



COHESIVE HEALTHCARE MANAGEMENT & CONSULTING

MANGUM REGIONAL MEDICAL CENTER

TITLE		POLICY
Travel and Business Expenses		FIN-201
MANUAL	EFFECTIVE DATE	REVIEW DATE
Capital & Disbursements		
DEPARTMENT	REFERENCE	
Finance		

PURPOSE

Mangum Regional Medical Center will reimburse properly documented and reasonable employee expenses that are incurred as a direct result of (i) business travel, or (ii) the development and operation of the business of Mangum Regional Medical Center. Employees and their supervisors are responsible for ensuring all expenses submitted for reimbursement are in accordance with this policy. Expenses submitted that are older than 30 days will not be reimbursed unless approved by the Mangum Regional Medical Center Finance Director.

POLICY

Transportation and Travel Expenses

All transportation and travel arrangements ordered shall be the most economical under the circumstances. Excursion or coach fares shall be ordered whenever available. Approval from the Finance Director shall be required for any other class of travel. Each department has the right to limit travel expenditures based on budgetary restrictions and may limit coverage to certain categories of travel expense. Mangum Regional Medical Center is not responsible for an employee's personal effects or luggage while traveling.

Specific policies relating to automobile and public transportation are as follows:

1. Personal Cars

a. Use of an employee's personal car for business purposes is permitted; however, if an employee's personal car is to be used for such purposes, the employee must obtain and maintain liability insurance in an amount and with such coverage as is required by Oklahoma law. Physical damage to the employee's automobile occurring while in use on Mangum Regional Medical Center business is not covered by any Mangum Regional Medical Center insurance policy. Mangum Regional Medical Center assumes no liability for personal injuries or property damage resulting from the employee's operation of a personal automobile.

b. Reimbursement for the cost of the use of an employee's personal car for business purposes will not exceed the current rate allowable by the IRS. This mileage rate is generally updated annually by the IRS. The Accounting Department may be contacted to determine the current rate. Any

substantial deviations from distances shown in standard highway mileage guides shall not be reimbursed without adequate explanation.

When traveling from home to a business location other than the employee's regular place of employment, the employee will be reimbursed for the cost of the portion of that travel that exceeds the distance of the employee's normal commute. When traveling from the employee's regular place of employment to another location for business purposes, the employee will be reimbursed for the round-trip mileage.

c. Parking fees, tolls, and other normal and reasonable costs related to the business travel are reimbursable. Fines for employee traffic violations are not reimbursable.

2. Rental Cars

a. Use of rental cars for business purposes is permitted only when public or personal transportation is not available or feasible, or where use of rental cars is necessary to achieve the business purpose of the trip. Rental arrangements should be made through the facility's designated travel agent. Under no circumstances will an employee be reimbursed for mileage logged on a rental automobile where the mileage costs are included in the basic rental rate. The employee should make certain, prior to taking possession of the rental car, that such car is covered by both comprehensive and collision automobile insurance as provided by the rental car agency.

b. Except when special circumstances warrant and as fully explained on the Travel Expense Reimbursement Form, rental costs shall be reimbursed only for compact or standard cars (including air conditioning).

3. Local Public Transportation

a. Fares for buses, airport coaches or limousines, subways, etc., incurred for business purposes, are reimbursable expenses and such methods of transportation should be used when appropriate.

b. Taxicab fares are allowable when other facilities are not adequate or when time is of the essence.

Business Expenses

1. Meals

When traveling out of town for a business purpose, the actual and reasonable expenses for three meals a day shall be reimbursable. A reasonable guideline is \$45 per day, excluding gratuities.

Generally, you are traveling out of town if:

(a) your duties require you to be away from the general area of your normal business location longer than an ordinary day's work, and

(b) your business responsibilities require you to spend at least one night from your normal business location.

You will not be considered to be "traveling out of town" if you are simply away from your normal work location for the day and your business activity does not require an overnight stay.

2. Lodging Expenses

Actual and reasonable expenses for single room accommodations, including taxes, are allowable during overnight business trips away from an employee's principal residence.

3. Gratuities

Allowable expenses shall include reasonable gratuities customary rates - generally fifteen to twenty percent depending on service level and size of party - for meals, room handling, and similar services.

4. Non-Reimbursable Expenses Items of a personal nature, (e.g.: site seeing, in-room movies, and other personal entertainment) and miscellaneous sundries shall not be reimbursed.

5. Business Meal and Entertainment Expenses

A "business meal" is a breakfast, lunch or dinner served in any environment generally considered to be conducive to business discussions. Similarly, the entertainment must be conducive to business discussions. The meal or entertainment must be for a person or group who could conceivably contribute to the development or operation of the business of Mangum Regional Medical Center. Any request for reimbursement shall include the original detailed bill from the restaurant (not just the credit card slip) and also include the date, amount spent, name of restaurant, club, or place where entertainment occurred, names of persons present together with their occupations, a statement that the occasion was a business meal or entertainment, and business reason.

Advances for Expenses

Advances for expenses will not be paid directly to employees. Requests for payment directly to an outside vendor for expenses incurred prior to taking an approved business trip, may be allowed, at Management's discretion, for the following items only: (i) airfare, (ii) conference or seminar fees, and (iii) hotel accommodations. Refer to procedures section for details. Individuals authorizing advances are responsible to ensure that advances are used for their intended purposes.

Required Receipts

The employee seeking reimbursement should obtain receipts for all expenditures and include such original receipts attached to the Expense Reimbursement Form. Receipts must be provided for reimbursement of all expenditures for lodging, airfare and rental cars and for all other expenditures. Copies of credit card billing statements are not deemed to be original receipts. Failure to comply with the documentation requirement will result in either a delay in processing or a denial of payment based on the Finance Directors discretion.

Documentation of Business Purpose

All individual requests for reimbursement require textual or notational descriptions which sufficiently document the business purpose of the expenditure.

PROCEDURE

Employee (Requestor)

Initiate business or travel arrangements.

Administrator / Finance Director /
Director / Supervisor (Authorizer) Authorize disbursements to employees who have the most immediate and direct line responsibility to the authorizer.

Finance Review payments for business and travel expenses for compliance with policy.

Business & Out of Town Travel Requests

Employee (Requestor) Submit travel request to Department Head.

If seminar fees or hotel accommodations are to be prepaid, prepare a check request. For seminar fees, scan original and one copy of registration to payment request. For hotel accommodations, scan original and one copy of written confirmation to payment request.

Obtain departmental signature and cost center account number for check request and Travel Reservation form.

Administrator / Finance Director /
Director / Supervisor (Authorizer) Review request for accuracy, appropriate supporting documentation and compliance with policy.

Send check request with attachments to Accounts Payable at least ten (10) days in advance of the payment date.

Approve, sign and date request.

Finance Review payments for business and travel expenses for compliance with policy.

Approve for payment.

Business and Travel Expense Reimbursement

Employee (Requestor) Submit upon returning from a business trip or incurring the business expense, the completed Expense Reimbursement Form with the required original receipts attached to the Authorizer for review.

Obtain approval.

Administrator / Finance Director /
Director / Supervisor (Authorizer) Authorize completed Travel Expense Reimbursement Form and forward supporting documentation to Finance.

Finance Review request for accuracy, appropriate supporting documentation.

Release for payment.

Process payment to employee on next disbursement cycle.

Maintain electronic copy of the Travel Expense Reimbursement Form for record of travel expenses reimbursed to an employee.

Local Expense Reimbursement

Employee (Requestor)

Complete an employee Expense Reimbursement Form describing point of departure, point of destination, mileage, parking or other local travel expense. Attach receipts if appropriate.

Obtain departmental signature.

ATTACHMENTS

REVISIONS/UPDATES

Date	Brief Description of Revision/Change