

\\Management System\Tillsonburg District Memorial Hospital\Administrative Services\General Policies\

<b>Subject: Expense and Travel</b>	
Distribution:	Document # 14394      Version: Current 2.0
	Last Modified Date: 31/03/2011 12:16:08 PM
	Authorized by: Tom McHugh

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## Travel and Expense Policy

Employees, volunteers, credentialed physicians or Board members (herein referred to as “employees”) may be required or authorized to travel to various locations for reasons of Hospital business, including attendance at meetings, training sessions and conferences or to provide hospitality on behalf of the Hospital.

For the purpose of this policy consultants are not considered employees and therefore are not covered by this policy. The contract between the hospital and the consultant will clearly specify any and all reimbursable expenses as covered in the Corporate Procurement of Consulting Services Policy.

## POLICY

It is the Hospital’s policy to reimburse employees and other approved individuals for reasonable travel and hospitality expenses incurred in connection with their duties. Individuals must obtain the authorization of their immediate leader, prior to incurring any travel and related expenses.

## KEY PRINCIPLES

The following principles are intended to provide guidance and serve to inform Tillsonburg District Memorial Hospital (TDMH) employees of their respective roles and responsibilities for travel and expense reimbursement.

- a. Employees will be reimbursed for reasonable and actual expenses incurred by them when performing hospital business;
- b. Reimbursable expenses should support program objectives of the hospital;
- c. Employees are expected to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, and corporate expenses;
- d. Leaders are not authorized to approve their own expenses, or that of a subordinate who has paid for expenses on their behalf;
- e. Expenses will be reimbursed providing they are supported with original receipts and/or documentation;
- f. The person approving the expense report is responsible for ensuring all claims are correct, reasonable and in accordance with this Policy and Procedure for travel and expenses;
- g. For employees 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;
- h. Expense reports should be submitted in a timely manner.

In the instance where a collective agreement or an employment contract specifies different reimbursement terms/rates, those terms/rates shall prevail over what has been specified in this policy.

## TRAVEL

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- Travel should be approved in advance by the leader and a copy of the boarding pass or ticket for all modes of transportation must be attached to the TDMH Expense Report.
- The mode of transportation chosen – air, train, or car, should be that which enables employees to attend to hospital business with the least cost to the hospital, 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 employees attend the same function shared travel will be considered and required where possible.
- Basic economy/coach fares will be paid by the hospital. Any upgrades are the responsibility of the employees.
- Travel arrangements should be made in advance to ensure availability of economy/coach class seats and to obtain the best price.
- Travel with others (i.e. spouse), including meals and cancellation fees, is not covered by the hospital and must be paid for by the employee.
- When personal travel is combined with business travel, the employees will be reimbursed for only the business portion of the trip.
- The use of taxis by employees should be reasonable under the particular circumstances – where possible hotel shuttles should be used when traveling from airport to hotel.

### Travel by Vehicle

- When road transportation is the most practical and economical way to travel, the order of preference is:
  - Rental vehicle (when a rental vehicle is more economical than use of a personal vehicle).
  - Personal vehicle (when a personal vehicle is more economical than use of a rental vehicle).

### Rental Vehicle

- Rental of compact or mid-size vehicle is encouraged to ensure the most favourable rates. Consideration may be given for a car rental upgrade based on the number of passengers, weather conditions and other safety reasons.
- Collision and liability insurance offered by the car rental companies must be purchased since the hospital's insurance coverage does not cover replacement value for rental cars.
- Rental cars must be refueled before returning to avoid extra charges.
- Receipts for gasoline purchases, parking lot charges and applicable bridge or highway tolls must be submitted with expense reports. If the car rental is not covered by a TDMH purchase order, a copy of the rental agreement must be attached to the expense report.

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### Use of Personal Vehicle

- Personal vehicles used for hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. Drivers must insure their vehicles in accordance with all Ontario laws and carry a third party liability limit of no less than \$1,000,000. Drivers must satisfy themselves whether their motor vehicle insurance coverage includes business use of their vehicles.
- The hospital will not reimburse costs of collision and liability coverage. Employees driving a personal vehicle on hospital business cannot make claims to the hospital for damages as a result of a collision.
- For greater clarity, the hospital assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate as set out in TDMH Travel Guide Form #10-43. This allowance is to cover the costs of fuel, depreciation, maintenance and insurance. When calculating the total kilometres of a trip that originates from the employees home, the normal distance driven to the hospital should be excluded.
- When employees use their own personal vehicles for hospital business, reimbursement will be in accordance with the corporate rate or rate outlined in a employees collective agreement.
- Receipts for parking lot charges and applicable bridge or highway tolls must be submitted with expense reports.
- TDMH does not support, under any circumstance, the transporting of patients by employees, volunteers, or students in privately owned vehicles. Alternate transportation is required, such as the use of a taxi.
- TDMH also discourages the transport of hospital equipment using personal vehicles. In circumstances where employees are required to transport equipment using their own vehicle, employees must inform their personal insurer of this additional use of their vehicle to ensure adequate coverage and identification of any additional risk. Employees must also take additional measures to ensure equipment is appropriately secured to reduce the potential for personal injury, theft or damage.

### MEALS

- Reasonable and appropriate meal expenses may be reimbursed based on the original itemized receipts. You may incur a meal expense when you are on hospital business and you:
  - are away from the office area over a normal meal period; or
  - have prior approval for the expense (e.g. a business meeting within the office area that must occur over mealtimes)

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- Business meals must not be purchased on a credit account unless preapproved through a purchase order and in accordance with the corporate Signing Authority policy.
- Employees will be reimbursed for reasonable business meal expenses, subject to approval by their leader. The highest ranking member employee must pay for meal expenditures.
- Standard tips and gratuities are reimbursable up to 15%.
- Costs for alcoholic beverages are not typically reimbursable and employees are encouraged to ask the restaurant for a separate invoice when having alcohol with their meals. Exceptions to the policy for reimbursement of alcoholic beverage costs can only be approved by the CEO. If approval is issued explicit limitations may be placed on the amount that may be reimbursed for alcohol-related expenses.

#### ACCOMMODATION

- Employees shall use the most economical accommodation available (generally a standard quality hotel room). No reimbursement will be made for suites, executive floors, or concierge levels.
- Employees 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 TDMH Expense Report.
- Employees will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or special facility charges (e.g. fitness clubs).
- Long-distance business and personal calls may be reimbursed, however discretion should be used in the frequency and length. Wherever possible, the most cost-effective method should be used (e.g. hospital issued cell phones or calling cards) in order to minimize costs.
- While traveling 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.

#### NON REIMBURSABLE EXPENSES

Generally, expenses of a personal nature should 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.

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- Social events that do not constitute hospitality.
- Alcoholic drinks, unless approved by the CEO.
- Hotel expenses incurred because of failure to cancel reservation.
- Passport fees.
- Credit card fees and late payment charges.
- Additional ancillary charges such as premiums for failure to refill fuel in a rental car.

## TRAVEL ADVANCES

Travelers may request an advance from the Finance Department to cover the cost of pre-booked travel and related expenses under the following circumstances:

- The traveler does not have a Corporate Card or personal credit card and, or
- The traveler's credit card has insufficient credit card limits

## PROCEDURE FOR EXPENSE REIMBURSEMENT

### Submitting an TDMH Expense Report

Claimants must:

- Submit a separate expense report form for each travel event claim
- Submit all reimbursable personal business expenses to Finance using the approved TDMH Expense Report.
- Complete all requested areas of the expense report form in full.
- Expenses will be reimbursed providing they are supported with original itemized receipts and/or documentation. Receipts include (but are not limited to) statements for accommodations, details of all meals (including those appearing on hotel statements), and bus/train/plane/ferry tickets, boarding passes that confirm travel, confirmation of conference registration, meeting/seminar/workshop agenda/attendance, and print screens or printable confirmations of on-line expenditures. Receipts are required in order for the hospitals to claim reimbursement of HST paid.
- If there is not an original itemized receipt, a written explanation must be submitted to explain why the receipt is unavailable and a description itemizing and confirming the expenses must be provided (parking meters are an example where a receipt is not issued nor available)
- Submit claims by the end of the month following the month in which the expense was incurred; a written explanation is required if not submitted within this timeframe;
- Submit claims for expenses before termination of employment relationship with the hospital.
- U.S. and Foreign currency expenses should be reported in Canadian dollars. The exchange rate used for conversion must equal the claimant's actual cost of obtaining the foreign currency. This exchange rate cost must be submitted by the a credit card statement that identifies the expense and the rate of exchange, or a printout of the exchange rate on the transaction date (e.g. on-line bank currency that was used for the actual expenditure).

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- Ensure the printed hard copy TDMH Expense Report is signed by the employee requesting reimbursement and the approving leader. The total must be within the approving leader's authorization limit. Refer to Signing Authority Policy.

### Processing a TDMH Expense Report

- TDMH Expense Reports are processed by Finance and reimbursed by cheque. Under normal circumstance expenses will be reimbursed weekly on Thursday afternoon.
- Expenses will be reimbursed only if they are supported with original receipts and/or documentation.
- The Finance department is responsible for conducting detailed financial reviews (expense code, documentation, approvals, and clerical accuracy) of each Expense Report. The Finance department will return Expense Reports to claimants and/or leaders for clarification, completion or approval, where absent.
- Where receipts are unavailable (e.g. parking meters, etc.), it is the responsibility of the approving leader to validate the reasonability and appropriateness of the expense.
- Credit card slips or statements will not be accepted in place of original, detailed receipts.
- While the Hospital recognizes that there may be exceptional circumstances that result in delays in filing Expense Reports, travel and related expenses submitted to the Finance department for reimbursement that are older than 12 months will not be reimbursed.

### HOSPITALITY EVENTS

- For the purposes of this policy, hospitality is the provision of food, beverage, accommodation, transportation and other amenities to people who are not engaged to work for the hospital.
- 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-related expenses are to be approved by the CEO. Where hospitality events are extended by the hospital, and where the guests include vendors (current or prospective), senior management it responsible for obtaining prior approval from Purchasing to ensure that the event does not give, or is not perceived to give, preferential treatment to any vendor.
- The request to provide alcohol as part of hospitality is made by the appropriate member of senior management to the CEO.

### CORPORATE RECOGNITION EVENTS

- Corporate recognition events, such as service milestones, should be designed to recognize, reinforce or promote positive behaviours and performance that support corporate values, goals and objectives. Recognition gifts are administered by the Human Resources Department according to the hospitals human resource policies.

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- Recognition events may be formal (e.g. ceremony) or informal (e.g. presentation).
- Recognition events do not include employee social events or parties, holiday socials or retirement parties.
- Other informal events, such as non-work-related social gatherings of employees, are not permitted within the scope of hospital policy.
- Food and beverages are usually associated with corporate events and require prior approval by the CEO.

## DEFINITIONS

**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 expenditures incurred by employees in the course of performing their employment-related duties.

**Business Meals** - Includes meals when traveling for business, as well as other circumstances (e.g. asking employees to work late and providing them with dinner).

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

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

**Hospitality** – The provision of food, beverage, accommodation, transportation and other amenities at the hospital's expense to persons who are not employed by hospital (e.g. vendors, volunteers).

**Personal Vehicle** – A vehicle owned, borrowed or rented/leased personally by an employee.

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

**Employees** – Employees in this policy shall also apply to all hospital paid employees, credentialed physicians, volunteers and Board members who are required or authorized to travel or provide hospitality on behalf of the Hospital.

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## REFERENCES

### Corporate Policies

TDMH Corporate Signing Authority Policy  
TDMH Corporate Procurement of Consulting Services Policy  
TDMH Standards for Business Conduct  
TDMH Form #10-43 - TDMH Travel Guide