

	MANUAL Corporate	Section ADMIN	Pages 5	Number 131-ADM
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1.0 Purpose & Goals Description

The purpose of this policy is to provide clear direction for claiming out-of-pocket expenses or remuneration of fees by a consultant or supplier submitted to SJHH for reimbursement. The goals are to provide common leading practices, standards, process and behaviours of transparency, accountability and fairness as required through legislation and to ensure that SJHH is substantially compliant.

2.0 Definition

2.1 Healthcare Professional: refers to any associate, affiliate, employee, researcher, physician or learner at SJHH.

2.2 Consultant and Consultant Service Provider: refers to an individual, company, contractor or entity that anticipates to provide or does provide consulting services under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making, (e.g. an individual or organization engaged to develop a communications strategy, to develop a training plan for the organization). Examples of Consultant or CSP are: Management consulting (Help to improve performance, primarily through the analysis of existing problems and development of plans for improvement. This includes organizational change management assistance and strategy development);

Information Technology consulting (Advisory services that help the hospital assess different technology strategies, including aligning their technology strategy with their business or process strategy);

Technical consulting (Strategic advice related to actuarial science, appraisal, community planning, employment/placement, engineering, health sciences, interior design, realty, social sciences, etc.);

Policy consulting (The provision of advisory services to provide policy options, analysis and evaluation);

Communication consulting (The provision of strategy and advice in conveying information through various channels and media);

Professional services e.g. Architect, engaged to develop a ten year strategy;

IT e.g. An organization is engaged to develop an IT strategy

Operations e.g. an individual or organization is engaged to assess operational performance;

Executive management e.g. an individual is engaged to advise the executive team on communicating to the media;

Employment e.g. an individual is engaged on retainer to provide ongoing expertise to the organization.

The consultant service will be that of a Supplier of service and bound by SJHH's Supply Chain Code of Ethics.

2.3 Non-consulting Service Provider: is an individual/company who contracts to provide services, other than consulting services to another individual or business (e.g. property broker, head hunter, trainer, engaged to design a newsletter, to develop and deliver a specific training program). The non-consulting service provider provides a service that has specific parameters or the work is prescribed in a box. For further clarity examples include:

Professional services e.g. Architect, engaged to design a specific building;

IT e.g. an individual engaged to create a data base that will support an IT Implementation;

Operations e.g. an individual or organization engaged to implement process improvements on specific operational processes;

Executive management e.g. an individual is engaged to facilitate executive team building sessions;

Employment e.g. a contract specialist is engaged on a temporary basis to manage a specific RFP but is not on the payroll.

The non-consulting service will be that of a Supplier of service and bound by SJHH's Supply Chain Code of Ethics.

2.4 Supplier: means any provider of product, equipment or service to SJHH.

3.0 Equipment/Supplies

None.

4.0 Policy: Fees submitted for payment to SJHH will require approval, to have been negotiated as part of a contract, be legitimate and fall within the scope of service, not exceed the ceiling costs and fall within the fees that qualify for reimbursement. In addition, no late payment fees, administration charges or any other penalties will apply.

4.1 Expenses/Fees That Qualify for Reimbursement

4.1.1 Remuneration of key deliverables based on scope of work/milestones that have been met, compliance with timelines and contract requirements.

4.1.2 Expenses currently covered under an agreement (prior to April 1, 2011), where the contract specifically provides for it will be limited to booked air or train travel (not to exceed \$1,000.00 for return trip, unless approved in writing) and accommodations (hotel or room cost not to exceed \$150.00 per night) both secured through a SJHH contracted travel supplier.

4.2 Expenses/Fees That Do Not Qualify for Reimbursement Effective April 1, 2011, the following expenses will not be reimbursed by SJHH for new or extended agreements, as per the BPS Accountability Act 2010 and subsequent Procurement and Expenses Directives 2011 that specifies "in no circumstances can hospitality (the provision of food, beverage, accommodation, transportation and other amenities), incidental or food expenses be considered allowable expenses for consultants and contractors[service providers] under the rules of any contract between an organization and a consultant or contractor";

4.2.1 Travel expenses such as parking spaces, parking fees, tickets, fines, toll fares (e.g. 407 ETR or USA tolls), mileage to an airport from any home base.

4.2.2 Room service, laundry, valet service, movie rental, communication (intranet, telephone or any other communication) or entertainment charges.

4.2.3 Meals, snacks and beverages, including alcohol.

4.2.4 Out-of-pocket expenses such as tips, gratuities, drugs of any kind, grooming supplies or services and items sent to the room/accommodation site.

4.2.5 Home management and dependant care.

4.2.6 Per diem rate.

4.2.7 Cost of materials, photocopy, fax and/or supplies required to complete the assignment or work.

4.2.8 Remuneration of key deliverables based on scope of work/milestones that are not met and non-compliance with timelines or contract requirements.

4.2.9 Pre-payment or relocation requests.

- 4.2.10** Hospitality that includes the provision of food, beverage, accommodation and other amenities.

5.0 Procedure:

5.1 Expense Submission

- 5.1.1** All original receipts with details of expenses, with the tax burden clearly identified will be submitted with an expense statement or invoice that references the SJHH Purchase Order number and the SJHH contract number for each consultant or supplier.
- 5.1.2** Multiple consultants from the same supplier will have separate expense statements or invoices, one for each consultant.
- 5.1.3** The original receipts must be clear.
- 5.1.4** For tracking of set ceiling prices for the consulting service, each expense statement or invoice must also reference the project name or some other indicator to show the relationship between the work and the expense.

5.2 Fee Approval

- 5.2.1** Ceiling price increase or extensions to existing agreements greater than 10% or \$100,000.00 must be documented in writing with detailed justification and includes the authorization signatures of the program Manager, Director, the project sponsors and Vice-President authorization signature.
- 5.2.2** For increases greater than \$100,000.00, the same signatures apply as well as a plan to manage the impact of the increase and presentation of this to the SJHH Executive Team for final approval.

5.3 Expense Data Tracking

Expense data must be tracked, validated, approved and recorded for each project, then submitted to the Purchasing Department for reporting.

5.4 Expense Data Reporting

Reporting to various internal (Leadership and Board of Trustees) and external (LHIN and legislative bodies) stakeholders and posted publically as required.

6.0 Documentation

Tracking procedure established by any one healthcare professional or program/area.

7.0 References

7.1 Internal References

7.2 External References

Management Board of Cabinet Procurement Directive, July 2009

BPS Supply Chain Guideline, Version 2, April 2009

Bill 122 enacted as Chapter 25 of the Statutes of Ontario/Broader Public Sector Accountability Act, 2010

Section 4 of the Lobbyist Registration Act, 1998

Local Health System Integration Act, 2006

Public Hospitals Act

Auditor General of Ontario Report 2010, ISBN 978-1-4435-4642-0

Travel, Meal and Hospitality Expenses Directive, Management Board of Cabinet, April 2010

Management Board of Cabinet Procurement and Expenses Directives, April 1, 2011

8.0 Sponsors

Nicole Ruttan-Sims, Manager Strategic Sourcing

Susan Hollis, VP, Business & Therapeutic Services & CFO

9.0 In Consultation With

Laura Rullo, Manager Accounts Payable.

10.0 Posting Dates

Initial Posting Date: 07/01/2011

Posting Date History: 01/04/2011

11.0 Attachments/Appendix

None