadian Automobile Association (CAA), Ontario Hospital Association (OHA) or a government rate.

A detailed copy of the hotel bill must be attached to the expense claim.

Private stays with family or friends is encouraged. A maximum of \$50 per night for gratuitous lodging expenses is allowed. No receipt is required.

Other reimbursable travel expenses:

Additional reasonable business expenses not otherwise specified may be reimbursed. These items include, but are not limited to, parking, toll charges, business calls, internet costs, photocopying, and facsimile etc. provided the charge is incurred while conducting RVH business.

Non-reimbursable expenses while travelling:

Certain expenses considered of a personal nature will not be reimbursed by RVH.

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Examples are:

- Beverages containing alcohol (any personal purchases is recommended to be placed be on a separate bill).
- Dry cleaning unless in exceptional circumstances which must be approved by the manager one level above.
- Movies, or other in-room entertainment.
- Other incidentals such as newspapers, toothbrushes, haircuts, and other products and services that would normally be expected to be consumed by the individual while not on business.
- Interest charges on outstanding charge card balances.
- Parking and traffic fines.
- Personal expenses including kennel fees, travel, accident and life insurance, movies, mini bar charges.
- Expenses of family members unless these individuals are also on approved RVH business.
- Expenses for failure to cancel transportation or hotel reservations when appropriate notice period is provided.
- Passport expenses.
- Excess personal baggage.
- Personal phone calls.

BUSINESS EXPENSES

Alcohol

The consumption of alcohol is not encouraged. However, reasonable expenses for limited quantities of alcoholic beverages when providing hospitality or attending a business meeting may be expensed with documented proof of approval by the CEO or delegate.

If alcohol is not being expensed, a separate bill is recommended.

Provision of 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 RVH or other designated BPS organizations.

Hospitality is not to be provided to people engaged to work for RVH or other designated BPS organizations. However, RVH does endorse the following events:

Recognition Events:

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The Health Centre endorses recognition events, such as service milestones or retirement events that are designed to recognize, enhance engagement and value our people.

Any form of recognition must be approved by a Vice President.

Other informal events, such as non-business-related social gatherings of staff, is considered hospitality and should not be contemplated within the scope of this policy.

Celebration Events:

The Health Centre endorses celebration events such as the annual Staff Appreciation meal as they are designed to recognize, enhance engagement and value our people.

All celebration event expenses must be reasonable. Events must be approved by a Vice President and Executive Vice President or the CEO.

Hospitality to or from Vendors

Where hospitality events are offered to or from vendors (current or prospective), leaders are responsible for reviewing the RVH Procurement Policy to ensure that the event does not give or is not perceived to give preferential treatment to any vendor or constitute a conflict of interest. Please refer to Code of Ethics and Conflict of Interest sections of the RVH Procurement Policy.

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. This includes meals, snacks, beverages, gratuities, laundry or dry cleaning, valet services, dependents care, home management, or personal telephone calls. Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

Business Meals

Business meals are those taken with fellow RVH employees, RVH Board Members or employees of other designated BPS organizations during which a specific business discussion takes place. Such meals must be considered beneficial to the business objectives of the Health Centre, and not offered solely for the benefit of the employee(s).

Business meal expenses must be reasonable in the circumstances, consistent with the rates used for travel meal allowances. If the amount per person exceeds the meal allowance, an explanation must be provided. If individual receipts are not obtained, the highest ranking individual must pay for meal expenditures. Meal reimbursements (including taxes and gratuities) must be supported by original itemized receipts.

CROSS REFERENCES:

Travel and Business Expense Policy

1. RVH Procurement Policy (2016 pending approval)
2. RVH Approval Authority Policy (2016 pending approval)

REFERENCES:

BPSAA, 2010 was introduced on October 20, 2010 and received Royal Assent on December 8, 2010. The BPSAA establishes new rules and higher accountability standards for hospitals, LHINs and broader public sector organizations.

The BPS Expenses Directive. Retrieved on October 7, 2016 from
<https://www.ontario.ca/page/broader-public-sector-expenses-directive>

The OHA Hospital Expense Policy Guidelines (March 2011). Retrieved on October 7, 2016 from
[https://www.oha.com/KnowledgeCentre/Library/Documents/Expense%20Policy%20Guidelines%20-%20March%2029%20\(2\).pdf](https://www.oha.com/KnowledgeCentre/Library/Documents/Expense%20Policy%20Guidelines%20-%20March%2029%20(2).pdf)