

Vision Corporation Expense Policy

Effective Date: 1st March 2024

Introduction

Purpose of the Policy:

The Vision Corporation Expense Policy aims to standardize the procedures for incurring, reporting, and reimbursing business-related expenses. This policy ensures financial integrity and compliance with applicable laws and regulations.

Scope:

This policy applies to all employees, contractors, and agents of Vision Corporation incurring, approving, processing, or recording expenses on behalf of the company.

General Expense Guidelines

Principles:

Employees of Vision Corporation are expected to:

- Exercise prudent judgment and business acumen.
- Incur expenses that are necessary and reasonable for business purposes.
- Adhere to the specified approval and reimbursement procedures.

Approval Process:

- Expenses over EUR 500 require pre-approval from the department head.
- The Finance Department must approve international travel and expenses exceeding EUR 2,000.

Reimbursement Process:

- Reimbursements are processed within 15 business days post-submission of a duly filled expense report.
 - Payments are made via bank transfer to the employee's designated account.
-

3- Types of Allowable Expenses

This section outlines various categories of expenses that are typically reimbursable when incurred for legitimate business purposes. Employees should ensure that all expenses are reasonable, necessary, and align with company objectives.

1. Travel Expenses:

- Air Travel: Reimbursement for economy class airfare for all domestic and international travel. Business class may be approved for flights exceeding 6 hours, subject to prior approval.
- Accommodation: Standard business hotels or corporate accommodations are covered. The maximum allowable rate is EUR 150 per night in Europe and EUR 200 per night internationally.
- Ground Transportation: Includes taxis, public transportation, and car rentals. Use of luxury car services requires justification and prior approval.
- Mileage: Personal vehicle use for business purposes is reimbursed at a rate of EUR 0.50 per kilometer. This covers fuel, maintenance, and wear and tear.

2. Meals and Entertainment:

- Business Meals: Reimbursement for meals during business travel or while entertaining clients. The limit is EUR 30 per person for breakfast, EUR 50 for lunch, and EUR 70 for dinner.
- Client Entertainment: Requires pre-approval. Expenses should be moderate and appropriate to the business context.
- 3. Conference and Training Fees:
 - Fees for conferences, seminars, and training sessions that are relevant to the employee's role and approved by their manager.
- 4. Communication and Technology:
 - Work-related phone calls, internet charges, and necessary software or application purchases. Monthly limits apply, typically EUR 50 for phone and EUR 30 for internet.
- 5. Office Supplies and Equipment:
 - Necessary office supplies and small equipment purchases up to EUR 200 per item. More expensive items require pre-approval and may be subject to a procurement process.
- 6. Professional Memberships and Subscriptions:
 - Fees for professional organizations and subscriptions to trade or professional journals are covered if they are relevant to the employee's role.
- 7. Health and Safety:
 - Necessary personal protective equipment and health and safety-related items, especially for employees in fieldwork or hazardous environments.
- 8. Miscellaneous Expenses:
 - Other expenses not explicitly covered but deemed necessary for business purposes may be submitted for reimbursement. These require detailed justification and prior approval.

Note: All expenses must be accompanied by detailed receipts or proof of purchase. In exceptional cases where a receipt is not available, a written explanation must be provided and approved by the Finance Department. Employees are encouraged to seek clarification on any expense they are uncertain about before incurring the expense.

4. Non-Allowable Expenses

- Personal expenses unrelated to Vision Corporation's business.
- Fines or penalties incurred due to traffic or legal violations.
- First-class travel upgrades unless specifically approved.
- Expenses for family or friends accompanying on business trips.
- Alcoholic beverages, unless pre-approved for client entertainment.

5. Expense Reporting

- **Documentation Requirements:** Original receipts are required for all expenses. For electronic receipts, a clear and legible copy must be attached to the expense report.
- **Reporting Process:** Expense reports should be submitted within 10 business days following the end of the trip or the expense incurred. Delayed submissions may result in delayed reimbursements.
- **Audit Process:** Random audits will be conducted regularly to ensure compliance with the policy.

6. Use of Company Credit Cards

- **Issuance and Eligibility:** Company credit cards are issued to employees at the managerial level and above, or to those who travel frequently for business purposes.
- **Usage Guidelines:** The card is to be used for business-related expenses only. Personal use is strictly prohibited.
- **Reporting and Reconciliation:** Transactions must be reported monthly, and receipts must be attached for each transaction.

7. Compliance and Consequences

- **Compliance Monitoring:** The Finance Department will monitor and audit expense reports to ensure compliance.
- **Consequences of Policy Violation:** Non-compliance with the policy may result in disciplinary action, up to and including termination of employment.

8. Policy Exceptions

- **Process for Requesting Exceptions:** Exception requests must be submitted in writing to the Finance Department. Each request will be evaluated on a case-by-case basis.

9. Policy Review and Modification

- **Review Schedule:** This policy will be reviewed annually.
- **Modification Process:** Any modifications will be communicated to all employees via email and will be updated in the company intranet.

10. Appendices

Frequently Asked Questions (FAQs):

1. **What should I do if I lose a receipt?**
 - In cases of lost receipts, fill out a lost receipt form, providing the details of the expense. Note that frequent occurrences may trigger a review.
2. **Are tips and gratuities reimbursable?**
 - Reasonable tips (up to 15% of the total bill) for meals and transportation services are reimbursable.
3. **How should I report expenses incurred in a foreign currency?**
 - Report the expense in the original currency. The Finance Department will use the conversion rate of the transaction date for reimbursement.
4. **Can I be reimbursed for travel insurance?**
 - Yes, travel insurance is reimbursable for international trips. However, premium policies require prior approval.
5. **What is the policy on upgrading flight seats?**
 - Flight upgrades are generally not reimbursable. Exceptions may be made for health reasons or long-haul flights (over 6 hours), subject to approval.
6. **How do I handle expenses paid with a company credit card?**
 - Even if paid with a company card, all expenses must be reported with proper documentation in the monthly expense report.
7. **Is there a deadline for submitting expense reports?**
 - Yes, expense reports should be submitted within 10 business days after the expense is incurred.
8. **What happens if my expense report is audited?**
 - You may be asked to provide additional documentation or clarification. It's important to keep all receipts and records until the audit is complete.
9. **Can I expense client entertainment costs?**

- Yes, within reasonable limits and business context. Prior approval is needed for expenses exceeding EUR 100 per person.

10. Who can I contact for further questions about the expense policy?

- Please contact the Finance Department at finance@visioncorporation.com or call ext. 502 for any additional queries.

11. Acknowledgment Form

All employees are required to sign an acknowledgment form confirming that they have read, understood, and agree to adhere to Vision Corporation's Expense Policy.