

# **BlueSky Solutions LLC Claims Policy**

## **Purpose**

This policy establishes clear procedures for employees to submit and process expense claims and reimbursements in a fair, timely, and transparent manner.

## **Scope**

This policy applies to all employees, contractors, and authorized personnel of BlueSky Solutions LLC.

## **Eligible Expenses**

### **Medical Expenses**

- Work-related medical examinations and health screenings
- Occupational health and safety medical requirements
- First aid training and certification
- Emergency medical treatment during business travel
- Prescription safety equipment and medical devices

### **Supplies and Equipment**

- Necessary office supplies and stationery
- Computer hardware and peripherals
- Software subscriptions and licenses (pre-approved)
- Safety equipment and protective gear
- Tools and equipment for job-specific requirements
- Furniture and ergonomic equipment for workstations

### **Travel Expenses**

- Transportation (flights, trains, buses, taxis, rideshare)
- Parking fees and tolls
- Vehicle rental and fuel costs
- Public transportation passes
- Travel insurance (business-related)
- Visa and passport fees for business travel

### **Meals and Entertainment**

- Client meetings and business entertainment
- Team meetings over meals
- Conference and seminar meals not provided
- Business networking events
- Employee recognition meals and events
- Catering for business meetings and events

## Accommodation

- Hotels and business lodging
- Extended stay accommodations for long-term assignments
- Temporary housing allowances for relocations
- Conference and event accommodation
- Emergency accommodation due to business circumstances

## Spending Limits

- **Medical:** Up to RM 500 per incident (requires medical certificate)
- **Supplies and Equipment:** RM 200 per item (manager approval required for amounts over RM 500)
- **Travel:** Economy class flights, reasonable business hotels
- **Meals:** RM 50 per day for travel, RM 25 per person for business meals
- **Accommodation:** Reasonable standard business hotels (up to RM 300 per night)

## Submission Requirements

### Documentation

- Original receipts (digital copies accepted)
- Completed expense claim form
- Business purpose explanation
- Manager approval signature
- Medical certificates (for medical claims)

### Timeframe

- Submit claims within **30 days** of expense
- Monthly submission deadline: **5th of following month**
- Medical claims must be submitted within **60 days**

### Required Information

- Date of expense
- Amount and currency
- Vendor/supplier name
- Business justification
- Project or client code (if applicable)
- Category classification

## Approval Process

1. Employee submits claim with documentation
2. Finance department processes payment
3. Reimbursement issued within **10 business days**

4. Medical claims require additional HR review

## Non-Reimbursable Expenses

- Personal medical expenses unrelated to work
- Personal meals and entertainment
- Personal travel or accommodation
- Personal supplies and equipment
- Traffic fines and penalties
- Tips exceeding 20%

## Payment Methods

- Direct deposit to employee bank account
- Company credit card for pre-approved large expenses
- Petty cash for small office purchases under RM 25
- Corporate accounts for recurring services

## Record Keeping

- All receipts and documentation retained for **7 years**
- Digital copies stored in company expense management system
- Annual expense reports provided to employees for tax purposes
- Medical records handled confidentially per privacy regulations

## Policy Violations - Fraudulent and Inappropriate Claims

Fraudulent or inappropriate claims may result in:

- Claim denial
- Repayment requirement
- Disciplinary action
- Termination in severe cases

## Definition of Fraudulent Claims

Fraudulent claims involve deliberate deception or misrepresentation to obtain unauthorized reimbursement. This includes:

- **False Documentation:** Submitting fake receipts, altered invoices, or forged approval signatures
- **Double Claiming:** Submitting the same expense for reimbursement multiple times
- **Personal Expense Misrepresentation:** Claiming personal expenses as business-related
- **Inflated Amounts:** Deliberately increasing expense amounts beyond actual costs

- **Non-existent Expenses:** Claiming reimbursement for expenses that never occurred

### **Definition of Inappropriate Claims**

Inappropriate claims are expenses that violate company policy or ethical standards, including:

- **Excessive Spending:** Expenses that exceed reasonable business standards or policy limits
- **Unauthorized Purchases:** Items or services purchased without proper approval
- **Policy Violations:** Claims that clearly contradict established expense guidelines
- **Poor Judgment:** Expenses that, while potentially legitimate, demonstrate poor business judgment

### **Examples of Fraudulent Claims**

#### **Medical Expenses:**

- Submitting personal medical bills as work-related injuries
- Creating fake medical certificates for non-existent workplace incidents
- Claiming reimbursement for family members' medical expenses

#### **Supplies and Equipment:**

- Purchasing personal electronics and claiming them as business equipment
- Submitting receipts for items that were returned to the store
- Inflating the cost of office supplies by altering receipt amounts

#### **Travel Expenses:**

- Claiming personal vacation flights as business travel
- Submitting taxi receipts for trips that were actually personal errands
- Double-claiming mileage reimbursement and fuel costs for the same trip

#### **Meals and Entertainment:**

- Claiming personal dining expenses as client meetings
- Submitting receipts for meals with family members as business entertainment
- Inflating meal costs by adding fake items to legitimate receipts

#### **Accommodation:**

- Booking personal vacation stays and claiming them as business accommodation
- Extending business trips for personal reasons without adjusting accommodation claims

- Claiming reimbursement for accommodation that was paid by clients or conference organizers

### **Examples of Inappropriate Claims**

#### **Excessive or Unreasonable Expenses:**

- Staying at luxury hotels when standard business accommodation is available
- Ordering expensive meals when reasonable options exist
- Purchasing premium equipment when standard options meet business needs

#### **Poor Documentation:**

- Submitting claims without proper receipts or business justification
- Failing to obtain required manager approvals
- Missing or incomplete expense forms

#### **Timing Violations:**

- Submitting claims months after the expense deadline
- Claiming expenses incurred before employment start date
- Backdating expense claims to fit within policy timeframes

### **Investigation Process**

When fraudulent or inappropriate claims are suspected:

1. **Initial Review:** Finance department flags suspicious claims for investigation
2. **Documentation Collection:** Gathering all related receipts, approvals, and supporting evidence
3. **Employee Interview:** Meeting with the employee to discuss the questionable claims
4. **Manager Consultation:** Involving direct supervisors and HR in the investigation
5. **Decision and Action:** Determining appropriate consequences based on findings

### **Consequences and Disciplinary Actions**

#### **First-Time Minor Violations:**

- Verbal warning and policy re-training
- Claim denial and requirement to repay any inappropriate reimbursements
- Increased scrutiny on future claims for 6 months

#### **Repeated or Moderate Violations:**

- Written warning placed in employee file
- Temporary suspension of expense claim privileges

- Mandatory approval for all future claims regardless of amount
- Repayment of inappropriate claims with potential interest charges

#### **Severe or Fraudulent Violations:**

- Immediate termination of employment
- Full repayment of all fraudulent claims
- Potential legal action for recovery of funds
- Reporting to relevant authorities if criminal activity is suspected
- Permanent ban on future employment with the company

#### **Prevention Measures**

- Regular training on expense policy compliance
- Random audits of expense claims
- Clear communication of policy updates and expectations
- Anonymous reporting system for suspected violations
- Regular review and update of spending limits and approval thresholds

#### **Contact Information**

For questions regarding this policy, contact:

- **Finance Department:** finance@bluesky-solutions.com | (555) 123-4567
- **HR Department:** hr@bluesky-solutions.com | (555) 123-4568
- **Medical Claims:** medical@bluesky-solutions.com | (555) 123-4569

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**Approved by:** Sarah Mitchell, CEO

*This policy is subject to change. Employees will be notified of any updates.*