

# Del Puerto Health Care District

## Policy 1 - Expense Reimbursement

- 1.1 This policy establishes standards for Del Puerto Health Care District (“District”) Employees who incur expenses during the course of business activities on behalf of or at the request of District.
- 1.2 The purpose of this policy is to provide uniform standards for those employees who incur, authorize and approve business travel, out-of-pocket and entertainment expenses. The policy also defines the documentation necessary to support reimbursement for business travel, out-of-pocket and entertainment expenses.
- 1.3 Employees will be reimbursed for mileage at the rate allowed by the Internal Revenue Service. Meals will be reimbursed upon presentation of valid receipts. Personal cell phones used in the course of District business upon presentation of a valid invoice will be reimbursed up to \$75/month.
- 1.4 Employees are to exercise good judgment in incurring business travel and entertainment expenses. Reimbursement will be made for authorized business expenses that are reasonable, necessary and appropriately documented.

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## Policy 2 - Business Travel Expenses

- 2.1 Business travel expenses are reasonable and necessary expenses that an employee incurs while traveling away from home on District business or related activities approved by District. This Section A applies to basic expenses associated with travel on District business. Section B contains separate requirements related to business entertainment expenses.
- 2.2 Hotel Accommodations - Employees should use hotels that balance the needs for convenience, safety, and lower cost. Employees may not stay at luxury hotels such as Ritz Carlton, Four Seasons or utilize similarly expensive lodging unless it is a designated conference hotel. Employees will not be reimbursed for bottled water, in-room movies or mini-bar expenses.
- 2.3 Airfare - Employees must travel coach/economy class at the most economical rate available to reasonably accommodate business schedules. Use of the long-term parking lots and/or off airport parking is encouraged to reduce overall travel costs.
- 2.4 Mileage/Ground Transportation - When it is more practical to use a personal automobile when traveling on business, reimbursement will be made at the currently established IRS rate per mile for the actual miles necessary to conduct the relevant business.
- 2.5 Other ground transportation (e.g. taxi, bus, subway, rail, etc.) will be reimbursed if it relates to District business. Other costs associated with ground transportation such as parking and bridge tolls will be reimbursed.
- 2.6 Rental Cars - Luxury and premium cars are not reimbursable.
- 2.7 Meals - District will reimburse reasonable meal expenses incurred by employees traveling out-of-town on District business. Such meals should not exceed \$15 for breakfast, \$25 for lunch and \$35 for dinner. District will not reimburse meal expenses for an employee's spouse.
- 2.8 Telephone Calls/Faxes/Mail Service While Traveling - Necessary business related telephone calls, faxes or mail service and business use of personal cell phone, home phone or faxes will be reimbursed with appropriate documentation.
- 2.9 Personal calls while traveling, such as reasonable calls to home, family members, baby sitters, etc., are allowable business expenses.
- 2.10 Spouse Travel - No reimbursement is allowed for travel expenses, (including, but not limited to, airfare, hotel, meals, transportation, tips, etc.) paid or incurred by an employee with respect to a spouse, dependent or other individual accompanying an employee on a business trip.

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## Policy 3 - Business Entertainment Expenses (including meals and gifts)

- 3.1 Business entertainment expenses are those expenses incurred by the employee while (i) conducting/discussing District business and (ii) meeting with other District employees (including subordinates) and/or other persons who directly (or through another entity) do business with or support the District.
- 3.2 Business Meals - Business entertainment and meal expenses must be reasonable and appropriate, taking into consideration the location of the meal/event, the participants, the nature of the event, and other relevant factors.
- 3.3 District will only reimburse meal expenses involving District-only participants when a significant amount of the discussion/purpose of the meal is business related – whether the meeting takes place in a restaurant or the office.
- 3.4 Employees are reminded that they represent the District while on company business and that alcohol use, if any, must be responsible and in conjunction with a meal.
- 3.5 Business Gifts - Modest business gifts to non-employees (including board members and sponsors) will be reimbursed with the approval of the District's CEO or Board President and appropriate documentation.
- 3.6 Gifts to Employees - Generally, District will not reimburse an employee for gifts (including flowers) to subordinates, peers, or supervisors, including events such as a birthday, holiday (e.g., Christmas), wedding, special days (i.e., secretary day), birth of child or other life event.
- 3.7 With the CEO's or Board President prior approval, an employee may expense a gift to a District employee or board member for exceptional performance, as a thank you for a special effort, as a going away gift, or as an acknowledgement for completing a degree or training program. In addition, an employee may expense flowers or another appropriate and reasonable gift sent to a subordinate, peer, supervisor, or board member in the event of the death of an employee or immediate family member, the hospitalization of the employee or employee family member or other family crisis.

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## Policy 4 - Expense Reporting and Documentation Requirements for the Paper Process

- 4.1 Expense reports must be completed in accordance with the requirements of this policy.
- 4.2 Expense Reporting Signature and Approvals - Expense reports must be signed by the employee and approved by the employee's supervisor or the Board President. By signing the expense reports, employees and the individual approving reports are representing and confirming that the expense report complies with these standards.
- 4.3 Forms to be Used - Employees must use the current District expense report form(s) for reimbursement of out-of-pocket expenses, the current District mileage and associated reimbursement form for reimbursement of mileage.
- 4.4 Attachments to Forms - When preparing expense reports, receipts should be attached.
- 4.5 Substantiation of Expenses - Generally, a receipt should be provided in support of out of pocket expense items. Exceptions to this general requirement include bridge tolls, highway tolls, modest bus or subway fares, and tips to baggage handlers in hotels, airports. A receipt should accompany all District credit card purchases.