

**Document No.:** A-005**Revision No.:** 02

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**Title: Travel and Expense**

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Sept. 8, 2023

Date:



Signature:

Greg Chow, Board Chair

Approved By: CMEPP Board of Directors

Sept. 8, 2023

Date:



Signature:

**Record of Revisions:**

Revision	Date	Description
01	June 19, 2014	Original issue, new CMEPP Policy approved by the Board at the June 19, 2014 Board meeting
02	August 16, 2023	Changed title designation from "GM" to "CEO"

**POLICY STATEMENT**

This policy governs expense reimbursement for travel and incurring expenses for other business related activities beyond that of the normal office environment. Expenses incurred will be reimbursed following the guidelines of the Travel and Expense Policy. The employee is expected to apply good judgment when determining the eligibility of expenses, applying principles to ensure that expenses are appropriate, reasonable and necessary.

**1.0 SCOPE:**

The Travel and Expense Policy and Procedure apply to all employees of CMEPP - Canadian Medical Equipment Protection Plan.

**2.0 PURPOSE:**

To define acceptable behaviours and standards that should be common for everyone involved with supply chain and supplier related activities, such as planning, purchasing, contracting, logistics, and financing.

**3.0 DEFINITIONS:****3.1 Authorization**

The approval of an expense reimbursement and business travel claim by the appropriate person with adequate signing authority. Generally, authorization requires the immediate supervisor's approval as long as the expense claim amount is within their signing limit.

**3.2 Business Expenses**

Reasonable expenses incurred by employees in the course of performing their duties.

**3.3 Business Travel**

Travel required for CMEPP business and authorized by the appropriate level of authority.

**3.4 Consultants**

Include persons providing services to CMEPP on an independent contractor basis, and who are not employees of CMEPP and the hospital. For greater clarity, consultants are not to be considered "employees" as that term is defined below.

**3.5 Hospitality**

The provision of food, beverage, accommodation, transportation and other amenities at CMEPP's expense to persons who are not employed by CMEPP.

**3.6 Office**

CMEPP related regular place of work. For example, the address on an employee's business card or where the employee has an office, desk, computer, telephone etc.

**3.7 Receipts**

Original documents that include the details of the expenditure, the amount and the date. They may include itemized invoices and restaurant bills, taxi chits, parking receipts and itemized cash register receipts. Any expenses charged to a hotel room must be supported by an itemized

receipt. Credit card and debit card slips are considered proof of payment and are not treated as original receipts to support expenses

### 3.8 Personal Vehicle

A vehicle owned, borrowed or rented/leased personally by an employee.

### 3.9 Employee

For the purpose of this policy, "employee" includes all CMEPP employees, Board of Directors, and other individuals engaged in CMEPP business and who intend to request, receive or approve travel and/or expense reimbursements under this policy.

## 4.0 **GENERAL PROVISIONS:**

All employees and others reimbursed must comply with the standards in this policy. All Expense Forms must be signed by the employee submitting who by doing so, verifies that the expense claim is accurate and in accordance with CMEPP policy. It is expected that claimants will choose the most economical and cost effective method when incurring expenses on CMEPP's behalf.

The policy applies to all types of accounts managed by CMEPP regardless of the funding source. Approvals must be in accordance with Signing Authority practices:

Position	Authorization
CEO	Board Chair
Director	CEO
Manager	Director
Front-line employee	Director/ Manager

An original receipt, as defined above, must support each expense. Failure to submit original receipts for any expense of \$15.00 or greater will result in the claim being returned to the originator. If an original receipt is not available, an explanation as to the reason the original receipt is not provided must be documented and submitted. It is the responsibility of the individual authorizing the expense to ensure all claims are supported by adequate documentation and that the expense is appropriate and in accordance with CMEPP policy.

## 5.0 **EXPENSE REIMBURSEMENT REPORT:**

### 5.1 Expense Report

Expense claims for travelling should normally be submitted within one month's completion of the trip. All claims must be submitted on a CMEPP report (see Appendix A). Any expenses submitted more than four months after being incurred may not be reimbursed and an explanation indicating reasons for the delay in submission must accompany the expense report. Each expense must be itemized on the expense report with the corresponding attached receipt. The completed expense report must be authorized in accordance with signing practices above. The expense report including original receipts should be sent to the Finance Department

## 5.2 Foreign Exchange Rates

Expense claims in American currency can be reimbursed in US funds, as long as the claim is submitted separately from Canadian currency claims and US Currency is clearly marked on the Expense Reimbursement Report. Support receipts must be clearly identifiable as US funds. To claim expenses incurred in currencies other than Canadian or US funds, proof of exchange rates used must be attached. Proof can either be 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 (Bank of Canada rates obtained from the Internet are considered acceptable).

## 5.3 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.

## 5.4 Payment

Payments will be made by cheque or EFT (electronic funds transfer).

## 5.5 Auditing

Internal audits will be conducted by CMEPP Finance Department to ensure that expenditures are appropriate, authorized, and in adherence to this policy.

## 5.6 Posting

The CMEPP - Canadian Medical Equipment Protection Plan Travel and Expense Policy and Procedure must be posted on the CMEPP's website so it is available to the public.

## 5.7 Documentation

The expense rules must require that good record keeping practices be maintained for verification and audit purposes.

# 6.0 TRAVEL REIMBURSEMENT:

## 6.1 Travel/Event(s)/Reservations Approval

Pre-approval by the appropriate supervising manager for all business events/reservations/travel is required. Failure to obtain approval may result in non- reimbursement of expenses to the employee or member.

## 6.2 Use of Personal Vehicles

Expense claimants may require the use of personal vehicles for CMEPP business. It is the responsibility of each individual using their personal vehicle for CMEPP travel to ensure that the vehicle is properly insured for such use, and payment of such insurance premiums is the individual's responsibility.

An employee will be entitled to reimbursement for the number of kilometres driven. Every effort must be made to take the most direct route to the destination, using economical methods of transportation while taking into consideration the travel time involved.

When more than one person is travelling from a facility to the same destination, and a rental or personal vehicle is being used, those persons shall travel together where circumstances permit.

Reimbursement for use of a personal vehicle shall be based on the CMEPP approved kilometer/mileage allowance outlined on the Expense Reimbursement Report (see Appendix A).

Individuals requiring extra sleep nights due to time restrictions require pre-approval by their manager.

Individuals travelling as an additional guest participant to CMEPP member functions are responsible for all expenses.

### 6.3 Car Rental

When renting a vehicle, a compact model or its equivalent is required. Any exceptions must be documented and approved by your CEO prior to the rental. The collision and liability insurance offered by automobile rental agencies must be purchased. This applies even if the claimant's credit card or personal motor vehicle insurance includes collision and liability insurance for rental cars since coverage may exclude coverage for business travel.

### 6.4 Train

Travel by train is permitted when it is the most practical and economic way to travel. Coach Class economy fare is the standard. Business class (VIA 1) may be acceptable with prior approval in limited circumstances such as the need to work with a team or in choosing a travel time that allows you to reduce expenditures on meals or accommodations. To qualify for reimbursement of VIA 1, it must be clearly demonstrated that the savings in meals and accommodation offset the additional cost of the upgrade.

### 6.5 Air Transportation

When making approved travel arrangements, CMEPP will cover the cost of the original air ticket and transaction fee. Thereafter, if an individual wishes to make changes to their original arrangements, preapproval must be obtained. If the change is for voluntary reasons (either person or facility driven) all additional airline ticket/transaction costs will be the individual/facility's responsibility. If the change is involuntary due to a CMEPP mandated change, additional costs will be borne by CMEPP.

Should a non-electronic ticket be lost or stolen, the individual must report it to their CMEPP manager or organizer immediately. (In most cases, electronic tickets are issued to reduce costs and to prevent lost ticket exposure).

Frequent Flyer Program - CMEPP will not reimburse the cost of these programs. Free tickets and upgrades from frequent flyer programs are to promote personal travel. Free tickets and vouchers received from an airline are considered personal property. CMEPP will not reimburse for the value of these tickets if individuals choose to use these for business purpose.

Flight Cancellation - Should a flight be cancelled the credit remains in the name of the individual flying. Credits must be logged and tracked for re-use on follow-up CMEPP business. Should an individual leave the employ of the facility, they may purchase the credit from CMEPP for personal use; if this does not occur, the facility will be charged for the unused ticket amount as the credit will then be void. In the event an unused ticket expires prior to reuse by the traveler for a CMEPP related function, the facility will be charged for the cost of the unused ticket.

Non-Refundable Tickets - If non-refundable tickets are not going to be used, it is important the reservation be cancelled BEFORE the first flight; otherwise the ticket may not have any residual value. While airline rules change periodically, generally unused non-refundable tickets may be

turned in for credit toward the purchase of another ticket, if the following three criteria are typically met:

- Travel must be done within 12 months
- Travel must be on the same airline
- Travel must be used on the same traveller

Illness or Death - Cancellations that result due to the death of a family member or for medical reasons, the individual will be required to supply CMEPP with appropriate documentation to enable CMEPP to process the necessary claim with the airline.

Luggage Restrictions - Some airlines have implemented additional charges for passengers who check luggage. CMEPP will reimburse charges for up to one piece of luggage that are within the airline's weight and luggage restrictions. An original receipt of payment must be submitted with the Expense Reimbursement Form.

#### 6.6 Combining Business and Personal Travel

Travel that combines business and personal travel is reimbursed at the lesser of:

- Actual transportation expense; OR
- Those expenses that would have been incurred if the personal travel had not taken place, applying reasonable estimates where necessary.

When a business trip is extended for personal reasons, the member is responsible for all additional costs incurred. This includes any additional cost in airfare due to the deviated travel dates that differ from the scheduled departure and returns dates of the CMEPP business event.

Additional costs incurred when a spouse or other family member accompanies the member on travel are not eligible for reimbursement. These expenses are not to be submitted as part of the expense claim.

#### 6.7 Additional Guest Participants Attending CMEPP Events

Should CMEPP designate coverage of expenses for one member per facility to attend CMEPP business events or committee meetings, any expenses incurred by additional representatives sent by the Facility, will be at the cost of those individuals attending. These expense include, but are not limited to, airfare, food and beverage, registration, hotel accommodation and other expenses incurred as a result of his/her attendance at the CMEPP event.

#### 6.8 Spousal/Family Travel

Spouses, and family may travel with members, however no costs associated with their travel will be reimbursed by CMEPP

#### 6.9 Hotel/Motel Accommodation

CMEPP employee travelling on business will be provided with cost of accommodation at mid-range priced hotels/motels based on availability. Some examples of mid-range hotels are the Sheraton, Delta and Holiday Inn.

#### 6.10 Meals

Employee travelling to and/or attending CMEPP meetings are reimbursed for reasonable meal expenses, subject to approval by the claimant's manager.

Food items purchased on travel days will be reimbursed by CMEPP. Employees are asked to exercise consideration when purchasing meals at these times. An appropriate guideline to follow for meal reimbursement is a per diem of up to \$80.00 and not to exceed, (these amounts include taxes, tips and beverages). CMEPP will not reimburse purchases of alcoholic beverages.

Meals are not reimbursed when:

- The meal is provided as part of the function;
- Conference registration fees or accommodation costs include meals;
- Meal expense exceeds a reasonable limit or was not substantiated with original detailed receipts

#### 6.11 Taxis & Local Transportation

Reimbursement of expenses for Taxis will be approved in accordance with the following guidelines:

- When pre-arranged transportation has not been made by CMEPP;
- When the use of public transportation is not feasible;
- When airport service(s) is not available;
- When hotel transportation (i.e. shuttle) is not available.

#### 6.12 Parking

Reasonable parking expenses may be claimed when individuals use their personal vehicle or when using an authorized rental vehicle and free parking is not available. Long-term parking should be used whenever possible.

#### 6.13 Telephone/Internet Charges

CMEPP will reimburse personal calls at its discretion. Members are encouraged to use a company issued or personal cellular telephone when placing personal calls to avoid hotel surcharges. Business calls relating to the individual's facility are to be charged to that facility. High Speed Internet charges incurred during hotel night stays that are covered by CMEPP will be reimbursed

#### 6.14 Gratuities

CMEPP will reimburse for reasonable gratuities claimed for meals and baggage handling. Gratuities should be identified to the service they relate and should be noted on the original receipt as applicable. Gratuities are capped at a maximum of 15%.

### 7.0 **NON TRAVEL REIMBURSEMENT:**

#### 7.1 Employee Gifts

Employee gifts are normally not reimbursed as CMEPP already provides for retirement, bereavement and long service employee recognition. In the unusual circumstance where reimbursement is appropriate, it must be approved by CEO. An explanation as to the name of recipient of the gift and the reason for the gift must be documented on the expense form.

#### 7.2 Education Reimbursements

All requests for reimbursement of education expenses will be done through CMEPP's tuition assistance program and must be approved by the CEO. Reimbursement is dependent on funds available.

All approved 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 (i.e. tax receipt) to the educational institute.

### 7.3 Catering

Catering for CMEPP functions should be limited. Alcohol is not reimbursable by CMEPP.

### 7.4 Hospitality and Entertainment

As a rule, CMEPP does not support entertainment unless it is directly related to the employee's position. However, reasonable expenses of the CEO will be reimbursed for the occasional entertainment of business contacts and colleagues.

- All expenses must be described in detail (including the names of the individuals, which company they represent and the business reason for the event) when submitting the expense report. This requirement applies to all individuals present at the event including other CMEPP employee.
- Entertainment of fellow employees is not allowable, unless approved by the CEO.
- Where two or more employees from the same department are incurring meal expenses, the most senior level employee should pay the bill.
- Original itemized receipts must be attached to the expense report and must include a detailed list of the items purchased. A credit card slip is not considered an original receipt of the purchase. Reasonable gratuities (normally 15%) will be reimbursed.

### 7.5 Alcohol

Costs incurred for alcoholic beverages are not reimbursable. The employee should ask the restaurant for a separate invoice if having alcohol with their meals. If one invoice is received, alcoholic beverages should be subtracted from reimbursable meal expenses when submitted.

### 7.6 Gifts of Appreciation

Token gifts of appreciation, valued at up to \$30 per person, may be extended to non- employee persons in exchange for pro bona services. Alcohol may not be given as a gift.

### 7.7 Expenses for Consultants and Other Contractors

Consultants should seek reimbursement only for expenses explicitly agreed to by the consultant and CMEPP, and as detailed in the consultant's contract. In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between an organization and a consultant or contractor. Therefore, they cannot claim or be reimbursed for such expenses including:

- meals, snacks and beverages
- gratuities
- laundry or dry cleaning
- valet services
- dependant care
- home management



- personal telephone calls

#### 7.8 Non-Eligible Items for Reimbursement

As a guideline, the following expenses are considered personal; and, therefore are not reimbursable:

- a. Alcohol (no exceptions);
- b. Use of a private sedan or limousine service, unless pre-authorized by CMEPP;
- c. Entertainment, including pay TV, movies, mini-bar expenses, cigarettes, airline head sets, magazines, newspapers, etc.
- d. Agency charges for changes made to flight arrangements, unless prior approval has been received from CMEPP;
- e. Laundry, dry cleaning and valet services for trip less than 4 days;
- f. Costs associated with family/spousal travel;
- g. Sports facilities and recreational expense;
- h. Parking violations and other expenses resulting from unlawful conduct;
- i. Interest charges on your personal credit cards used for business;
- j. Items claimed but not accompanied by original receipts;
- k. Items requiring pre-approval that do not have receipts attached to the pre- approval documentation will result in non-payment of items claimed;
- l. Medical expenses incurred before, during, or after travel. This includes any prescription or nonprescription medication(s);
- m. Other types of expenses not shown above that are deemed unnecessary or unreasonable and that do not contribute to the purpose of the CMEPP travel.

#### 7.9 Adjusted Expense Reports

Occasionally, Accounts Payable may adjust the amount of the reimbursement on a particular expense item. Typically this would occur when the expense item violates one of the stated policies. The individual making the claim will be notified of the adjustment and the reason(s) for same.