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| **Document Name** | Expense Policy |
| **Document Number** | M2011p |
| **Last revised** | August 9, 2022 |
| **Purpose** | This policy outlines the rules and procedures that apply to reimbursement of business expenses. It sets out the maximum amounts for each relevant expense category. |
| **Connecting Documents** | Annual Budget system |
| **Connecting Forms** | M2011f, form |
| **Connecting Systems** | Not applicable |

**Expense Policy**

Intent

The Expense Policy (“Policy”) has been created to define guidelines for business expenses and to ensure consistency in accounting practices. This policy applies to all employees of EZ STAK Inc. and EZ STAK LLC (“EZ STAK”). It is the policy of EZ STAK to reimburse personnel for reasonable expenses incurred while on company business or for specific business purposes only.

Important Rules

1. Original or electronic receipts or invoices are required to support **all** financial transactions. Purchase Orders (POs) issued by EZ STAK cannot be used as proof of transactions.
2. All credit card purchases over C$1,000 must be authorized prior to processing. Company credit cards **must never** be used for personal transactions.
3. Any expenses exceeding C$1,000 must be approved by the department manager in writing.
4. Credit Card statements should be **reconciled and submitte**d with your expense report. Original receipts must be provided to support charges on company credit card statements.
5. Use of personal funds or credit cards submitted for reimbursement require original or electronic receipts, invoices must be accompanied by an Expense Report Form, which is to be approved by the appropriate Manager and submitted to accounting.
6. Reimbursement of funds will be rapidly processed to reduce employee exposure to financial charges.
7. Our companies have a zero-tolerance approach to bribery – in compliance with relevant anti-bribery laws in all the regions in which we operate. Offering or accepting a bribe or behaving corruptly in anticipation of a bribe or advantage is strictly forbidden. The company will not reimburse such expenditures
8. Non-compliance with this Policy can delay reimbursement of the expense claim. If the purchase was made on a company credit card or using petty cash funds issued by the Company, the employee may be asked to repay some, or all of the funds spent in violation of this Policy. In addition, disciplinary action may ensue.

Expectations

As an Employee, we expect:

* Responsible behavior within the guidelines of this Policy.
* Expenses submitted to the relevant Manager as soon as possible and with enough details to explain the purchase, where applicable.

As a manager, we expect:

* That purchases comply with this Policy.
* Expense reports submitted by subordinates to be carefully reviewed for compliance with this Policy.
* Expense reports submitted by subordinates to be either approved or returned to the original claimant for further revisions within 48 hours. Approved expense reports must be submitted to accounting within 24 hours after approval.
* Awareness and approval for all business trips planned.

Disallowed Expenses

The following items cannot be claimed for reimbursement or purchased using a company credit card/petty cash:

* All personal expenses
* Credit, debit, and charge card fees (including interest, annual fees)
* Laundry service/dry cleaning
* Mini-bar contents
* Movies/videos, newspapers
* Traffic violations of any kind
* Loss/theft of goods
* Damage to personal vehicles
* Spa and health/fitness clubs
* Personal clothes
* Childcare
* Flowers, sweets, confectionary
* Tourist attractions
* Bar bills
* Upgrades on rental vehicles
* Upgrades on air travel

**Guidelines for Allowed Business Expenses (Alphabetically)**

**Accommodations**

* Hotels are to be booked through the Travel Coordinator and accommodation requirements must be indicated on the Sales Trip Form
* Reservations for accommodations should be made with mid-range hotels.
* In the interests of economy, minimum requirement reservations (i.e., single traveler – single occupancy) should be made.
* Reservations should be made with preferred vendors.
* Upon check-out, EZ STAK encourages its employees to request final invoice/receipt from the hotel detailing any incidentals or additional fees.
* The recommended nightly rate for hotels is $175. The recommended rate should only be exceeded in exceptional circumstances.

**Alcohol**

In general, alcohol expenses will not be covered by the company. For exceptions related to alcohol purchases to entertain a client, see *‘Client Meals and Entertainment.’*

**Cabs** see *‘Taxis/Cabs’*

**Car Rentals and Parking**

As a rule, all car rentals should be made in economy/standard class (unless early bookings make the price equivalent to business class, in which case higher classes are acceptable). Employees are expected to rent mid-sized or compact vehicles. Upon return of a rented vehicle, EZ STAK encourages its employees to request final invoice/receipt from the rental provider detailing any incidentals or additional fees.

When parking, employees are expected to seek the most inexpensive parking options.

**Cell Phones** see *‘Mobile Phones and Internet Connectivity’*

**Client Meals and Entertainment**

All expenses related to Meals and Client Entertainment exceeding $200 are to be pre-approved by President. Detailed original receipts will be required. The company will cover alcohol up to one drink per person. The balance of the expenses related to the purchase of alcohol will be the responsibility of the employee.

**Food** see *‘Meals’*

**Hotels** see *‘Accommodations’*

**Internet** see *‘Mobile Phones and Internet Connectivity’*

**Meals**

Meals can be claimed while staying overnight or travelling for business. The maximum spend limits are:

* Breakfast - $20.00 per person
* Lunch - $25.00 per person
* Dinner- $30.00 per person

When travelling for over 12 hours, meals can be combined for a total reimbursable maximum of $75 per person per day.

Detailed receipts for all claims are required. In general, alcohol expenses will not be covered by the company. As a rule, employees will be required to repay alcohol expenses purchased with a company credit card or petty cash.

**Mileage for Business Travel[[1]](#footnote-1)**

A claim up to USD $0.62.5 cents per mile or CAD $0. 61 cents per kilometer can be utilized if using a personal vehicle for business travel. The vehicle used must be legally insured and licensed. Further, the driver indemnifies EZ STAK if there are any unlawful actions taken while driving on company business.

**Mobile Phones and Internet Connectivity**

Use free Wi-Fi whenever possible on computers and mobile phones. Internet connectivity charges cannot be added to a hotel bill unless already part of the negotiated rate.

**Parking** see *‘Car Rentals and Parking’*

**Seminars** see *‘Training, Seminars and Education Fees’*

**Taxis/Cabs**

Vouchers required can be secured from Executive Assistant prior to booking a cab, if in Canada. All receipts must be retained and submitted for taxi usage. Tips should never exceed 15% of the taxi fare.

**Tips on Food, Client Meals, and Entertainment**

When submitted for reimbursement, EZ STAK will reimburse tips at 15% up to a maximum reimbursement of $75.00 per meal. For example, if an employee chooses to leave a tip of 20%, the company will reimburse the employee up to the 15% maximum or $75.00, whichever is less. The unreimbursed portion of the tip will be the responsibility of the employee. When tips are made using a company credit card, the employee may be asked to repay any excess tip amount.

**Training, Seminars and Education Fees**

EZ STAK employees that wish to receive training or education or attend a seminar through third party sources must request approval prior to the authorization of reimbursement of funds.

**Travel and Transportation**

* All company transportation/travel will be conducted in the most economical manner possible.
* Whenever possible, tickets should be booked at least seven (7) days in advance to benefit from any discounts offered by the carrier, or through the negotiations made by EZ STAK.
* All tickets shall be purchased from EZ STAK’s preferred vendors.

**Acknowledgment and Agreement**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, acknowledge that I have read and understand the Expense Policy of EZ STAK. Further, I agree to adhere to this policy and will ensure that employees working under my direction adhere to this policy. I understand that if I violate the rules/procedures outlined in this policy, I may face disciplinary action.

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| Name: | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Signature: | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Date: | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

1. If an employee receives a taxable automobile allowance as part of his/her regular compensation, generally, he or she will not be eligible to receive any additional reimbursement based on kilometers/miles driven. [↑](#footnote-ref-1)