



Expense Reimbursement Policy

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Approved by: Shafique Shamji, President & CEO	Review frequency: Every 2 years
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THE NEED/PURPOSE

Ontario Clinical Imaging Network (OCINet) is committed to protecting the interests of taxpayers and strengthening the accountability for the public funding it receives.

The Expense Reimbursement Policy establishes the principles, mandatory requirements and guidelines for acquiring travel services including: ticketed transportation, accommodation and car rental requirements, and for reimbursing individuals for travel, accommodation, meals and other reasonable expenses incurred on behalf of OCINet. It also includes procedures for obtaining reimbursement of other reasonable, non-travel expenses incurred on behalf of OCINet.

All staff are accountable to ensure that expenses are incurred utilizing the most economical approach possible while taking into consideration practical considerations such as time constraints.

CONTROL OBJECTIVES

The policy ensures fair and consistent treatment of individuals required to travel on behalf of OCINet while ensuring that OCINet receives the best value for expenses incurred. It establishes guidelines for ensuring that travel and business expenses are valid, reasonable, legitimate, documented, authorized and in compliance with accounting procedures at OCINet.

In instances not covered by these guidelines or in unusual circumstances, the claimant and the individual responsible for authorizing should apply judgment to ensure that the expense is reasonable and prudent in the circumstances. The approver must document their rationale and consider how the request can stand up to the scrutiny of auditors and members of the public, is fair and equitable, reasonable and appropriate. The rationale must be included with the claim.

When managerial discretion is exercised, claims will require an additional approval – one level beyond the immediate approver.

This policy is consistent with the Broader Public Sector (BPS) Expenses Directive, and aims to be consistent with the current internal expense policy of the funding agency, Ontario Health Travel, Meal and Hospitality Expenses Policy.

This policy is required by the Broader Public Sector Expenses Directive as follows:

- **Section 4.1 of the BPS expenses directive states:**

Accountability Framework

The expense rules must include an accountability framework to ensure that there is appropriate governance, and that everyone understands the authority for approvals.

- **Section 4.8 of the BPS expenses directive states:**

Individuals Approving Claims (Approvers)

- *Approvers are prohibited in the expense from approving their own expenses,*
- *Expenses for a group must be claimed by the most senior person present – expenses cannot be claimed by an individual that are incurred by his/her approver (e.g., an executive who reports to the CEO cannot submit a claim that includes the cost of the CEO's lunch even if they were at the same event, with the result that the CEO would thereby approve his/her own expenses). Approvers must provide approval only for expenses that were necessarily incurred in the performance of organization business;*
- *Approvers must only approve claims that include all appropriate documentation.*

1 POLICY

- 1.01 Claimants are responsible to obtain all appropriate approvals before incurring expenses.
- 1.02 Reimbursement must only be for reasonable and actual expenses incurred on approved OCINet's business.
- 1.03 Expenses shall be reimbursed provided that they are supported with original itemized receipts, and the amount is within the limits set for that expense type. Credit card receipts are not acceptable unless itemized detail is attached.
- 1.04 Approval processes for expenses incurred with use of an OCINet corporate credit card are detailed in the Credit Card Policy which is consistent with this policy in all material respects.
- 1.05 Employee Reimbursement Forms that are incomplete or do not comply with policies and procedures will be returned to the claimant and not processed until corrected.
- 1.06 Employee Reimbursement Forms should be submitted within two weeks of incurring the expense and absolutely no later than 60 days. Forms submitted after 60 days will NOT be reimbursed.
- 1.07 Business expenses should strike a balance among economy, health and safety, and efficiency of operations.

2 PURPOSE

- 2.01 The purpose of the Policy and Procedure is to ensure that expenses reimbursed by the company are valid, reasonable, legitimate, documented, authorized and in compliance with accounting procedures at OCINet.

3 SCOPE

- 3.01 The Policy applies to all employees, Board members, contractors and consultants engaged in OCINet business and who intend to receive expense reimbursement from OCINet. It provides direction in a number of areas but is not intended to cover all situations related to reimbursable expenses. The main accountability to ensure reasonableness of expense claims is the responsibility of the approver of the expense reimbursement form. Expense reimbursement form approvals are consistent with their signing authorization level as defined in the OCINet Signing Approval Level Policy. The expenses of the President & CEO are approved by the Board Chair. All employees are accountable to ensure that expenses are incurred utilizing the most economical approach possible.

4 RESPONSIBILITY

4.01 Claimants are responsible for:

- a) Informing themselves of the requirements of this policy, compliance with these requirements and seeking clarification from their managers as needed.
- b) Exercising integrity and good business judgment when incurring a business expense Planning the travel required and obtaining the necessary authorization including providing an estimate of the total expenditure to the authorizer of the travel is required prior to booking the expense. In the case of staff and front line management, all travel outside their metropolitan area but within Ontario requires the prior approval of the Sr. Manager to whom they report. Prior approval by the President & CEO or Vice President of Operations is required for such travel by the Sr. Managers. All travel outside of Ontario, requires prior approval by the President & CEO, ensuring that travel arrangements are made to take advantage of the most economical and practical means of transport given the destination, timing and other relevant considerations. Should an employee choose a different mode of transport than that identified as the most economical, then reimbursement will be limited to the most economical rate unless prior approval is obtained.
- c) Should the employee chose a mode of transport other than the most economical and practical choice and the alternative mode of transport requires additional time off work to accommodate(i.e. beyond the time required by the most economical and practical), the additional time off work must be taken as vacation or unpaid leave and must be approved through the normal process for their leave and absences.
- d) Ensuring that the expense was personally incurred by the employee (i.e., the employee does not request reimbursement on behalf of another individual).

- e) Ensuring all travel and expense claims are submitted on the appropriate form and that all required information/documentation is attached.
- f) Ensuring all expense claims are submitted within 60 days of the expenditure and prior to the fiscal year-end cutoff.
- g) Ensuring each expense claim is appropriately authorized.
- h) Ensuring the employee's signature is on the expense reimbursement form as it represents validation that the claim is accurate and complete.

4.02 Travel Co-ordinator is responsible for:

- a) In situations where one person is assigned responsibility to organize travel for a group of persons, that person assumes the same responsibilities as those listed for the claimants above. However this does not relieve the claimants of their responsibilities.

4.03 Management is responsible for:

- a) Ensuring employees are in compliance with the principles and requirements of this Policy and taking appropriate corrective action.
- b) Ensuring the travel and expense reimbursement claims are reasonable, legitimate and appropriately documented.
- c) Reviewing and authorizing reimbursement claims made by their employees on a timely basis.

4.04 The CFO is responsible for:

- a) Providing advice and direction on interpretation and application of this policy.
- b) Carrying out periodic reviews to monitor compliance with the policy and procedures and following up on those claims not in compliance.
- c) Reimbursing individuals within 14 days of receipt of the claim in the CFO's office. Errors, omissions or non-compliance with the Policy will result in delays.
- d) Preparing reports as required for public disclosure.

5 DEFINITIONS

- 5.01 **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.
- 5.02 **Business Travel:** Travel required for OCINet business and authorized, in advance, by the appropriate level of authority. All business travel must meet the requirement for payment or reimbursement as described in this policy.
- 5.03 **Business Expenses:** Reasonable out of pocket business costs as defined in this policy.
- 5.04 **Contractor or consultant:** Those engaged by the organization, including outsourced service staff, to provide services to the organization.



- 5.05 **Employee:** For the purposes of this policy, “employee” means all staff, volunteers, Board Members and other individuals engaged in OCINet business and who intend to receive travel and expense reimbursement under this policy.
- 5.06 **Hospitality:** Hospitality is the provision of food, beverage, accommodation, transportation and other amenities at public expense to persons who are not engaged in work for OCINet, either as employees or contractors. Activities involving only people within the organization and contractors are not considered hospitality and can only be reimbursed with the approval of the President & CEO... Reasonable expenses related to meetings such as light refreshments may be reimbursed with approval of management. See guidelines in Appendix 2.
- 5.07 **Office:** The OCINet-related regular place of work. For example, the address on the employee’s business card or where the employee has an office, desk, computer, telephone etc.
- 5.08 **Personal Vehicle:** A vehicle owned, borrowed or rented/leased personally by an employee.
- 5.09 **Receipt:** An original document, or duplicate copy, showing the details of the expenditure, the amount, the date and indicating proof of payment. Photocopies are not acceptable unless authorized by the President & CEO. Receipts must have sufficient detail to determine any GST/HST content.

6 PROCEDURES

6.01 Documentation

- a) The CFO’s office is responsible for processing the Company’s accounts payable, including business related expense claims.
- b) Business expenses can be claimed through completion of a Staff Expense Reimbursement Form or in the case of travel a Staff Travel report. Forms and instructions are available in [appendix 1]. The CFO’s office will only provide reimbursement when appropriate signed authorization and proper documentation is provided.
- c) It is the responsibility of the claimant to retain and submit all original itemized receipts for the reimbursement of expenses. The completed Employee Reimbursement Form must be properly authorized and have the original itemized receipts attached.
- d) In circumstances where the expense was incurred outside of Canada, claims must be submitted in Canadian Funds using the rate indicated on receipts or if not available, the exchange rate applicable at time of submission per the Bank of Canada. In the event that expenses were put on the employee’s personal credit card, the credit card exchange rate may be used provided a copy of the credit card statement is submitted to support the rate charged on the transaction. Expenses in foreign currency should be listed in the appropriate area of the expense reimbursement form.
- e) It is recommended that claimants maintain photocopies and/or electronic copies of their claims and receipts for their records. Original claims are filed by the finance department. Good record-keeping practices must be adhered to for verification and audit purposes.

- f) All expenses related to a conference or course should be reported on one expense report, including related expenses that have been charged to the corporate credit card.

6.02 Consultants and Other Contractors

- a) In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under OCINet expense policies or in any contract between the hospital and a consultant or contractor. Therefore they cannot be reimbursed for expenses including:
- Meals, snacks and beverages
 - Gratuities
 - Laundry or dry cleaning
 - Valet services
 - Dependents' care
 - Home management
 - Personal telephone calls
- b) Consultants/Contractors must seek reimbursement only for expenses explicitly agreed to by the individual and the company and as detailed in their contract. The Consultant/Contractor must issue an itemized invoice to OCINet for eligible expenses.

6.03 Expenses

- a) This policy applies to the reimbursement of expenses incurred by staff in the course of performing their duties. Expenses which are NOT eligible for reimbursement include, but are not necessarily limited to:
- Personal items not required to conduct company business
 - Charges resulting from the personal use of OCINet-owned cell phones that exceed the limits of the corporate plan. In this situation the charges will be reviewed by management and the employee may be required to reimburse OCINet.
 - Expenses resulting from unlawful conduct (e.g., fines, traffic violations)
 - Memberships to reward programs or clubs (e.g., airline clubs)
 - Credit card fees and late payment charges
 - Recreational activities, entertainment, and/or social events that do not constitute hospitality (as described within the Hospitality portion of this policy) and are not directly related to company business
 - Alcoholic drinks as described within the Alcohol portion of this policy

6.04 Meals

- a) Employees are expected to make reasonable selections and minimize meal expenses (see Appendix 2 for guidelines):
- for business meetings
 - during business travel at least 24km from office
 - when working approved overtime more than 3 hours Contractors and consultants cannot claim meal allowances.



- b) Meals may only be claimed for travel that does not include an overnight stay when the employee is away from his/her place of employment for a minimum of 6 hours. In this case only one meal may be claimed (most often lunch).
- c) When an employee is away from his/her place of employment (without an overnight stay) for over 10 hours in one day, two meals may be claimed for that day.
- d) No alcohol may be claimed, with no exceptions.
- e) When an employee is authorized to pay meal expenses for guests and the group also includes other OCINet employees, the most senior employee present must pay for the meals of both the guests and fellow employees and claim the cost. Other employees must not submit separate expense claims. The expense report must show a brief explanation of the circumstances and the names of all people present, and a number count of the number of people that expenses are covering (to allow a “per person reasonability test” by the approver).
- f) All claims for meal expenses must be supported by original, itemized receipts.

6.05 Hospitality

Hospitality may be offered in exceptional circumstances when sponsoring formal conferences or events for the following:

- a) the broader public sector;
- b) business and industry;
- c) the business of the agency/organization includes hospitality functions (e.g., Conference Services)
- d) other hospitality functions as approved by the President & CEO which conform to the Expense Policy. In no circumstances can hospitality be considered allowable expenses for consultants and contractors.

6.06 Alcohol

- a) The purchase of alcoholic beverages is not considered an eligible business expense and is not reimbursable under this policy.

6.07 Corporate Events

Only the following corporate staff events will be reimbursed by the Company and/or its sponsors:

- a) Annual Staff Holiday Party and In-house Dinner (December).
- b) Other parties and events as approved by the President & CEO.
 - o Personal celebrations (retirements, staff departures, birthdays, marriages, etc.) will not be reimbursed.
- c) All other staff events must be paid for by staff and the activities must take place during a time period that does not disrupt the regular operations of the Company.

6.08 Travel Expenses (General Provision)

- a) Employees will choose the most economical and direct form of transportation while travelling on OCINet business and ensure that travel is necessary by exploring other cost effective options (i.e. tele/video conferencing).
- b) Where possible, the use of local transit (TTC) or personal vehicle is encouraged. Taxi services are acceptable when deemed to be the most economical mode of transport.
- c) Pre-approval is required for travel outside the Greater Toronto Area.
- d) Air and rail travel will be booked by the Executive Assistant to the President & CEO using the corporate credit card
- e) Whenever possible the government's designated vendor of record service providers should be used.
- f) If there is a change in itinerary, it should be reported to the approver as soon as possible and the changes should be submitted through the travel management company.
- g) Until the time that loyalty points can be accumulated through a corporate travel card, participation in frequent flyer or other loyalty programs is permitted provided you chose the most cost-effective travel and use the corporate travel management company book the travel
- h) Loyalty points can be redeemed at the user's discretion; however, they cannot be redeemed for cash by using the points for business purposes and then submitting a claim for reimbursement.
- i) Requests for international travel must include:
 - o Prior written approval; employees should complete the Request for Approval for International Travel Form.
 - o Acknowledgement that all appropriate approvals are in place;
 - o Written rationale demonstrating critical value of travel for organizational priorities and interests, and details how the travel will produce a benefit to the province;
 - o Documentation showing detailed itemization of anticipated expenses (note that the lowest cost and most reasonable method of travel must be used)
 - o Confirmation that a security assessment for physical and cyber risk is completed for the proposed travel destination. Information on the requirement for security assessment is included in the travel forms or can be obtained by contacting "TravelRisk@ontario.ca"
- j) On an international flight, business class seating may be permitted with prior approval of the President & CEO.
- k) Employees are responsible for arranging appropriate out-of- country medical insurance if the benefit plan does not provide the coverage required.

6.09 Rental Cars

- a) When considering the need for a rental vehicle, a compact car or equivalent is considered to be the standard.

- b) Use of a personal credit card for insurance at no additional cost, whenever possible is encouraged.
- c) Employees are responsible for ensuring adequate insurance coverage is obtained. If a credit card is not available, collision and loss damage insurance can be purchased.
- d) Refueling should be done before returning the vehicle and original receipts for gasoline purchases should be attached to expense reports.
- e) The rental agreement and original proof of payment must be attached to the expense report.
- f) A compact model or its equivalent is required. Any exceptions must be documented and approved prior to the rental if possible and guided by the principle that the rental vehicle is the most economical and practical size, taking into account the business purpose, number of occupants and safety (including weather) considerations.
- g) Luxury and sports vehicles are prohibited.
- h) To avoid higher gasoline charges, refuel your rental car before returning it.

6.10 Personal Vehicle

- a) If convenient and necessary, employees may use their own vehicles for business on OCINet's behalf.
- b) For claims purposes the start and end point of any trip is:
 - The place of work, or
 - The employee home, where employee leaves from or returns to home and the distance traveled is less than the distance from the place of work.
- c) Reimbursement will be in accordance with the approved Kilometer Allowance which covers the cost of fuel, depreciation, maintenance and insurance [See Appendix 2].
- d) Employees are solely responsible for ensuring adequate insurance coverage.
- e) Parking and toll charges will be reimbursed subject to the provision of original receipts.
- f) Personal vehicles used while on OCINet business must fulfill the following requirements:
 - The vehicle must be insured at the vehicle owner's expense for personal motor vehicle liability;
 - It is the driver/owner's responsibility to ensure that the motor vehicle insurance includes coverage for business use of the vehicle;
 - OCINet will not reimburse the cost of insurance coverage for business use, physical damage or liability;
 - OCINet is not responsible for reimbursing deductible amounts related to insurance coverage.
 - In the event of an accident, you will not be permitted to make a claim to OCINet for any resulting damages. If you will be driving more than 200 kilometers in a day, you should consider using a rental vehicle. When submitting a per kilometer claim for mileage expenses, documentation to support the distance travelled (e.g., Google maps, mapQuest) must be included as part of the calculation.

6.11 Air or Rail Transportation

- a) Air and Rail travel must be pre-approved and arrangements should be made as early as reasonably possible to obtain the most economical fares.
- b) Air and rail travel will be booked by the Executive Assistant to the President & CEO using the corporate credit card. The original ticket and boarding pass is to be given to the Executive Assistant and a copy is to be attached to the Staff Travel Report.
- c) The most economical travel suppliers should be utilized.
- d) Coach and economy class travel should be booked for Air and Rail travel.
- e) Business class may be permitted for international flights with pre-approval of the President & CEO.
- f) The choice of air or rail will be made based on economy and practicality taking time and employee comfort into consideration.
- g) Should the employee chose a mode of transport other than the most economical and practical choice and the alternative mode of transport requires additional time off work to accommodate, the additional time off work must be taken as vacation or unpaid leave and must be approved through the normal process for their leave and absences.
- h) Should the employee chose a mode of transport other than the most economical and practical choice and the alternative mode of transport requires additional time off work to accommodate (i.e. beyond the time required by the most economical and practical), the additional time off work must be taken as vacation or unpaid leave and must be approved through the normal process for their leave and absences.

6.12 Accommodation

- a) The most economical accommodation of a standard quality should be the criteria used for reserving rooms for business travel.
- b) If available, single standard room reservations should be booked.
- c) The original bill must be attached to the expense claim for reimbursement to be obtained.
- d) OCINet will not reimburse for other charges such as entertainment, alcohol or special facility charges.
- e) Private stays with family or friends is encouraged (maximum reimbursement of \$30 per night for gratuitous lodging).
- f) Penalties incurred for non-cancellation of guaranteed hotel reservation are the claimant's responsibility and may be reimbursed only in an exceptional circumstance.

6.13 Other Travel Related Expenses

- a) Business calls and business related internet access will be reimbursed.
- b) One personal long distance call home for each night away will be reimbursed.



- c) Discretion should be used in the frequency and length of long distance calls.
- d) Reasonable gratuities for meals (see Appendix 2), bellhop (\$2-5 /bag), room service (see Appendix 2) and taxis (maximum of 10%) will be reimbursed.
- e) Bridge, ferry, highway tolls, and parking will be reimbursed.
- f) Cost of private health insurance will only be covered in the event that the travel insurance included with the employee benefit plan is considered to be inadequate. Any such expense will require the prior approval of the President & CEO.
- g) If while travelling on approved OCINet business, an employee elects to travel on personal business, the additional costs incurred will not be reimbursed.
- h) Traffic and parking violations will not be reimbursed.
- i) Recreational activities/items such as video rental and mini-bars will not be reimbursed.

6.14 Compliance

Any employees found to be in violation of this policy could be subject to corrective action, up to and including termination.

6.15 Exceptions

Any situations that are not covered by this policy will follow the “Travel, Meal and Hospitality Expenses Directive” of the Ontario Government.



APPENDIX 1 – SAMPLE EXPENSE REPORTS

Staff Travel Report – to be used for overnight travel to conferences and meetings and should include all expense related to the travel including expenses paid by credit card. **Staff Expense Reimbursement** – to be used for all other business expense claims. **Credit Card Expense Reimbursement** – to be used by the Executive Assistant to the President & CEO only.

APPENDIX 2 – GUIDELINES FOR EXPENSE REIMBURSEMENT

Automobile mileage rate: 45 cents per kilometre

OCINet is funded by Ontario Health, which uses lower mileage reimbursement rates. OCINet will claim the Ontario Health mileage reimbursement rate in expenses reported to eHealth. The remainder shall be paid from non-eHealth funds.

Example of mileage calculation when an employee drives from their home to a meeting:

1. Should the employee attend a meeting west of the office while their residence is east of the office then clearly the distance from work to the meeting will be less than the distance from their home to the meeting. The start point for the trip would be the office.
2. Should the employee attend a meeting that is east of the office and their residence is east of the office the meeting would be closer to their residence than it is to the office. The start point for the trip would be the employee's place of residence.

Meal guidelines per person will follow the guidelines of Ontario Health and the Government of Ontario

<https://www.ontario.ca/page/travel-meal-and-hospitality-expenses-directive-2020>

Ontario Health standards for meals eaten in Canada including tax and gratuities, will follow the current version of the directive.

Meals eaten outside of Canada will be reimbursed at Federal rates.

- Per - <https://www.tbs-sct.canada.ca/pol/doc-eng.aspx?id=27228>

Examples of meal calculation situations:

1. If the employee spends less than the standard amount for any meal, then the difference may be added to the other meals as long as the daily maximum is not exceeded.
2. Should the employee attend a meeting, educational program or conference where meals are included in the registration price, then no reimbursement will be provided if the employee chooses to purchase the provided meals elsewhere. Also the maximum daily claim will be reduced by the standard value of the meals when considering the total meal claim for the period.

These examples should be read in conjunction with the sections of the policy above dealing with eligibility to claim meal expense.