



RED LAKE MARGARET COCHENOUR MEMORIAL HOSPITAL

-STATEMENT OF POLICY AND PROCEDURE-

SUBJECT: Broader Public Sector Perquisites Directive		DOC. ID#: BG-ACC-02 ADM-HR-V-16
MANUAL: BOARD OF GOVERNORS ADMINISTRATION		Original Date: Aug-11
CATEGORY: ACCOUNTABILITY HUMAN RESOURCES		Last Revision Date: See electronic copy
DEVELOPED BY: CEO	APPROVED BY: BOARD CHAIR	Next Revision Date: See electronic copy
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1. INTRODUCTION:

The Management Board of Cabinet issued the Broader Public Sector (BPS) Perquisites Directive under the authority of the *Broader Public Sector Accountability Act, 2010* (Part IV.1: Perquisites), the "Act" on *August 2, 2011*

The Act sets out provisions for perquisites that are allowable and those that are not. A perquisite or "perk" refers to a privilege that is provided to an individual or to a group of individuals.

The purpose of the directive is to set out the requirement for the designated BPS organizations to establish rules on perquisites where these are provided through public funds.

The rules apply to any person in a designated BPS organization, including the following:

- Appointees
- Board Members
- Elected Officials
- Employees

This directive does **not** apply to the following:

- Provisions of collective agreements
- Insured benefits
- Items generally available on a non-discriminatory basis for all or most employees (e.g. An employee assistance program, pension plans)
- Health and safety requirements (e.g. Provision of work boots)
- Employment accommodations made for human rights and/or accessibility considerations (e.g. Special workstations, work hours, religious holidays)
- Expenses covered under an organization's rules on travel, meals and hospitality

The directive is based on three key principles.

- **Accountability**
Organizations are accountable for their use of public funds. All expenditures support business objectives.
- **Transparency**
Organizations are transparent to all stakeholders. The rules for perquisites are clear and easily understood.
- **Value for Money**
Taxpayer dollars are used prudently and responsibly.

2. POLICY:

The Red Lake Margaret Cochenour Memorial Hospital establishes the following rules concerning perquisites. These rules cover all individuals in the organization including Board Members, Medical Staff, and Employees.

The term perquisites, or perks, refers to a privilege that is provided to an individual or to a group of individuals, provides a personal benefit, and is not generally available to others.

A perquisite is not allowable if it is not a business-related requirement. To be allowable, a perquisite must be a business-related requirement for the effective performance of an individual's job.

The following perquisites are not allowed under any circumstance:

- club memberships for personal recreation or socializing purposes, such as fitness clubs, golf clubs or social clubs
- seasons tickets to cultural or sporting events
- clothing allowances not related to health and safety or special job requirements
- access to private health clinics – medical services outside those provided by the provincial health care system or by the employer's group insured benefit plans
- professional advisory services for personal matters, such as tax or estate planning

These privileges cannot be provided by any means, including:

- an offer of employment letter, as a promise of a benefit,
- an employment contract, or
- a reimbursement of an expense.

Perquisites that are not related to business requirements are not allowed. Perquisites may only be authorized and approved by the Board of Governors in accordance with the rules established regarding perquisites. A perquisite is allowable only in limited and exceptional circumstances where it is demonstrated to be a business-related requirement for the effective performance of an individual's job.

The Chief Executive Officer will ensure good record-keeping practices are maintained for any Board approved allowable perquisites for verification and audit purposes.

At least annually, the CEO will prepare a summary report regarding allowable perquisites. The summary report will be presented to the Board and posted on the hospital website.