

PERQUISITES FOR SENIOR MANAGEMENT

Manual/Section: Administrative Manual	Policy No. 223
Key Words:	

1. PURPOSE:

To set out the requirements for the designated Broader Public Sector organizations (BPS) to establish rules on perquisites where these are provided through public funds.

The three guiding principle are:

A) Accountability: Organizations are accountable for their use of public funds. All expenditures support business objectives.

B) Transparency: Organizations are transparent to all stakeholders. The rules for perquisites are clear and easily understood.

C) Value for Money: Taxpayer dollars are used prudently and responsibly.

2. POLICY:

CHEO will comply with the requirements outlined in the Perquisites Directive issued by Management Board of Cabinet, under the authority of the Broader Public Sector Accountability Act, 2010, effective August 2, 2011.

To qualify, a perquisite/perk must be a business related requirement for the effective performance of an individual's job.

A perquisite/perk is not allowable if it is NOT a business related requirement. Expenses that are not business related cannot be reimbursed.

This does not apply to the following:

- a) provisions of collective agreements,
- b) insured benefits,
- c) items generally available on a non-discriminatory basis for all or most employees (e.g. an employee assistance program, pension plans),
- d) health and safety requirements (e.g. provision of work boots),
- e) employment accommodations made for human rights and/or accessibility considerations (e.g. special workstations, work hours, religious holidays), and
- f) expenses covered under CHEO's rules and policies on travel, meals and hospitality (established in accordance with the BPS Expenses Directive).



As part of their normal activities, the members of senior management are allocated the following:

- a) participation at relevant provincial, national or North American conferences as approved by the President and CEO,
- b) a car allowance as per their current employment contract,
- c) computer equipment and accessories at home,
- d) cellular phone, blackberry or similar equipment,
- e) membership in the Canadian College of Health Leaders or one other association where relevant, and is approved by the President and CEO.

In addition to the above, the members of senior management have access to a discretionary non-taxable allowance of \$2,500 per fiscal year (\$5,000 for the President and CEO).

This amount is non-cumulative, payable upon the presentation of appropriate receipts and replenished on April 1st of each year. It is not payable upon retirement or departure.

This allowance may be used for other work related expenses including (but not limited to):

- a) other professional memberships related to the duties of the member of senior management,
- b) relevant international conferences beyond the approved annual education budget.

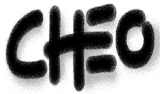
The additional allowance referred to above cannot be used for the following, under any circumstance:

- a) club memberships for personal recreation or socializing purposes, such as fitness, clubs, golf clubs or social clubs,
- b) seasons tickets to cultural or sporting events,
- c) clothing not related to health and safety or special job requirements,
- d) access to private health clinics or medical services outside those provided by the provincial health care system or by CHEO's group insured benefit plans
- e) professional advisory services for personal matters, such as tax or estate planning
- f) attendance at political parties fundraising activities.

This policy supersedes any provision of existing contracts between CHEO and a member of senior management.

3. SCOPE:

Members of Senior Management includes: President and CEO, VP Corporate Services and CFO, VP Patient Services and CNE, VP Professional Services, VP Human Resources, Chief Information Officer, Director of Partnership and Advocacy, Director of Public



Relations, Director of Quality Management, Executive Director of the Provincial Center of Excellence in Child and Youth Mental Health.

Board members are not entitled to any perquisite but will be reimbursed for reasonable business expenses related to their role on the Board.

4. DEFINITIONS:

Accountability: The obligation of an employee, agent or other person to answer for or be accountable for, work, action or failure to act following delegated authority.

President and Chief Executive Officer (CEO) The head of operations at the Hospital.

Perquisite/perk: A privilege available to an individual or to a group of individuals that provides a personal benefit, and is not generally available to others.

5. RESPONSIBILITY

The Board of Trustees is responsible for approving the Policy on Perquisites for Senior Management

The Treasurer of the Board is responsible for approving the expenses of the president/CEO.

The President and CEO is responsible for ensuring that the policy is complied with, approving eligible expenses in accordance with this policy for Senior Management members, ensuring good record keeping practices are maintained for verification and audit purposes, and ensuring that the policy is made available to the public.

Senior Management Members are responsible for: complying with this policy and related policies, and providing appropriate documentation and/or receipts in accordance with this policy.

6. PROCEDURE:

N/A

7. CROSS-REFERENCES:

N/A

8. REFERENCES:

BPS Expenses Directive
Business Travel Policy

9. ATTACHMENTS:

N/A

10. DEVELOPED BY:

Human Resources