

BOARD OF GOVERNORS MANUAL

Policy Covering: Hospital Business Travel Expenses			
Effective Date:	March 22, 2016	Category: Board Policy	Policy # 209
Board Approved:	March 22, 2016	Supersedes Policy #/Dated: 209/September 23, 2014	Page 1 of 5
Issued By:	Board Chair		

Policy:

It is the policy of the Board of Governors of Hanover and District Hospital to provide a clear process for expenses incurred while on hospital business.

Purpose and Scope:

Hospital employees, credentialed staff, volunteers, board governors, and other individuals engaged in hospital business shall exercise good judgment and act prudently when incurring expenses of the Hospital. The applicable provisions of the Code of Conduct shall be followed.

This policy will set out rules and principles for the reimbursement of expenses to ensure fair and reasonable practices.

This policy will set out the parameters for the public disclosure of information about expenses.

This policy applies to all hospital employees, credentialed staff, volunteers, board trustees, and other individuals engaged in hospital business and who intend to receive travel and expense reimbursement under this policy when traveling or otherwise incurring expenses while doing business on behalf of Hanover and District Hospital including consultants and contractors.

Principles:

1. Taxpayer dollars are used prudently and responsibly with a focus on accountability and transparency;
2. Plans for travel, meals, and accommodation are necessary and economical with due regard for health and safety;
3. Legitimate authorized expenses incurred during the course of hospital business are reimbursed; and
4. Best practices are in place, including:
 - a) Prior approval to incur expenses is obtained; and
 - b) Other options for meetings are always considered before travel is approved, including audio or video conferencing.

Mandatory Requirements:

1. Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense;
2. Approval must be obtained before making arrangements;
3. Reimbursable expenses should support program objectives of the hospital;

4. Information about expenses for the Board and the Senior Management team will be posted on the Hanover & District Hospital website: www.hdhospital.ca; and
5. Good record-keeping practices must be maintained for verification and audit purposes.

Claimants Must:

1. Obtain appropriate approvals before incurring expenses;
2. Submit original, itemized receipts with all claims. If there is not an itemized receipt, a written explanation must be submitted to explain why the receipt is unavailable and a description itemizing and confirming the expenses provided;
3. Expense reports should be submitted in a timely manner. Any expenses submitted past the one month may not be reimbursed and an explanation indicating reasons for the delay in submission should accompany the request for reimbursement;
4. Expense reports that do not comply with policies and procedures may be returned to the individual and not processed until corrected;
5. Applicant should aim to make the most practical, economical and reasonable arrangements for travel, meals, personal and corporate expenses; and
6. Expenses should be approved by the appropriate supervisor (i.e. Manager, Vice President, President /CEO).

Approvers Must:

1. Provide approval only for expenses that were necessarily incurred in hospital business;
2. Ensure all claims are correct, reasonable, with applicable receipts and in accordance with the expense policy; and
3. Not approve their own expenses.

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 expenses incurred by individuals during the course of performing their duties.

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

Office - The hospital-related place of work.

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

Receipt - An original document, with the details of the expenditure, the amount, the date and indicating the proof of payment.

Hospitality - is the provision of food, beverage, accommodations, transportation and other amenities at the hospitals expense to persons who are outside the scope of this policy. Refer to Board Policy #213 (Hospitality)

Policy Guideline:

1. Expense Reimbursement

Reimbursable business expenses should:

- a) Be work related;
- b) Be modest, appropriate and reasonable;
- c) Strike a balance among economy, health and safety, and efficiency of operations; and
- d) Be submitted within a month, and in the form and manner stipulated under hospital policy.

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

- a) Expenses resulting from unlawful conduct;
- b) Traffic and parking violations incurred while driving on hospital business;
- c) Recreational purposes (video rentals, mini-bars etc.);
- d) Membership to reward programs (clubs); however, points can be collected;
- e) Hotel expenses incurred because of failure to cancel reservation without a valid reason;
- f) Credit card fees and late payment charges; and
- g) Additional ancillary charges such as premiums for failure to refill fuel in a rental car.

Procedure:

- a) An expense Statement (Form A-3) must be completed, signed by the individual claiming the expense, and approved by the appropriate manager;
- b) All original receipts must be attached; and
- c) The expense statement is sent to Accounts Payable for processing. All expense statements will be processed in a timely manner.

2. Approval Guidelines

Level of Authority

Role	In Ontario	In Canada/USA	International
Chair	N/A*	Board	Board
CEO	Chair*	Board	Board
Vice President's	CEO	CEO	Board
Manager	Vice President's	CEO	Board
Staff	VP/Manager	CEO	Board

* The Audit Committee reviews all travel expenses in detail.

3. Travel Guidelines

- a) When a number of staff members are attending the same function, shared travel should be considered where possible;

- b) 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. Consideration should be taken as to the length of time away from the workplace;
- c) Basic economy/coach fares will be paid by the hospital. Any upgrades would be the responsibility of the member of staff;
- d) A copy of the boarding pass or tickets for all modes of transportation should be attached to the expense report;
 - i. Travel by Personal Vehicle:
 - Personal vehicles used on hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. The hospital will not reimburse costs of collision and liability coverage;
 - 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;
 - Reimbursement will be in accordance with the approved kilometre allowance. The number of kilometers allowed will be calculated as the distance from your home or the hospital whichever is less. This allowance is to cover the costs of fuel, depreciation, maintenance and insurance. The hospital reviews this amount on an annual basis; and
 - Receipts for parking lot charges should be submitted if available.
 - ii. Rental Vehicles:
 - Rental of compact or mid-size vehicles is encouraged. All luxury and sports car rentals are prohibited.
 - Collision and liability insurance offered by the car rental companies should be purchased.
 - Rental cars must be refuelled before returning to avoid extra charges. Receipts for gasoline purchases must be submitted with the expense report.
 - iii. Taxis:
 - The use of taxis should be realistic. All receipts and an explanation/purpose should be attached to the expense reports.

4. Meal Guidelines

Business Meals- includes meals when travelling for business.

- a) Original, receipts must be provided;
- b) Actual costs for meals will be reimbursed, including reasonable gratuities with a maximum per day of \$60;
- c) When conferences / education programs sponsor a meal, no expense may be claimed; and
- d) In room service on a hotel bill must include an itemized account of the meal.

5. Alcohol Guidelines

Costs incurred for alcoholic beverages are not reimbursed.

6. Accommodations Guidelines

- a) Staff should use the most economical accommodations available. No reimbursement will be made for suites, executive floors, or concierge levels;
- b) A detail copy of the hotel bill must be attached to the expense report;
- c) Additional business expenses not otherwise covered will be reimbursed, such as computer access charges and internet connections, photocopying, word processing services, facsimile transmissions, , rental and transportation of necessary office equipment, provided the charges incurred are reasonable and related to hospital business; and
- d) The hospital expects discretion to be applied with any expenses incurred and reserves the right to limit reimbursement to reasonable costs.

7. Other Expenses

- a) Valet Parking services will be reimbursed when safety is a concern, or where valet parking is the only option; and
- b) Tips up to a maximum of 15% will be reimbursed on a restaurant meal, and up 10% on a taxi fare.

8. Expenses for Consultants and other Contractors

Consultants and other contractors will not be reimbursed for any hospitality, incidentals or food expenses, including:

- a) Meals, snacks and beverages;
- b) Gratuities;
- c) Laundry and dry cleaning;
- d) Valet services;
- e) Personal telephone calls;
- f) Dependent care; and
- g) Home management.

Refer to Board Policy #213 (Hospitality). Reimbursement for allowable expenses under this policy can be claimed only when the contract specifically allows for it.

9. Accountability Requirements

- a) Expenses for the Board and Senior Management will be posted on the Hanover & District Hospital website (www.hdhospital.ca) on a semi-annual basis in an appropriate format; and
- b) Original documentation will be filed as per current practice.