

# LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS

## POLICY MANUAL

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category: Financial Operations

title: Use of Funds for Education, Travel and Business Meeting/Special Event Expenses

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### **PURPOSE:**

To govern the expenditure of funds budgeted by Lee Memorial Health System Board of Directors (Board) for Director & Assistant to the Board education, travel, business meetings and special event expenses.

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### **POLICY:**

1. The Board recognizes that travel and related business expenses are an integral and necessary component of the operation of the Health System. The Board also recognizes the constructive value of professional conferences, seminars, meetings and training in providing ongoing education and vital information relevant to effective policy setting. In recognition of these needs and benefits, the Board provides funding for such activities through the annual budget adoption process. Budgets for travel and related business expenses are intended to reimburse all necessary and reasonable expenses incurred in connection with such activities, subject to compliance with the policies adopted by the Board governing reimbursement of expenses related to such activities.
2. The Office of the Board of Directors shall budget an amount in each Fiscal Year deemed appropriate to cover the expenses for education, travel, and other System-related business activities/special events of the Board. The funds budgeted shall be divided equally among the ten publicly elected Directors and the Assistant to the Board. The budget shall further subdivide into Fund A – Group Education and Development & Fund B - Individual Expenses. The budget allocation of an individual Director should not be transferred or used by another Director without approval by the Board. Any portion of the budget allocation not expended in any fiscal year shall not be carried over to the next fiscal year.
3. Travel reimbursement shall be governed by the provisions of Section 112.061, Florida Statutes, as the same may be in effect at the time reimbursement is sought. In accordance with Florida law, all travel must be authorized and approved by the Board Chairman or Vice Chairman if Chairman unavailable.

4. The budgeted amount shall be available for the following purposes:
  - a) Fund A: Group Education & Development: Expenses of System-related business, when such business has been authorized by the Board. This shall be referred to as “Group” to include the business of the Health System or Board or Trauma District such as trips to Tallahassee and VHA & FHA meetings. Twenty-five percent (25%) of the budget shall be allocated for “Group”.
  - b) Fund B: Individual Expense: Expenses, other than “Group”, related to individual educational opportunities that are intended to maintain or improve the individual’s ability to perform the duties of the office. This includes travel expenses, seminar tuition, books and periodicals, and audio and video materials. Seventy-five percent (75%) of the budget shall be allocated and divided equally by the eleven. Up to 10% of the Individual fund may be used for LMHS related business/special events for ticket purchase for the individual.
5. Assuming there are sufficient funds remaining in the budget, individuals may seek Board pre-approval for expenditures which would take the individual over his or her designated budgeted allocation.
6. The LMHS Board of Directors places membership with Governance agencies and as such, the Board receives a number of passes annually to their conferences. After our the passes have been utilized, the registration fee for each individual will be divided equally by all the individuals who utilized such passes, and only count that portion as part of the allotted expense.
7. All expenses will be submitted to the Assistant to the Board for verification & reimbursement on System Form #0878 (Attachment 2).

## **PROCEDURE:**

- 1) Fund A “Group” expenses are covered by the 25% allocation. Fund B Individual expenses must be pre-authorized by Board Chairman or Vice Chairman if Chairman is unavailable and are covered by the 75% allocation. Reimbursement is made to the individual upon processing the travel claim.
- 2) Individuals are expected to avoid any last minute cancellations which result in the Health System paying for unused expenditures. All educational expenses, including seminar registration costs, mileage, airline tickets, lodging, car rentals, meals and other miscellaneous expenses shall be submitted in accordance with System Administrative Policy 07 062 on System Form #0878 (Attachment 2).
- 3) Individuals shall submit requests and verification for payment of expenses to the Assistant to the Board for processing. Approval of allowable reimbursement shall be the responsibility of the Board Chairman or the Board Chairman may delegate authority to another Director, the Assistant to the Board or the System President.



