

**POLICY NUMBER: CO.02.022.0.11**

**POLICY TYPE: CORPORATE (Finance)**

**SUBJECT: GENERAL EXPENSE POLICY**

**POLICY:** The Hôpital Glengarry Memorial Hospital (HGMH) is committed to meeting all leading practices, guidelines and the Broader Public Sector (BPS) Expenses Directive (Directive) for the administration of expenses in publicly funded institutions.

This policy sets out the acceptable limits and the procedure for expense reimbursement for travel, accommodation, meals, and alcohol for staff and Board Directors conducting corporate business, for consultants and contractors engaged by HGMH to provide consulting or other services (See Appendix A).

**Note:** This policy does not apply to reimbursement for expenses related to education or training (see Educational Development Funding, form #54-06-xx).

## DEFINITIONS

**Authorization** — The approval of a General Expense Statement or Mileage Statement by the appropriate person with adequate signing authority. Authorization requires the immediate supervisor's approval as long as the expense claim amount is within their approval limit. If the amount exceeds the immediate supervisor's approval limit, the approval is performed by the supervisor's supervisor. The Chief Executive Officer's claims are approved by the Hospital's Board of Directors.

**Business Expenses** — Reasonable expenses incurred by staff in the course of performing their duties. This excludes any expenses for an accompanying friend or family member and any expenses for the personal part of travel if business and personal travel is combined in one trip.

**Receipt** — An original document, or carbon or certified copy, with the details of the expenditure, the amount, the date and indicating proof of payment.

**Staff** — For the purposes of this Policy, "staff" includes all Corporation employees, credentialed staff, Board Directors, outsourced service staff and other individuals engaged in Hospital business and who intend to receive travel and expense reimbursement under this policy. See also Consultants/Contractors above.

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References: Hospital Expense Policy Guidelines, March 2010, Ontario Hospital Association  
Broader Public Sector Expenses Directive, Management Board of Cabinet, 1 April 2011  
Procurement of Goods and Services Policy, CO.01.039.x.xx  
General Expense Statement / Guide for Staff and Board Directors, #51-A-201-xx  
Mileage Statement, 51-A-11-xx

Approved by: BOARD OF DIRECTORS,

Effective Date: 1 April 2011

Reviewed:

Revised

**PROCEDURE:**

***I: Claimant's Responsibilities***

***A) Staff:***

1. Ensure that reimbursable business expenses support business objectives; are modest, appropriate and reasonable; and strike a balance among economy, health and safety, and efficiency of operations.

**Note:** See the "General Expense Guide for Staff and Board Directors" for specific exclusions and restrictions on travel and business expenses.

2. Complete the "General Expense Statement" or "Mileage Statement" form, print the document and sign.

**Note:** If actual business expenses are incurred on behalf of other individuals, include the name and companies of all individuals on the statement.

3. Attach original, itemized receipts for all actual expenses and boarding passes or tickets / e-tickets for air and train travel.
4. Submit the completed statement and receipts to the authorized approver for reimbursement within one month of incurring the expense; if submission is delayed, please include a note explaining the reason(s) for the delay; if you are unable to comply with some aspect of this process (e.g., lost receipt) submit a written explanation with the claim to provide the approver with adequate information for decision-making.

**Notes:**

- In the event that travel is cancelled, any travel expenses that have been reimbursed to the claimant by the vendor, including but not limited to the cost of train or flight tickets, must be reimbursed to the Corporation within thirty (30) days of such cancellation.
- If leaving HGMH, submit any claims for expenses before leaving the organization.

***B) Consultant or Contractor:***

1. Obtain an invoice for reimbursable expenses as per the contract between the consultant/ contractor and HGMH.

**Notes:**

- Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.
- In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under this Policy or in any contract between HGMH and a consultant or contractor.
- The BPS Expenses Directive prevails over the relevant terms of any contract if there is any conflict or inconsistency between them. This Directive does not prevail over a collective agreement

between HGMH and a bargaining agent representing employees of HGMH.

2. Attach receipts for all actual expenses and boarding passes or tickets / e-tickets for air and train travel.
3. Submit the completed statement and receipts to the authorized approver for reimbursement within one month of incurring the expense; if submission is delayed, please include a note explaining the reason(s) for the delay.

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

### ***II: Approver's Responsibilities***

1. Ensure all claims and receipts are correct, reasonable and in compliance with the BPS Expenses Directive, and:
  - (a) this Policy and the "General Expense Guide for Staff and Board Directors", form 51-A-201-xx; or
  - (b) this Policy and the contract with a consultant or contractor

#### **Notes:**

- Staff, including the CEO and Chief of Staff, do not approve your own expenses; expenses for a group can only be claimed by the most senior person present; if a subordinate's claim has paid for expenses incurred for your benefit, submit this claim to your supervisor for approval
- In the event that the expenses exceed your approval authority as defined in the Corporate "Procurement of Goods and Services Policy" (CO.01.039.x.xx), submit this claim to your supervisor for approval
- When using Managerial Discretion, document the rationale and append it to the claim.

2. Sign the statement.
3. Submit the approved statement and receipts to Accounts Payable.

### ***Authorized Approver***

- Employee – submit to your manager
- Chief Executive Officer (CEO) - submit to the Chair of Board of Directors
- Credentialed staff – submit to Chief of Staff or CEO
- Board of Directors – submit to Chair of Board of Directors or CEO
- Consultants – Contractors – submit to Director or CEO, as identified in the contract.



***III: Accounts Payable Responsibility***

1. Ensure that the claimant's and the approver's signatures are on the form submitted to you and that all receipts are appended.

**Note:** If a signature or receipt is missing, return the form to the claimant or approver for completion.

2. Charge the expenses to the MIS Account Number assigned by the claimant or approver.
3. Issue a cheque or electronic fund transfer payment, less any advances for the reimbursed business expenses to the claimant
4. Retain approved statement and original receipts for seven years.
5. Expense claims and reimbursements are audited on an annual basis by HGMH's external auditors.

**APPENDIX A**

Follow this Guide and the General Expense and Hospitality Policy, CO.02.022.x.xx, when completing and approving the General Expense Statement. At all times, select the most economical and practical method of travel and accommodations.

| Transportation          |                                                                                                                                                                                                                                                                                                                                       | Accommodation / Meals / Telephone Calls |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Air</b>              | <ul style="list-style-type: none"> <li>Use economy airfare</li> <li>Submit original board pass(es) or ticket – e-ticket with expense statement</li> </ul>                                                                                                                                                                             | <b>Hotel</b>                            | <ul style="list-style-type: none"> <li>Use convenient, economical accommodation</li> <li>No reimbursement of mini-bar, video rental, etc. expenses (see Excluded Expenses below)</li> </ul>                                                                                                                                                                                                                                                                                                                        |
| <b>Train</b>            | <ul style="list-style-type: none"> <li>Use economy class train fair for regular travel</li> <li>First class train fare may be selected when travelling after a work day</li> <li>Submit original boarding pass(es) or ticket / e-ticket with expense statement</li> </ul>                                                             | <b>Meals</b>                            | <ul style="list-style-type: none"> <li>Use convenient, economical sources of meals appropriate to the purpose of the meeting or gathering</li> <li>Actual costs are reimbursed</li> <li>Maximum 15% gratuity</li> <li>Include the names and companies of all guests at meals (See General Expense and Hospitality Policy, CO.02.022.x.xx)</li> <li>Most senior staff person present at meal should pay</li> <li>See “Alcohol” and “Excluded Expenses” below for more details on reimbursement of meals.</li> </ul> |
| <b>Personal Vehicle</b> | <ul style="list-style-type: none"> <li>Claim accurate mileage</li> <li>Use personal vehicle if cost is less expensive or comparable to air/train fare or rental vehicle</li> </ul>                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Taxi</b>             | <ul style="list-style-type: none"> <li>Use hotel shuttle services when available</li> <li>Maximum 15% gratuity</li> </ul>                                                                                                                                                                                                             |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Rental Vehicle</b>   | <ul style="list-style-type: none"> <li>Use compact or intermediate size; use rental only if personal vehicle either not available or rental is less expensive when using personal vehicle</li> <li>Purchase the insurance offered by the rental company</li> <li>Refill gas tank before returning vehicle to avoid penalty</li> </ul> | <b>Calls / Work-Related Fees</b>        | <ul style="list-style-type: none"> <li>Use discretion in frequency and length of long-distance business and personal calls; reimbursement will be made for reasonable costs for necessary personal calls home for each night away.</li> <li>Actual internet access, photocopying, and other work-related fees will be reimbursed.</li> </ul>                                                                                                                                                                       |

**Advance:** Reasonable monies to cover expenses may be requested at least one week in advance, if required.

**Alcohol:** No alcohol will be reimburses unless it is part of Hospitality (See General Expense and Hospitality Policy, CO.02.022.x.xx, for details regarding hospitality extended to guests).

**Authorized Approval:** No individual should approve his or her own expenses, or that of a subordinate who has paid for travel, meal, etc., expensed to the supervisor’s benefit. The individual approving the expense report is responsible to ensure all claims are correct, reasonable and in accordance with General Expense and Hospitality Policy, CO.02.022.x.xx.

*\* Note: This appendix is included on the reverse side of form 54-06-xx*

**Excluded Expenses:** Expenses resulting from: traffic and parking violations; unlawful conduct; recreational purposes (e.g. video rentals, mini-bars, special facilities charges, entertainment not directly related to hospital business, etc.); failure to cancel reservation; credit card fees and late payment charges; failure to refill fuel in a rental car; presence of friends or family members; membership to reward programs; and other similar expenses cannot be reimburses. No reimbursement shall be made for meals consumed at home prior to departure or on return, or for meals included in the cost of transportation, accommodation, seminars and/or conferences.

**References:** Hospital Expense Policy Guidelines, March 2010, Ontario Hospital Association; BPS Expenses Directive, April 2011