

DEEP RIVER AND DISTRICT HEALTH

Policy: Expense and Reimbursement Policy	
Original Date: 1978-12-13	Policy Manual: Finance
Approved by: <input type="checkbox"/> Board of Directors <input type="checkbox"/> Chief Executive Officer <input checked="" type="checkbox"/> Chief Financial Officer <input type="checkbox"/> Chief Nursing Executive <input type="checkbox"/> Chief Human Resources Officer	

Policy

Deep River and District Health (DRDH) recognizes staff may incur expenses on behalf of the organization and will be reimbursed for these expenses.

Reimbursements will be made for reasonable business expenses incurred while travelling for DRDH business, attending approved educational opportunities or conducting other DRDH business.

This policy adheres to the Broader Public Sector (BPS) Expenses Directive issued pursuant to the BPS Accountability Act.

This policy applies to all DRDH employees, Board members and volunteers.

The policy is based on five key principles:

1. **Accountability** – DRDH is accountable for the public funds used to reimburse business, travel, meals and hospitality expenses. All expenses support business objectives
2. **Transparency** – DRDH is transparent to its stakeholders. The rules for incurring and reimbursing business, travel, meals and hospitality expenses are clear, easily understood and available to the public
3. **Value for Money** – Taxpayer dollars are used prudently and responsibly. Plans for business, travel, meals, accommodations, and hospitality are necessary and economical with due regard for health and safety.
4. **Fairness** – Legitimate authorized expenses incurred during the course of business of DRDH are reimbursed.
5. **Best Practice** – Best practices include obtaining prior approval to incur expenses, other options for meeting are always considered before travel is approved (i.e., teleconference, videoconference), records are maintained for verification and audit purposes, and corporate credit cards are used where available.

Application and Scope

This policy applies to any person in the organization making an expense claim, including employees, Board members, and volunteers.

Contractors and consultants will only be reimbursed for allowable expenses as outlined by the contract or agreement agreed upon.

Those covered by this policy will be reimbursed for reasonable and actual expenses incurred in the course of normal business or when travelling for organizational business or approved educational programs.

All covered by this policy must aim to make the most practical, economical, and reasonable arrangements for travel, meals, and hospitality expenses.

Expenses and any requested pre-expense authorizations will be approved by the appropriate organizational leader, subject to normal authorization levels as identified in the Approval Authority Schedule.

Where more than one manager is present at an event, expenses must be claimed by the most senior organizational person in receipt of the services being expensed. No individual is authorized to approve his or her own expenses.

The person submitting the expense claim is responsible for submitting original itemized receipts and ensuring the accuracy of the overall claim and full adherence to this policy. In cases where the necessary receipt information is not available, the person submitting the claim will provide a written explanation regarding the missing documentation in order to provide the approver with adequate information for decision-making. Claimants must also repay any overpayments, submit claims in a timely manner and ensure that all expense claims are completed before leaving employment of the organization.

The person approving the authorization or expense report is responsible for ensuring compliance with relevant policies for:

- Ensuring that all claims and receipts are correct and reasonable
- Providing approval for only those expenses that were necessarily incurred in the performance of organizational business and,
- Providing approval only for claims that are accompanied by the appropriate documentation.

Procedure

Authorization and reimbursement:

Employees, Board members and volunteers will submit a completed 'Request for Expense Approval and Reimbursement' form (housed in the document management system) to their immediate supervisor for approval as follows:

- Frontline employees obtain approval from their direct Manager or above
- Managers obtain approval from their respective Executive Leadership Team
- Executive members obtain approval from the CEO
- CEO obtain approval from the Chair of the Board

- Board Members obtain approval from the Chair of the Board
- Chair of the Board obtain approval from the CEO
- Volunteers obtain approval from the Chief Nursing Executive

The 'Request for Expense Approval and Reimbursement' form is to be completed once the travel expenses have been incurred to compare the estimated costs to the final costs

- The 'FINAL' section of the Form is to be completed and will be submitted to the supervisor for final approval

Approved 'Request for Expense Approval and Reimbursement' forms, accompanied by all original, itemized receipts are forwarded to the Finance Department for review and processing.

- If the claim is not consistent with the policy, the Chief Financial Officer (CFO) will review the claim with the person who authorized it.
- When the necessary adjustments are made in order to comply with the policy, the authorizing individual will review the amended claim with the claimant.
- The Finance Department will process and reimbursed by Electronic Funds Transfer (direct bank deposit) or by other means at the discretion of the CFO.

All travel claims must be submitted within **fourteen days (14)** of the last travel day being claimed.

In the case where individuals are required to travel regularly for DRDH business, claims are to be submitted on a monthly basis, no later than **twenty one (21)** after the end of the month of the claims. An itemized listing of the trips taken, including starting location, ending location and total kilometers travelled are to accompany the claims. All claims are to adhere to this policy.

Travel:

Reimbursable travel costs include air, rail, car (either personally owned or rented), taxis, ride sharing (i.e., Uber, Lyft) or public transportation.

The mode of transportation chosen should be the one that enables the member to attend to DRDH business with the least cost to the organization, consistent with the least amount of interruption to the member's regular business and personal schedules and the most productive use of his/her time. Due consideration should be taken as to the length of time away from the workplace.

Basic economy fares will be paid by DRDH. Any upgrades are the responsibility of the staff member.

- Travel by **air** must be pre-approved and is permitted when this is the most economical and practical way to travel.
 - Travel must be arranged in advance and be booked by fixed dates; open-ended tickets are prohibited. The standard is economy class.
- Travel by **rail** is permitted when it is economical and practical. Rail travel may be business or economy depending on the rate offered and the total cost of travel.
- **Car rentals** should only be used when justified by cost and convenience.
 - Compact or equivalent vehicle will be paid by DRDH. Prior approval must be given when exceptions are made to accommodate # of occupants or safety considerations.

- When this means of travel is used, all gas receipts must be kept and provided with the Travel Expense form for reimbursement.
- Rental of luxury and sports cars is prohibited
- Collision and liability insurance offered by the car rental company must be purchased
- The rental car must be refueled whenever possible before returning it in order to avoid higher gasoline charges imposed by the rental vehicle agency
- Employees who use their **own vehicles** are reimbursed at the rate set by the Canada Revenue Agency (CRA) through their *Automobile and Motor Vehicle Allowances Rates*, which are updated on an annual basis.
 - This reimbursement rate is meant to compensate for all of the costs associated with use of the personal automobile including fuel, normal wear and tear, insurance, license fees, etc.
 - Employees will be responsible for ensuring that they are carrying a minimum of \$2,000,000 personal liability coverage should they choose to use their personal vehicle.
 - When calculating the distance traveled for DRDH business, the most direct route must be used (distance shown on google maps will be used)
 - When completing the Travel Expense form, the starting location and end destination must be provided for both going to and returning from the DRDH business.
 - When calculating the total kilometers of a trip that originates from home, kilometers to be claimed must be the lesser of:
 - The distance from DRDH to the destination and
 - The distance from the employees home to the destination
- When practical, the use of public transportation and hotel shuttles is encouraged.
 - Taxi or shuttle charges are reimbursable with receipts
 - Public transportation fees are reimbursable without receipts

Travel of others (persons who are accompanying on non-DRDH related business, and who is not a support person for an employee with a disability) is not covered and must be paid for directly by the employee.

Meals:

Employees will be reimbursed the actual amount for meals provided they are reasonable expenses incurred in the course of attending DRDH business off-site.

- No reimbursement will be made for meals consumed at home prior to departure, or upon return to home, or for meals included in the cost of accommodation, seminars and/or conferences
- No reimbursement will be made for meals of persons accompanying the employee on non-business related travel
- The maximum allowable reimbursement is \$100 CAD per day
- Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense
- Detailed receipts must be submitted in order for DRDH to claim reimbursement for HST paid.
 - Credit card slips or statements, and debit receipts are not acceptable in place of detailed receipts and such submissions will not be reimbursed

Alcohol:

DRDH will not provide reimbursement for the cost of alcoholic beverages.

Accommodations:

If employees are required to pay for their accommodations, they must ask for a corporate rate and use the most economical accommodation available.

- In some cases, a preferred rate is offered for conferences where the event is being held and these should be utilized
- Reimbursement will be made for single accommodation in a standard room
- No reimbursement will be made for suites, executive floors or concierge levels

Private stays with family or friends is encouraged.

- A flat rate of \$30 per night is provided if a private stay is utilized.
- No receipt is required

Employees are responsible for reviewing all room charges to ensure that charges are correct. If pre-approved by the supervisor, long distance business calls and charges for business related usage such as computer access charges, internet connections, photocopying, word processing services, rental of equipment, and facsimile transmission charges are reimbursable.

Hospitality:

Hospitality is permitted for events attended by non-DRDH employees and external guests including but not limited to receptions, donors, volunteers and dignitaries.

Board sanctioned events may include alcohol if pre-approved. In such cases, Board approval must be sought prior to the event.

Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate DRDH business or is considered desirable as a matter of courtesy or reciprocity.

There are no exceptions to the above guidelines.

Non-reimbursable expenses:

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

- Cost of alcoholic beverages
- Traffic and parking violations incurred while driving on DRDH business
- Expenses resulting from unlawful conduct
- Cost of entertainment (e.g. movies, theatre tickets, sight-seeing trips, excursions, sports events)
- Laundry and cleaning expenses
- Passport fees
- Items lost or stolen in transit
- Service charges, interest rates, or annual fees associated with credit cards.

Overpayment:

In circumstances where the claimant has been paid in excess of the actual allowable expenses, the overpayment is considered a debt to DRDH, and the employee is expected to repay the excess amount.

Documentation:

Where original receipts are required, a written explanation must be provided to support the lack of documentation.

The Finance Department will retain required records of expense claims and receipts for verification and audit purposes.

Catering:

Reasonable internal catering expenditures are allowed when attendees are required in meetings that occur during traditional meal times. Manager level or above must approve these expenditures in advance.

Staff Social Events:

DRDH does not fund staff social events (e.g. holiday parties, picnics, birthdays, and shower celebrations). These staff social events may be held without charge in DRDH rooms subject to availability and staff may contribute food and beverages at their own expense. Staff recognition and engagement events are not considered social events.

Staff Recognition and Engagement Events:

Staff recognition (e.g., retirement, tea, project celebrations, and engagement events (welcoming, team building) are reimbursable expenses, provided they are appropriately modest, fit the circumstances and have budget approval and are approved by a senior staff member.

Gifts of Appreciation/Recognition:

Token gifts of appreciation, valued at up to \$200, may be extended to staff, physicians and volunteers. The token gifts must be in recognition of a business related activity such as a retirement, or extraordinary contributions like annual student awards or poster prizes or other event.

Consultants and Contractors:

Consultants and contractors will not be reimbursed for any incidental hospitality or food expenses, including meals, snacks, beverages, gratuities, laundry/dry cleaning, valet services, dependent care, home management, or personal phone calls.

Reimbursements for allowable expenses (e.g., travel and accommodations) can be reimbursed only when the contract specifically provides for it, and the expenses claimed do not fall into any of the prohibited categories as highlighted herein.

Reference Documents	<ul style="list-style-type: none"> • Broader Public Sector (BPS) Expenses Directive and the BPS Accountability Act, Request for Travel Expense Approval Form
Acknowledgements	<ul style="list-style-type: none"> •
Review Process	<ul style="list-style-type: none"> • Executive Leadership Team – 2025-01-03

	<ul style="list-style-type: none">• Resource and Audit Committee – 2025-12-19• Board of Directors – 2026-01-27
--	---