

**CORPORATE POLICY & PROCEDURE
EXPENSE CLAIMS
ROHCG
CORP II-ii – 120**

EXPENSE CLAIMS			
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1. PURPOSE:

To outline the process, rules and principles for the reimbursement of staff expenses while conducting business on behalf of the Royal Ottawa Health Care Group (ROHCG) for purposes of advancing its mission.

2. POLICY STATEMENT:

ROHCG staff will be reimbursed for reasonable and actual expenses incurred by them when on ROHCG business. Reimbursable expenses must support the objectives of the organization. Requests for reimbursement must be submitted electronically to Finance on a timely basis using the *Accounts Payable (AP) Request for Funds form* with all supporting documentation (original receipts, boarding pass, tickets. etc.) attached and it must be authorized in accordance with *CORP II-ii 110 Signing Authority*. For audit purposes, staff must keep the original supporting documentation for 3 months after the end of the fiscal year.

3. SCOPE:

This policy applies to the ROHCG.

4. GUIDING PRINCIPLES:

For the purpose of this policy, managerial discretion is the administrative authority to make decisions and choices with some degree of flexibility, while maintaining compliance with this policy. All decisions made under this policy should be taken very carefully. When exercising managerial discretion, the rules on documentation should be followed so that

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the rationale will be included with the expense reimbursement request. Approvers are accountable for their decisions, which should be:

- Subject to good judgment and knowledge of the situation;
- Exercised in appropriate circumstances; and
- Comply with the principles and mandatory requirements set out in this policy.

When a situation arises and discretion needs to be exercised, approvers should consider whether the request is: able to stand up to scrutiny by the auditors or members of the public, properly explained and documented, fair and equitable, reasonable and appropriate. *CORP IV-ii 130 Procurement* must be followed for the purchase of goods and services not specifically identified in this policy. Information about expenses must be posted on the corporate website for all Senior Management Team and Board of Trustees members.

5. DEFINITIONS:

Authorization: The approval of an expense reimbursement and business travel claim by the appropriate person with adequate signing authority. The authorization requires the immediate supervisor's approval as long as the expense claim amount is within their signing limit.

Business Travel: Travel required for ROHCG business and authorized by the appropriate level of authority.

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.

Contractors: Persons providing services to the organization on an independent contractor basis, and who are not employees of the ROHCG.

Hospitality: The provision of food, beverage, accommodation, transportation and other amenities at the ROHCG's expense to persons who are not employed by the ROHCG.

Designated workplace: The staff's place of work that is owned or maintained by The Royal. This is where the staff would work if they did not have a working from home/telework arrangement.

Perquisites: A privilege that is provided to an individual, or to a group of individuals, that provides personal benefit and is not generally available to others.

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

Receipt: An original document with the details of the expenditure, the amount, the date and indicating proof of payment and does not include debit or credit card slips.

6. PROCEDURE:

6.1 General Procedures

6.1.1 Expense reimbursement requests that do not comply with policies and procedures will be returned to the manager and not processed until corrected.

6.1.2 Expense reimbursement requests contain expenses not older than 90 days. Any expenses over 90 days may/may not be reimbursed and an explanation indicating reasons for the delay in submission must accompany the *Accounts Payable (AP) Request for Funds* form (**Appendix 4**).

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- 6.1.3** Staff must aim to make the most practical, economical and reasonable arrangements for travel, meals, hospitality, personal, and corporate expenses.
- 6.1.4** Staff expenses must be approved by the appropriate supervisor (i.e. Director, Vice President or President) with the approval consistent with *CORP II-ii 110 Signing Authority*.
- 6.1.5** Staff expenses related to the same business purpose must be approved as a bundle versus separately.
- 6.1.6** No individual will approve his or her own expenses, or that of a subordinate that has paid for travel, meal, etc., expensed to the supervisor's benefit.
- 6.1.7** Both the person approving the expense report and the claimant are responsible to ensure all claims are correct, reasonable and in accordance with the expense policy.
- 6.1.8** For claims above \$100 Finance will process reimbursement via electronic funds transfer. Claims below \$100 may be reimbursed through the Cashier's Office.

6.2 Personal Business Expenses

6.2.1 Expense Reimbursement: Reimbursable business expenses must be work related, modest, appropriate and reasonable; striking a balance among economy, health and safety, and efficiency of operations.

a) Expenses of a personal nature are not reimbursed. Such expenses include but are not limited to expenses for:

- expenses resulting from unlawful conduct;
- traffic and parking violations incurred while driving on ROHCG business;
- recreational purposes (e.g. video rentals, mini-bars, special facilities charges, entertainment not directly related to ROHCG business, etc.);
- personal items not required to conduct ROHCG business;
- memberships to reward programs or clubs (e.g., airline clubs);
- alcoholic drink expenses incurred due to the presence of friends or family members, unless part of hospitality;
- hotel expenses incurred because of failure to cancel reservation;
- credit card fees and late payment charges;
- additional ancillary charges such as premiums for failure to refill fuel in a rental car

b) An *Accounts Payable (AP) Request for Funds* form must be completed to recover reimbursable business expenses. An electronic copy of the form must accompany, itemized receipts and be submitted to accountspayable@theroyal.ca. The request should clearly state:

- to whom the payment should be made;
- the business purpose for the expenditure in an expense description column

c) Any advances must be deducted from the claim and the request must be signed by the member of staff requesting reimbursement and the member of staff's immediate supervisor if the total is within their authorization limit. It must also include a valid cost centre and account number to charge the expenses.

6.2.2 Travel and Transportation:

Non local travel must be approved in advance by a claimant's manager. Pre-approval should be done using the ROHCG Pre-Approval Form (**Appendix 5**) and attached to the Expense Reimbursement Request. Written pre-approval is not required for travel between ROHCG sites. Where a number of staff members are attending the same

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function, shared travel should be considered and applied where possible. The mode of transportation chosen – air, train, or car, should be that which enables the member to attend to ROHCG business with the least cost to the ROHCG, consistent with the least amount of interruption to the member's regular business and personal schedules. Consideration should be taken as to the length of time away from the workplace.

a) Basic economy/coach fares will be paid by the ROHCG. Any upgrades are the responsibility of the staff member. Business class may be acceptable with prior written approval under the following limited circumstances:

- When travelling by train with other staff members and have a need to work with the team;
- For international flights (in excess of 6 hours duration);
- For accommodation requirements and/or;
- For health and safety considerations.

Travel fees relating to other non-ROHCG staff (i.e. spouse), including meals and cancellation fees, are not covered and must be paid for by the staff member.

b) When personal travel is combined with business travel, the staff member will be reimbursed for only the business portion of the trip.

c) In the event that travel is cancelled, any travel expenses that have been reimbursed to the staff member by the vendor, including but not limited to the cost of train or flight tickets, must be reimbursed to the ROHCG within thirty (30) days of such cancellation.

Travel by Air: Staff may travel by air for trips that are beyond reasonable driving distance. Every effort must be made to book in advance to take advantage of discounted fares and to obtain the lowest fares compatible with necessary travel requirements. The original boarding pass/passes and ticket/E-ticket must be attached to the expense report for each segment of travel.

Travel by Vehicle: When road transportation is the most practical and economical way to travel, the order of preference should be the most economical between a rental vehicle and a personal vehicle.

Rental Vehicle – Staff must rent a compact or mid-size vehicle and are required to use car rental companies approved by the ROHCG where possible 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. However, all luxury and sports car rentals are expressly prohibited. Rental cars must be refueled before returning to avoid extra charges.

Personal Vehicles - Personal vehicles used on ROHCG business must be insured at the vehicle owner's expense (unless provided for in the staff members collective agreement) 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 should include business use of their vehicles. The ROHCG will not reimburse costs of collision and liability coverage. Those driving a personal vehicle on ROHCG business cannot make claims to the ROHCG for damages as a result of a collision. When staff use their own vehicle for ROHCG business, reimbursement will be at rate outlined in **Appendix 1 & 3** unless otherwise negotiated via contract/collective agreement. Staff will not be reimbursed for travel from home to their designated work space or return. For those traveling from home to a location other than their designated work space at the beginning of the business day or traveling from an offsite location to home at the end of the business day, mileage is to

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be calculated from this point and will be reimbursed at the lesser of the distance between home and the offsite location and the designated work space and the offsite location. A standard km chart has been included for common trips taken between campuses, long term care homes and other commonly traveled locations.

Taxis-The use of taxis by staff should be reasonable. Situations where taxi expenses may be appropriate include:

- Transportation between stations or airports and the ROHCG;
- Transportation between stations or airports and a staff member's home;
- Transportation while on ROHCG business when the staff member does not drive or have access to a vehicle.
- The use of Uber or other similar shared ride services will not be reimbursed (potential insurance issues).

Travel by Train: It is expected that members of staff will choose the most economical and direct form of transportation by train. Wherever possible, travel arrangements should be made in advance to ensure availability of economy class seats and the best price. The original boarding pass/passes and ticket/E-ticket must be attached to the expense report for each segment of travel.

6.2.3 Meals: Staff are reimbursed for reasonable meal expenses incurred while traveling, subject to approval by the claimant's manager. Original, itemized receipts must be provided with claims for reimbursement of actual meal expenses. Reimbursement must not exceed the amount actually spent (including taxes and gratuities) as validated by a receipt accompanying the claim. Gratuities will be reimbursed up to a maximum of 15% of the pre-tax bill. No reimbursement shall be made for meals prior to departure or on return, or for meals included in the cost of transportation, accommodation, seminars and/or conferences that have been previously claimed. When a staff member has paid for the meal of others, a *Business Meals & Hospitality* form, giving a brief explanation of the event and a list of those in attendance, must be completed, authorized and attached to the AP Request for Funds form. The highest ranking member of staff in attendance and benefitting from the expense must pay for the meal. Reimbursement for meals should not exceed the rates including taxes and gratuities in **Appendix 1**. When more than one meal is claimed for any day, staff may allocate the combined maximum rates between the meals. *Note:* it is not permitted to use a combined maximum rate and not claim for each of the meals. For example, it is not permitted to combine the maximum amounts for breakfast and lunch to claim for brunch. Nor is it permitted to combine the maximum 3 meal rate if only 2 meals are eaten.

6.2.4 Accommodations: Staff should use the most economical accommodation available (generally a standard quality hotel room) that is convenient to the event being attended. Reimbursement will not be made for suites, executive floors or concierge levels or Airbnb.

a) Staff 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 expense report.

b) Staff will not be reimbursed for entertainment, laundry service, pay TV or movies, alcohol or special facility charges (e.g. fitness clubs)

c) Standard tips and gratuities are reimbursable, but should be documented on the *Expense Reimbursement Report*.

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d) While travelling on ROHCG 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 ROHCG business.

6.2.5 Contractor/Consultant Expenses: Contractors and consultants are not considered staff and therefore are not governed by this policy. Contractors and consultants may seek reimbursement only for expenses explicitly agreed to by the contractor/consultant and the ROHCG and as detailed in the contractor's/consultant's contract. Under no circumstances can a contractor or consultant be reimbursed for hospitality or incidental food expenses.

6.2.6 Advances: The ROHCG provides cash advances for business travel on an emergency basis only and must be approved by the Director-Finance. Any advances must be deducted from the claim for reimbursement. Unspent funds must be returned to the ROHCG within 30 days of the activity taking place.

6.3 Hospitality:

6.3.1 Provision of Hospitality: Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at the ROHCG's expense to persons who are not engaged to work for designated Broader Public Sector organizations (i.e. hospitals) or any of the of the Ontario government ministries, agencies and public entities. (<http://www.mgs.gov.on.ca/en/Home/index.htm>).

a) Food and beverage purchased for staff is not considered the provision of hospitality and will not be reimbursed unless it is provided as part of a corporate event as outlined in **6.5**.

b) Hospitality expenses will only be reimbursable if a reasonable ratio of staff to persons mentioned above is demonstrable.

c) Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate ROHCG business.

d) Where hospitality events are extended by the ROHCG, and where the guests include vendors (current or prospective), managers are responsible for obtaining prior approval to ensure that the event does not give, or is not perceived to give, preferential treatment to any vendor.

e) All expenses must be documented and include original itemized receipts. Prior approval must be documented on a *Business Meals & Hospitality Form*, giving a brief explanation of the event and a list of those in attendance. (**Appendix 2**)

6.3.2 Providing Alcohol: The decision to provide alcohol as part of hospitality should be made by the CEO or Executive Vice President & Chief Financial Officer (CFO) and should be consistent with the principles of *CORP IV-ii 150 Serving Alcohol*. In circumstances where alcohol is approved, appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and cost of alcohol to be provided in advance of the event. Providing alcohol should be limited to meals and receptions.

6.3.3 Acceptance of Hospitality: Acceptance of hospitality from vendors (current or prospective) may constitute a conflict of interest. Managers are responsible for ensuring that staff are aware of their conflict of interest obligations as noted in the Supply Chain Code of Conduct. The appearance of impropriety or favouritism must be avoided. Staff attendance on behalf of the ROHCG at various third party events, including but not

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limited to sporting events, entertainment, dinners or speaking engagements, must not violate the ROHCG's conflict of interest obligations, nor should such attendance appear to violate those obligations.

6.4 Perquisites: A perquisite is allowable only if it is a business related requirement necessary for the effective performance of an individual's job and approved by the CEO or appropriate Vice President. Perquisites must be made available to the public on an annual basis in a summary format. The following perquisites are not allowed under any circumstances:

- club memberships for personal recreation or socializing purposes
- tickets to cultural or sporting events
- clothing allowances not related to health and safety or special job requirements
- access to private health clinics
- professional advisory services for personal matters such as tax or estate planning

6.5 Corporate Events - Staff Events and Parties

6.5.1 Recognition Events: Recognition events, such as service milestones or retirements, should be designed to recognize, reinforce or promote positive behaviours and performance that support corporate and/or departmental values, goals and objectives. Recognition events may be formal (e.g. ceremony) or informal (e.g. presentation). Other informal events, such as non-work-related social gatherings of staff, should not be contemplated within the scope of ROHCG policy.

6.5.2 Service Milestones: The ROHCG annually holds a long service award event recognizing service milestones (e.g. 5, 10, 15, 20, 25, 30, 35, etc. years). The length of service determines the type of recognition (service milestone, retirement, etc.), gift offered and financed by the ROHCG as determined by the Human Resources Department.

6.6 PATIENT ACTIVITIES: In certain circumstances staff may incur expenses for patient activities such as patient outings or cooking groups. Every effort should be made to purchase goods and services through the purchasing department. When this is not possible, appropriate expenses will be reimbursed as per section **6.2** of this policy.

7. RELATED PRACTICES AND / OR LEGISLATIONS:

The Ontario Management Board of Cabinet, Broader Public Service (BPS)

Broader Public Sector Accountability Act, 2010S.O. 2010, CHAPTER 25

The Ontario Management Board of Cabinet, Broader Public Sector Perquisites Directive.

8. REFERENCES:

Lakeridge Health – *Travel, Meal and Hospitality Policy (2011)*

9. APPENDICES:

<http://oreo.rohcg.on.ca/departments/finance/Resources-FormsTools.cfm>

APPENDIX 1- Travel Expense Guidelines

APPENDIX 2- Business Meals & Hospitality Form

APPENDIX 3 – Allowable Mileage for Common Site Travel

APPENDIX 4 – Accounts Payable Request for Funds

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APPENDIX 5 – Pre-Approval Form (Non-local Travel)