

Beaumont

HEALTH

Title Employee Travel Expense Reimbursement	Location ALL Beaumont Health	Functional Area Administration
Policy Owner EVP & Chief Financial Officer	Document Type Policy	Effective Date 02/09/2016

I. CORPORATE AUTHORITY

Beaumont Health ("BH") as the corporate parent to William Beaumont Hospital, Botsford General Hospital, and Oakwood Healthcare Inc., ("Subsidiary Hospitals") establishes the standards for all policies related to the clinical, administrative and financial operations of the Subsidiary Hospitals. The Subsidiary Hospitals, which hold all health facility and agency licenses according to Michigan law, are the covered entities and the providers of health care services under the corporate direction of BH. The Subsidiary Hospitals' workforces are collectively designated as BH workforce throughout BH policies.

II. PURPOSE AND OBJECTIVE: To provide the framework for complete and accurate expense reporting related to business travel, accommodations, meals, conference fees, and incidental expenses. The Company intends to cover reasonable expenses employees incur in the course of doing business. In turn, employees are reminded that they are stewards of our patients and community resources and as such, are expected to maintain expenses within a reasonable and affordable level.

III. POLICY STATEMENT:

- A. All travel outside the Continental United States (or Canada) must be prior approved by either the CEO, COO, CFO or CMO.
- B. Employee must complete the "Itemized Expense Statement for Approved Travel" form, complying with the following practices:
 1. Original itemized receipts are required. Itemized Internet receipts are acceptable. Non-itemized credit card receipts or statements are not acceptable.
 2. If travel is for a conference/seminar, documentation or a brochure from the event is required. In addition, detailed agenda of the conference and a copy of the certificate of completion (if appropriate) received from the seminar must be included.
 3. The only exception to the above requirements is when a receipt is not available, such as tips (bellman, etc.).
 4. Any expenditure deemed to be excessive will be subject to further review by Accounting. IRS Guidelines will be used if appropriate.
- C. Advances:
 1. Advances will be issued for hotel expense only. If necessary, a check may be made out directly to the hotel before travel.
 2. In rare instances where an employee required any other type of advance due to personal circumstances, the request must be approved by the Department Head and the Executive or Senior Vice President.
 3. Please submit a check request to Accounts Payable with documentation supporting the hotel amount requested at least two weeks prior to travel.

Beaumont

HEALTH

Title Employee Travel Expense Reimbursement	Location ALL Beaumont Health	Functional Area Administration
Policy Owner EVP & Chief Financial Officer	Document Type Policy	Effective Date 02/09/2016

4. If an employee has personally prepaid any authorized travel related expenses such as airfares and registration/conference fees (see D.1. below) and desires reimbursement prior to the trip, they can submit an approved Travel Expense Reimbursement form for those expenses.
5. Do not duplicate these expenses on the Travel Expense Reimbursement form when submitting expenses after the trip.

D. Types of Reimbursable Expense:

1. **Conference Fees:** All conference fees should be paid by Beaumont directly to the meeting registrar prior to the event, via check request. If fees must be paid by registrant directly, a receipt/confirmation must be obtained (uncashed check copies are not acceptable).
2. **Hotel Room:** Standard single room rate. An original copy of the detailed receipt must be submitted.
3. **Meals:** Will be reimbursed when not included in conference fee. Original detailed receipts are required. Meal expenditures are expected to be reasonable, or will be subject to review for reasonableness for that particular geographical area. Meal reimbursement is for the employee only, with the exception of a documented business purpose for employee paying for the meal of others (dinner meetings, department meetings, etc.).
4. **Meal Guests:** If employee is paying for Beaumont travelers/guests, those names must be noted on the receipt.
5. **Alcohol:** No alcohol will be reimbursed. If reimbursement is requested, alcohol will only be reimbursed with written approval of the CEO, COO or EVP.
6. **Transportation:** Round Trip airfare must be coach. The original airline ticket or E-ticket, provided it contains all necessary detail, including documentation that it was paid, must be submitted. All out-of-town ground transportation is reimbursable up to the equivalent cost of airfare. If an employee wishes to stay over on a Saturday night to obtain a lower fare, the additional hotel expenses and meals will be reimbursed as long as the total of these expenses is less than the savings achieved on the airline ticket. This calculation must be documented on the reimbursement form.
7. **Rental Cars:** Utilized only when conference is not in proximity (walking distance) to the hotel and shuttle service is not available. Beaumont will reimburse the fee for a mid-size vehicle.
8. **Telephone/Internet Usage:** All long distance business related calls are reimbursable. Traveler must identify/highlight the business call phone numbers on the bill. One long distance to home each day of the conference will be reimbursed. Internet usage will also be reimbursed. Both telephone and Internet usage costs must be reasonable or will be subject to review.
9. **Exchange Rate:** Where applicable, receipts must be converted to U.S. currency, or a copy of the charge card statement showing the currency conversion should be attached.
10. **Airport Parking:** Airport parking (supported by documentation) will be reimbursed up to a maximum of twelve dollars (\$12.00) per day.

Disclaimer: User must ensure that any printed copies of this policy/procedure are current by checking the online version of the policy/procedure before use.

Beaumont

HEALTH

Title Employee Travel Expense Reimbursement	Location ALL Beaumont Health	Functional Area Administration
Policy Owner EVP & Chief Financial Officer	Document Type Policy	Effective Date 02/09/2016

E. General Information:

1. Only the most recently approved, unaltered forms will be accepted.
2. Any incomplete/inaccurate forms will be returned to the employee.
3. It is the responsibility of the authorized director or above to review this form before signing.

IV. PROCEDURE:

A. Employee:

1. Review report for accuracy, attached documentation as per above, sign, and submit to the Department Head. Any reports submitted subsequent to the 60-day time limit (time limit from the first day the employee attended the conference to the day received in Accounts Payable) will not be accepted by Accounting. Employee and their managers/directors are responsible for ensuring timely delivery to Accounting/Accounts Payable.
2. To return any unspent advance monies, submit the amount in a personal check payable to Beaumont Health, and attach to the "Itemized Expense Statement for Approved travel" form with documentation.

B. Department Head:

1. Review the employee's information, sign, and forward to Accounts Payable for processing. Employee and their managers/directors are responsible for ensuring timely delivery to Accounting/Accounts Payable to ensure delivery before the 60-day time limit. Please allow two (2) weeks from the date received by Accounts Payable for check to be mailed.

C. Accounts Payable:

1. Reviews documentation for completeness and accuracy.
2. Processes approved request for payment.
3. Mails check to address detailed on form.

V. REFERENCES (if applicable): N/A

Travel Expense Policy Appendix

Purpose: To provide further clarification for employees as to the Beaumont Health (BH) travel expense reimbursement policy. In any case of dispute between the policy and this appendix, the policy will apply.

Beaumont Health is a non-profit entity, and as such, we must be stewards of the Beaumont Health assets, financial and otherwise. We must be conscientious in the incurrence of work related expenses. Beaumont Health has an Accountable Reimbursement Plan. This means that business expenses are not included in your taxable wages. However, in order to continue to qualify as an Accountable Plan, employees must:

1. Have paid or incurred expenses while performing necessary services for BH;
2. Adequately account for expenses within a reasonable period of time (60 days); and
3. Return any excess reimbursement within a reasonable period of time.

Business expenses must be both ordinary and truly necessary in the active conduct of BH business.

BH Internal Audit is regularly auditing our expense reports. If issues are identified during the audit with any expense reports, they are reported directly to the Audit Committee of the Board of Directors.

Per the policy, original invoices must be included with the expense reimbursement request, and expenses must be approved and submitted to Corporate Accounting (William Beaumont Health System) or Accounts Payable (Oakwood and Botsford) within the 60 day requirement. Exceptions will be on a case by case basis and require approval by an SVP or EVP.

Employee Mileage

BH will reimburse employees for automobile mileage expenses incurred in the ordinary and necessary conduct of BH business in compliance with IRS rule and regulations. Mileage reimbursement rates are based on the IRS allowed rate in effect during the period of travel. Allowable mileage does not include commuting mileage from the employee's home to his/her main or regular place of work, which should be subtracted from the total mileage to arrive at the reimbursable amount. **Even if an employee does not travel to their home location on a date, the total regular commute will be deducted from the total miles traveled during the day.** An online commuting mileage calculation, such as Mapquest, is required for travels to non-BH locations.

It is the employee's responsibility to substantiate the expense by logging the date, locations traveled to and from, and business purpose of the mileage incurred. The **Employee Mileage Log** should be used for the purpose. Mileage should be submitted once substantial mileage has been accumulated, but must be submitted with proper approvals within the 60 days of the first date mileage was incurred, per policy guidelines.

Business Travel

One way travel to a meeting, conference or training of 100 miles or more qualifies as business travel and should be submitted on an employee travel report. Additionally, when traveling greater than 100 miles to a conference beginning before 8 am, an overnight stay is permitted with SVP or EVP approval.

Automobile transportation may be used when common carrier transportation cannot be scheduled satisfactorily or when traveling by automobile reduces expenses. When traveling by personally owned automobile, reimbursement will be made at the maximum allowance IRS rate for the current year. Requests for reimbursement will be made based upon the most direct route available, utilizing MapQuest. Mileage driven routinely to and from work will be deducted from the reimbursable mileage total.

If traveling more than 250 miles one way, and using a personal automobile, documentation should be included as to the airline costs. **Reimbursement will be the lesser of the actual mileage expense or the airfare available – employee is required to provide documentation of the available airfare.** For proper documentation, a print screen from Expedia showing available airfares will be sufficient.

If a rental car is utilized for Beaumont Health travel, Beaumont's auto insurance policy includes auto liability and auto physical damage coverage for Beaumont employees using a rental car when on Beaumont Health related business. This eliminates the need to purchase liability or physical damage coverage from the rental agency. Beaumont Health will not reimburse for rental agency provided/offered insurance coverage.

If an employee extends a business trip for personal reasons, the employee will need to arrange for insurance coverage for the extended days, as the Beaumont Health policy will not be in force. The exposure shifts to the employee at this point. Beaumont Health will not reimburse for rental agency provided insurance coverage.

If an employee sustains damage to their personal automobile while traveling for business or professional reasons, the employee is responsible for the cost of repairing such damage, either by utilizing the employee's own personal insurance carrier or self-insurance. Beaumont Health is not liable for any property damage resulting to personally owned automobiles.

When traveling by air, fares reimbursed should be limited to economy class. If an employee chooses to utilize other fare classes, reimbursement will be limited to the cost of a non-refundable coach ticket fare **printed at the time of the booking – documentation of the coach price is required for reimbursement in all circumstances.** If documentation of the coach price printed at the time of booking is not provided, the reimbursement will be limited to one-third (1/3) of the business class or first class fare.

Meals/Incidentals When Traveling on Business

Reimbursement for meals are limited to meals not provided by the conference/meeting, per the agenda required for expense report processing. As a general guideline, "reasonable" is defined as the geographic daily per diem rate provided for by gsa.gov (Meals and Incidental Expenses Breakdown). Daily meal and incidental per diem rates are provided on the site and is easily accessible and searchable by geographic area where you are traveling to. Amounts provided are the daily limits. Current default rate is \$51 per day (for three meals). Receipts are required for all expenses incurred. Amounts in excess of the per diem rate are the personal responsibility of the employee.

Tips and gratuities are limited to 20% of the meal cost. Alcohol will not be reimbursed without approval of the CEO, COO, CFO or EVP.

Entertainment-Related Business Meals

For entertainment-related business meals, you must document:

1. The main purpose of the combined business and entertainment was the active conduct of business;
2. The specific business with the person during the entertainment period and the subject discussed; and
3. Include a list of all attendees at the meal.