

# University Health Network Policy & Procedure Manual Administrative: Expense Reimbursement

## Policy

At University Health Network (UHN), standards and processes are in place governing reimbursement for expenses incurred in the performance of hospital duties or charged to accounts managed by UHN.

Also refer to:

- [Signing Authorities & Delegations](#) policy 1.90.009
- [Corporate Credit Card Program](#) policy 1.90.007
- [Conflict of Interest](#) policy 2.50.002
- [Education Assistance](#) policy 2.60.001
- [Retirement of Long Service Employees](#) policy 2.20.006
- [Procurement](#) policy 1.90.012

This policy covers:

- [General Provisions](#)
- [Expense Reimbursement Form](#)
  - a. [Completion of Form](#)
  - b. [Foreign Exchange Rates](#)
  - c. [Expense Coding](#)
  - d. [Payment](#)
  - e. [Exception Reporting](#)
  - f. [Auditing](#)
- [Travel Reimbursement](#)
  - a. [Travel Between Campuses](#)
  - b. [Conferences](#)
  - c. [Air Transportation](#)
  - d. [Rail/Bus Transportation](#)
  - e. [Use of Personal Vehicles](#)
  - f. [Taxi](#)
  - g. [Automobile Rental](#)
  - h. [Hotel Accommodation](#)
  - i. [Meals](#)
  - j. [Alcohol](#)
  - k. [Cash Advances](#)
  - l. [Miscellaneous](#)
  - m. [Non-Allowable Expenses](#)

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|               |   |                |  |
|---------------|---|----------------|--|
| Policy Number | <b>1.90.002</b>   | Original Date  | <b>07/95</b>   |
| Section       | <b>Finances</b>   | Revision Dates | <b>06/02; 01/06; 03/10; 04/11; 12/15; 03/17; 03/23</b> |
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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>1 of 11</b>   |

- [Non-Travel Reimbursement](#)
  - a. [Hospitality](#)
  - b. [Catering](#)
  - c. [Employee Gifts](#)
  - d. [Education Reimbursements](#)
  - e. [Membership Dues](#)
  - f. [Long Distance Calls](#)
  - g. [Communication Devices](#)
- [Definitions](#)
- [List of Reimbursable & Non-Reimbursable Items](#)

## General Provisions

All staff and others requesting reimbursement must comply with this policy. The policy applies to all types of accounts managed by UHN regardless of the funding source or amount.

A UHN-issued corporate credit card should be used to pay for travel and other [allowable business expenses](#). (See [Corporate Credit Card Program](#) policy 1.90.007.) Claimants not eligible for a UHN-issued corporate credit card must complete and sign the [Expense Reimbursement Form](#) (form 2504), verifying that the expense claim is accurate and in accordance with UHN policy.

An [original receipt](#), as defined, must support each expense. It is the responsibility of the individual incurring the expense, as well as the individual authorizing the expense, to ensure all claims are supported by adequate documentation and that the expense is appropriate and in accordance with UHN policy. The credit card/debit card receipt must also be included to confirm the paid out-of-pocket expense submitted for reimbursement.

Claimants must choose the most economical and direct form of transportation while travelling. If the claimant is unable to achieve both time and cost savings, the claimant is expected to choose that which best meets the needs of UHN.

The purchase of medical devices, drugs, goods that require a warranty and animals are not permitted, and these expenses are not reimbursable under this policy. All such purchases must be made by through a UHN purchasing group (e.g. Plexxus, UHN Procurement Management, Nutrition, or Pharmacy).

Purchases of computer hardware and software valued over \$1,000 will not be reimbursed unless prior approval is obtained from the vice-president (VP) and chief information officer (or delegate). This requirement is waived for equipment not installed on UHN's network.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>2 of 11</b>   |

## Expense Reimbursement Form

### Completion of Form

Expense claims for travelling should be submitted within one week of completion of a trip. Any expenses submitted more than three months after being incurred may not be reimbursed and an explanation indicating reasons for the delay in submission must accompany the [Expense Reimbursement Form](#) (form 2504).

A duplicate copy of the completed expense form must be kept by the originator for a period of not less than one year.

The tax portion of the expense must be itemized on the expense report. The form will be returned to the claimant if tax information for goods or services purchased in Canada is not included or the form is not completed in full.

Complete the form electronically, if possible (i.e. use the Excel spreadsheet which includes automated calculations for ease of use).

Each expense must be itemized on the expense form, with the corresponding reference number written on the attached receipt. All applicable taxes must be itemized in the appropriate column on the form.

Itemized [original receipts](#) must be submitted and failure to do so will result in the claim being returned to the originator.

The only exceptions to the original receipts requirement are: mileage claims submitted on the [Expense Reimbursement Form](#) (form 2504), and public transportation tickets and monthly subscriptions paid using the UHN-issued corporate credit card.

The completed expense report must be authorized in accordance with [Signing Authorities & Delegations](#) policy 1.90.009 and forwarded with original authorization signatures to the Accounts Payable (A/P) Department.

### Foreign Exchange Rates

The currency exchange section must be completed when claiming expenses incurred in currencies other than Canadian.

The exchange rates obtained from the Bank of Canada or XE website are acceptable. (Both links can be found on the [Expense Reimbursement Form](#) (form 2504).)

If these rates are not used, proof of the exchange rates claimed must be attached. This proof may be either a copy of the credit card statement showing the transaction that indicates the exchange rate or a printout of the exchange rate in effect on the transaction date.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>3 of 11</b>   |

## Expense Coding

It is the responsibility of the claimant to ensure the correct expense code is used. Any claim submitted without proper coding will be returned.

## Payment

If the claimant has a UHN employee number, the reimbursement will be made through Payroll. All other payments will be paid by cheque or electronic funds transfer (EFT). The only exceptions to this requirement are reimbursements for on-call mileage, taxi claims and payment for groceries used to support patient activities, which may be paid by petty cash at the Cashier's offices.

## Exception Reporting

Management will monitor policy exceptions and will report regularly to the respective VP for follow up, as required.

## Auditing

Audits will be conducted to ensure that all expenditures are appropriate, authorized and adhere to this policy.

## Travel Reimbursement

### Travel between Campuses

When available, the shuttle bus must be used for all trips between Toronto Rehab – University Centre (UC) site, Princess Margaret, Toronto General, and Toronto Western.

### Conferences

The following restrictions apply to conferences being paid by UHN operating funds:

- Employees are limited to one local conference per year when the cost of the conference exceeds \$500.
- For conferences in North America (excluding local), attendance is limited to one conference every two years.
- For international conferences, attendance is limited to one every five years and not more than two staff from each business unit/department may attend the conference.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>4 of 11</b>   |

All exceptions to these requirements must be approved in writing at a VP level or higher.

UHN leaders are expected to monitor compliance with conference restrictions.

### **Air Transportation**

Claimants must travel economy class for all domestic and international travel. It is UHN's policy to obtain maximum savings on air travel expenses within reasonable limits. Every effort must be made to book in advance to take advantage of discounted fares and to obtain the lowest fares compatible with necessary travel requirements. All exceptions to this must have prior approval, in writing, at a VP level or higher with the reason(s) documented.

Since there is a significant service fee cost associated with using travel agencies, claimants are encouraged to minimize their use. All travel agency invoices must separately itemize the cost of the airline ticket, the agency service fee and taxes paid. Any invoices missing this information will be returned to the originator.

When booking on-line or otherwise, staff should ensure that the company they are booking with is a Travel Industry Council of Ontario (TICO) registered company. This ensures access to the Ontario Travel Industry Compensation Fund in the event of bankruptcy or insolvency of the travel retailer, airline, etc.

Reimbursement for air transportation should be submitted after the trip has been taken with supporting documentation, such as flight boarding passes (e.g. digital copies), or receipts from the same destination (e.g. meal or hotel) and trip itinerary.

### **Rail/Bus Transportation**

Original ticket receipts must be submitted after the trip has been taken when travelling by rail and bus.

Travel by rail or bus may be selected by an expense claimant as an economical alternative. When using rail, first class may be taken when available.

### **Use of Personal Vehicles**

Expense claimants may use, on occasion, personal vehicles for UHN business. Reimbursement will be no more than \$0.55 per kilometre and is subject to change.

Information on the rate to use is available on the [UHN Finance](#) website under Payment for Goods & Services, [Expense Reimbursement](#).

This allowance is to cover the cost of fuel, depreciation, maintenance and insurance. It is the sole responsibility of the claimant to ensure adequate insurance coverage.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>5 of 11</b>   |

Any traffic or parking infractions are the sole responsibility of the claimant and will not be reimbursed by UHN.

When calculating the total kilometres of a trip that originates from the claimant's home, the normal distance driven to the claimant's UHN work location should be excluded.

Parking and toll charges incurred when travelling on UHN business will be reimbursed. Parking and toll charge receipts must be attached to the expense report. This provision will not apply to parking on UHN property where shuttle bus service is available.

### **Taxi**

The use of taxis is restricted to transportation to and from stations and airports and to business or professional offices where other economical transportation is not available or feasible. A taxi receipt must be attached to the expense report.

### **Automobile Rental**

Rental of a compact or midsized car is more economical and is recommended for all automobile rentals. If the claimant upgraded to a larger vehicle at a higher cost, the reason must be documented, with sign-off on the receipt by the authorizing individual.

The collision and liability insurance offered by automobile rental agencies must be purchased, as UHN insurance coverage does not include this type of insurance when renting an automobile when on company business.

### **Hotel Accommodation**

All expense claimants are expected to use standard accommodation (single room with bath) unless the nature of the trip requires otherwise. Employees will not be reimbursed for family members travelling with them.

The expense claimant is responsible for all charges to the room. The claimant should obtain the detailed bill (including an itemized room service receipt) prior to checking out of the hotel to ensure the validity of all the charges. UHN will not reimburse for charges such as entertainment, mini-bar, and special facilities charges. The detailed hotel invoice must be attached to the expense report.

Claimants are advised that there may be difficulty in obtaining a detailed hotel bill if the room was booked and paid through an on-line service prior to the trip. However, the claimant is still responsible for obtaining a detailed hotel invoice, as proof of stay, prior to leaving the hotel (e.g. letter from the hotel confirming dates of stay).

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>6 of 11</b>   |

## Meals

Meals will be reimbursed by UHN when claimants are out of town on business. The maximum rates are as follows:

**Table 1: Maximum meal reimbursement rates**

| <b>Meal</b>  | <b>Within Canada<br/>(Max. reimbursement/day)</b> | <b>International, including USA<br/>(Max. reimbursement/day)</b> |
|--------------|---|--|
| Breakfast    | \$ 15 CAD   | \$ 20 CAD  |
| Lunch        | \$ 20 CAD   | \$ 30 CAD  |
| Dinner       | \$ 35 CAD   | \$ 45 CAD  |
| <b>Total</b> | <b>\$ 70 CAD</b>                                  | <b>\$ 95 CAD</b>   |

Any exceptions must be approved in writing at a VP level or higher.

## Alcohol

The purchase of alcoholic beverages will not be reimbursed unless approved by a VP level or higher.

## Cash Advances

A cash advance to fund a future expense is not permitted.

## Miscellaneous

Reasonable expenses, in keeping with the nature of the trip, will be reimbursed; for example, purchases of texts or professional papers, when required.

While employees may participate in frequent flyer programs when flying on UHN business, any taxable benefit deemed by Canada Revenue Agency to have occurred in relation to a frequent flyer program is the responsibility of the employee.

## Non-Allowable Expenses

Costs of any “side trips” and entertainment not directly related to UHN business will not be reimbursed. Refer to the [List of Reimbursable & Non-Reimbursable Items](#) for more examples of allowable and non-allowable expenses.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>7 of 11</b>   |

## Non-Travel Reimbursement

### Hospitality

All [hospitality](#) expenses must be described in detail (names of the individuals on invitation list, which company they represent and the business reason for the event) when submitting the expense claim. This requirement applies to all individuals present at the event including UHN staff. Where two or more staff from the same department are incurring meal expenses, the most senior level employee must pay the bill. Reasonable gratuities (normally between 10% and 15%) will be reimbursed.

The purchase of alcoholic beverages will not be reimbursed unless approved by a VP level or higher.

The cost for food and beverages outside UHN and where only UHN staff attend will not be reimbursed unless approved by a VP level or higher.

### Catering

Catering will only be reimbursed if the event is longer than two hours. The rates of allowable amounts will be the same cost per person as per [Table 1: Maximum meal reimbursement rates](#). The expense submission must include the number of people in attendance and the number of UHN and non-UHN attendees. Any exceptions must be approved in writing at a VP level or higher.

### Employee Gifts

All reimbursements for employee gifts including the purchase of tickets for events, gift cards, and gift certificates must be approved at the VP level or higher. An explanation as to the name of recipient of the gift and the reason for the gift must be documented and submitted

An exception to the requirement for a VP level or higher approval applies to the purchase of long service employee gifts that adhere to People & Culture's [Retirement of Long Service Employees](#) policy 2.20.006.

### Education Reimbursements

All requests for reimbursement of education expenses must be completed on the [Education Assistance Request Form](#) (Form D-3075) and sent to People & Culture for approval (see [Education Assistance](#) policy 2.60.001.) The department head must authorize the reimbursement request, including verification of the supporting documentation. The Payroll Department will determine if there are any taxable benefit implications for the requestor.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>8 of 11</b>   |



The maximum amount reimbursable is \$1,200 per year. All exceptions require approval by a VP level or higher.

All requests for reimbursements of education expenses must include the original invoice from the educational institute, proof of successful completion of the course(s) and proof of payment to the educational institute.

### **Membership Dues**

Membership dues are the responsibility of the individual. Any exceptions require VP or deputy chief financial officer (CFO) approval, annually.

### **Long Distance Calls**

Long distance business calls, as required, will be reimbursed. A copy of the itemized phone bill including long distance charges must be attached to the request. The telephone calls submitted for reimbursement should indicate the name of the company/person with whom the claimant spoke.

If an employee is out of town for more than one day, one personal call per day will be reimbursed. Discretion should be used in the frequency and length of long distance calls.

### **Communication Devices**

If it is determined a communication device is required to facilitate clinical work, facilitate contact with the employee in the event of an emergency or if the nature of the employee's work requires that they be available when travelling between sites or off site, UHN will reimburse the cost for one communication device.

If the claimant is requesting reimbursement or if the charge was paid by corporate credit card, all supporting documentation must be submitted including the itemized bill listing the date and time for each charge (phone call, text, roaming etc.).

Personal charges will not be reimbursed. If personal charges were paid by corporate credit card or paid directly by Telecommunications, as soon as they are identified, these charges must be paid back to UHN. Payment may be made at one of UHN's Cash Offices with the receipt attached to the corporate credit card statement or submitted to Telecommunications (if paid directly by them).

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>9 of 11</b>   |

## Definitions

**Allowable business expense:** Includes the cost of travel and meals when required to conduct business away from UHN or hosting events locally, as well as non-travel related expenses including [membership fees](#) and [hospitality](#) expenses.

**Hospitality expense:** The payment of food, beverages or other amenities to persons not engaged to work for UHN (may also include UHN staff in attendance).

**Membership dues:** Individual/personal professional fees.

**Membership fees:** UHN, as an organization, is the member, or membership is required for staff to attend a conference.

**Original receipt:** An itemized document detailing items purchased and all applicable taxes. This document may be a restaurant bill detailing the food purchased with taxes or an itemized invoice detailing the items purchased and taxes paid. A photocopy, digital image or printout of an itemized invoice with proof of payment is considered an original receipt. An original receipt must not be submitted more than once to UHN or any other entity for reimbursement or tax purposes.

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>10 of 11</b>  |

# Appendix

## List of Reimbursable & Non-Reimbursable Items

Listed below are items that generally fall into the reimbursable and non-reimbursable categories.

### Reimbursable

- airline tickets
- airport parking
- train tickets
- car rentals
- taxi and local fares
- mileage and tolls
- hotel accommodation (for self only)
- meals (excluding alcohol) and gratuities when travelling (for self only)
- hospitality
- visitor health insurance
- out-of-country travel health insurance for non-employees
- monthly fee for one communication device
- travel cancellation/date change fees supported by a business reason
- reasonable gratuities (normally between 10% and 15%)

### Non-Reimbursable

- personal entertainment
- entertainment of staff, including holiday parties
- alcoholic beverages
- personal travel
- traffic/towing fines
- family members travel (e.g. air, accommodation, meals)
- luggage and briefcases
- babysitting
- airline clubs
- credit card fees, including annual dues and interest
- haircuts
- hotel movie rentals
- kennel fees
- laundry and dry cleaning (for trips less than 5 days)
- home internet charges
- donations to other charities (e.g. tickets to gala or fundraising events)

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| Approved By   | <b>Executive Vice-president &amp; Chief Financial Officer</b> | Page           | <b>11 of 11</b>  |