

OPERATIONAL POLICY

RES 3-276-01

Subject: Hospitality
Date Approved: March 28, 2011
Approved by: Senior Management
Initiated by: Financial Services and Materials Management
Supersedes: NEW

REASON FOR POLICY

This policy outlines the requirements for claiming hospitality expenses. The provisions in this policy provide for the reimbursement of reasonable hospitality expenses when employees are required to conduct business or hold a special event (function) that will incorporate some form of hospitality.

DEFINITION:

Hospitality is the provision of food, beverage, accommodation, transportation and or other amenities at MHCP's expense to persons who are not engaged in work for MHCP.

APPLICABILITY

All employees.

POLICY STATEMENTS

Hospitality should be extended in an economical, consistent and appropriate way when facilitating MHCP business. Hospitality expenses should only be reimbursable if a reasonable ratio of staff to persons who are not engaged in work for the MHCP is demonstrable. Where hospitality events are extended by MHCP, and where the guests include vendors (current or prospective), Directors/Managers are responsible for obtaining prior approval from Material's Management to ensure that the event does not offer, or is not perceived to offer, preferential treatment to any particular vendor.

PROCEDURES

Hospitality requires prior approval by the respective Vice President of the Program or Department, or the next senior level of authority not in attendance at the event. Expenses for a group can only be claimed by the most senior person present. Further, expenses cannot be claimed by an individual that are incurred by his/her approver (e.g. a Director cannot submit a

claim that includes his/her VP's expenses (e.g. meal) even if they were present at the same event.

Expense submissions for hospitality for meals must include the names and titles of the persons in attendance, the organizations they represent, and the business reason for the meeting. If the amount per person exceeds the hospital's set meal allowance, an explanation must be provided. Expenses for alcoholic beverages will not be authorized.

All hospitality claims must be preauthorized by and signed in accordance with the Procurement Approval Authority Policy.

CROSS REFERENCE:

Procurement Approval Authority Policy BD 10-002

Initiated: March 28, 2011

Revised: N/A