Expense Reimbursement Procedure

Overview

This document outlines the process for submitting, approving, and reimbursing business expenses at Quantum Dynamics. The company reimburses employees for reasonable and necessary expenses incurred while conducting company business.

Expense Policy Principles

- Expenses must be business-related, reasonable, and necessary
- Most cost-effective options should be selected when practical
- Pre-approval required for expenses exceeding $500
- Expenses must be submitted within 30 days of incurring the expense
- All expenses require proper documentation (receipts, invoices, etc.)

Expense Categories and Guidelines

Travel Expenses

Airfare

- Book economy/coach class at least 14 days in advance when possible
- Premium economy permitted for flights exceeding 5 hours
- Business class permitted only for international flights exceeding 8 hours with VP approval

Lodging

- Standard room at moderately priced business hotels
- Maximum nightly rates (before taxes):
  - Tier 1 cities (NYC, SF, London, Tokyo): $350
  - Tier 2 cities (Chicago, Seattle, Paris, Sydney): $275
  - All other locations: $200

Ground Transportation

- Rideshare services (Uber, Lyft): Standard or Economy options only
- Rental cars: Economy or Compact class only; upgrade requires approval
- Personal vehicle: Reimbursed at current IRS mileage rate ($0.67/mile for 2025)

Meals & Entertainment

- Individual meals while traveling: $75 maximum per day
- Business meals with clients/partners: $125 per person maximum
- Alcohol: Limited to 2 drinks per person for business meals
- Itemized receipts required for all meals

Office Expenses

Equipment & Supplies

- Office supplies under $50 can be purchased without pre-approval
- Equipment over $50 requires manager approval
- Technology purchases must be coordinated with IT department

Software & Subscriptions

- All software purchases and subscriptions require IT approval
- Submit request through IT Portal prior to purchase

Professional Development

Training & Conferences

- Registration fees and related travel for approved events
- Prior approval required via Learning & Development request in Workday
- Department budget must be verified before booking

Submission Process

Expense Report Submission

1. **Compile Documentation**
   - Itemized receipts for all purchases
   - Proof of payment (credit card statement, etc.)
   - Business purpose explanation
2. **Create Expense Report in Expensify**
   - Log in to Expensify using SSO
   - Create new report titled "YYYY-MM Description" (e.g., "2025-04 Seattle Client Meeting")
   - Select correct expense categories and cost centers
   - Attach all receipts and documentation
   - Enter business justification for each expense
3. **Submission Timing**
   - Submit within 30 days of expense date
   - End of fiscal quarter/year deadlines are strictly enforced:
     - Q1 (Jan-Mar): Submit by April 5
     - Q2 (Apr-Jun): Submit by July 5
     - Q3 (Jul-Sep): Submit by October 5
     - Q4 (Oct-Dec): Submit by January 5

Approval Workflow

1. Direct Manager review and approval
2. Finance review for policy compliance
3. Additional approvals for expenses over thresholds:

- $1,000-$5,000: Director-level approval
- $5,000+: VP or C-level approval

Reimbursement Timeline

- Approved expenses processed within 5 business days
- Payment included in next payroll cycle for employee reimbursements
- Direct deposit to same account as payroll

Special Circumstances

Corporate Credit Cards

- Available to frequent travelers and managers
- Monthly reconciliation required by the 15th of following month
- Personal expenses on corporate cards must be reimbursed immediately

International Expenses

- Submit in original currency with receipt
- Expensify will convert to USD using exchange rate on transaction date
- Additional documentation requirements for certain countries

Advanced Funds

- Available for large expected expenses
- Request via Workday at least 7 days before needed
- Must be reconciled within 15 days of trip/event completion

Compliance and Audit

All expense reports are subject to audit. Intentional misrepresentation of expenses may result in: - Denial of reimbursement - Repayment of improperly reimbursed expenses - Disciplinary action up to and including termination - Potential legal action in cases of fraud

Support and Assistance

- Expense Policy Questions: finance@quantumdynamics.com
- Expensify Technical Support: helpdesk@quantumdynamics.com
- Urgent Requests: Finance Help Line x5678