

	Travel, Hospitality, and Working Session Expenses - Approval, Reimbursement, and Disclosure	Corporate Policy & Procedures Manual
		Number: IV-5
		Date Approved September 15, 2016
Approved by: Vice President and Chief Financial Officer		Date Effective October 1, 2016
		Next Review (3 years from Effective Date) October 2019

Purpose

To:

- Provide a framework of accountability and rules to guide the effective oversight of public resources in the reimbursement and payment of claimed travel, hospitality, working session, staff appreciation, and other expenses incurred and allowances (hereinafter referred to as “expenses”);
- Ensure fair and reasonable practices are in place to demonstrate the expenses are necessary and cost effective;
- Ensure individuals are properly reimbursed for expenses incurred on behalf of Covenant Health;
- Set the parameters for the public disclosure of information about expenses; and
- Set out the criteria for the approval, arrangement, and reimbursement of expenses which support Covenant Health business and clinical operations.

Policy Statement

Covenant Health is committed to ensuring that expenses incurred benefit and enhance its strategic and operational objectives. Processes for the approval, arrangement, reimbursement, and disclosure of expenses reflect Covenant Health’s responsibility for the sound financial management of funds and ensure individuals are adequately reimbursed for their expenses. The principles supporting this policy are:

- Funds are used prudently and responsibly with a focus on accountability and transparency.
- Expenses for travel, meals, working sessions and hospitality are necessary, were incurred in the most cost effective means and with due regard to the health and safety of individuals to support Covenant Health strategic and operational objectives.
- Only legitimate, approved expenses incurred during the course of Covenant Health business are reimbursed.
- Prior approval to incur expenses is obtained where appropriate.

Persons incurring expenses pertaining to Covenant Health related business are responsible and accountable for ensuring such expenses meet the expectations of sound financial management and that, regardless of the payment mechanism (Expense Claim, P-Card, Corporate Visa, Petty Cash, Direct Bill to Covenant Health), the expenses are reasonable as outlined in this policy.



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Covenant Health is committed to enhanced transparency and accountability, and will publicly disclose all expenses incurred by Senior Leadership Team (SLT) members in accordance with this policy, procedure and applicable legislation.

Applicability

This policy applies to all travel, hospitality, working session, staff appreciation, and other expenses incurred and allowances claimed, as necessary, in relation to Covenant Health business, regardless of how an expense has been paid or is being reimbursed (Expense Claim, P-Card, Corporate Visa, Petty Cash, Direct Bill to Covenant Health).

Responsibility

Compliance with this policy is required by all Covenant Health employees, members of the medical staffs, students, volunteers, and other persons acting on behalf of Covenant Health. This policy does not limit any legal rights to which you may otherwise be entitled.

Responsibility and accountability for compliance with this policy is shared among the individuals incurring expenses, the designated signing authorities (“the **approver**”), and departments such as finance with functional responsibilities for overseeing expenses.

Contracted service providers must comply with this policy unless otherwise noted in their contractual agreement with Covenant Health.

A collective agreement and its relevant provisions take precedent on matters of travel, hospitality, or working sessions in an applicable collective agreement must be used when there is a conflict with this policy. When a collective agreement is silent on matters of travel, hospitality, or working sessions, this policy must be used. This policy does not apply with respect to any fee for service or individual employment contractual obligations to make reimbursement or allowances.

Note: Terms in bold, in the body of the document, are defined on page 18.

1. General Requirements and Authority

- 1.1 Individuals may travel when there is a valid business reason. Consideration shall be given to the cost effectiveness of travel expenses incurred when travelling to conduct business on behalf of Covenant Health. Cost effectiveness does not necessarily mean the most inexpensive method of travel; consideration of time, impact of service delivery, and safety should be considered when assessing cost effectiveness.
- 1.2 Covenant Health has an approved travel vendor (Marlin Travel) to provide travel management services (including booking of airfare, bus, accommodations, and vehicle rentals). Individuals who travel on approved Covenant Health business shall make travel arrangements through the travel vendor.
- 1.3 Notwithstanding any other provision of this policy:
 - a. No expense may be reimbursed or allowance paid except under this policy;
 - b. Reimbursement and allowance may only be made for expenses incurred in relation to Covenant Health business, unless otherwise stated in this policy;
 - c. A **claimant** shall not claim reimbursement and a per diem or allowance in respect of the same expense;
 - d. A claimant shall not claim reimbursement of alcohol as a part of travel or meal expense, except as provided for in Section 11.
 - e. All expenses incurred for **hospitality, working session**, travel, meals, accommodation, related incidental or other expenses must be in compliance with this policy regardless of the payment mechanism (Expense claim, P-Card, Corporate VISA, Direct Bill).
 - f. Individuals incurring expenses other than expenses described in Section 1.3e (above) via an expense claim or with a Covenant Health P-Card or an expense billed directly to Covenant Health shall adhere to the requirements and principles set out in this policy and any other relevant Covenant Health governance documents.
 - g. Individuals incurring expenses shall avoid real or perceived conflicts of interest, including expenses funded by external entities, all of which must comply with the Covenant Health Conflict of Interest Policy and the Code of Conduct.
 - h. Any expenses that are to be reimbursed by a third party are not eligible for reimbursement by Covenant Health. In the event that the expense has been reimbursed by Covenant Health and subsequently paid by a third party, the claimant must reimburse Covenant Health.
 - i. Travel to and from educational events for which prior approval has been obtained will be reimbursed in accordance with this policy. Approval to travel to and from an educational event does not constitute approval to reimbursement for the educational event or to attend the event.

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- j. Travel, working session and hospitality undertaken on behalf of a research initiative, project or grant will be approved, funded or reimbursed through the respective budget for that initiative, project or grant and must comply with this policy, unless otherwise noted in the approved terms of reference and / or grant agreement for the research initiative, project or grant. In order to qualify for an exemption to this policy, the contract, terms of reference and / or grant agreement must specifically provide information on the use of funds in relation to the terms covered in this policy.
- k. Covenant Health does not provide travel advances to individuals travelling on approved Covenant Health business.
- l. No individual shall approve his/her own expenses.

2. Responsibilities

2.1 Individual claimants will:

- a. Acknowledge by signing the claim form that they have read and understand this policy and expenses incurred / claimed and attest that:
 - i. Expenses are in compliance with this policy;
 - ii. Expense claims are for valid business purposes of Covenant Health; and
 - iii. Expenses claimed are cost effective.
- b. Document the **business reason** for the expense with sufficient detail so that an individual not familiar with the claim could understand the justification for the expense;
- c. Provide rationale and supporting documentation for travel expenses which are in excess of the established guideline limits;
- d. Confirm that expenses have not been previously claimed on their behalf from Covenant Health or an external third party;
- e. Ensure claims are approved by a direct supervisor or manager;
- f. Ensure claims are supported with applicable documentation (detailed receipts, invoice, etc.) as required;
- g. Take all reasonable steps to ensure claims for reimbursement are submitted to Accounts Payable within 30 days of incurring such expenses. Expense claims submitted later than 30 days require the relevant department's Director approval;
- h. Expenses will not be reimbursed for any prior fiscal year period, if they are not submitted within 30 days of fiscal year end (March 31);
- i. Expense claims may be prepared by a designate, however, the individual incurring the expense must sign and complete all required attestations prior to submitting the claim for approval;

- j. Individuals required to incur expenses for travel, working sessions or hospitality on a regular basis are eligible to apply for a Covenant Health P-Card in accordance with the P-Card Program Policy requirements as set out in the P- Card Program Policy, and the respective department's operational requirements; and
- k. When a claimant receives a discount, or credit, only the net expense may be claimed.

2.2 Approvers will:

- a. Approvers are accountable for their decisions, including:
 - i. Ensuring travel was necessary to meet desired business objectives;
 - ii. Ensuring that the business reason for the travel or expense is adequately documented in the claim;
 - iii. Attesting that expenses claimed have been incurred using a cost effective method;
 - iv. Attesting that expenses claimed are subject to good judgment and have knowledge of the situation;
 - v. Attesting that expenses claimed are appropriate considering the circumstances; and
 - vi. Compliance with the principles and mandatory requirements set out in this policy, the Delegation of Approval Authority Policy and other applicable Covenant Health policies.
- b. When discretion is needed, approvers should consider whether the request is:
 - i. Able to stand up to scrutiny by the auditors and members of the public;
 - ii. Properly explained and documented;
 - iii. Reasonable; and
 - iv. Appropriate.
- c. Approvers will approve claims for reimbursement of expenses in accordance with the Delegation of Authority for Financial Commitments authorization (DOFA#IV-15) and take necessary steps to ensure claims:
 - i. Comply with the requirements of this policy, or applicable collective Agreements or other contractual obligations;
 - ii. Are directly related to Covenant Health business;
 - iii. Are in accordance with internal budget(s);
 - iv. Ensure rationale and supporting analysis is provided for travel expense which are in excess of the established guideline limits;
 - v. Are accurately completed, signed, correctly coded, and business purpose is clearly stated;

- vi. Are supported by supplementary documentation; and
 - vii. Were not previously claimed.
- 2.3 Prior to incurring any expense, it is the responsibility of both the claimant and the approver to ensure that expenses being claimed are of sound financial management, and support the Mission and Values of Covenant Health.
- 2.4 Accounts Payable (AP) Department will:
- a. Process expense claims within 21 days of receipt;
 - b. Process claims for reimbursement that are properly completed, signed, approved, coded, and supported by supplementary documentation, as required, and may return any expense claim which has not been properly completed; and
 - c. Ensure compliance with all Covenant Health governance documents and policies.
- 2.5 The Internal Controls and Internal Audit Department is responsible for conducting periodic compliance audits as outlined in their approved annual plan to ensure compliance with this policy.
- a. Audit results will be reported to the Executive Leadership Team and the Audit & Finance Committee.

3. Assessing Cost Effectiveness

- 3.1 Individuals who travel for Covenant Health business are expected to consider the cost effectiveness of their expenses. Cost effectiveness does not necessarily mean the most inexpensive method of travel; consideration of time, impact to service delivery and safety should be considered when assessing cost effectiveness.
- 3.2 Individuals incurring expenses on behalf of Covenant Health shall minimize expenses through means such as, but not limited to:
- a. Using available technology (e.g. videoconference, teleconference, or internet);
 - b. Coordinating travel arrangements when more than one person from the same area is traveling to the same destination (e.g. carpooling);
- 3.3 Covenant Health has established guidelines for transportation and accommodation, as outlined in Appendix A. Travel expenses in excess of the guidelines must be explained and supported by appropriate rationale and documentation.

4. Travel Approval and Travel Arrangements

- 4.1 Travel approval may be granted provided the travel is:
- a. Justified by an operational requirement;
 - b. Relevant to the individual's roles and responsibilities within Covenant Health; and
 - c. An alternative method would not achieve the desired business objective.
- 4.2 Travel outside of Alberta (including outside of Canada) must be pre-approved in accordance with the DOFA.
- 4.3 Travel within Alberta as it relates to an individual's role and job specific responsibilities / duties do not require pre-approval (e.g. Site visits) when there are no travel arrangements required from the travel vendor.
- 4.4 All travel arrangements including flights, rental vehicle, and accommodations must be booked using the approved travel vendor. Refer to travel vendor process and Section 5 Travel Approval Form (below).

5. Travel Approval Form

- 5.1 A Travel Approval Form (TAF) is required when incurring any expense related to all out of town travel (e.g. gala's, conferences), except as noted in Section 4.3.
- 5.2 A TAF is required to book with the travel vendor (Marlin Travel) for flights, rental vehicles and accommodation.
- a. When using the TAF form:
 - i. Approval of the TAF is in accordance with the DOFA.
 - ii. The TAF together with the completed Employee Expense Claim Form and / or P-Card statement are required when submitting out of town expenses for reimbursement.
 - b. If actual expenses are greater than 10% higher than approved estimated amount by category – additional approval is required for each category, as per and within appropriate DOFA level.
- 5.3 Covenant Health has established guidelines for transportation and accommodation, as outlined in Appendix A. Travel expenses in excess of the guidelines must be explained and supported by appropriate rationale and documentation.

6. Eligible Expenses

- 6.1 Covenant Health reimburses eligible expenses, including, but not limited to:
- a. Meals and Accommodation in accordance with Section 8;
 - b. Travel to and from educational events;
 - c. Air transportation in accordance with Section 9;
 - d. Vehicle mileage when personally-owned vehicle used for travel (unless vehicle allowance is provided);
 - e. Excess baggage charges, when extra equipment is required because of duties being performed;
 - f. Charges for electronic communication related to Covenant Health business;
 - g. Charges for business-related phone calls;
 - h. One personal long distance call for each consecutive 24 hour period of absence;
 - i. Laundry and dry cleaning expenses incurred if travelling for four or more consecutive days;
 - j. Bus fares, including airport bus;
 - k. Internet connectivity in hotel, airplanes, or other public places;
 - l. Losses incurred due to any change in the rate of exchange for foreign currency purchased to meet reimbursable expenses when travel is required outside of Canada;
 - m. The expense of travel medical insurance purchased for travel outside of Canada;
 - n. Rental vehicles, refer to section 4.4;
 - o. Fuel for rental vehicles or Covenant Health owned or leased vehicles, where the owned or leased vehicle does not have a fleet card ;
 - p. Only in-car navigation systems for rental vehicles;
 - q. Electronic toll payment (where appropriate); and
 - r. Travel immunizations.
- 6.2 Claims for all eligible expenses must accompany an original or scanned original itemized receipt, except for mileage, claims for meal allowances or petty cash reimbursements (as noted in Section 9.3).
- 6.3 For eligible expenses with missing receipts (excluding meals), the maximum amount that is reimbursed is \$200 and a Written Attestation must be submitted for those expenses, as outlined in Section 14.

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- 6.4 Gift cards and alcohol may only be reimbursed as part of a documented patient program within alignment of a department's mandate and purchases must be approved by the program manager. Adequate controls must be in place around the activities of purchasing, distributing, and securing of gift cards.

7. Ineligible Expenses

- 7.1 Covenant Health will not reimburse ineligible expenses including but not limited to:
- a. Interest charges on outstanding credit card balances;
 - b. Entertainment videos and movie channels;
 - c. Spa and fitness centre expenses;
 - d. Traffic and parking fines;
 - e. Liquor/alcohol; Alcohol is an ineligible expense that cannot be claimed as part of a travel or working session expense claim and will not be reimbursed under any circumstances. Alcohol may be reimbursed only as set out in section 6.4 and Section 11 of this policy.
 - f. In-room amenities not included in the cost of the room (e.g. mini bar);
 - g. Loss of money or personal effects;
 - h. Rental vehicle provider refueling option (must refuel vehicle prior to returning);
 - i. Any expense for non- Covenant Health individuals travelling with or accompanying a Covenant Health representative, except as provided for in this or other applicable Covenant Health policies.
 - j. Expenses resulting from failure to cancel transportation or hotel arrangements, except in extenuating circumstances, and documentation to support these circumstances must accompany the expense claim;
 - k. Voluntary additional days beyond the business purpose of the trip (excluding excursion flights requiring a Saturday overnight stay);
 - l. Valet parking charges, unless valet parking is the less expensive or only parking option (evidence is required to be submitted with expense claims);
 - m. Flight cancellation insurance;
 - n. Gifts except as part of protocol for guests honoured at a hospitality event;
 - o. Prizes (e.g. gift cards), cash or cash equivalents, except as noted in section 6.4; Preferred seating on flights except in extenuating circumstances, as outlined in section 9;
 - p. Room upgrades for accommodation.
- 7.2 Persons submitting a request for reimbursement of expenses and approvers approving expense claims must not knowingly request reimbursement of or approve ineligible expenses. If such expenses are submitted, the expenses will not be reimbursed.

8. Meals and Accommodation

8.1 Meal Allowances:

- a. Individuals while traveling on Covenant Health approved business may claim a meal allowance (without a receipt) as set out in Appendix A. Meals may only be claimed through a meal allowance and cannot be claimed using the receipt method for reimbursement.
- b. Meal allowances may be claimed when traveling on Covenant Health business as follows:
 - i. Breakfast if the departure time is 7:30am or earlier, or the return time is 7:30am or later;
 - ii. Lunch, if the departure time is 1:00pm or earlier, or the return time is 1:00pm or later;
 - iii. Dinner, if the departure time is 6:30pm or earlier or the return time is 6:30pm or later.
- c. Only in exceptional circumstances may an individual claim a meal allowance within the same city/town/municipality as their **designated home site(s)**. In such cases rationale to support the meal expense must be documented in the expense claim.
 - i. Eligibility may be determined within the designated home site(s) when outlined in collective agreements;
 - ii. Out of scope employees are eligible; if hours worked extend beyond 10 hours/day.
- d. No meal expense can be claimed if the meal is included as part of another event.

8.2 Accommodation Expenses:

- a. All accommodations are to be booked using the Covenant Health approved travel vendor.
- b. When travelling on Covenant Health business and overnight accommodation away from the individual's residence is necessary, individuals are eligible to claim an accommodation allowance as set out in Appendix A, or the actual expense of accommodation. Accommodation expenses shall be within the following guideline limits:
 - i. \$200 / day (base room rate) Edmonton, Calgary, Southern Alberta, and Central Alberta
 - ii. \$250 / day (base room rate) North of Edmonton and West Alberta (Banff region)
- c. Any accommodation expenses exceeding the guideline limits must be explained and supported by including rationale (including business purpose) and supporting documentation as part of the travel approval form.

9. Transportation

9.1 Air Transportation:

- a. All air transportation is to be booked using the Covenant Health approved travel vendor.
- b. Air fare shall be booked with Economy class only for domestic flights, unless otherwise permitted in this section.
- c. Business class travel may be booked if a medical condition necessitates upgraded travel and a physician's note is obtained prior to booking. Supporting documentation is to be submitted as part of the Travel Approval Form documentation sent to the Covenant Health approved travel vendor prior to booking.
- d. Business class may be booked for domestic or international flights of more than six (6) hours, with approval of the respective VP or higher, as stated at the time of booking.
- e. Covenant Health will reimburse for advance seat selection fees in order to guarantee seating for regular / economy seats.
 - i. Covenant Health will not reimburse preferred seat selection fees (except for as permitted in 9.1 f, below), including but not limited to: seats in the exit row, comfort seats and bulk heading seating, etc.
- f. Seat selection fees for preferred seating may be reimbursed for employees that have a valid health reason, and is approved by their respective Director or higher.
- g. Advanced bookings of at least two weeks shall be made wherever possible to leverage the best price.

9.2 Third Party Transportation:

A claimant may claim the:

- a. Expense of hiring a taxi and may only claim the expense of hiring a town car, limousine, or similar vehicle if there is a valid business purpose. The actual expense shall be in the amount shown on the receipt, plus a gratuity of up to 20 percent;
 - i. Taxi fares, within city limits, in excess of \$100 (including gratuity of up to 20 percent) must include rationale and supporting documentation of cost effectiveness.
- b. Expense of renting a vehicle if there is a valid business purpose, it is cost effective and the size and type of the vehicle is appropriate for the number of passengers, road conditions, and nature of the need.
- c. Expenses for bus transportation, if method of transportation is desired and is cost effective.

9.3 Privately-Owned Vehicle Transportation:

- a. Covenant Health shall either reimburse business use of a privately-owned vehicle:

- i. At the business kilometer rate set out in Appendix A, and for the distance travelled as outlined in the standard distances between site chart or evidenced by a google map (or similar) printout.
- ii. As a vehicle allowance as set out in an employment contract or collective agreement.
- b. Covenant Health will not reimburse for regular commuting between an individual's place of residence and his/her designated home site(s). Covenant Health will reimburse mileage for approved business travel as follows:
 - i. When an employee travels from their residence to an alternative work site (or from an alternative work site to their place of residence), only the portion of mileage over their normal commute is eligible for reimbursement;
 - ii. Mileage incurred while travelling between sites is eligible for reimbursement; and
 - iii. Mileage incurred while travelling from the employee's residence to the airport or bus terminal is eligible for reimbursement.
- c. Where an individual is in receipt of a vehicle allowance, use of a Covenant Health vehicle is not permitted in his/her home location.
- d. Covenant Health adheres to requirements contained in the Canada Revenue Agency's directive regarding vehicle reimbursement for mileage over 5,000 km per year, set out in Appendix A).
- e. Use of a privately-owned vehicle for Covenant Health approved business is considered a requirement if the use is set out in terms of a new or amended employment contract, collective agreement or letter of offer. In such cases, if an insurer requires the claimant's personally-owned vehicle to be insured for use when travelling on a Covenant Health business, the claimant may claim the incremental expense of the business premium to a maximum as set out in Appendix A, pro-rated if the insurance is for less than a year. Additional information regarding insurance requirements is set out in Appendix B.

10. Working Sessions

- 10.1 A claimant may claim reimbursement of **working session expenses**. Meal and non-alcoholic beverage expenses incurred for working sessions shall be reasonable and cost effective, and all expenses must be in accordance with this policy and any other relevant Covenant Health governance documents.
- 10.2 Working session events estimated to cost below \$500 do not require pre-approval and expenses must be approved in accordance with the working session approval limits in the DOFA by a default Director position at minimum.
- 10.3 Working session events estimated to cost in excess of \$500 require written pre-approval in the form of a business case (e.g. before any arrangements are made). Pre-approval of a working session event and approval of actual expenses must be approved in accordance with the

working session limits in the DOFA by a Director default position at a minimum. A copy of the pre-approval must be submitted a part of the expense claim, along with the actual costs compared to the budget, which was approved.

- 10.4 A working session may not be approved by the individual planning or hosting the working session.
- 10.5 The most senior individual available at time of payment shall pay and claim the expense for a working session.
 - a. When it is an SLT member holding a working session, for pre-determined, regularly scheduled meetings, their Executive Assistant/Coordinator may pay for the expense. No additional approval, other than the approval of the SLT member is required.
- 10.6 The names of all individuals who participated in the working session must accompany the expense claim.
- 10.7 Non-paying attendees are not eligible to claim a meal allowance in this instance.

11. Hospitality

- 11.1 **Hospitality** may be undertaken to advance Covenant Health's mission, vision, and values and are only provided when the event involves one or more participants from outside Covenant Health, which may include, but is not limited to:
 - a. Government officials;
 - b. Dignitaries;
 - c. Donors;
 - d. Guests of or visitors to Covenant Health
 - e. Public interest groups;
 - f. Foundation, auxiliaries, and trusts; and
 - g. Other private, public, or non-profit entities or organizations.
- 11.2 Only members of the SLT and their direct reports are authorized to undertake hospitality events. Authorized individuals may name a designate, in writing, to host a community event on his or her behalf. All other hospitality events require the authorized individual to host the event.
- 11.3 Prior written approval, as set out in the authorization table is required before any arrangements are made for hospitality events which are estimated to cost in excess of \$600. Hospitality events estimated to cost less than \$600 do not require pre-approval.
- 11.4 A business case is required for having the event as well as a breakdown of the estimated expenses that will be incurred, which is to be included as documentation with the expense claim;

- 11.5 Hospitality expenses eligible for reimbursement may include, but are not be limited to:
- a. Meals and entertainment;
 - b. Non-alcoholic beverages;
 - c. Transportation;
 - d. Accommodation; and
 - e. Incidental expenses.
- 11.6 Hospitality expenses for transportation and accommodation shall be subject to the limits set out in Appendix A.
- 11.7 Reimbursement of alcohol expenses for a hospitality event is permitted only when prior written approval of the President and Chief Executive Officer, or head of the governing body (Board Chair) where the President and Chief Executive Office sponsors or hosts an event, has been obtained. Alcohol may be consumed as part of a meal or at a reception for invitees provided there is an approved business case. Alcohol provided at a hospitality event will be provided responsibly (e.g. food must always be served).
- 11.8 The Host Extending Invitation:
- a. Must document and justify the list of Covenant Health representatives;
 - b. Keep the number of Covenant Health representatives to a minimum, limiting it to those who have the most direct involvement in the business purpose of the event; and
 - c. May include the partner of the host or Covenant Health representative only when required by protocol.
- 11.9 The most senior individual who sponsors or hosts the event shall pay and claim the expense.
- 11.10 All hospitality expenses shall be itemized on the expense claim and supported by the necessary receipts and supporting documentation (including approved business case), as required in this policy and approved in accordance with the DOFA.

12. Other Events Excluding Hospitality and Working Sessions

- 12.1 Events that do not meet the definition of Hospitality and Working Sessions may be undertaken to advance Covenant Health's mission, vision, and values and can include but not limited to Fundraising, Charity and Community Events for example, Golf Tournaments or Gala events.
- 12.2 All of the same requirements noted under Section 10: Working Sessions apply to these Other Events.

12.3 Approval Requirements:

- a. At a minimum: By a SLT member that heads the respective site or department. Where the SLT member is in attendance, approval at one level higher, is required:
- b. May include the partner of the host or Covenant Health representative only when required by protocol;
- c. Approval of expenses submitted shall be in accordance with DOFA.

13. Employee Recognition

13.1 Employee recognition is designed to promote the employee's commitment to Covenant Health's mission, vision, and values. There are two categories for Employee Recognition: (1) Formal Recognition and (2) Informal Recognition.

- a. Formal Recognition
 - i. Refer to corporate policy #II-90, *Recognition of Long Service and Retirement*, and Mission Awards for details.
- b. Informal Recognition
 - i. In addition to using verbal or written recognition, Managers may provide recognition through other activities, solely at their discretion, including but not limited to:
 - I. Professional Achievements (e.g. Administrative Professional week, Nursing Week, Educational achievements, etc.)
 - II. Holiday Celebrations (e.g. Christmas party /luncheon)
 - III. Team building activities
 - IV. Recognizing certain life changing events (e.g. sending flowers for bereavement)

13.2 Employee recognition costs are taken out of operational budgets and leaders are responsible for ensuring employee recognition costs fit into this budget. All employee recognition expenses must be recorded in the appropriate budget line to ensure proper tracking by department.

- a. Informal recognition is discretionary, and should align with the practices of the department, unit, site and organization as a whole. Determination of employee recognition is held by those with budget and financial authority.
- b. Recognition may never be in the form of cash or cash equivalents (gift cards).

13.3 When submitting for reimbursement, all employees names participating in the recognition must be included.

- 13.4 If the event is over \$500, pre-approval is required, in the form of a business case, along with the appropriate Director level authorization.

14. Expense Claims

- 14.1 Expense claim forms are to be used by Covenant Health employees only. All contractors, or others acting on behalf of Covenant Health must submit expenses for reimbursement via vendor invoice.
- 14.2 Expense claims must, at a minimum, include the following components:
- a. Name and position of the individual who incurred the expense, or the individual to whom the expense is attributable;
 - b. Date of transaction(s);
 - c. Transaction amount(s);
 - d. Expense category (e.g., travel, including transportation, accommodation, meals, working session, and hospitality);
 - e. Details around the cost effectiveness, if applicable;
 - f. Description and business reason for incurring the expense;
 - i. All expenses incurred must have a valid business rationale. The rationale should be sufficient to enable a third party to clearly understand the business purpose of the expense.
 - g. Original documentation(receipts) or scanned originals (except when reimbursement via petty cash);
 - h. Required TAFs, if applicable; and
 - i. Required attestations, if applicable (note exception under i.ii, below).
 - i. Detailed receipts for expenses, except as provided for in this policy must be included with the expense claim. If a detailed receipt is not available, the claimant must take reasonable steps to obtain a copy of the original receipt. Where it is not possible to obtain a copy of the receipt, to claim reimbursement, the claimant must clearly document and attest to the following:
 - I. Description and business reason for the expense incurred;
 - II. Expense has not been claimed previously;
 - III. The circumstances as to why the receipt is missing; and
 - IV. This attestation must be signed by the claimant and the approver of the claim

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- ii. If amount is under \$20, and the event occurred within the home site city limits, an attestation is not required.
 - iii. The maximum amount of other eligible expenses that may be reimbursed through a written attestation is \$200 per claim for each travel (including multiple, consecutive days), working session or hospitality event.
 - iv. If the missing receipt is over \$200, an attestation cannot be used unless circumstances are extenuating and beyond one's control. These exceptions will be approved by the Chief Financial Officer on a case by case basis.
- 14.3 Where scanned originals are submitted, the individual submitting the expense claim is required to ensure that the original expense claim and receipts are retained as part of his/her department financial records for audit and examination in accordance with Covenant Health Records Management Policy.
- 14.4 Where total expense being claimed is less than \$100, the individual shall attend the nearest Covenant Health business office to obtain reimbursement via petty cash.
- a. All reimbursements via the business office petty cash require original receipts to accompany the expense claim.

15. Process for Non-Compliant Expenses

- 15.1 Only the President and Chief Executive Officer, the Vice President and Chief Operating Officer or the head of Covenant Health's governing body, Board Chair has the authority to approve expenses which are not in compliance with this policy. The Board Chair may approve any expenses of the President and Chief Executive Officer which are not in compliance with this policy; all other non-compliant expenses require the approval of the President and Chief Executive Officer or the Vice President and Chief Operating Officer.

16. Public Disclosure of Information

- 16.1 In order to fulfill Covenant Health's commitment to enhanced transparency and accountability for members of the SLT all expenses, and supporting documentation shall be publicly disclosed.
- 16.2 Approved expense reports, VISA transactions, direct bill expenses and supporting documentation shall be posted in a timely manner online to the Covenant Health website.
- 16.3 Information that would normally be withheld under the Freedom of Information and Protection of Privacy Act (Alberta), such as personal information, must be redacted from supporting documentation and will not be publicly disclosed.

17. Dispute Resolution

- 17.1 Disputes related to any aspect of expenses, shall be directed to the Manager of Financial Compliance and Accounts Payable, who will liaise with the next highest authority of the original expense claim approver. Together, these individuals shall review the dispute and make a determination within the scope of this policy. The decision is final and not subject to appeal, except where permitted by the law or legislation.

DEFINITIONS

Approver means the individual with the authority to approve reimbursements or allowances under this policy, in accordance with the designated signing authority under the *Delegation of Authority for Financial Commitments Authorization Matrix*.

Business Purpose means the activities and expenses undertaken support the mission, vision, and strategic initiatives of Covenant Health. The purpose is clearly and succinctly written, as to allow for anyone outside of the organization to understand the activities that took place and how they support the organization.

Claimant means any individual who seeks reimbursement of an expense or payment of an allowance under this policy.

Designated home site(s) means the Covenant Health facility or office considered as an individual's primary work location(s) as determined by Covenant Health.

Hospitality expenses means any expenses provided in an economical and consistent manner and incurred in respect of hospitality provided to guests of Covenant Health or individuals otherwise not engaged in work for Covenant Health as a matter of courtesy or protocol to facilitate Covenant Health business including, without limitation, activities such as:

- Engaging in discussion of official public matters;
- Sponsoring formal conferences;
- Sponsoring or hosting community events on behalf of Covenant Health;
- Conducting recruitment events;
- Honoring distinguished people for exceptional public service in Alberta; and
- Conducting prestigious ceremonies for heads of state, government, or distinguished guests from the private sector.

Working session expenses means a meeting held for the purpose of facilitating business directly related to the roles and responsibilities of individuals in attendance, and for which expenses incurred include food, non-alcoholic beverages, and/or venue (travel expenses are excluded), for events which include, but may not be limited to:

- Strategy or planning session;
- Staff training session;
- Staff meeting; and
- Conference, seminar, or workshop related to the roles and responsibilities of individuals in attendance.

Patient programs, employee recognition, staff engagement and retirement events held as a part of approved Covenant Health's established programs are not within the scope of a working session.

Travel, Hospitality, and Working Session Expenses - Approval, Reimbursement, and Disclosure	Effective Date: October 1, 2016	Policy No. IV-5	Page 20 of 23
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RELATED DOCUMENTS

- Appendix A – Reimbursement Rates
- Appendix B – Insurance for Privately Owned or Rented Vehicles
 - Covenant Health Policies: found @ <http://www.compassionnet.ca/Page2099.aspx>
 - Conflict of Interest Policy - #III-15
 - Delegation of Approved Authority Policy - #IV-15
 - Recognition of Long Service and Retirement Policy, #II-90
 - Staff Education Fund Policy, #II-110
 - Corporate Vehicle Policy, #I-55
 - Health and Safety Policy, #II-130
 - Use of Cell Phones and other Wireless Devices while Driving, #II-120
 - Reporting of Work-Related Incidents, Injuries, Illness, #II-135
 - P-Card Program Policy (in development)
 - Recruitment Travel and Relocation Expense Policy, #II-100
 - Forms – found @ <http://www.compassionnet.ca/Page3233.aspx>
 - Business Case Approval Form
 - Travel Approval Form
 - Attestation Form
 - Travel & Employee Expense Claim Form

VERSION HISTORY

Date
January 1, 2013

APPENDIX A

REIMBURSEMENT RATES (effective October 1, 2016)

The rates are for management and out of scope individuals, and other Covenant Health representatives as applicable. The rates may not reflect the rates set out in applicable collective agreements. Relevant provisions on matters of travel, hospitality, or working sessions in an applicable collective agreement must be used when there is a conflict with this policy. When a collective agreement is silent on matters of travel, hospitality, or working sessions, this policy must be used.

Individuals while travelling on Covenant Health approved business may claim a meal allowance (without a receipt as set out below. Meals may only be claimed through a meal allowance and cannot be claimed using the receipt method for reimbursement

EXPENSE TYPE	SECTION REFERENCE	ALLOWANCE WITHIN CANADA	ALLOWANCE OUTSIDE OF CANADA
Breakfast	8.1	\$10.50	\$13.70
Lunch	8.1	\$13.00	\$17.00
Dinner	8.1	\$24.00	\$31.00

EXPENSE TYPE	SECTION REF.	REIMBURSEMENT WITH RECEIPT	ALLOWANCE WITHOUT RECEIPT	GUIDELINE LIMITS
Accommodation	8.2	Actual expense, Standard Rooms Only *	\$20.15/night	<ul style="list-style-type: none"> Edmonton & Area, Calgary, South & Central Alberta - \$200 per night North of Edmonton & West Alberta (Banff) \$250 per night Limits are for base room rates
Taxi	9.2	Actual expense *	N/A	<ul style="list-style-type: none"> \$100 (within City limits and including gratuity of up to 20%)
Vehicle Business Insurance	9.6	Up to a maximum of \$500/Annum	N/A	N/A
Business Kilometer Rate for Personally Owned Vehicle	9.3	N/A	\$0.505 per Km for up to 5,000 Km/yr and \$0.47 per Km if greater than 5,000 Km/yr	N/A

APPENDIX B**Insurance for Privately-Owned and Rental Vehicles**

At all times, employees driving a vehicle, whether privately owned or a rental, for Covenant Health approved business purposes shall drive safely, with due care and attention and follow all Covenant Health Policies and Procedures, including but not limited to:

- Health and Safety Policy – II-130
- Use of Cell Phones and other Wireless Devices while Driving – II-120
- Work-Related Incidents, Injuries, Illness, Reporting – II-135

1. Privately Owned Vehicles

- 1.1 The increased cost of insuring a privately-owned automobile for the purposes of conducting Covenant Health approved business shall be reimbursed for the exact cost of the business insurance up to a maximum of \$500 per year (pro-rated if the insurance is for less than a year). Payment of the incremental business insurance premium would be made from the employee's business unit budget.
- 1.2 Claims for re-imbursement of business insurance shall be submitted to the approver on a completed Expense Claim form and shall be sent to the Covenant Health Risk Management and Internal Controls department for validation (supported by proof of insurance coverage and premium payment), who will forward to the AP department for processing.
- 1.3 Vehicle owners are responsible for any losses that may arise during business travel, including, but not limited to:
 - a. repair costs of any vehicle damage;
 - b. loss of personal property; and,
 - c. liability claims resulting from accidents in privately-owned vehicles while on Covenant Health business
- 1.4 Covenant Health Risk Management and Internal Controls department shall be notified of any accidents resulting in injury to Covenant Health staff, third parties, or damage to other vehicles or property which occurs during travel while on Covenant Health approved business.

2 Rented Vehicles

- 2.1 All rental vehicles are to be booked through the approved Travel Vendor (Marlin Travel).
- 2.2 Covenant Health employees are responsible for the safe use and handling of rental vehicles and may be held personally liable for damages while a rental vehicle is in their possession.
- 2.3 We recommend that the employee does not purchase or accept the collision/damage waiver in the rental contract, unless travelling outside of Canada. Physical damage and general liability insurance coverage is provided through the Covenant Health Corporate Credit Card and the Corporate Insurance policy. If the employee prefers to purchase the collision/damage waiver Covenant Health will not reimburse the employee for the additional charge.

- 2.4 If damage is sustained to the rental vehicle, report the claim to Covenant Health Risk Management and Internal Controls department and a report of the claim will be made to our automobile insurers. If after Risk Management and Internal Controls department reviews the claim and it is determined that Covenant Health will cover the deductible, the expense will be allocated to the employee's business unit functional centre.

Except where prohibited in this or other relevant Covenant Health policy, a claimant may elect to personally incur expenses exceeding those permitted or approved under this policy. All expenses must clearly distinguish between business and personal use.

Questions or concerns regarding insurance for privately-owned or rented vehicles can be directed to Covenant Health Risk Management and Internal Controls department.