

# Hazel Hawkins Memorial Hospital

## Travel & Business Expense Reimbursement Policy

These policies and procedures are designed to act as a guideline for business travel and entertainment expense and miscellaneous expense reimbursements. They are based on practices that are considered reasonable and customary. While this policy does contain suggested expense limits, we challenge all employees to use professional judgment when incurring expenses on behalf of the Hospital. Hazel Hawkins Memorial Hospital recognizes that, in some isolated cases, business related expenses might need to be reviewed on a case-by-case basis; however, this primarily applies if the expense in question was not discussed in this policy.

### Responsibility

The employee is responsible for complying with Hazel Hawkins Memorial Hospital's Travel & Business Expense Reimbursement Policies. The manager who approves and signs expense reports is responsible for accurately reviewing expense reports for compliance. Hazel Hawkins Memorial Hospital will reimburse employees for all reasonable and necessary expenses while traveling on authorized company business or entertaining business clients. Hazel Hawkins Memorial Hospital assumes no obligation to reimburse employees for expenses that are not in compliance with this policy. Hazel Hawkins Memorial Hospital's Vice President - Finance must approve any deviation from this policy. Employees who do not comply with this policy may be subject to delay or withholding of reimbursement and/or, disciplinary action.

### Alcoholic Beverages

Hazel Hawkins Memorial Hospital's policy is to refrain from consuming alcoholic beverages during business functions. However, in the event an employee chooses to consume alcoholic beverages in connection with a business function, the Hospital expects that employees will act responsibly and avoid excess. If an employee has any concerns that he/she is not capable of safely driving after such events, the Hospital will reimburse the cost of alternative transportation to ensure that the employee does not place themselves or others in danger. An employee, who is arrested and convicted for Driving Under the Influence while in the performance of company business, or when returning from a business function, is subject to disciplinary action up to and including termination.

### Reporting Guidelines

Upon receiving an accurate and complete reimbursement request form, Accounts Payable will process payment in the next check run not to exceed 15 business days. Accounts Payable checks are processed every Friday as well as on the 1<sup>st</sup>, the 15<sup>th</sup> and the last day of every month. In no event will there be a special check processed for reimbursement. All payments will be a part of a normally scheduled check processing. Expenses must be submitted for reimbursement within 3 months of being incurred, or they will not be reimbursed.

### Documentation Requirements

Employees must provide the following information in order to be reimbursed for any business related meals or entertainment expenditures:

- Names of individuals present, their titles and company name
- Name and location of where the meal or event took place
- Exact amount and date of the expense
- Receipts for all expenditures

Employees must submit the following documentation with their Expense Report:

- Air Travel – original passenger receipt
- Hotel – hotel folio plus credit card receipt or other proof of payment
- Car Rental – credit card receipt or rental agency invoice
- Entertainment – credit card receipt or register receipt for all expenses
- Meals – credit card receipt or register receipts for meal expenses

Please note: Receipts must be affixed to a piece of paper with like items (e.g. cabs) together. An explanation of the business expense and a list of the individuals/company affiliations entertained (in the case of meal/entertainment receipts) must be documented next to the original receipt. Expense reports

containing entries that cannot easily be supported by receipts will be returned to the person submitting the expense report. When a receipt is not available, a full explanation of the expense and the reason for the missing receipt is required. Actual bills/receipts must be submitted whenever possible; photocopies will be acceptable only with a detailed explanation as to why the original is unavailable. Receipts must include the name of the vendor, location, date and dollar amount. All expenses must be reported, regardless of how they were paid.

The following receipts are acceptable:

- Original receipt completed by the vendor
- Customer's copy of credit card slip
- Credit card billing statement, only in the unusual case where it is not possible to obtain the actual receipt
- Original phone bill

### **Incorrect or Incomplete Expense Reports**

Expense reports that are incorrect, incomplete or include disorganized receipts:

- Will be returned to the approver for completion.
- May result in delay or non-reimbursement of specific items.

Disregard for company policy or altering of receipts can result in disciplinary action up to and including termination.

### **Air Travel**

Air travel reservations should be made in such a manner as to secure the best available fare. Available resources include, but are not limited to: travel agents, online resources or directly with the airline. ALL AIR TRAVEL MUST BE IN COACH CLASS.

When traveling by air:

- Employees are expected to use the lowest logical airfare available.
- Employees are expected to use non-direct flights when the savings are substantial.
- Obtain CEO/CFO approval for all trips.

### **Upgrades for Air Travel**

Upgrades for air travel are not reimbursable. If an employee wishes to upgrade, it is done at the employee's expense.

### **Airport Parking**

When parking at an airport is part of business travel, it is expected that employees will utilize Long Term parking lots. Short Term parking fees will not be reimbursed.

### **Auto Travel: Car Rental**

Employees may rent a car to get to their destination when driving is more cost effective than airline travel. Employees may rent a car at their destination when it is less expensive than other transportation modes such as taxis and airport shuttles or when entertaining customers. Whenever multiple employees are traveling together, every effort to rideshare or carpool must be made. Employees must reserve a car in the compact rental car category. When picking up a rental car, check with the rental car agent for any promotional rates, last-minute specials or free upgrades. At the time of rental, inspect the car and be sure that any damage found is noted on the contract before the vehicle is accepted.

Employees may book a car rental class of service one level higher when:

- The traveler can be upgraded at no extra cost
- Two or more company employees are traveling together
- Entertaining customers
- Cars in the authorized category are not available
- Transporting excess baggage such as booth displays.

Travelers should always accept the collision insurance offered by rental agencies but should decline all other offered insurances. Additionally, whenever possible, the prepaid gas option should be declined.

Rental cars must be returned as follows:

- To the original rental city unless approved for a one-way rental
- Intact (i.e. no bumps, scratches, or mechanical failures)
- On time, to avoid additional hourly charges
- With a full tank of gas.

Should a rental car accident occur, employees should immediately contact the rental Car Company, local authorities (as required), and the Hospital's Finance Department.

#### **Rental Car Gas**

Gasoline for use in rental cars is reimbursable with proper documentation.

#### **Cellular Telephone Use While Driving**

Use of a cellular telephone while driving is not recommended in any situation and employees are expected to refrain from using their telephone while driving. Employees must pull off to the side of the road and safely stop the vehicle before placing or accepting a call. Hazel Hawkins Memorial Hospital strictly prohibits employees from using a cellular telephone without a hands-free device while driving.

#### **Taxi / Shuttle / Parking Fees**

The use of airport shuttles and taxis upon arrival at the employee's destination is the preferred mode of transportation. Make sure to ask for a receipt if one is not offered. This documentation aids in the expense-tracking process.

#### **Business Use of Personal Vehicle**

Employees may use their personal vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternate transportation. Personal vehicles may also be used when transporting company goods for delivery or entertaining clients. It is the personal responsibility of the vehicle owner to carry adequate insurance coverage for their protection and for the protection of any passengers. Hazel Hawkins Memorial Hospital requires that employees who regularly use their personal vehicle for Hospital business maintain minimum of \$100,000/\$300,000 bodily injury coverage and \$50,000 property damage coverage on their vehicles. Mileage is reimbursed at the rate established by the IRS (\$.555/mile for 2012). This mileage allowance is in lieu of actual expenses for gasoline, oil, repairs, tags, insurance, and depreciation. Therefore, actual expenses for those items will not be reimbursed when your personal vehicle is used for business.

To be reimbursed for the use of your personal vehicle for business, employees must list on the expense report:

- Date and purpose of the trip
- Locations traveled to and from
- Mileage

Mileage reimbursement for the employees of the Home Health Care department will be processed bi-weekly as part of their payroll check. The Home Health Care Director or designee will sign the timesheet as authorization for payroll to process the mileage expense.

#### **Meals**

Personal meals are defined as meal expenses incurred by the traveler when dining alone on an out-of-town business trip. The Hospital will reimburse you up to \$35.00 per day for out-of-town business meals.

#### **Telephone Expenses:**

##### **Business Phone Calls**

Employees will be reimbursed when using their personal cellular telephone, calling cards or home phone for business related phone calls:

- Which are reasonable and necessary for conducting business
- With an original copy of the bill attached to the expense report form
- Home Health Care providers that use their cellular telephones for business on a regular basis are eligible for \$25/month rebate. The employee must provide a receipt that shows that their current coverage is at least this amount.

### **Personal Phone Calls While Traveling**

Employees will be reimbursed for personal telephone calls while traveling on business:  
Not to exceed \$10.00/day for domestic travel

### **Expenses not Reimbursable:**

Be sure to note that the following items are NOT reimbursable under this policy:

- Airline club / Country club membership dues
- Parking tickets or other fines
- Delinquency fees / Finance charges for personal credit cards
- Excess baggage charges
- Expenses for travel incurred by companions / family members
- Expenses related to vacation or personal days while on a business trip
- Loss / Theft of personal funds or property / Lost baggage
- Avoidable "No-Show" charges for hotel or car service
- Non-Compulsory insurance coverage
- Rental car upgrades
- Repairs due to accidents
- Mini-bar charges

Never assume that an item will be covered. Be sure to check with your manager if an item you need is not outlined specifically in this policy.

### **APPROVAL/AUTHORIZATION PROCESS**

The employee's manager must approve all expense reports. No employee is authorized to approve his/her own, a peer's, or a manager's travel expense report. The manager is responsible for verifying:

- Business purpose
- Correct totals
- Supporting documentation and receipts
- Policy compliance.

In addition, the person in attendance with the most senior title must put the expense on his/her expense report to facilitate review by a more senior person not in attendance.

Once approval has been obtained, be sure to make a copy of the signed report along with copies of your receipts to keep for your own records.

Questions regarding this policy can be directed to Human Resources or the Finance Department.