

PERTH AND SMITHS FALLS DISTRICT HOSPITAL

POLICY

AND

PROCEDURE

CREATION DATE: November 2010

LAST REVIEWED/REVISED DATE: April 2011

APPROVED BY: Senior Leadership Council

POLICY NAME: Travel and Expense Claims

INTENT

Hospital staff and physicians may, on occasion, have a need to travel on hospital related business for which a reimbursement should be made. This framework ensures consistency, guidance and controls of the appropriateness of reimbursement.

POLICY

Staff and physicians will be reimbursed for authorized travel expenses related to hospital business. This Policy sets out the conditions under which expenses incurred for authorized travel will be reimbursed.

PROCEDURE:

1. Authorization

All out-of-town travel shall be pre-authorized. Such authorization shall be obtained from the appropriate Manager, Vice President or the President & CEO.

It is the responsibility of the Manager, Vice President or the President & CEO to determine that the business travel is necessary, and that the projected transportation and accommodation expenses fall within the spirit and intent of the provisions of this policy, and that the appropriate budget is available.

Travel expenses incurred by the President & CEO and the Chief of Staff shall be reviewed and approved by the Board Chair.

Travel with others (i.e. spouse), including meals and cancellation fees, are not covered and

must be paid for by the staff member/physician.

When personal travel is combined with business travel, the staff member/physician 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 travelling for business. Travel reimbursement shall be calculated from the applicable hospital site.

2. Before travelling outside Canada, travellers should contact the Human Resources Department to confirm whether or not they have out of country benefit coverage when travelling. If employees are not covered, they are advised to purchase travel benefits.

3. **MODES OF TRANSPORTATION**

Travel by airplane and/or train should be economy fare. Lowest rates based on departure time should be used when reasonable.

Rental vehicles may be authorized in advance where economical and other forms of conveyance are not practical. Compact or mid-sized cars shall be used.

Taxis will be authorized if justifiable and reasonable.

4. **PRIVATELY OWNED VEHICLES**

When travel by privately owned vehicles is authorized, reimbursement shall not exceed the equivalent of commercial transportation cost, and shall be at the rate identified in Schedule "A".

No additional amount shall be paid for more than one employee in a car.

When an employee uses their vehicle for Hospital business travel, it is the responsibility of the employee to ensure that he/she has a valid driver's license and adequate and current vehicle insurance.

Employees who may be required to use a vehicle in the performance of their duties must:

- Have valid automobile insurance with adequate liability insurance and the required coverage type for using their vehicle for company business;
- Ensure that their vehicle is in good working order at all times;
- Assume sole responsibility for their individual policy and payment of insurance premiums; and
- Assume full responsibility for the cost of fines resulting from traffic violations, parking tickets, theft, loss or damage to their vehicle etc. while driving on hospital business.

5. **ACCOMMODATION COSTS, MEAL ALLOWANCES**

PSFDH will reimburse for standard room accommodation costs; recreational expenses such as in-room videos and mini-bars will not be reimbursed.

PSFDH will provide daily meal allowance in accordance with the current rates as outlined in Appendix "A". Meal receipts are required for proper reimbursement. Alcohol is non reimbursable.

If meals are included within the cost of a course/conference, meal allowance will not be provided.

6. TELEPHONE CALLS

An employee shall be reimbursed for the cost incurred for necessary local and long distance telephone calls.

7. TRAVEL ADVANCES

PSFDH will provide cash advances only on an exception basis and these must be approved by a Vice President or CEO.

8. EXPENSE CLAIMS/FORMS

Travel expense claim forms (in Meditech, Forms Committee/Forms/Business Office) must be properly completed and authorized as per section 1 of this Policy before forwarding a hard copy of the form to Accounts Payable. Expenses incurred by employees shall be claimed by submitting the details of these expenses along with all supporting documentation as applicable.

9. EXPENSES FOR CONSULTANTS AND OTHER CONTRACTORS

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

- Meals, snacks and beverages
- Gratuities
- Laundry or dry cleaning
- Valet services
- Dependant care
- Home management
- Personal telephone calls

b) Claims for Reimbursement of Expenses:

Reimbursement for allowable expenses under this Policy can be claimed only when the contract with the Hospital specifically allows it.

10. HOSPITALITY EXPENSES

- a) Functions involving only people who work for the Hospital or related agencies are not considered hospitality functions and cannot be reimbursed. This means that hospitality may never be offered solely for the benefit of anyone covered by this Policy.
- b) 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.

Expenses that do not fit the definition of Hospital hospitality will not be reimbursed.

Examples of such expenses would be:

- Office social events
- Retirement parties
- Holiday lunches

Prior written approval is required for hospitality events where alcohol will be served (see responsibilities regarding alcoholic beverages, below).

Hospitality functions will be approved by the Chief Executive Officer or Board of Directors providing they conform to the rules listed in this section of the Policy.

- c) Responsibilities regarding alcoholic beverages
 - Prior written approval is required from the Chief Executive Officer or designate;
 - Appropriate measures should be taken in advance of the event to ensure a reasonable limit is placed on the quantity and cost of alcohol to be provided.

APPENDIX A

1. PERSONAL AUTOMOBILE REIMBURSEMENT

\$0.41/kilometre

2. Meal Allowance (including gratuities)

Per day (Canada) \$75.00

Partial days:

Breakfast	\$15.00
Lunch	\$25.00
Dinner	\$35.00

APPENDIX B

SUPPORTING DOCUMENTATION

Supporting documents for meals/restaurants, accommodation, travel, entertainment, office and sundry expenses, etc., other than mileage, per diem meal and other allowances, must have:

- An invoice or sales receipt
- An indication of proof of payment

The invoice or sales receipt must provide;

- Business, company or store name
- Date on invoice or receipt that the good or service is paid or payable
- Amount paid or payable
- A brief description of goods or services (employer will supplement where necessary)
- An indication of the total amount of HST charged or that HST is included in the price for each taxable supply at the applicable HST rate (for total sales > \$30)
- The company's "Business Number" or GST/HST registrant number (for total sales > \$30)

The proof of payment can include a copy of the credit card or debit card receipt or credit card statement or an indication by the vendor on the invoice or sales receipt that it was paid and method of payment.

This documentation is required to ensure all such payments have complete supporting back-up as bona fide expenditures of the hospital and is also required by the Canada Revenue Agency/HST for the Hospital to substantiate its claims for HST rebates. Under a HST audit, the Hospital could be found liable to pay back HST refund claims for which it did not have proper documentation for. For the Hospital's current mileage and per diem allowance claims, the invoice and sales receipt documentation discussed above is not required.

Simply submitting a credit card or debit card receipt alone is generally not considered sufficient documentation by CRA as it does not contain all of the required HST information. The initial invoice, sales receipt or bill should accompany the credit or debit card receipt. Expense reimbursement claims that do not contain the required documentation can not be processed and will be returned to the person requesting reimbursement.

Any questions on the required documentation should be directed to the Business Office.