



SECTION:	FINANCE	POLICY NUMBER:	FN 10-080
SUB-SECTION:	The Purchasing Cycle	EFFECTIVE DATE:	2008-06-01
SUBJECT:	Travel, Meal and Hospitality Expenses	LAST REVISION DATE:	2011-03-31

DEFINITIONS:

1. “*Kilometre Allowance*” means the payment the Hospital makes to its employees for use of their own personal vehicles which is based on a flat rate per kilometre traveled on Hospital business. Kilometre allowance flat rates are used to reasonably reimburse operating costs associated with the use of the employee’s vehicle (maintenance, insurance, depreciation, fuel, etc.). The Hospital kilometre allowance rate will fluctuate from time to time and will be posted on the Hospital intranet site.

2. “*Staff*” includes all hospital employees, credentialed staff, volunteers, Board Members, outsourced service staff and other individuals engaged in hospital business and who intend to receive travel and expense reimbursement under this policy.

3. “*Travel*” is defined as follows:
 - i. Staff Travel- Accompanying Patients: this refers to travel expenses incurred while staff members are accompanying patients, or returning to the Hospital following such accompaniment.
 - ii. Staff Travel- Client/Patient Visits: this refers to travel expenses incurred while staff members are visiting a client/patient at their home or other location in order to provide clinical treatment specifically for the Adult and Children’s community mental health programs.
 - iii. Staff Travel- Other: this refers to travel on Hospital business for reasons other than accompanying patients, client/patient visits, call-backs, or education.
 - iv. Staff Travel- Call-Backs: this refers to travel expenses incurred as part of a call-back.
 - v. Travel to and from a Course/Conference or Seminar: this refers to any travel, whether near or far, which is done for the purpose of attending an approved course of study.

4. “*Hospitality expenses*” are defined as follows:
 The provision of food, beverage, accommodation, transportation and other amenities at the expense of the Cornwall Community Hospital to people who are not engaged in work for the Hospital.

POLICY:

The Hospital will reimburse staff for travel and meal expenses incurred when they are requested to travel in the service of the Hospital. The costs should be economical and clearly related to the Hospital. Expenses incurred on Hospital business should be consistent with normal living

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standards. In addition there are occasions and specific conditions that the Hospital will reimburse contractors and consultants for travel expenses incurred for Hospital business.

The Hospital will publicly post on its website, expense claims made by senior officers on a regular basis and in accordance with the Broader Public Sector Expense Directive.

Unionized employees are governed by the terms of the applicable collective agreements. Where a collective agreement is silent on some aspect of travel policy and/or expenses, this policy shall apply.

The Hospital will also reimburse claims for Hospitality expenses when specific conditions are met. These conditions are described in the procedure section of this policy.

PROCEDURES:

1. This policy applies to all staff traveling on Hospital business. More specific responsibilities are listed below:

a) Every staff traveling on Hospital business will:

- Represent the Hospital in a professional manner at all times.
- Follow Hospital procedures and guidelines for expenses.
- Ensure that all expenditures are supported by their original receipts. Credit card slips are not acceptable.
- Arrange accommodations, bookings of seminars/conferences etc. and transportation.
- Ensure expenses incurred on Hospital travel are consistent with normal business standards. Those in doubt as to the appropriateness of a specific travel expense should consult their respective Director/Manager and/or Chief.
- For Business traveling, complete and submit reimbursement claims using the Travel Expense Form within ten working days from the completion of the trip.
- For non-business traveling (i.e. call backs, client/patient visits, accompanying patients) *complete and submit Reimbursement for Local Travel Expense Form* to the payroll office no later than ten working days after the month end. This payment is not subject to any form of tax deduction and is indicated as a separate line item on the payroll stubs.
- Ensure expenses for a group was claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver (e.g., a Director cannot submit his/her Chief's claim for lunch even if they were at the same event).

b) The Supervisor will:

- Review and approve all travel expenses submitted by the traveling employee.
- Provide guidance to employees regarding appropriate types and levels of expenses.

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- Review and approve all travel expenses submitted by the employee and submit to Finance Department for payment

c) The Finance Department will:

- Develop and maintain administrative processes relating to travel.
- Ensure that the travel expenses are properly authorized as per this policy and are within authorization limits.
- Process travel reimbursements in a timely manner and ensure that the claims for reimbursement are in compliance with the Hospital's Travel, Meal and Hospitality Policy and Procedures.
- Ensure expenses for a group was claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver (e.g., a Manager cannot submit his/her Director's claim for lunch even if they were at the same event).

2. Allowable Travel Expenses

a) Modes of Transportation

- *Airport Limousine/Transportation:* for transportation to and from airports, an airport limousine or bus is recommended.
- *Car Rental:* car rental bookings can be made by the traveler and must use the preferred car rental agency of the Hospital as listed by Materiel Management. When making car rental bookings the traveler is required to obtain the most cost-effective, practical vehicle and to take advantage of corporate and other discounts.
- *Privately Owned Vehicles:* when a privately owned vehicle is used on Hospital business, the kilometre allowance is designed to cover vehicle operating costs, including gasoline, insurance, repairs, and maintenance.
- *Parking/Highway/Bridge Tolls:* receipts must be obtained for reimbursement purposes where possible.
- *Rail:* the cost of coach for travel is eligible for reimbursement. Travelers are encouraged to obtain the lowest available fare. Business class may be acceptable with prior approval in limited circumstances such as:
 - the need to work with a team;
 - choosing a travel time that allows you to reduce expenditures on meals or accommodation (e.g., compare an economy (coach) class ticket plus a meal, with the cost of a ticket for VIA 1, where the meal is included);
 - accommodation requirements; and
 - health and safety considerations.

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- *Taxi/Bus:* taxi or bus transit may be used when they are an economical means of transportation. Receipts must be obtained for reimbursement purposes.
- *Airfare:* the cost of coach class airfare is eligible for reimbursement. Travelers are encouraged to obtain the lowest available fare. Business class is acceptable if required for health and accommodation reasons. Prior approval is required.
- *Unused Tickets:* unused tickets or any portion thereof must be returned to the travel agency as soon as possible for proper credit and processing. It is the responsibility of the traveler to pursue credit for any unused refundable tickets.
- *Traffic and Parking Violations:* These expenses are not reimbursable.
- *Accident Reporting:* When using a Hospital owned vehicle, all accidents must be reported to local law enforcement and your immediate supervisor. The Hospital does not take responsibility for any damages incurred as a result of an accident with a personal vehicle when used for Hospital business.

b) Accommodations

- *Room Rate:* reimbursement is limited to a single room rate per traveler.
- *Reservations:* travelers are responsible for making their own hotel reservations, either by using a credit card or by going through the Hospital travel agency. If reservations must be cancelled, it is the responsibility of the traveler to make sure that the cancellation is made in advance so that a *no show* charge will not be incurred.

c) Meals

- For personal meals and associated tips, receipts must be submitted to support all claims. Credit card slips are not adequate. As a guideline, the daily meal maximum for full calendar day in travel status is \$55 per person, taxes and gratuities included (\$10 for breakfast, \$15 for lunch and \$30 for dinner)

d) Alcoholic Beverages

- Alcoholic beverages cannot be claimed and will not be reimbursed as part of a travel or meal expense.

e) Tips/Gratuities

- The Hospital recognizes that it is customary practice to provide for tips/gratuities for certain services. These must be reasonable in nature and reflect current practices. For example, a gratuity for a meal should be no more than 15%.

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f) Gratuitous Accommodations

- The Hospital recognizes that gratuitous accommodations assist the traveler and the Hospital in maintaining low travel expenses. The intent of this allowance is to reduce hotel costs by encouraging the traveler to lodge with family or friends when possible. The reimbursable rate is \$30 per day. No receipts are required for this amount, which recognizes a contribution of food or a gift of hospitality. This allowance is payable to the traveler only, not to the lodging host.

g) Telephone, Fax and Internet Connection

- An employee shall be reimbursed for the cost incurred for necessary local and long distance telephone calls including faxes and internet connection costs.

h) Travel Advances

- An advance will be given to an employee, upon request, to cover expenses for authorized travel. The *Travel Expense Report* should be authorized by the department head and submitted to the Financial Services at least ten days prior to the date required.

i) International Travel:

If travelling internationally (outside Canada and the continental USA), in addition to the obligations set out elsewhere in this policy, the following rules apply.

Requests for international travel must include:

- prior written approval from the most Senior Person responsible (Chief level);
- acknowledgement that all appropriate approvals are in place;
- written rationale demonstrating critical value of travel for the Hospital, organizational priorities and interests, and details how the travel will produce a benefit for the Hospital;
- documentation showing detailed itemization of anticipated expenses (note that the lowest cost and most reasonable method of travel must be used).

On an international flight, business class seating may be permitted with prior approval of the CEO or designate.

When planning any travel, consider business continuity (e.g., deciding whether senior management or people with specialized knowledge or expertise should travel together).

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3. 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 for it.

4. 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: Hospital staff, Foundations/Auxiliary or consultants.

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 and 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.

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APPENDICES:	Appendix A – Travel Expense Reimbursement Rates Appendix B – Reimbursement For Local Travel Expense Form Appendix C – Travel Expense Report
REFERENCE DOCUMENTS:	Sherman, J. and Smith, S. <i>Finance & Accounting Policy Pro</i> , First Reference Inc., Concord, Ontario, 2004 Upper Canada District School Board, Travel Expenses, Policy Number 445.1, 2003 Queensway Carleton Hospital, Travel Expense, Policy Number C-210 Brockville General Hospital, Travel Guidelines, Policy Number III-80 OHA Hospital Expense Guidelines, March 2010 Ministry of Finance, Broader Public Sector Expenses Directive, April 2011
REPEALED POLICIES:	Hotel Dieu Hospital Policy Number V-60 <i>Board and Board Committee Member Travel</i> Hotel Dieu Hospital Policy Number V-65 <i>Travel Approval and Expenses</i> Hotel Dieu Hospital Policy Number VI-170 <i>Local Travel and Car Allowance</i> Cornwall General Hospital Policy Number (Appendix II ix)
APPROVAL PROCESS:	Senior Administration Team – March 22, 2011 Finance and Audit Committee – March 30, 2011 Board of Directors – March 31, 2011
APPROVAL SIGNATURE:	Jeanette Despatie Chief Executive Officer

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