

Employee Reimbursement Policy

“Name of the company” expects its employees to be responsible when incurring various expenses for business-related purposes and to be professional when applying for reimbursement. Note that the organization is accountable for reimbursements for justified expenses.

Purpose

The policy describes all the reimbursements related to business expenses. These are the expenses incurred by the employee first from his own pocket.

Scope

This policy is applicable to all employees who have received permission to incur work- related expenses.

Work-Related Expenses

Work-related expenses are those that an employee incurs when they are performing their work duties. They are mentioned below:

- The expenses are paid by the employee and not reimbursed to him.
- The expenses have recorded proof, like a receipt or a bill.
- The expenses were directly related to earning income.

Qualified Expenses

There are various expenses that are to be considered work-related. Some of those expenses that are eligible for reimbursement are mentioned below:

Work Equipment

There are purchases of various gadgets and equipment to increase

efficiency. These include laptops and stationery.

Meals with Clients

These expenses are mentioned here, including lunch or dinner with clients. This is done to seal business deals. These meetings should be scheduled in advance and authorized by the HR department.

Double House-Keeping

If any employee has a second household for work reasons, this expense is also mentioned in the policy. The expenses are discussed below:

- Rent.
- Necessary furniture (bed, TV, a set of chairs, a table, kitchenware, and a sofa).
- Essential bills (electricity, cooking gas, water, house tax, etc.)

Telephone and Internet expenses

When the employees use a separate phone that is allotted by the company, the organization pays the bill for the same.

Legal Documentation

If the employee has paid an expense to complete any legal work for the company, he is eligible for reimbursement.

Medical Care Fees

If the employee has fallen sick or suffers from physical damage due to an unsafe work environment, they are entitled to get a reimbursement.

Unqualified Expenses

The expenses not mentioned in the Qualified Expenses section will be considered unqualified. The employee is requested to take permission from the organization to pay for work-related expenses.

The following is a list of possible expenses that are unqualified to be reimbursed. The definition is not limited to the list.

The list mentioned below is of all the unqualified expenses that are to be reimbursed.

Personal Traveling Expenses

These are some travel related expenses that are personal and are incurred by the employee.

Extended Expenses

When the business trip gets extended for work-related reasons, there are some expenses to be made.

Personal Products

Any products bought like grooming products or cosmetics by the employee for personal use and have no relation with the work.

Traveling to and from work

Not all travel and work-related expenses are reimbursed by the employee. Employees can refer to the company's local conveyance policy for more information.

Family Expenses

These are those expenses incurred by the employee's family members during company trips or tours.

Guidelines

The employee should have the receipts of those expenses they want to reimburse. These are mentioned below:

- Name of the parties involved and present during the time of incurring such expense.
- The description and essence of the expense.
- The intent of the expense.

The application and the receipts and summary shall be submitted to the "Position of the Person" for approval. The applications with all the above-mentioned attachments shall be submitted within "**Number**" days from the day of incurring such expenses. In case of lunch/dinners with the clients,

- The employee shall inform the **“Position of the Person”** about such meetings before the actual meeting.
- The employee must not spend more than the amount mentioned by the **“Position of the Person”**.

Reimbursement of Expenses

The **“Position of the Person”** will review the reimbursement application. They will then decide on the approval of the same within **“Number”** days from receiving such an application. The **“Position of the Person”** must communicate the approval of the reimbursement application to the concerned employee in written form. The employee will receive reimbursement with the next payroll.

In some cases, the **“Position of the Person”** will specify in a written note whether reimbursement will be paid in cash or by cheque separately from the payroll. The company will provide reasons if the application for reimbursement is rejected. The company will provide the reasons.

If the employee spends an amount that exceeds the limits specified, the excess amount will not be reimbursed and is to be borne by the employee.

Exception

The HR will approve the policy if there are any changes.

Non-compliance and consequence

Any non-compliance with the policy will lead to financial or accounting irregularities. This will reflect in the audit. This negligence will strictly be viewed with the Employee Code of Conduct policy. Corrective actions will be taken accordingly.

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