



<b>POLICY No:</b>	MSH: VII-A-10-15 HBH: AF 210
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<b>EFFECTIVE DATE:</b>	April 1, 2024
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<b>TITLE:</b>	Business and Travel Expenses
<b>ISSUED BY:</b>	Chief Financial Officer
<b>APPROVED BY:</b>	Board of Directors, Sinai Health and Hennick Bridgepoint Health
<b>KEYWORDS:</b>	Expenses, Reimbursement, Hospitality, Travel, Mileage, Alcohol
<b>STAKEHOLDERS:</b>	All Sinai Health employees, board/committee members, physicians, researchers, students, volunteers

## PURPOSE AND SCOPE

This policy sets out the rules and principles under which the reimbursement of expenses incurred for authorized travel and other business expenses will be reimbursed for Sinai Health (inclusive of Mount Sinai Hospital (MSH), Hennick Bridgepoint Hospital (HBH) and Lunenfeld-Tanenbaum Research Institute (LTRI)).

This policy provides a framework of accountability to guide the effective oversight of public resources in the reimbursement of expenses and sets the parameters for the public disclosure of information about expenses.

This policy applies to:

- Anyone incurring expenses on behalf of Sinai Health (“SH” or the “Hospital”), including but not limited to, employees, contracted employees, physicians, board members, committee members, guest speakers, students, researchers, volunteers, consultants and contractors engaged by SH providing consulting or other services. These individuals are referred to herein collectively as Representatives for the purpose of this policy.
- All persons responsible for approving expenses, as outlined in this policy

This policy does not apply to:

- Expenses reimbursed by an Alternate Funding Plan (AFP) Operating or Capital Fund. AFP expenses are covered by the AFP specific guidelines.
- Expenses reimbursed via Personal Practice Trust Accounts (PPTA). PPTA expenses are covered by the PPTA Service Agreements.
- The Sinai Health Foundation and Circle of Care.

When a provision of a Collective Agreement conflicts with the provision of this policy, the terms of the Collective Agreement will prevail.

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Where reimbursement is being provided from a research grant, the sponsor’s appropriate travel expense approval policy must be followed.

## POLICY STATEMENT

As a designated Broader Public Sector organization, this policy ensures SH is in compliance with the [Broader Public Sector \(BPS\) Expenses Directive \(2020\)](#), issued in accordance with the Broader Public Sector Accountability Act, 2010 (Act).

## DEFINITIONS

- a. **Approver:** Those who have been delegated authority to approve expenditures as prescribed in the SH Signing Authority and Delegation Policy (SADP).
- b. **Business Travel Expenses:** includes road, rail and air transportation costs, hotel costs, personal and rental vehicle costs, mileage costs, meals and other incidental costs as approved by the claimant manager and are within the departments operating budget or equivalent (e.g. research grant).
- c. **Claimant:** Representative who has incurred the expense or who is seeking reimbursement for the expense under this policy.
- d. **Consultant:** A person or entity that under agreement with SH, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision making.
- e. **Designated Broader Public Sector Organizations:** hospitals, school boards, colleges, universities, community care access centres, and children’s aid societies
- f. **Hospitality:** The provision of food, beverage, accommodation, transportation and other amenities at the hospital’s expense to persons who are not engaged to work for designated BPS Organizations or any of the Ontario government ministries and agencies.
- g. **Receipt:** An original itemized document or certified copy, including the amount, date and proof of payment.

## PRINCIPLES

The BPS Expenses Directive sets out guidance that seeks to enhance the accountability for the utilization of public funds. This directive is based on the following four key principles that forms the basis of Representative business and travel decisions:

- a. **Accountability:** Organizations are accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses must support business objectives
- b. **Transparency:** Organizations are transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood, and available to the public

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- c. **Value for Money:** Taxpayer dollars are used prudently and responsibly. Plans for travel, meals, accommodation, and hospitality are necessary and economical with due regard for health and safety.

The Hospital expects discretion to be reasonably applied with any expenses incurred and reserves the right to limit reimbursement to reasonable costs. Hospital procurement card should be used as a preferred form of payment for travel and other allowable business expenses.

- d. **Fairness:** Legitimate authorized expenses incurred during the course of hospital business are reimbursed. Representatives will be reimbursed for reasonable and actual expenses incurred for business and travel expenses.

## EXCEPTIONS

This policy is designed to allow for some flexibility in addressing unique or exceptional circumstances.

In extenuating situations (e.g. Code calls, unplanned or emergency meetings, interim acting roles, public transit interruptions and other mitigating circumstances) an immediate exception to the requirements of this policy may be warranted, in order to enable normal business operations to continue.

Where an Approver exercises discretion for exceptional circumstances, they must document their rationale and attach it to the expense claim so that it forms part of the approval record. Approvers of such requests must consider whether the expense claim is:

- Able to stand up to scrutiny by SH's auditors and the general public;
- Properly explained and documented;
- Reasonable; and,
- Appropriate.

## GENERAL

1. Good record keeping practices must be maintained for verification and audit purposes
2. Semi-annual public disclosure of expenses, as mandated by the BPS Accountability Act, 2010, must be posted on the hospital's public website for individuals designated by the Act, including SH Board Members and Senior Management.
3. Representatives are responsible for understanding and complying with the policy. Failure of Representatives to follow the policy may result in appropriate disciplinary action, up to and including termination of employment or appointment.
4. Written approval is required by the President & CEO before any arrangements are made for hospitality and/or corporate events involving alcohol. The VP Research & Director, LTRI, is delegated this authority to provide written approval in advance of any arrangements being made for hospitality and/or corporate events involving alcohol for research and LTRI related activities.
5. Business travel and other expenses should not exceed the amount allocated in department budgets or equivalent (e.g. research grant), and should always be the most economical choice.
6. Expense claims that do not conform to this policy will be returned to the Claimant unpaid. SH assumes no obligation to reimburse expenses that are not in compliance with this policy.

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7. Employees who are away from the hospital for approved business activities shall not lose regular scheduled earnings as a result of such authorized work related travel.
8. The reimbursement of certain expenses may have personal tax implications for the Representative seeking reimbursement. For further clarification the Manager of Compensation and Benefits should be consulted. It is the responsibility of Representatives to report any taxable benefits to Canada Revenue Agency.

## **PROCEDURE**

### **ACCOUNTABILITY FRAMEWORK**

An accountability framework for expenses is required to ensure everyone understands the authority for approvals and is also fundamental to ensuring effective internal controls.

#### **Claimants**

Claimants are responsible for:

- a. Adhering to the principles and procedures outlined in this policy.
- b. Obtaining all appropriate approvals before incurring travel and/or other business related expenses.
- c. Ensuring expense claims are submitted with original itemized receipts and other documentation (e.g. conference agenda), signed by the claimant and properly approved.
- d. When receipts are not available, the claimant must provide documented explanation why receipts are not available.
- e. Submitting expense claims in a timely manner, within 30 days after the expense has been incurred.
- f. Mount Sinai Hospital staff must submit out-of-pocket expense claims for approval through the Concur Expense portal. Claims will be reimbursed by electronic funds transfer via payroll deposit. All other claimants (e.g. physicians, Hennick Bridgepoint Hospital employees) must submit expense claims by email using the Travel and Expense Reimbursement Form to:
  - i. Accounts Payable (AP@sinaihealth.ca), if reimbursement is planned to occur from a Hospital cost centre.
  - ii. LTRI Research accountant, if reimbursement is planned to occur from a LTRI cost centre / LTRI internal order. Travel and Expense Reimbursement form will be routed to Accounts Payable once the eligibility of the claim has been verified against the account planned for reimbursement.
- g. When claiming expenses incurred in currencies other than Canadian, the exchange rates obtained from the Bank of Canada website for the same day as the expense was incurred are acceptable. Expenses paid with a credit card will be reimbursed at the converted rate of the credit card provider, provided acceptable proof is provided with the expense claim (e.g. credit card statement showing the converted rate of the transaction).
- h. Claimants are not permitted to authorize their own expenses. The person of next higher authority must approve such transaction. Expenses for a group can only be claimed by the most senior person present so that an approver is not in a position of authorizing a reimbursement for an expense that they personally benefitted from.

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- i. Repaying any overpayments immediately as this is considered a debt owing to SH.
- j. Submitting all claims for expenses prior to claimants last day of employment.

### **Approvers**

Approvers are responsible for:

- a. Ensuring Claimants are familiar with this policy
- b. Ensuring travel arrangements and expense claims comply with the principles and mandatory requirements set out in this policy
- c. Ensuring business rationale for expense is documented
- d. Ensuring expense claims are supported by adequate documentation such as original itemized receipts and that the expense is appropriate and in accordance with hospital policy
- e. Ensuring expense reimbursements using third-party funds (for example research/grant or donation), are in compliance with the third-party funder's policies and terms.
- f. Ensuring Representative claims for reimbursement are processed prior to Representative leaving an employment or similar relationship with the hospital
- g. Ensuring expense approvals are within scope of approver's authorization limit.
- h. Confirming expenses are charged to the correct cost centre
- i. Approvers are prohibited from approving their own expenses directly or indirectly; i.e. an Approver cannot authorize their own expense claim or that of a Claimant that has paid for expenses for the Approvers benefit.

### **Approver Limits**

- a. Approvers dollar limits are outlined in the SH Signing Authority and Delegation Policy
- b. Delegation of approval is permitted during temporary absences of a person having normal signing authority. The delegate must be of equivalent or higher status than the regular signing authority.

## **RULES FOR SPECIFIC EXPENSES**

### **Travel and Accommodation**

- a. All travel (bus, rail, taxi, car rental, air, etc.) should be approved in advance by the claimant's manager. Pre-approval of travel should be documented (e.g. email) and attached to reimbursement claim request.
- b. All efforts should be made to book travel arrangements as soon as pre-approval is received to ensure best value for cost of travel and using appropriate judgement in booking options (e.g. trip cancellation, travel health insurance, compact/economy size car rental etc.).
- c. Representatives may travel by air or train for trips that are beyond normal driving distance. Flight or rail cost receipts and other supporting information (e.g. boarding pass, receipts from travel destination) must be attached to the expense claim as proof of travel.

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- d. Representatives must use the most economical type and class of transportation and accommodation available that is both necessary and appropriate:
- i. Participation in frequent flyer or other loyalty programs is permitted, provided the most cost-effective accommodation or method of travel is still chosen. For example, Representatives must not specify particular airlines or hotels for the purpose of accumulating loyalty points unless they are also the most appropriate fares. No reimbursements can be claimed from SH for any portion of travel or accommodation purchased with personal loyalty points,
  - ii. The standard for accommodation is a single room with a private bath in a business class hotel that is convenient for the event being attended. Use of luxury accommodation, including premiums for suites and concierge floors, will not be reimbursed.
  - iii. For air or train travel, the standard class of service for reimbursement is the least expensive economy class fare. Premium Economy or Business Class travel is not encouraged, but in circumstances where it may be deemed appropriate, approval from the Executive to whom the traveller reports (i.e. either an Executive Vice President, President & CEO, or VP Research & Director, LTRI) must be obtained in advance of booking. The approval documentation from the Executive should be attached with a copy of the receipt when claiming reimbursement for the expense.

In assessing a request for approval of Premium Economy or Business Class travel, the approver should consider whether a lower cost alternative is available and acceptable (e.g. approving the purchase of a seat with extra leg room seat in Economy Class), whether there is adequate funding available and whether a member of the general public would agree that the higher rate is justified. Where available, Premium Economy must always be considered before Business Class.

Examples of circumstances that may justify travelling in Premium Economy or Business Class could include:

- physical constraints on a long travel segment (in excess of 6 hours); or,
  - independently supported medical reasons which may preclude travelling in Economy Class.
- e. Conference related travel should utilize event specific transportation and accommodation where possible.
- f. When renting cars, a hospital issued procurement card must be used, whenever possible, in order to obtain collision damage waiver coverage at no extra cost. Claimants should decline the optional waiver for collision deductible when paying for car rental with your hospital issued procurement card. Representatives should be mindful of the refueling policy before returning a rental car as surcharges for failure to follow such policies are not eligible for reimbursement.
- g. Representatives without a hospital issued procurement card must purchase the liability insurance offered by the car rental agency unless the rental is paid with a personal premium credit card that includes comparable protection. Representatives are responsible for ensuring that any personal insurance coverage used is comparable to the liability insurance offered by the rental agency.

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- h. Accommodation will be reimbursed if the location of a business event is a reasonable distance from SH and provides a reasonable disruption to regular business and personal schedules.
- i. A detailed copy of the hotel bill must be provided when the expense claim is submitted for reimbursement, as proof of stay. Representatives are responsible for all incidental room charges (e.g. mini-bar, Pay TV/movies or special facility charges).
- j. It is recommended that approval be obtained prior to any travel and/or accommodations since it is the traveller’s responsibility (along with the eventual approver) to ensure that any contemplated travel is necessary, appropriate, and allowable and that there is an eligible source of funding. If pre-approval is not obtained, SH reserves the right to deny the claim.

Pre-approval for travel and accommodation should be sought at minimum from:

<b>Destination</b>	<b>Reimbursement from Hospital Cost Centre</b>	<b>Reimbursement from Research/LTRI Grant Account</b>
Within Ontario	Direct Supervisor	Principal Investigator / Grant Account Holder
Elsewhere in Canada and USA	Director	
Other International	VP	Senior Director, Research Administration or VP Research & Director, LTRI

- k. Claimants must have health insurance when travelling out of country

**Use of Personal Automobile**

- a. Representatives may claim reimbursement for necessary, approved use of a personal automobile for official hospital business, based on the shorter distance traveled (from the hospital or from home) at the authorized per kilometer rate of \$0.55.
- b. The Per Kilometer rate of reimbursement is inclusive of vehicle wear and tear and all expenses related to operating a personal vehicle (e.g. maintenance, fuel, roadside assistance, etc.). The hospital assumes no responsibility for privately owned vehicles other than the per kilometer rate of reimbursement.

**Parking and Tolls**

- a. Reasonable expenses for parking, as well as tolls for bridges, ferries and highways when driving on hospital business are reimbursable costs.
- b. There is no reimbursement for traffic or parking violations

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**Taxi & Ridesharing**

- a. Reasonable use of taxis, ridesharing (e.g. Uber), public transportation and airport limousines is permitted.
- b. Priority should be given to charging taxi expenses to your departments corporate taxi account. Where possible, hotel shuttles or airport buses should be used
- c. A gratuity for up to 15% is permitted as an allowable expense

**Meals**

- a. Representatives will be reimbursed for reasonable and actual meal costs when travelling for business.
- b. Representatives will be reimbursed according to actual expenditure, supported by original itemized receipts to an average of \$75.00 per day (Canadian dollars) within Canada, including gratuities and taxes.  
For travel outside Canada, meals will be reimbursed according to actual expenditure, supported by receipts to an average of \$75.00 per day (US dollars).
- c. Meal expenses may be reimbursed provided the most Senior Staff member present pays the bill and makes the claim. The business reason for the meal and the names of the attendees should be included on the claim.
- d. Reimbursement of meals for business meetings with internal staff or other BPS guests is permissible where the business meeting occurs over the timing for breakfast, lunch and dinner and the budget is available.

**Alcohol**

- a. Alcohol is precluded from reimbursement as a business expense. If having alcohol with a meal, Representatives are encouraged to ask the restaurant to provide separate receipts for the meal and alcohol.
- b. Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense except for pre-authorized hospitality or corporate events. This pre-authorization must be by the President & CEO. The VP Research & Director, LTRI, is delegated authority to pre-authorize hospitality and/or corporate events involving alcohol for research and LTRI related activities. Evidence of pre-approval must be submitted with the resulting claim.

**Consultants and Other Contractors**

- a. Consultants and other contractors will not be reimbursed for any hospitality, incidental or food expenses, including
  - i. Meals, snacks and beverages
  - ii. Laundry or dry cleaning
  - iii. Dependent care
  - iv. Personal communications
  - v. Gratuities



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- b. Reimbursement for allowable expenses can be claimed only when the contract specifically allows for it.

### Hospitality

- a. In accordance with the BPS Expenses Directive, 2020, hospitality is the provision of food, beverage, accommodation, transportation and other amenities paid by the Hospital from public funds to people who are not engaged to work for SH.
- b. Hospitality is permitted for events attended by external people to SH for the purpose of business, including hosting or sponsoring planned events, receptions for donors and volunteers and business interactions (e.g. networking meals).
- c. Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate hospital business or is considered desirable as a matter of courtesy.
- d. Acceptance of Hospitality from vendors (current or prospective) may constitute a conflict of interest, and may therefore be prohibited. Managers should be responsible for ensuring that Representatives are aware of their conflict of interest obligations.
- e. The Hospital should ensure that they avoid the appearance of impropriety or favoritism when accepting hospitality from vendors (current or prospective). Representative attendance on behalf of a hospital at various third party events, including sporting events, entertainment, dinners or speaking engagements, must not violate the Hospital's Conflict of Interest obligations, nor should attendance appear to violate those obligations.
- f. As a rule, the Hospital does not support entertaining unless it is directly related to the employee's position and job responsibilities. However, reasonable expenses may be reimbursed for the occasional entertainment of business contacts with the prior approval (e.g. email) of the Vice President. All expenses must be described in detail on the expense report, including the names of the individuals, the company they represent and the business reason for the event.
- g. Alcohol provided at a hospitality event must be pre-approved by the President & CEO (or VP Research & Director, LTRI, for research or LTRI events only) and appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and the cost of alcohol to be provided. For example, alcohol service could be managed through a professional third party. Hospitality events involving the consumption of alcohol should be held in a location that is accessible to public transit or where alternative transit is being offered (e.g. Taxi chits). Note that a license to serve alcohol may be required if the event is located on the Hospital premises. Food should always be served when alcohol is available. Preference should be given to wine, beer and spirits produced in Ontario.

### Advances

In extenuating circumstances cash advances may be approved by the CFO, or by the Senior Director, Research Administration (for LTRI). If a cash advance is no longer required or if the amount of actual expenses incurred is less than the original cash advance, claimant must immediately return the unused cash advance by providing a cheque payable to **Sinai Health** to the Cashier Office. SH reserves the right to deduct overdue returns of a cash advance via payroll deduction upon written notice to an employee of at least one full pay period.

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### **Department Events / Business Meetings**

- a. Staff and other Representative recognition (e.g. retirement tea, a project celebration), engagement gatherings (e.g. training and/or team building event) are reimbursable expenses, provided that they are appropriately modest, fit the circumstances and have budget approval.
- b. Reimbursement of meals (moderate food and non-alcoholic beverages) for meetings with internal Representatives or other BPS/Ontario Public Service (OPS) guests is permissible where the business meeting occurs over the timing of breakfast, lunch or dinner and the budget is available.
- c. Departments must have available budget, cost must meet overall hospital business objectives and demonstrate prudence with cost incurred.

### **Corporate Events**

- a. Corporate events held on hospital premises must be pre-approved by the appropriate Vice President, at minimum.
- b. Alcohol provided at a corporate event must be pre- approved by the President & CEO (or VP Research & Director, LTRI, for research or LTRI events only) and appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and the cost of alcohol to be provided. For example, alcohol service could be managed through a professional third party.
- c. Corporate events involving the consumption of alcohol should be held in a location that is accessible to public transit or where alternative transit is being offered. Consideration should be given to timing, location (e.g. accessibility by public transit) and cost of the event.
- d. Food should always be served when alcohol is available. Preference should be given to wine, beer and spirits produced in Ontario.

### **Gifts**

- a. Recognition gifts are administered by the Human Resources department according to the hospitals human resource policies.

### **Ineligible**

- a. Daily commute and parking: Commuting expenses between home and work and any associated parking costs incurred are not eligible for reimbursement.
- b. Personal expenses, including but not limited to:
  - Passports and travel documents
  - Violations incurred while on business travel (e.g. traffic and parking)
  - Recreational expenses (e.g. video rentals, mini-bars, special facility charges)
  - Personal items not required to conduct SH business

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- Hotel expenses incurred because of failure to cancel reservation
  - Additional ancillary charges such as premiums for failure to refuel a rental car
  - Airline baggage charges beyond those that would be considered reasonable for the duration and purpose of the business related elements of travel
- c. For greater clarity, or to inquire about items not listed above, the claimants supervisor/approver should be consulted prior to submitting a claim for expense

## **REFERENCES**

1. Broader Public Sector Expenses Directive, 2020
2. Signing Authority and Delegation Policy, 2024
3. Procurement Card Policy, 2024
4. Code of Conduct/Rules of Behaviour
5. Relationship Management Disclosure Policy

## **RELATED FORMS AND POLICIES**

This policy supersedes the following legacy policies:

- VII-a-10-15 Business & Travel Expense Policy
- AF 210 Expenses Policy