



# Policy and Procedure:

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<b>Subject:</b>	Business Related Expenses and Activities		
<b>Manual:</b>	Administration		
<b>Section:</b>	Finance		
<b>Subsection:</b>	General		
<b>Developed by:</b>	Director, Finance		
<b>Issued by:</b>	Vice-President, Corporate Services and CFO		
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## Policy Statement:

Travel and other business related expense reimbursements for West Park Healthcare Centre (the "Centre") business must follow the parameters below. This policy applies to all staff of the Centre. For purposes of this policy, staff is defined as employees, contracted employees, physicians, volunteers, students, researchers, and consultants engaged by the Centre.

Funds received by the Centre will be used responsibly. Only legitimate expenses that support the objectives of the Centre will be reimbursed. Personal expenses are not considered a reimbursable expense. Examples of personal expenses include (but are not limited to) entertainment, traffic or parking violations, travel for spouses and expenses incurred for recreational purposes.

These policies apply to all expenses regardless of how they were paid (i.e. corporate purchasing card or through an employees' expense report). Where research granting agencies have their own policies on travel & expense reimbursement, their policies will supercede this policy (refer to section 8.0 of this policy).

Expense Reports and Corporate Visa purchases that do not conform to these policies and guidelines will be returned to the claimant. Reports resubmitted to Finance that do not conform to these policies and guidelines will be returned to the claimant's supervisor for clarification.

The purpose of this policy is to assist approvers and claimants to determine the reasonableness and appropriateness of business expenses by describing the standards for a number of commonly incurred reimbursable business expenses. In instances not covered by these guidelines or in unusual circumstances, the claimant and the approver should apply judgment to ensure that the expense is reasonable and prudent in the circumstances.

The Finance Department will handle all related inquiries to this policy.

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## Procedure

### 1.0 Approvals

All expenses must be approved by the person to whom the claimant directly reports ["approver"]. Under no circumstance is an employee allowed to approve his or her own expense claims or that of a subordinate that has paid for travel, meals, etc that have been expensed to the approver's benefit.

There must be an approver on all employee expense claims and in all cases, original receipts should be submitted. Should the employee require a receipt for their record keeping, a copy should be taken by the employee for their records and the original submitted. Photocopies of receipts will not be accepted.

## **2.0 Travel Expenditures**

Original, detailed receipts for each item will be attached for all travel expenditures. The claimant should always try and get the best price when making travel arrangements. Travel expenditures must include the following:

- Purpose of trip;
- Dates and destinations (person or institution visited);
- Details of any vehicle used; and
- Boarding pass for air or rail travel

The mode of transportation chosen – air, rail, personal car or rental car – should be that which enables an employee to attend to Centre business while balancing the dollar cost and the traveling time required.

### **2.1 Air Travel**

Staff may travel by air for trips that are beyond a reasonable driving distance. Employees will travel economy class for all domestic and international travel unless pre-approved by their Vice President or the CEO. Every effort must be made to book in advance to take advantage of discounted fares. The original boarding pass must be attached to the expense claim together with a payment voucher, invoice or a flight confirmation document detailing the cost breakdown with the taxes (HST) shown separately. This will ensure that the appropriate sales tax rebate can be claimed.

### **2.2 Rail Travel**

When rail travel is used, such reimbursement must not exceed the economy airfare applicable to the given destination. The original boarding pass must be attached to the expense claim.

Charges for rail travel on Centre business shall not exceed:

- a) Coach class for day travel; or
- b) Roomette class travel overnight

### **2.3 Personal Vehicle**

Staff who use their personal cars on authorized Centre business (i.e. attendance at conferences or business meetings) will be reimbursed on the basis of a per kilometre mileage rate approved and published periodically by the Centre. See policy #INDN-84YKQ9 "Transportation Allowance". This allowance covers all costs of operating an automobile including (but not necessarily limited to) gas, maintenance, repairs, replacement and insurance. No additional expenses can be claimed for these operating costs of a personal vehicle on Centre business.

It is the responsibility of the employee to cover the cost of travel from home to the Centre and back again and mileage reimbursements are only payable on employee travel in excess of this distance. When an employee is traveling from home to an event or back again, the transportation allowance will only be payable on travel in excess of this normal distance. Should the distance to the event be less than the distance traveled by the employee to the Centre, no mileage amount should be claimed. Evidence of the distance traveled should accompany all mileage claims through use of a map printout (through on-line map services such as Google Maps or Yahoo Maps).

Costs of parking and toll charges will be reimbursed by the Centre subject to original receipts being provided. Traffic and parking fines are not reimbursable expenses.

West Park Healthcare Centre is not responsible for damages to staff member's vehicles incurred while

using the vehicle for Centre business. It is the owner's responsibility to ensure that the motor vehicle insurance includes coverage for business use.

## 2.4 Rental Vehicle

Rental of a compact or mid-sized car is the standard. Consideration may be given for a car rental upgrade depending on the number of passengers, weather conditions or other safety reasons. Any upgrade should be pre-approved by the manager/director/vice-president and the reasons documented. Rental of luxury or sports cars are prohibited.

Rental cars will be refueled before returning the vehicle in order to avoid extra charges. Receipts for gasoline purchases, parking and highway tolls will be included with any claim. A copy of the rental agreement must also be attached.

The Centre's insurance will cover physical damage to automobiles on short-term rental (30 days or less) in accordance with the maximum provided in the terms of the insurance policy. As a result, collision insurance offered by automobile rental agencies should be declined. The Centre's insurance does not include liability coverage for rental cars; optional liability coverage should be purchased. Ensure West Park Healthcare Centre is named as the renter and list names of all employees who will be operating the vehicle.

## 2.5 Taxis

Taxis may be taken for meetings within the Greater Toronto area. If several employees are going to the same meeting through the use of taxis, they are required to travel together. For taxi expenses that are paid by the employee or through the use of the corporate credit card, a receipt from the taxi company is required and details regarding the date, starting point and destination of each trip is required.

Taxi chits are also available at the Cashier's Office from Royal Taxi. These chits are prenumbered and are to be used for Centre business travel only. The cashier will document the taxi chit number provided to the employee and provide the three part original to the requesting employee. Each taxi chit consists of three copies. The pink copy is retained by the employee and the other two copies are retained by the taxi driver. The name of the individual taking the trip must be clearly stated on the taxi chit as well as the date, starting point and destination. The claimant is responsible for submitting their copy of the taxi chit to the accounts payable department. These are necessary to reconcile against the monthly billing from the taxi provider.

## 3.0 Meals and travel allowances

### 3.1 Meals – Overnight Travel

Meals may be reimbursed by the Centre when employees are on business out of town and require overnight stays. Meals will not be reimbursed for same day travel unless the requirements in section 3.2 are met. Meals will be reimbursed according to the actual expenditure with detailed receipts. If one employee is paying for meals of others, the names and titles of the employees in attendance should be included and the most senior person should pay for the meals. The maximum amount that can be claimed is \$50 per day (in Canadian dollars) including taxes and gratuities. Note that alcohol cannot be included in the daily amounts claimed.

**Please note that although there is some flexibility among the amounts allocated between the meals, the daily maximum allowance must be adhered to.**

Breakfast: \$10.00  
Lunch: \$15.00  
Dinner: \$25.00

### **3.2 Meals - Local Business**

Local business meals are meals taken with Centre employees during which a specific business discussion takes place and are beneficial to the Centre's objectives. These meal expenses must be reasonable and consistent with the rates in the meal allowance. The most senior person is responsible for paying and expenses submitted should include the names and titles of the employees in attendance and the business reasons for the meeting. For local business meals whose attendees consist of only Centre staff, alcohol may not be expensed. If the meals involve external guests, please refer to section 4.0 "Hospitality" of this policy.

### **3.3 Receipt Requirements**

An original copy of the itemized restaurant bill as well as the evidence of payment must be used to support claims for meals including gratuities whether incurred for local business or as part of overnight travel. The date, amount and restaurant name must be clearly stated on the receipt. A credit card receipt is not sufficient. Costs incurred for alcoholic beverages are not **reimbursable** and staff should obtain a separate invoice from the restaurant when having alcohol with their meals.

## **4.0 Hospitality**

Hospitality, which is the provision of food, beverages, accommodation, transportation, or other amenities at the hospital's expense, may be extended on behalf of the Centre when:

- a) Engaging representatives of other hospitals, Board of Directors, the government, the broader public sector, industry or union representatives on hospital business; or
- b) Conducting ceremonies that are attended by the government, and/or distinguished persons from the public or private sector.

Hospitality is provided only when the event involves people from outside of the Centre. Functions only including staff or consultants to the Centre are not considered hospitality.

The decision to provide alcohol should be limited to meals and receptions only. 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 an event. Where wine is to be provided, preference should be given to Ontario wines. All hospitality expenses which include the provision of alcohol should be approved in advance by a Vice-President or the CEO.

## **5.0 Accommodation**

All employees are expected to obtain standard accommodation (single economy rate at a reasonable establishment). The employee is responsible for all charges to the room with the exception of any internet connection charges when necessary, to Centre e-mails. Checking out of the hotel must be done personally so that the bill may be reviewed, signed and a copy attached. The Centre will not **reimburse** for other charges such as entertainment, alcohol, dry cleaning or other special facilities charges.

## **6.0 Staff Events**

Staff holiday and recognition events at the Centre will be at the discretion of senior management of the Centre. If individual departments or units wish to hold their own holiday event or other social activities during the year for their staff, the costs should be covered by staff and the activities should take place during a time so as not to disrupt the regular operations of the Centre.

Retirement recognition events should follow the "Employee Retirement Recognition" Policy.

## **7.0 Consultants**

Consultants are defined as a person or entity that provides strategic and expert advice for consideration and decision making. Consultants engaged by the Centre to provide consulting or other services are included in the scope of this policy. Hospitality, incidental or food expenses are not considered allowable expenses for consultants or contractors unless they involve the provision of overnight travel and only when specified in the contracts. Any expenses allowable by the consultants are to be in compliance with this policy and consultants/contractors are to also provide original, detailed receipts to support any expenses. A copy of this policy should be provided to all consultants and contractors engaged to provide services to the Centre.

## **8.0 Research Funded Expenses**

Travel and other expenses supported by research grants or contracts must comply with Centre regulations and policies, unless otherwise indicated by the granting agency. When travel funded by research accounts is contemplated, it is important to understand the guidelines that must be followed. Certain granting agencies have established guidelines concerning expenses eligible for **reimbursements**. In the event of inconsistencies between such guidelines and Centre policies, the granting agency guidelines will apply.

## **9.0 Honorariums**

Honorariums are defined as one-time payments received by employees of the Centre who represent the Centre at speaking engagements or consultation meetings at other organizations. No employee may accept an honorarium for conducting activities during regular working hours, where travel is reimbursed by the Centre in accordance with this policy, or where the employee's time to prepare and deliver the engagement/consultation is reimbursed by the Centre. Should the organization wish to make a payment as a show of appreciation for the Centre's employee, the organization may pay a fee to the Centre (in lieu of an honorarium to the individual for the services of the employee) or make a donation to the Foundation.

Employees are allowed to accept honorariums when conducting activities outside of regular working hours and where there is no reimbursement by the Centre for the employee's expenses or time to prepare for the engagement/consultation.

## **10.0 Reimbursement Process**

There are two methods that employees can use when paying Centre expenses. These can be done through an expense reimbursement form or the use of purchasing cards.

### **Expense Reimbursement Form**

Standard reimbursement forms are available on the financial services public drive. This form should be used for all expense claims and it is the responsibility of the claimant to ensure that the most up to date form is being used. A hard copy of the approved form should be accompanied with original, itemized receipts as outlined in this policy.

Reimbursement to the employee will be made via EFT deposits into the employee's bank account on record.

### **Purchasing Card**

Use of the purchasing card should be in compliance with policy #INDN-84HLJL "Purchasing Cards." While reimbursement is done automatically through the use of the purchasing card, financial services will monitor the use of this card to ensure expenses on the card are in compliance with the policy and that the receipt requirements are adhered to. In the event that discrepancies arise, further clarification will be sought from

the claimant incurring the claim and their authorizer. Any non-compliance from the use of the purchasing card with this policy or INDN-84HLJL will result in a request for repayment from the claimant submitting the expense.

Whether an expense is paid and claimed through the use of the expense reimbursement form or the purchasing card, the forms must:

- Be properly signed by the person who is making the request with valid cost centre and expense accounts included;
- Be properly approved by an appropriate authorizer;
- State the business purpose for the spending;
- Show the total amount of HST paid and inputted by the payee; and
- Be supported by original, itemized receipts, except mileage where a print out of the distance travelled should be retained.

## **10.1 Reimbursement Rates**

The approved reimbursement rates and receipt requirements posted in [Appendix A](#) will be reviewed and amended periodically by Finance.

## **10.2 Reimbursement Timelines**

All claims are to be submitted on a timely basis and no later than three months following when the expense was incurred. Expenses submitted past this timeframe will not be reimbursed by the Centre.

## **10.3 Overpayments**

Overpayments, namely amounts reimbursed or paid that are not in accordance with the terms of this policy, shall be recovered from the employees.

## **11.0 Responsibilities**

Claimants are responsible for:

- Becoming familiar and adhering to the principles and requirements outlined in this policy when incurring business expenses in connection with the performance of their employment duties;
- Obtaining authorization in advance as required by this policy;
- Request and accept the lowest rate practical;
- Supply an itinerary and contact information to supervisors so that the traveler can be contacted;
- Submitting expenses and detailed original receipts with their claim forms in a timely and accurate manner to their authorizer; and
- Providing a description for all expenses claimed.

Approvers are responsible for:

- Ensuring employees are familiar with this policy as it relates to their business area;
- Determining and authorizing necessary business travel;
- Authorizing only expense reimbursement claims that are consistent with the principles and requirements of this policy;
- Ensuring expenses incurred were due to Centre business;
- Ensuring appropriate, original receipts are provided and stored; and
- Ensuring unusual items are explained appropriately.

## APPENDIX A

Please click on the icon below - labelled "Appendix A - Expense reimbursement" to launch the Quick reference summary: Travel Related Costs

Appendix A - Business Related Expenses and Activities.doc

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### Version History:

Version	Serial Number	Subject	Status
1	<a href="#">INDN-8CZQJU</a>	Business Related Expenses and Activities	Retired: 18/03/2011
2	<a href="#">INDN-8F3HRG</a>	Business Related Expenses and Activities	Retired: 23/03/2011
3	<a href="#">INDN-8F8QNT</a>	Business Related Expenses and Activities	Retired: 27/06/2011
4	<a href="#">INDN-8J8QC8</a>	Business Related Expenses and Activities	Active

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