

WellHaven PetHealth Travel and Expense Reimbursement Policy

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POLICY STATEMENT

Business expenses may be reimbursed if a team member paid the expense from personal funds. Whenever possible, business expenses should be billed directly from the vendor to WellHaven Campus and processed through Accounts Payable. When this is not possible, please refer to the WellHaven PetHealth Travel and Expense Reimbursement Policy to ensure the expense is appropriately processed.

SCOPE

This policy affects all WellHaven PetHealth team members seeking reimbursement for necessary and reasonable business expenses.

POLICY

Criteria for Determining an Allowable Expense

In order to be paid directly by WellHaven PetHealth or reimbursed to an individual, a business expense must be:

- **Necessary** to perform a valid business purpose;
- **Reasonable/Responsible** in that the expense is not extreme or excessive, and reflects a prudent decision to incur the expense;
- **Appropriate** in that the expense is suitable and fitting in the context of the valid business purpose; and
- **Allowable** according to the terms of WellHaven PetHealth Policy.

Substantiation and Original Receipts

In order for a business expense to be approved and reimbursed, it must be properly substantiated. Original receipts for all expenditures greater than or equal to \$20 are required. Receipts for expenditures less than \$20 are not required but are expected to be submitted as a best practice. Receipts are required they must be submitted along with the completed Expense Report. An original receipt is defined as, the original merchant receipt or invoice issued by the supplier or service provider to document and substantiate the business transaction. A digital image of the original receipt is required to be attached with your reimbursement request. Bank statements and/or credit card statements are not considered receipts and will not be treated as such. Expense reports missing receipts will be reviewed on a case by case basis, and subject to approval by the team member's line manager and Finance. Expense reports without proper supporting documentation will not be reimbursed.

Expense Request Procedures

Team members are expected to submit the Expense Reimbursement Form through [Paycom's Employee Self-Service](#)®: [Add and Manage Expenses](#) with a clear description of the business purpose and the corresponding receipt/ invoice. Completed requests will receive initial approval from a Hospital Leader and then final approval by Payroll. Expenses will be processed for the check date of the pay period in which they are submitted. Incomplete submissions may result in a delay of the reimbursement.

Team members with questions regarding expense reimbursement policies and procedures can reach out to expenses@wellhavenpethealth.com.

Deadline to Submit Reimbursement and Documentation

The IRS, stated in Treasury Regulation Section 1.62-2(g), requires expense reimbursements to be submitted no later than 60 days past the expense being incurred. To ensure timely reimbursement, WellHaven encourages expenses to be submitted within 30 days of the expense being incurred.

PRE- AND POST-TRIP PLANNING

Submission and Approval of Expenses

It is not necessary to wait until the completion of travel to submit an expense report, and more than one trip may be included in the same report. If team member traveling receives any refunds, due to cancelations or otherwise, after these expenses have been reimbursed, it is required for team member to reimburse these to WellHaven.

Travel Method Guidelines

In general, the following can be assumed:

- Personal Vehicle is cheaper and preferred for trips less than 150 miles roundtrip.
- Rental Cars should be used for trips equal to or more than 150 miles, but less than 400 miles round trip.
- For distances greater equal to or more than 400 miles round trip, or where there are convenience or safety issues that justify the additional cost, a flight should be taken.

Pre-Trip Approval

The traveler is responsible for ensuring that they have the necessary approval from their supervisor to take the trip.

Exceptions to Travel Policy

There may be unique and valid business needs which require exception to the travel policy. Exceptions must meet a valid business need and be approved prior to incurring the expense. Exceptions must be properly documented on the Expense Report.

Personal Travel

If personal travel is combined with WellHaven PetHealth business travel, only the business portion of the trip is a reimbursable expense. Personal expenses should be paid for using personal credit cards or other methods that do not result in WellHaven PetHealth paying for the personal expense.

"In Lieu of" and "Tradeoff" Expenditures

Submission of "in lieu of" and "tradeoff" expenses are not allowed.

Examples include:

- Two team members traveling together are not permitted to rent a luxury vehicle on the basis that two individual compact car rentals would be equally or more expensive.
- If a team member spends \$35 of their daily meal allowance, the "unused" \$15 doesn't roll forward to the next day.

Reservation Timing

Travel planning should be completed as far in advance as possible. The standard is 14 days or more. Advance travel planning is key to obtaining the lowest airfares and securing first choice flight times and room accommodations.

Frequent Flyer/Guest/Reward Points

Travelers may keep all rewards related to travel (e.g., Delta Sky Miles, Marriot Rewards, etc.). These programs shouldn't influence travel arrangements, and team members should book the most cost-effective option. Enrollment fees for these programs are a personal expense and are not reimbursable. Travelers will not be reimbursed for the value of any personal points used for business travel.

Itinerary Changes

Fees associated with changes, provided there is a business reason, are allowable.

AIR TRAVEL

Booking Airfare

Reservations should be made in advance. The standard is 14 days or more, to ensure the most convenient and cost-effective fares. Transaction fees associated with business travel reservations are allowable.

Fares/Ticket Types

Non-refundable fares should be booked in the majority of cases. Change fees on non-refundable tickets are an allowable business expense.

Trip Insurance

Trip cancellation insurance is generally not an allowable expense except in unusual circumstances, such as group travel.

Class of Service

Travelers should purchase Economy-Class airfare that meets the needs of the business trip and should look for the best rate available.

Service Level Upgrades

Travelers may upgrade the level of service as a personal expense or by using their "frequent flyer" points, except as outlined below.

Baggage

Charges for baggage that is reasonable and appropriate for the purpose and length of the trip are allowable. Charges for baggage that is personal in nature (e.g. golf clubs for a business trip) or that is not reasonable and appropriate for the purpose and length of the trip, is not allowable. Carry on baggage is preferred if possible.

HOTELS

Reservations

Team members should be reasonable when choosing their lodging based upon location, safety, and cost.

For those visiting our Vancouver Campus, negotiated rates have been extended to team members at the Hilton Vancouver Washington. For booking use Corporate Account # 3186310.

To receive reimbursement for hotels, the itemized hotel bill must always be included on the expense report.

Hotel Class and Rooms

The class of hotel must be reasonable and appropriate for the business purpose and location. Travelers should stay in standard rooms only. Suites and other upgraded rooms are not allowable expenses. If there is a valid business need for a non-standard room, the business purpose must be documented on the expense report.

Rate Guidelines

The maximum nightly rate (before taxes) for all U.S. locations is \$150. If the nightly rate exceeds the amount below, the business purpose must be clearly documented on the expense report and approved.

Upgrades

Travelers may only accept complimentary upgrades. Costs associated with upgrades are not an allowable business expense. Personal award points may be used by the employee if they choose.

In-Room Movies

In-room movies are not an allowable business expense.

CAR RENTAL

Reservations

Team Members must submit itemized car rental receipts that show car class/vehicle rented and additional charges including tax and fees.

Car Class

Team members should book the following rental car classes:

- Compact when traveling alone.
- Midsize/Intermediate with traveling with another person.
- Full-Size/Standard when traveling with two or more people.

Exceptions may be made if there are other valid business needs. The exception must be documented on the traveler's expense report.

Insurance

While on business, decline Collision Damage Waiver (CDW) and personal liability insurance offered through the rental company.

Gasoline

Team members are expected to refuel the rental car prior to returning to the rental agency and to decline the pre-paid fuel options. The cost of fuel is an allowable expense.

Incidental Expenses

All business-related tolls and parking charges that are not part of a team member's regular commute are allowable expenses. Tickets or fines associated with parking or travel violations, and charges for vehicle lockouts are not allowable expenses. Fines from the rental car company for late returns or gas refills will not be reimbursed by WellHaven, unless there is a valid business reason.

PERSONAL AUTOMOBILE

Acceptable Usage

Use of personal automobile for normal commute is not an allowable expense.

Mileage Reimbursement

If a personal automobile is used for business purposes, you will be reimbursed at the current IRS authorized mileage rate for miles incurred in excess of your normal commute. The personal mileage reimbursement covers all costs related to the operation of the vehicle, including service, maintenance, insurance, depreciation, and gas. In 2020 the IRS mileage rate is \$0.575/mile. This can change from year to year.

In order to receive reimbursement for business use of personal vehicle, team members should submit a mileage log and detailed the date, location, and purpose of trip.

Gasoline

The price of gas is factored into the mileage reimbursement rate and is therefore not an allowable expense when traveling by personal automobile.

Tolls

All tolls incurred while traveling for business are allowable expenses. This does not include tolls incurred for normal commute.

Parking

All parking for business purposes are allowable expenses. Commute-related parking charges are not allowable expenses.

Maintenance/Repairs/Fines

Regular car maintenance, fines, penalties, towing, and repairs are not allowable expenses.

MEALS & ENTERTAINMENT

Individual Meals & Incidentals

Travelers must claim actual meal and incidental expenses (M&IE). Actual expenses claimed should be reasonable and appropriate and should not be more than \$50 per day. It is reasonable to assume that this breaks down to \$10 for breakfast, \$15 for lunch, and \$25 for dinner.

Team Meals

Team meals are allowable if they are reasonable and responsible. Team members should follow similar guidelines as individuals when dining as a team. For example, a reasonable expense for a team lunch would be \$15, including beverages, per person. There should be one expense reimbursement submitted by the most senior employee present at the team meal.

Business Meals and Entertainment

In situations where an individual is conducting business with one or more guests, reasonable meals and entertainment expenses are allowable except where noted below. Business meals and entertainment must be directly related to WellHaven PetHealth business and growth.

WellHaven PetHealth expects the cost of business meals to be reasonable and to be \$125 or less per person (including tax and tip). When sound business reasons necessitate that business meals exceed \$125 per person, the excess cost of the business meal is subject to review by Finance and may not be reimbursed.

Alcohol

Alcohol is considered a personal expense unless necessitated or required for business reasons. Valid documentation of business purpose is required when submitting expenses.

Tips

It is reasonable and appropriate to tip 15% on meals.

Documentation

The Internal Revenue Service requires all business meals and entertainment expenses to be properly documented. This includes a list of attendees including titles and affiliation, or identification of a discernible group, total number of attendees, and the business purpose of the meeting.

COMMUNICATIONS

Internet Access

Internet access during travel (e.g., hotel, airport, hotspot, etc.) is an allowable expense provided that the access is necessary for business purposes and not personal use.

Cell Phone

WellHaven PetHealth will not reimburse for cell phone purchase, upgrade, or accessories.

Depending upon the role and with management approval, team members may be eligible to be reimbursed up to \$100 per month for business use of a personal cell phone.

ALLOWABLE EXPENSES

The list below highlights commonly allowable expenses, but is not intended to identify every allowable business expense:

1. Business Travel
Includes flights, hotels, mileage, rental car, meals.
2. Licensing fees
Licensing fees required to perform one's duties are allowable.
3. Professional Memberships
Memberships in professional associations related to one's position are allowable expenses.
4. Professional/Industry Subscriptions
Appropriate publications and journals relative to the team member's responsibilities and intended to increase business or educational knowledge are appropriate.
5. Continuing Education/Training
Training expenses on-site, off-site, and those utilizing online courses are appropriate. Please refer to the WellHaven Comprehensive Benefit Guide for limits on reimbursable C.E.
6. Expenses/invoices incurred during hospital transitions
During hospital transition, we will reimburse invoices and other expenses that were paid by the previous owner. Invoices must be supplied to ensure proper expense prorating.

EXPENSES NOT ALLOWED

The listing of unallowable business expenses is not intended to be all inclusive, but reflects examples of unallowable expenses:

1. Normal Commuting
Team member travel to and from work is not reimbursable.
2. Home Office Expenses
Items such as laptop chargers, phone chargers, furniture and supplies. Services would include telephone and internet service.
3. Goods/Services for personal use
These would include such items as individual coffee makers or similar small appliances, books, and magazines. These would also include travel related goods/services such as shoe shines, luggage and briefcases, dry cleaning, and valet parking.
4. Past due payment penalties or interest charges
Late charges or interest on personal credit cards that have been used to pay WellHaven PetHealth related expenses are not reimbursable.
5. Office Supplies and Equipment
WellHaven has a Staples account that should be used to purchase office supplies. Equipment requests should use the "Capital Request" form and the appropriate approvals must be obtained.
6. Parking tickets or traffic violations
These are not allowable, even if incurred while conducting WellHaven PetHealth business.
7. Stolen, lost, or damaged personal property
These are not reimbursable even if incurred while on WellHaven PetHealth business or property.
8. Personal services for team members and non-team members
Theses include child care, pet care, or similar activities.
9. Personal Memberships
Personal, recreation, or athletic memberships are not reimbursable.
10. Scrubs
Scrubs purchased by team members will not be reimbursed. For scrub policy, please refer to the WellHaven Comprehensive Benefit Guide.
11. Hospital Equipment
All equipment purchases must be approved by your hospital's Field Support team member.