

CORPORATE MANUAL

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| TITLE: Reimbursement – Travel, Meal and Hospitality Expenses | NUMBER: 7- 402 |
| SECTION: Financial Information / Purchases | RESPONSIBLE DISCIPLINES: All staff, Medical Professional Staff, Volunteers, Students and Board of Directors |
| DATE: February 1977 | APPROVED BY: Director Finance |
| REVIEW FREQUENCY: Every 3 years | Policy: X Standard: X |
| REVISED/REVIEWED: NV 1989, SE 2004, AP 2006, JA 2009, MR 2011 DE 2016, JL 2021 | Guideline: Procedure: X |

Policy

As required by the Government of Ontario, Broader Public Sector (BPS) Expenses directive, CMH accepts the mandate to support and improve rules surrounding Travel, Meal and Hospitality Expense reimbursements.

The rules set out herein apply to any person at CMH making an expense claim, including:

- Board members
- Chief Executive Officer (CEO)
- Employees, physicians, volunteers, students
- Consultants and contractors engaged by CMH to provide consulting or other services

This policy does not prevail over a collective agreement between CMH and a bargaining agent representing CMH employees.

Standards:

- **Accountability Framework:**
 - o All approvals required by virtue of this directive must come from the individual to whom the employee requesting the travel expense reimbursement reports.
 - o The CEO has the authority to establish additional rules regarding expenses. Any additional rules should be consistent with those laid out in this directive and be necessary to meet specific operational needs. These rules do not replace any rules required in this directive.
 - o The CEO may also modify the level of approval upward to a more senior level when authority is assigned to a manager/supervisor or contract manager.
- **Managerial Discretion:**
 - o For the purposes of this directive and the expense rules, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this directive and the rules. All decisions made under the expense rules should be taken very carefully. When exercising managerial discretion, the rules on documentation should be followed so the rationale will be included in the claim file.
- Approvers are accountable for their decisions, which should be:
 - o Subject to good judgment and knowledge of the situation;

- Exercised in appropriate circumstances; and
 - In compliance with the principles and mandatory requirements set out in this directive and the expense rules.
- **Hospitality:**
- For the purposes of this directive, 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 CMH. Activities involving individuals covered by this policy only (e.g. office social events, retirement parties and holiday lunches) are not considered hospitality and cannot be reimbursed as hospitality expenses.

Procedure:

1. Application

- a) Employees must consult and adhere to this policy when:
- i. Planning any travel or meals that are related to hospital business which they intend to submit for reimbursement.
 - ii. Requesting reimbursement for travel or meal expenses incurred during hospital related business.
 - iii. Planning hospitality functions where expenses will be submitted for reimbursement.
 - iv. Negotiating contract terms with consultants and other contractors.

2. Expectation

- a) Employees will be reimbursed only for justifiable travel and meal expenses that are incurred in relation to CMH business and are paid personally by the employee in relation to such CMH business.
- b) Any travel outside of normal hospital duties must be approved by the employee's immediate manager prior to commencing such travel.
- i. Employees will minimize the expense to the Hospital when incurring travel, accommodation and meal expense.
 - ii. Requests for reimbursement must contain sufficient information to justify the expense as a hospital expense.
 - Acceptable forms of proof of payment include: itemized vendor receipts including taxes charged. Credit card statements and debit slips are not sufficient supporting documentation
 - iii. Should an employee elect to stay at a place of travel for any days in addition to those day required for business purposes, then any expenses related to accommodation, meals, car rentals, etc. incurred during the extra personal days shall be at the expense of the employee.
 - iv. CMH will reimburse employees in arrears for expenses incurred during travel. In exceptional circumstances, as approved by the Director of Finance, employees may be given an advance against anticipated travel expenses.
 - v. All reimbursable travel and meal expenses will be reimbursed in Canadian funds.
 - vi. Employee will complete an Expense Report (**Appendix A**), attach itemized receipts and forward to their immediate Manager / Supervisor for approval.
 - vii. Approved Expense Report is forwarded by Manager / Supervisor to Payroll for reimbursement through the bi-weekly payroll direct deposit.
- c) Expenses resulting from unlawful conduct and traffic or parking violations incurred while driving on hospital business will not be reimbursed.

3. Travel reimbursement
 - a) Employees will be reimbursed at a rate of \$0.40/km for hospital business travel to and from their destination or as outlined in the applicable union agreement if for unionized employees. This rate is to cover the cost of fuel, depreciation, maintenance and insurance. Personal vehicles used on hospital business must be insured at the vehicle owner's expense for personal motor vehicle liability. CMH assumes no financial responsibility for privately owned vehicles other than paying the kilometre rate of reimbursement.
 - b) Reimbursement for kilometres traveled will only be claimed by the driver of the car and not for or by any employee passengers in the same car. Employees will be reimbursed for parking when the appropriate back-up documentation is available.
4. Transportation to travel location
 - a) Employees are expected to use the least expensive mode of transportation.
 - i. Air Travel – employees are expected to fly at the most reasonable and economical rate available. The hospital will not reimburse for business class or first class seats.
 1. Although employees may collect points for hospital-related flights, the choice of carrier should be based on the cost to the hospital, not potential points collected by the employee.
 2. Where airfare is less expensive than driving and the employee chooses to drive, the reimbursement for kilometers driven will be limited to the value of the least expensive return airfare to the same destination during the same time period.
 3. Where the employee expects to be reimbursed for the cost of airfare, a boarding pass must accompany the Expense Report.
5. Accommodation
 - a) Employees are expected to stay in standard rooms at reasonably priced, commercial class hotels or motels.
 - b) Employees will be reimbursed only for those nights of accommodation required for hospital business purposes.
 - c) 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 under this policy, can also be submitted for reimbursement.
 - d) A detailed copy of the hotel bill must be attached to the expense report. Costs for optional facility charges, that are not required to conduct hospital business, will not be reimbursed. Such items include but are not limited to: entertainment, laundry service, pay TV or movies, fitness club or mini-bar.
 - e) Hotel expenses incurred because of a personal failure to cancel a reservation and/or credit card fees and late payment charges are not reimbursable.
6. Meals
 - a) Employees will be reimbursed for meals consumed during travel in Canada up to a maximum of \$50.00 per day (including taxes and gratuity). Receipts must be submitted to validate the expense.
 - b) Employees will be reimbursed for meals consumed during travel outside of Canada up to a maximum of \$75.00 CAD per day (including taxes and gratuity). Receipts must be submitted to validate the expense.
 - c) Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to this rule.
 - d) Gratuities will be reimbursed up to 15%.

- e) Vendor receipts must clearly indicate the vendor name (ie restaurant), date, items and applicable taxes to be eligible for reimbursement.
7. Transportation at travel location
 - a) Employees will be reimbursed for the cost of car rentals, gasoline and insurance in such cases where other methods of local transportation are not available or the cost of local transportation will exceed the cost of the car rental.
 - b) Employees are expected to rent economy, compact or sub-compact cars except in such cases where the number of people using the car justifies the expense of renting a larger vehicle.
 8. Hospitality
 - a) May be extended in an economical and consistent manner when:
 - i. It can facilitate hospital business; and
 - ii. It is considered desirable as a matter of courtesy or protocol.
 9. Consultants and Other Contractors
 - a) Under no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under this policy or in any contract between CMH and a consultant or contractor.
 - b) Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.
 10. Responsibilities of the employee requesting reimbursement
 - a) To retain original itemized receipts for all expenses for which reimbursement is expected.
 - b) To complete an Expense Report including account coding, with sufficient detail and explanation to justify the corporate expense to the Hospital.
 - c) To forward Expense Report and supporting documentation to their immediate Manager / Supervisor, within one month of the transaction.
 11. Responsibility of the employee's Manager / Supervisor
 - a) To review all requests for reimbursement and approve or reject each request, as appropriate, based on this policy and the [Reimbursement – General policy #7-44](#).
 - b) To advise the employee if any requests for reimbursement have been denied and the reason for such denial.
 - c) To forward the completed and duly authorized Expense Report to Payroll accompanied by supporting receipts for all items for which reimbursement has been approved.
 12. Responsibilities of the Finance Department
 - a) To ensure that each request for reimbursement conforms to corporate policy.
 - b) To pay all authorized requests for reimbursement, in a timely manner by inclusion on a regularly scheduled payroll direct deposit (or by cheque for non-employees).

Developed in Consultation with:

- Director of Finance
- Finance
- Vice President Finance & Corporate Services

Appendix A: Expense Report

Refer to [Expense Report - spreadsheet](#)