



William Osler Health System

Employee Expenses and Expense Claim Guidelines

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Scope of Document: Corporate

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Purpose:

1. To set the rules and principles of the reimbursement of expense to ensure fair and reasonable practices;
2. To provide a framework of accountability and fairness to guide the effective oversight of public resources in the reimbursement of expenses; and
3. To set the parameters for the public disclosure of information about expenses in order to provide an appropriate level of transparency.

Policy Statement:

To provide guidelines regarding acceptable practices and procedures for requesting reimbursement of expenses incurred while conducting business on behalf of William Osler Health System (Osler).

Policy Content:

1.0 Scope

- 1.1 The following expense rules apply to any person in the organization making an expense claim, including:
 - Appointees,
 - Board members
 - Employees, and
 - Consultants and contractors engaged by the organization, providing consulting or other services.
- 1.2 The terms of this policy do not prevail over the terms of existing Collective Agreements. Unionized employees shall follow the guidelines as outlined in their respective Collective Agreement.
- 1.3 This policy does not apply to the reimbursement of the following items as addressed in separate policies:
 - 1.31 Policy PPR286 – Professional Development Policy – addresses reimbursement of education and seminars/conferences

2.0 Accountability Framework

- 2.1 This policy sets out the approval authority for travel, meals and hospitality expenses.
- 2.2 Written approval is required for the following before any arrangements are made:
 - international travel; and
 - all expense claims involving the purchase of alcohol.

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- 2.3 Hospitality is provided only when the event involves parties from outside Osler employees, Board members and/or contractors. Prior written approval is required for all hospitality events involving alcohol by Osler. Alcohol purchased by staff must be pre-approved by the CEO (or designate). Alcohol purchased by the CEO must be pre-approved by the Board Chair.
 - 2.4 Expenses for a group can only be claimed by the most senior person present. Expenses cannot be claimed by an individual that are incurred by his/her approver.
 - 2.5 Staff are required to:
 - 2.5.1 obtain all appropriate approvals before incurring expenses;
 - 2.5.2 submit expense reports within 90 days of incurring the costs;
 - 2.5.3 Provide original, itemized receipts with all claims (credit card receipts are not sufficient);
 - 2.5.4 identify the business purpose for the expenditure;
 - 2.5.5 provide names of other individuals included in the expense (meal shared with others); and
 - 2.5.6 advise of any advances provided for these expenditures.
 - 2.6 Approvers are required to ensure that:
 - 2.6.1 all claims are correct, reasonable and in accordance with expense policy;
 - 2.6.2 the most practical, economical and reasonable arrangement were made;
 - 2.6.3 expense support the program objectives of the hospital;
 - 2.6.4 approval is only provided for claims that include all appropriate documentation (e.g., original itemized receipts); and
 - 2.6.5 any non-reimbursable expenses are returned to the employee with an explanation.

3.0 Managerial Discretion

- 3.1 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.
- 3.2 Approvers are accountable for their decisions, which must be subject to good judgment and knowledge of the situation and exercised in appropriate circumstances.
- 3.3 There is no discretion to depart from the principles of accountability and transparency.
- 3.4 When exercising discretion within the allowable parameters of this Policy, the rationale must be documented and filed with the claim.
- 3.5 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 and members of the public;
 - properly explained and documented;
 - fair and equitable;
 - reasonable; and
 - appropriate;

4.0 Public Disclosure of Expenses

- 4.1 Information about expenses will be posted on Osler's public website for designated persons including:
 - CEO;
 - senior staff reporting directly to the CEO; and
 - Board of Director members.
- 4.2 Expense information will be posted semi-annually as follows:

Reporting Period	Public Posting date
April 1 – September 30	By November 30
October 1 – March 31	By May 31

TRAVEL EXPENSES

5.0 General

- 5.1 Whenever possible, travel should be approved in advance by an employee's Manager.(i.e. Supervisor/Manager/Director/VP etc.)
- 5.2 Where a number of staff members are attending the same function, shared travel should be considered whenever possible.
- 5.3 The mode of transportation should be the one with the least cost to Osler, consistent with the least amount of interruption to the staff's regular business day (see Travel by Vehicle section 8.0)
- 5.4 Basic economy/coach fares are covered by Osler. Any upgrades would be funded by the staff members. Staff may be reimbursed for seat reservation fees.
- 5.5 Travel costs for other family members or friends, including meals, are not covered.
- 5.6 If personal travel is combined with business travel, the staff member is only reimbursed for the business portion of the trip at the lowest available fare.
- 5.7 If there is a travel cancellation due to avoidable personal reasons (e.g., vacation planned subsequent to booking the business travel), any travel expenses that have been reimbursed to the employee must be reimbursed to the hospital within 30 day of such cancellation.

6.0 Travel by Air

- 6.1 For travel beyond reasonable driving distance, staff may travel by air.
- 6.2 Prior approval all air travel must be obtained in writing.
- 6.3 All air travel should be economy class unless pre-approved by their Vice-President
- 6.4 Every effort should be made to book in advance to obtain the lowest fares possible
- 6.5 Osler does not reimburse for extra luggage, seat upgrade or any other extra services.

7.0 Travel by Train

- 7.1 Staff may choose to travel by train if it is the most economical and direct form of transportation.
- 7.2 Travel arrangements should be made in advance to ensure economy seats at the best price.

8.0 Travel by Vehicle

- 8.1 When road transportation is the most practical and economical means of travel, the order or preference should be:
 - Personal vehicle when the personal vehicle is more economical than use of a rental vehicle
 - Rental vehicle in situations where it is more economical than use of a personal vehicle

8.2 Rental Vehicles

8.2.1 Rental of a compact or midsize vehicle for travel in excess of 300 kilometers (total) is recommended. Consideration for an upgrade may be given based on the number of passengers. However, all luxury and sports car rentals are prohibited.

8.2.2 Osler's Insurance Policies cover collision insurance for rental cars but liability insurance is not covered. Employees are required to obtain liability insurance on any rental vehicles and should provide receipts to Osler for reimbursement.

8.3 Personal Vehicles

8.3.1 personal vehicles used on hospital business must be insured at the owner's expenses for personal motor vehicle liability at a level equal to or greater than the minimum liability specified in the Insurance Act.

8.3.2 Drivers should contact their insurance company to ensure that their coverage includes occasional business use of their vehicle.

8.3.3 Osler will not reimburse costs of collision or liability coverage and assumes no financial responsibility for employee vehicles other than paying Osler's corporate kilometric rate for travel on hospital business.

8.3.4 Staff driving a personal vehicle on hospital business cannot make claims to Osler for damages as a result of a collision.

8.4 Taxis

Osler uses a Taxi Chit program primarily for patients and to deliver documents. Staff may use taxis for:

- transportation to stations and airports and home/office;
- transportation from a hospital location to home well after normal work hours where other forms of transportation are unavailable;
- transportation home if an employee is unwell and not fit to drive home; or
- transportation home from a staff event that occurred away from the office.

9.0 **Reimbursement and Rates**

9.1 Staff are eligible to be reimbursed for distance traveled for Osler business with their personal vehicle at a rate of fifty cents (\$0.50) per kilometer.

9.2 The following chart should be used to determine the distance between Osler and other related sites (note: distances represent one-way distances traveled).

	Reactivation Care Centre	Etobicoke General	Peel Memorial	Brampton Civic
Reactivation Care Centre	N/A	12 km	28 km	33 km
Etobicoke General	12 km	N/A	20 km	16 km
Peel Memorial	28 km	20 km	N/A	9 km
Brampton Civic	33 km	16 km	9 km	N/A

9.3 Staff are not reimbursed for travel between home and their usual place of employment.

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- 9.4 Each employee has a home base from which they work. The employee is expected to travel to their home base daily with no mileage reimbursement. Mileage may be claimed when a distance is traveled greater than the distance an employee is expected to travel each day to the employee's base office. For example, an employee is based at EGH and the distance from home is twenty (20) kilometers. The employee is required to travel to BCH for a meeting at the start of the business day. The distance to BCH is ten (10) kilometers. The employee then returns to EGH for the remainder of the day. The employee would claim six (6) kilometers. (10 km + 16 km – 20 km = 6 km).
 - 9.5 Mileage reimbursement is recorded with attendance and paid through payroll. Managers approving payroll are responsible to ensure that mileage claimed by employees agrees to this policy if an Osler or related site or for unrelated Osler locations, confirms the travel distance from an internet based map provider (i.e. google maps, map quest)
 - 9.6 Reimbursement is provided for necessary and reasonable expenditures on parking, as well as tolls for bridges, ferries and highways, when driving on Osler business.
 - 9.7 Employees are not reimbursed for parking at BCH, EGH or PMC sites.
 - 9.8 There is no reimbursement for traffic or parking violations.

10.0 Accommodations

When overnight accommodations are necessary, the following guidelines apply:

- 10.1 Staff should use the most economical accommodation available (generally a standard quality hotel room) that is convenient to the even being attended. No reimbursement will be made for suites, executive floors or concierge levels.
- 10.2 Staff will not be reimbursed for entertainment, laundry services, pay TV or movies, alcohol or special facility charges (e.g. fitness clubs).
- 10.3 Staff should utilize corporate wireless devices (e.g. Blackberry) as first priority for making phone calls. However, if it is necessary to utilize hotel phones, discretion should be used in the frequency and length and reimbursement will be made for reasonable costs for business calls and necessary personal calls home for each night away.
- 10.4 Standard tips and gratuities are reimbursable.
- 10.5 While travelling on hospital business, additional business expenses not otherwise covered will be reimbursed, such as internet connections, photocopying or rental of necessary office equipment, providing the charges incurred are reasonable and related to hospital business.

MEALS AND HOSPITALITY EXPENSES

11.0 General

- 11.1 Staff will be reimbursed for reasonable meal expenses, subject to supervisor's approval, for expenditures incurred when the claimant is away from work on hospital business.
- 11.2 In exceptional circumstances, staff may be reimbursed for meal expenses if required to work during normal meal periods.
- 11.3 Meals consumed at home are not reimbursed.
- 11.4 If meals are provided at a conference or seminar, employees choosing to obtain meals elsewhere are not reimbursed.
- 11.5 Gratuities up to fifteen percent (15%) will be reimbursed.

12.0 Reimbursement of Meals

- 12.1 Osler reimburses the cost of meals incurred based on actual cost. Therefore, a receipt must be submitted to validate the expenditure.

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- 12.2 Osler reimburses the cost of meals incurred for business purposes (i.e. meetings with representatives of current or potential Agency funders).
 - 12.3 Osler also reimburses the cost of meals incurred during the course of business while away from Osler sites (i.e. you are required to attend a full day conference in Toronto and meals are not included in the cost of the conference).
 - 12.4 Osler will reimburse the cost of meals including applicable taxes and gratuities but excluding alcoholic beverages.
 - 12.5 Although employees will be reimbursed for the actual cost of meals verified to receipts, as a general guideline, a daily rate of \$75 is suggested for the total of breakfast, lunch and dinner. The daily guideline may be applied if business requires the employee to be out of town for business for a period extending greater than 24 hours. However, this is only a guideline. Expenses will be reimbursed based on actual receipts to this daily limit.
 - 12.6 Meals in excess of the suggest rates should be individually initialed by the approver on the expense claim to receive full re-imbusement.
 - 12.7 If the request for reimbursement is for more than one meal, the employee must indicate the people for whom the meal was provided and the purpose of the meeting.
 - 12.8 If the expenditure was originally paid by the employees' credit card, the vendor receipt must be attached to the expense form. The credit card chit is not sufficient supporting documentation without the vendor receipt.

13.0 Staff Events

- 13.1 Generally, food is not provided at staff meetings or events in Osler. Meetings should be booked whenever possible in consideration of meal times.
- 13.2 However, there are occasions when light refreshment or meals may be warranted.
- 13.3 Osler may provide light refreshments for meeting scheduled for more than three hours in duration. The suggested cost for refreshments is \$4 per person.
- 13.4 For meetings last over three hours which cover the lunch period between 12pm and 2pm, or take place after 6 pm, a light meal may be offered. Recommended limits per guest are \$7 for lunch and \$10 for dinner.
- 13.5 Food or beverages provided outside of the guidelines in 13.1 through 13.4 are not permitted.
- 13.6 Alcohol is not permitted for staff meetings.

14.0 Hospitality

For the purposes of this Policy, Hospitality is the provision of food, beverage, accommodate, transportation and other amenities to people who are not engage to work for Osler. Hospitality includes events such as conferences, honorary ceremonies and international meetings. Guests may include other hospitals, the government, the broader public, industry, union representatives, international visitors or other public interest groups.

- 14.1 Costs incurred for Hospitality must be:
 - economically based on the status of the guests;
 - consistent; and
 - appropriate for the business purpose to be achieved.
- 14.2 Part of normal business hospitality may include the consumption of alcoholic beverages with a meal or during a reception. Prior written approval is required for all hospitality events involving alcohol. Alcohol purchased by staff must be pre-approved by the CEO (or designate). Alcohol purchased by the CEO must be pre-approved by the Board Chair.
- 14.3 All expenses must be documented and include original itemized receipts

14.4 The claim must include event details regarding:

- purpose and justification;
- date(s);
- location;
- type of hospitality (breakfast, lunch, dinner, reception refreshments, etc), attendees; and
- appropriate prior approvals.

15.0 Corporate Events

15.1 Corporate events are not considered Hospitality since they are not intended for outside participants.

15.2 Costs for department or unit events, receptions or parties should be covered by staff and activities should take place during lunch breaks or outside of normal working hours whenever possible.

15.3 Notwithstanding the above, economical recognition events (such as “teas” for departing employees) are permitted hospital expenses.

15.4 Individual parties and additional events should not include alcoholic beverages and alcoholic beverages purchased will not, under any circumstances, be reimbursed for such events.

16.0 Gifts of Appreciation

16.1 Gifts of appreciation, including monetary gifts, may be given to:

- persons who are not staff members in exchange for pro bono services;
- person leading Professional Development or Corporate events; and/or
- guest speakers or honorary invitees attending events.

16.2 Non-monetary gifts of appreciation, valued at up to seventy-five dollars (\$75.00) (total) may be given to staff at recognition events. This may include an event where food and beverages are provided.

16.3 Gifts up to seventy-five dollars (\$75.00) may also be granted to staff for bereavement in the immediate family or for a staff member who is seriously ill or injured.

16.4 Suitable gifts for staff include flowers, cards, gift certificates, or gift cards but do not include cash or cheques.

16.5 Alcohol or gift certificates for alcohol may be not given as a gift.

16.6 Gift with value in excess of seventy-five dollars (\$75.00) must be approved by the department Vice President.

18.0 Expenses for Consultants and Other Contractors

18.1 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 or concierge services
- dependent care
- home management
- personal telephone calls

18.2 Reimbursement for expenses allowable under this policy, but specifically excluding the expenses in 18.1 above, can be claimed and reimbursed only when the contract specifically provides for it.

PROCESS FOR REIMBURSEMENT

Expense claims, excluding expense reimbursement for consultants and other contractors, are reimbursed to an employee by submitting a cheque request with the expense claim to Accounts Payable. Please refer to the *Schedule of Authorities* policy, table 6.0 for approval requirements for Employee Expenses.

Expense reimbursement for consultants and other contractors must be processed through Accounts Payable.