

Reimbursement of Business Expenses

Section: Administrative Manual / FINANCE

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PURPOSE

To set out the policy for reimbursement of expenses paid on behalf of Baycrest.

This policy applies to any person at Baycrest making an expense claim, including appointees, Board members, employees, and consultants and contractors engaged by the Health Centre providing consulting or other services. Where reference is made to "staff", "staff member" or "employee", the reference, where applicable, is also intended for appointees and Board members. Consultants and contractors are not considered "staff".

PRINCIPLES

This policy is based on four key principles.

- A. **Accountability**
Baycrest is accountable for public funds used to reimburse travel and meal expenses. All expenses support organizational objectives.
- B. **Transparency**
Baycrest is transparent to all stakeholders. The rules for incurring and reimbursing travel and meal expenses are clear, easily understood, and available to the public.
- C. **Value for Money**
Taxpayer dollars are used prudently and responsibly. Plans for travel, meals and accommodation are necessary and economical with due regard for health and safety.
- D. **Fairness**
Legitimate authorized expenses incurred during the course of the business of an organization are reimbursed.

SCOPE

This policy applies to reimbursement of all travel and other expenses incurred by staff in performance of work-related activities, where the reimbursement involves public or donated funds.

Reimbursements of amounts of \$100 or less are paid through Petty Cash – please refer to Policy VII-250.

When considering any business expenditure, including travel, the Materials Management Department should be involved in accordance with Administrative Policy VIII-10.

Staff assigned Corporate Visa Cards should use this method of payment wherever possible, as outlined in Administrative Policy VII-451.

POLICY

Staff will be reimbursed for expenses which are:

- Work-related and not personal in nature, modest, appropriate and reasonable
- Submitted in a timely fashion and in the form and manner stipulated under this policy

- Supported by appropriate documentation such as original bills and itemized receipts

If any of the above cannot be met, a written explanation must be submitted with the claim, to provide the reviewer with adequate information for consideration of approval within the framework of this policy.

A full explanation of the business reason for each expense must be given with each claim for reimbursement. For example, the specific purpose of a business meal, together with a list of who was in attendance, must be provided. Reviewers must not authorize expenses where the business purpose is not expressly stated.

Generally, expenses of a personal nature will not be reimbursed. Such expenses include, but are not limited to expenses for:

- Traffic and parking violations incurred while driving on Baycrest business
- Recreational purposes (e.g. video rentals, mini bars, special facilities charges, entertainment not directly to Baycrest business, etc.)
- Personal items not required to conduct Baycrest business
- Membership to clubs
- Hotel expenses incurred due to failure to cancel a reservation
- Credit card fees and payment charges
- Additional ancillary charges such as premiums for failure to refill fuel in a rental car
- Expenses resulting from unlawful conduct

Any overpayments must be repaid to Baycrest.

If leaving employment with Baycrest, expense claims should be submitted prior to departure.

Authorization

All expenses for reimbursement must be authorized by the person to whom the staff member reports and in accordance with Policy #VII-350.

Approvers may not approve their own expenses. Expenses for a group can only be claimed by the most senior person present.

Approvers must only provide approval for expenses that:

- were necessarily incurred in the performance of Baycrest business
- include all appropriate documentation

Travel and Accommodation

- All travel that is not specifically funded by an external source must be limited to events that are deemed essential to the ability to perform one's job
- All expenses over \$100 that are not specifically funded externally must be pre-approved by the person to whom the staff member reports. Pre-approval should be documented (e.g. e-mail) and attached to the travel claim
- Staff are to use the most economical type and class of transportation and accommodation available and necessary. For example, air travel should be at the basic economy/coach class for all domestic and international travel; accommodation should be standard quality rooms at a basic hotel; car rental should be for compact automobiles. Any upgrades would be the responsibility of staff. If travel is funded by an external source and the external source allows different types and classes of transportation and accommodation, the amounts will be reimbursed.
- Government or preferred rates must be requested.
- The original boarding pass/passes and ticket/E-ticket must be attached to the Travel Expense Report for each segment of the travel.
- Travel for others (i.e. spouses), including meals and cancellation fees, are not covered and

must be paid for by staff

- When personal travel is combined with business travel, staff will be reimbursed for the business portion of the trip at the lowest available fare.
- Staff will not be reimbursed for:
 - Mini Bar charges
 - Entertainment
 - Laundry services
 - Pay TV and movies
 - Special facility charges such as fitness club in the accommodation bill
 - valet services;
 - dependant care;
 - home management;
- Long distance business and personal calls will be reimbursed; however, discretion should be used in the frequency and length.
- When renting cars, staff should:
 - Decline the optional waiver for collision deductible
 - Consider shared travel where possible when a number of staff members are attending the same function.

Use of Personal Automobiles(see also policy I-3-130)

- Staff members are responsible for getting to and from work on their own time and at their own expense
- An employee may claim reimbursement for necessary, approved use of a personal car on Baycrest business based on the distance travelled, excluding commuting distance between Baycrest and the staff member's home, at the authorized per kilometer rate of reimbursement (current rate is available from Accounts Payable)
- Personal vehicles used on Baycrest's business must be insured at the vehicle owner's expense for personal motor vehicle liability. Coverage should be equal to \$2 million liability (amount recommended by our insurer). It is up to the individual staff driver to decide whether their motor vehicle insurance coverage should include business use of their vehicles.
- Baycrest will not reimburse costs of collision and liability coverage. For greater clarity, Baycrest assumes no financial responsibility for privately owned vehicles other than paying the kilometric rate when driving for Baycrest business. Those driving a personal vehicle on Baycrest business cannot make claims to Baycrest for damages as a result of a collision.
- Receipts for parking lot charges must be submitted with Travel Expense Report.

Meals

- Staff may claim the cost of meals including gratuities and tax incurred while on authorized overnight travel for Baycrest to a maximum amount of \$50 per day. Original, itemized receipts must be provided with claims for reimbursement of actual meal expenses
- Meals which include external parties must be pre-approved by the person to whom the staff Member reports. The expense report must include a brief explanation of the event and a list of those in attendance
- The cost of meals will only be reimbursed if part of business travel or when external parties

are involved. The cost of meals for Baycrest staff only is not a reimbursable expense.

Alcohol

In no circumstances under this policy will alcoholic beverages be a reimbursable expense. The cost of alcoholic beverages must always be paid from personal funds.

Hospitality

- Hospitality is the provision of food, beverages, accommodation, transportation or other amenities at Baycrest's expense to persons who are not engaged in work for Baycrest.
- Hospitality expenses must be approved in advance by the President and CEO. Hospitality should be extended in an economical, consistent, and appropriate way when it will facilitate Baycrest business or is considered desirable as a matter of courtesy.
- Hospitality may never be offered solely for the benefit of Baycrest staff and/or others covered by the Ontario Broader Public Sector Expenses Directive. This includes staff from designated Broader Public Sector Organizations (such as Public Hospitals) and staff from any Ontario Government Ministry or Agency.

Gifts

The cost of gifts for employees (including flowers) is not a reimbursable expense unless it is part of the formal recognition program managed by the Organizational Effectiveness Department.

Catering

- Catering may be purchased for events in which external parties (clients, visitors from other non-Broader Public Sector organizations, donors and prospective donors) are invited.
- Catering may be purchased for internal business meetings, and business meetings involving staff from other BPS organizations, where the meeting is 2 or more hours in length.
- Catering may be requested as part of formal recognition programs
- Catering may otherwise not be requested nor will the cost of food or refreshments be reimbursed.
- Catering may be ordered from an external source only if internal Food Services are unable to provide the required service. In all cases, discretion should be used when deciding whether the serving of food is essential and appropriate based on the time of day of the event.

Conferences

Conference attendance (including training) must be pre-approved at the Executive Director/Director level or higher.

Guidelines for approving conferences:

The conference must be directly related to the employee's job or future career development, and should enhance their job performance

Staff will be expected to provide to their manager, a personal statement describing:

- (a) how this conference relates to his/her job or future career development

- and how it will enhance their job performance;
- (b) how the learning from the conference will benefit the department/unit in keeping with Baycrest's strategic directions; and
- (c) how the employee will share information with his/her colleagues regarding the benefits, learning and outcomes of the conference

Consultant Expenses

- In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors, including:
 - meals, snacks and beverages;
 - gratuities;
 - laundry or dry cleaning;
 - valet services;
 - dependant care;
 - home management; and
 - personal telephone calls.
- Consultants may seek reimbursement only for expenses explicitly agreed to by the consultant and the Health Centre and as detailed in the consultant's contract. Claims for reimbursement must be invoiced to Baycrest and must be consistent with Baycrest policies.

Expense Report Forms

Travel expenses should be submitted for reimbursement with the Travel Expense Form. All reimbursements will be made in Canadian dollars.

Procedural Steps	Key Points
<p>A. Expense Claimant</p> <ol style="list-style-type: none"> 1. Obtains pre-authorization for expenses via email 2. Pays expenses and obtains bills and receipts (using Corporate Visa card whenever possible) 3. Prepares and submits the Travel Expense Form (see below) 4. Completes Corporate Visa report online when applicable <p>B. Approving Authority</p> <ol style="list-style-type: none"> 5. Checks that expenses comply with policy and approves the Travel Expense Form <p>C. Accounts Payable Department</p> <ol style="list-style-type: none"> 6. Checks that the Travel Expense Form is complete 7. Verifies Corporate Visa expenses 	<p>As actual approval of reimbursement will occur after expenditures have been made, the staff member should seek pre-authorization to ensure a clear understanding of the commitment and limits</p>

[Go to the Travel Expense Report Form](#)