

ACME Corporation - Expense and Procurement Policy

Document Version: 2.8

Effective Date: March 1, 2024

Department: Finance

Classification: Internal Use Only

1. GENERAL EXPENSE GUIDELINES

1.1 Reimbursable Expenses

All business expenses must be:

- **Necessary:** Required for business operations
- **Reasonable:** Appropriate in amount and nature
- **Documented:** Supported by original receipts
- **Pre-approved:** When required by this policy

1.2 Non-Reimbursable Expenses

The following are explicitly non-reimbursable:

- Personal entertainment or recreation
- Alcoholic beverages (except client entertainment)
- Traffic violations and parking tickets
- Personal travel insurance
- Spouse/family expenses (unless explicitly approved)

2. EXPENSE LIMITS AND APPROVAL MATRIX

2.1 Travel Expenses

Accommodation

- **Standard business travel:** Maximum \$200 per night
- **Major metropolitan areas:** Maximum \$300 per night
- **Extended stays (7+ nights):** Maximum \$150 per night
- **International travel:** Maximum \$250 per night

Meals and Entertainment

- **Breakfast:** Maximum \$25 per person
- **Lunch:** Maximum \$35 per person
- **Dinner:** Maximum \$75 per person
- **Client entertainment:** Maximum \$150 per person per event

Transportation

- **Domestic flights:** Economy class required
- **International flights (8+ hours):** Business class permitted
- **Ground transportation:** Reasonable taxi, rideshare, or rental
- **Mileage reimbursement:** \$0.56 per mile (current IRS rate)

2.2 Technology and Equipment

Personal Devices

- **Laptop computers:** Maximum \$2,500 per device
- **Mobile phones:** Maximum \$800 per device
- **Tablets:** Maximum \$600 per device

- **Accessories:** Maximum \$200 per employee annually

Software Purchases

- **Individual licenses:** Up to \$500 (supervisor approval)
- **Team licenses:** Up to \$2,000 (manager approval)
- **Enterprise software:** Requires IT Director approval

3. APPROVAL REQUIREMENTS

3.1 Expense Approval Matrix

Amount Range	Required Approval	Processing Time
\$0 - \$100	Employee submission only	3 business days
\$101 - \$500	Direct supervisor	5 business days
\$501 - \$2,000	Department manager	7 business days
\$2,001 - \$5,000	Director approval	10 business days
\$5,001 - \$10,000	VP approval + Finance review	14 business days
\$10,001+	CEO approval required	21 business days

3.2 Pre-Approval Requirements

Mandatory pre-approval needed for:

- All travel expenses exceeding \$1,000
- Client entertainment exceeding \$300
- Technology purchases exceeding \$1,000
- Conference and training expenses
- Any expense exceeding daily/event limits

4. PROCUREMENT POLICIES

4.1 Purchase Order Requirements

Vendor Selection

- **Under \$1,000:** Single vendor quote acceptable
- **\$1,000 - \$5,000:** Minimum 2 vendor quotes
- **\$5,001 - \$25,000:** Minimum 3 vendor quotes + bid analysis
- **\$25,001+:** Formal RFP process required

Approval Authority

- **Department purchases (\$0-\$2,500):** Department manager
- **Cross-department purchases (\$2,501-\$10,000):** Director approval
- **Strategic purchases (\$10,001-\$50,000):** VP approval
- **Capital expenditures (\$50,001+):** CEO and Board approval

4.2 Preferred Vendors

Use of pre-approved vendors is mandatory when available:

- **Office supplies:** OfficeMax Business (account #ACM-789)
- **Technology:** Dell Business (discount code: ACME15)
- **Travel:** Corporate Travel Solutions (booker ID required)
- **Catering:** Preferred Catering Network (locations vary)

5. DOCUMENTATION AND COMPLIANCE

5.1 Receipt Requirements

- **Original receipts:** Required for all expenses over \$25
- **Digital receipts:** Acceptable if clearly legible
- **Missing receipts:** Maximum \$50 per month without receipt
- **Receipt retention:** 7 years for tax purposes

5.2 Expense Report Submission

- **Frequency:** Monthly by the 5th of following month
- **Late submissions:** Require manager approval
- **Incomplete reports:** Returned for correction
- **Fraudulent claims:** Subject to termination

6. SPECIAL CATEGORIES

6.1 Professional Development

- **Conference registration:** Up to \$2,500 per employee annually
- **Training courses:** Up to \$1,500 per employee annually
- **Professional memberships:** Up to \$500 per employee annually
- **Certification exams:** Up to \$300 per attempt (max 2 attempts)

6.2 Client Entertainment

- **Business meals:** Maximum \$150 per client per meal
- **Entertainment events:** Maximum \$300 per client per event
- **Gift limitations:** Maximum \$100 per client annually
- **Documentation required:** Business purpose and attendees

6.3 Remote Work Equipment

- **Home office setup:** One-time \$1,000 allowance per employee
- **Internet subsidy:** \$50 per month for remote workers
- **Ergonomic equipment:** Up to \$500 per employee
- **Maintenance and repairs:** Company equipment only

7. POLICY VIOLATIONS

7.1 Violation Categories

- **Minor violations:** Exceeding limits by less than 20%
- **Major violations:** Exceeding limits by 20% or more
- **Serious violations:** Fraudulent or fictitious expenses

7.2 Consequences

- **First minor violation:** Verbal warning and training
- **Second minor violation:** Written warning
- **Major violation:** Written warning and manager review
- **Serious violation:** Immediate suspension and investigation

8. EMERGENCY PROCEDURES

8.1 Emergency Purchases

In genuine emergencies, employees may:

- **Make immediate purchases** up to \$1,000
- **Notify supervisor** within 24 hours
- **Submit documentation** within 48 hours
- **Provide justification** for emergency nature

8.2 After-Hours Approvals

For urgent after-hours approvals:

- **Contact:** Finance emergency line (555-FINANCE)
- **Maximum amount:** \$5,000 without CEO approval
- **Follow-up:** Formal approval required next business day

Policy Contact: Finance Department - finance@acmecorp.com

Emergency Contact: (555) 123-4567

Next Review Date: March 1, 2025