

### **Purpose**

1. This policy provides a set of principles and rules for managing expenditure and reimbursement of costs that potentially creates financial and reputational risk for Physiotherapy New Zealand.
2. The aim of the policy is to ensure that:
  - sensitive expenditure is incurred for business purposes only and does not provide private benefit to an individual staff member
  - sensitive expenditure can withstand audit, membership and public scrutiny
  - decisions in approving /incurring such expenditure are made in a sound and defensible manner
  - a culture of integrity is encouraged within Physiotherapy New Zealand.
3. This policy supersedes the *Travel Policy for Members of National Executive, Standing Committees and Working Groups*.
4. Related Policies; *Protocol for Recognition of Lay Members; Delegation of Financial Authority; Email and Internet Usage*.

### **Scope**

5. Typically, sensitive expenditure is expenditure that:
  - could be seen as giving some additional private benefit to an individual or staff member;
  - is unusual or invites controversy.
6. This policy applies to National Executive, National Office, and any member or individual acting under the direction of National Executive or Executive Director.

### **Policy Principals**

7. Sensitive expenditure decisions need to be made with a strict adherence to the principals and procedures set in this policy, reflecting recognition of the risks inherent in sensitive expenditure.
8. Sensitive expenditure decisions should:
  - be subject to high standards of integrity and financial prudence
  - be able to withstand audit, membership, and public scrutiny
  - have a justifiable business purpose
  - preserve impartiality
  - be moderate and conservative, having regard to the circumstances
  - be transparent
  - be appropriate in all respects

### **Credit / Debit Cards (Cards)**

9. The use of Physiotherapy New Zealand Cards can potentially involve financial and reputational risk. To mitigate these risks the following principles and rules shall apply.
10. Cards will only be issued to the President and the Executive Director for business use in accordance with their duties. Any other card issued must be in accordance with the *Delegation of Financial Authority Policy* and *Schedule of delegated financial authority*.
11. Cards are not to be used for personal expenditure or for personal credit. Cards cannot be used to obtain cash advances unless special prior approval has been obtained from the President and it is strictly business-related and cannot be addressed in any other way.

12. All Card expenditure must be supported by original GST-acceptable documentation that details the transaction's date, value and business purpose and the names of the persons who have incurred the expenditure.
13. Cards must be destroyed / made unusable and the appropriate providers advised to cancel the card when the card holder leaves employment, term of office expires, or authority to use a card is withdrawn. Lost cards must be cancelled immediately. Authority to use a card shall be cancelled immediately if the card is misused.
14. Card payments over the internet must be to established reputable suppliers. The card holder must keep a copy of any online order forms as evidence and the transaction must be within the normal expenditure guidelines.

#### **Travel and Accommodation**

15. Spending on travel and accommodation must be:
  - within annual budget
  - for justified Physiotherapy New Zealand purposes
  - moderate and conservative
  - the most economical and efficient option available, having regard to purpose, distance, time, urgency, personal health, security and safety.

#### **Air Travel**

16. Air travel should be booked well ahead to reduce costs.
17. Economy is to be used for all travel regardless of travel duration.
18. Air points earned by individuals while travelling on business are owned by the individual, but should not be used to determine carrier or flight choice.

#### **Meals and Accommodation while travelling**

19. Meals purchased when out of town on Physiotherapy New Zealand business must not be lavish and expenditure can be claimed on the basis of what is fair and reasonable, receipts being required. *Mini bar expenses and alcohol will not be reimbursed.* The following amounts are acceptable:

Breakfast \$20.00

Lunch \$20.00

Dinner \$40.00

20. Where the accommodation is charged directly back to Physiotherapy New Zealand, individuals shall pay the hotel on departure for any personal phone calls or expenses.
21. Accommodation must be cost-effective, taking into account the geographic location of the accommodation relative to where the traveller is working. A claim can be made when the traveller stays with friends or relatives up to the limit approved by the Executive Director.

#### **Motor Vehicles**

22. Rental cars must be economical and of a size consistent with the requirements of the trip eg the distance and number of people travelling. Drivers are liable for all fines (parking or traffic offences).
23. Taxi use must be moderate and cost-effective. Taxis costs between home and office are not claimable unless prior approval has been received from the Executive Director.
24. Use of private vehicles must have prior approval of the Executive Director before costs may be claimed. Private vehicle costs may be claimed at either the IRD Reimbursement of Employee rate (70 cents per km) or the equivalent of the lowest applicable airfare – whichever is the lower. All claims for private vehicle mileage must detail the business purpose, kilometres claimed and travel details.

### **Other Travel associated costs**

25. Staff may undertake private travel before, during, or after business travel provided there is no additional cost to Physiotherapy New Zealand and the private travel is incidental to the business purpose of the travel.
26. No costs can be claimed by an accompanying spouse, partner, or family members except in rare pre-approved circumstances where the involvement of a spouse etc. directly contributes to a clear business purpose.

### **Hospitality expenditure**

27. Catering and other costs incurred in connection with stakeholder liaison or team building must be appropriate to the business purpose, such as:
  - building relationships that are important to Physiotherapy New Zealand
  - representation of Physiotherapy New Zealand
  - reciprocity of hospitality where this has a clear business purpose and is within normal bounds
  - recognising significant achievement
  - supporting internal organisational or skills development.
28. In addition:
  - all hospitality expenditure must have the prior approval of the Executive Director
  - expenditure on alcohol must be modest

### **Communications technology**

29. All communications technology – cell phones, telephones, e-mail and the internet - must have a justified business purpose and is not exclusively or predominantly for personal use. Modest personal use of this technology is accepted, so long as any costs incurred are recovered, where practicable.

### **Loyalty reward schemes benefits**

30. All supplier loyalty rewards schemes except air points (ref to air travel guidelines) are the property of Physiotherapy New Zealand. If supplier loyalty rewards schemes accumulate under a staff name they are to be transferred to the organisation or used for the benefit of the organisation or the individual shall reimburse Physiotherapy New Zealand for the value received.

### **Sale of surplus assets to staff**

31. Surplus assets shall not be sold to staff if a greater value can be realised by an alternative method of disposal.

### **Private use of entity assets**

32. As a general principle, Physiotherapy New Zealand physical assets or resources are not to be used for any personal purpose. Staff shall pay for costs of any personal toll calls or calls by cell phone or photocopying and all such usage must be very modest.

### **Use of Private Assets**

33. Staff may be reimbursed for the use of a private asset for a business purpose where purchasing a similar asset would not be warranted. The value of reimbursement must not inappropriately benefit the provider of the asset.

### **Koha**

34. Koha is a gift, a token, or a contribution given to provide a symbolic recognition of a relationship and shall only be given when it has:
  - a justified business purpose
  - is approved in advance
  - is modest and appropriate to the circumstances

### **Gifts**

35. A gift is usually given as a token of recognition of something provided by the recipient – such as long or outstanding service by a committee member or employee. A gift can also be received from another organization. (Also refer to Recognition of Lay Members)

36. Gifts may be tangible objects or intangibles such as free access at an event.
37. All gifts from Physiotherapy New Zealand must have a justified business purpose and be modest. Gifts must not imply any obligation or expectation of favour in return or be intended to alter an organisation's or individual's decision-making.
38. All gifts received by Physiotherapy New Zealand or a staff member are the property of Physiotherapy New Zealand. Gifts over the value of \$50.00 must be declared to the Executive Director.

#### **Reimbursements**

39. Physiotherapy New Zealand will promptly reimburse expenses on receipt of a correctly completed Expense Claim Form with receipts attached for all items claimed.
40. Expense Claim Forms shall be submitted to the Executive Director for approval.

#### **Monitoring and Review**

47. The Executive Director will monitor compliance with the policy.
48. The Executive Director is responsible for maintaining the policy.

Approved by National Executive:

September 2010