YOUR TRAVEL POLICY

BLUEPRINT

Everything you need to know to make company travel and expense easy

A TRAVEL POLICY IS A NECESSITY NO MATTER THE SIZE OF THE COMPANY

Every typical company has two major controllable costs - firstly salaries and secondly employee travel costs

To ensure these costs are managed effectively, a travel policy is essential, and it must be developed according to your company's specific needs.

COMPANY TRAVEL POLICY GOALS

Providing a roadmap for employees when planning their trips

Decreasing your company spend

Reducing your risk (legal liabilities)

Making financial reporting more effective procedures

Getting Started

Using this template provides you with a baseline from which you can create a travel and expense policy that is tailored to your company's specific needs. Developed from the best practices of leading organizations in their space and what we know works - this template is a perfect foundation from which you can build your own policy to manage your employees travel expenses and reimbursement.

Why struggle to develop your own T & E policy from scratch? Our white-label policy provides you with all the essential information to get your policy in place, almost immediately, with only a few tweaks specific to your company's needs. It answers all the crucial questions an employee may have about travel and entertainment spending and reimbursement where applicable. Everything in this template, from spending guidelines, reporting systems to travel booking tools, can be tailored to your company's needs. This Travel Policy template is a generic template written to be used in almost any industry, niche or location.

It provides generic guidelines for each of the following groups:

Expense Reporting

- Receipts and documentation required for reimbursement
- Deadlines for employee expense submission

Flights

- Economy vs. business class
- Desired booking window
- Frequent flyer miles

Hotels

- Standard rooms vs. suites
- Reimbursable fees
- Non-reimbursable fees

Rental car

- Car class
- Car insurance
- Traffic tickets and fees, toll gates and parking expenses

Rail

- Train cabin class

Ground transportation

- Use of taxis and ride-hailing (Uber) and shuttle services
- Public transportation

Personal car usage

- Kilometer reimbursement
- Traffic tickets and fees, toll gates and parking expenses

Client entertainment

- Reimbursement procedures
- Expectations for reasonable spending and appropriate client entertainment

Meals

- Recommended spending for client and internal/personal meals

Cellphone Usage

- Reimbursement for employees' mobile phone costs

Tips to encourage Travel Policy compliance

Ensure all employees are made aware of the existence of the company Travel Policy. It's not about just sending out an email blast with a PDF attached - make the effort to get them actively engaged and obtain buy-in from all the employees.

Make sure your employees stay engaged and aware of the travel policy by highlighting trip stories and featuring employees who have saved on their travel costs. It’s more about highlighting successes than exposing bad behaviours.

Survey your employees for their feedback based on their travel experiences to improve and refine the company travel policy, to ensure that compliance becomes a habit, not a chore.

Continually improve the policy and implement appropriate value adding suggestions to ensure that the policy meets the needs of your employees and the company's objectives.

[COMPANY ABC]

Travel Policy

Expenses and Reimbursement

YOUR TRAVEL POLICY 1

Introduction 7

The core principles of our T&E policy are: 7

Rules and responsibilities for Employees and Approving Managers 7

Expense Reporting Requirements 8

Documentation required 8

Reimbursement Rules 8

Expense Guidelines 9

Introduction

This policy governs the spend and reimbursement of Employee Travel and Entertainment expenses incurred for [COMPANY ABC].

The core principles of our T&E policy are:

- Every expense should be linked to a clear business purpose/objective and support the goals of our business.
- Each expense should be justifiable and appropriate to the reason for the expense. Full documentation of each expense must be provided and presented for delegated approval. No employee should incur any expense, either in appearance or fact, with a view to gain personal enrichment from said expense. e.g. monetary, loyalty points etc. All applicable laws governing expenses must be complied to.

[COMPANY ABC] herewith confirms that they will reimburse any necessary, within reason, out of pocket expenses incurred by an employee on behalf of the company. Each employee should understand that good judgment in terms of said expense should be exercised and the expense submitted for approval and reimbursement within the guidelines provided in this policy. All employees and Approving Managers not complying to the guidelines laid down in this policy may be subject to:

- Delayed reimbursement due to incomplete or incorrect documentation
- Denial of reimbursement as a result of policy violation
- Disciplinary action as a result of policy violation with a possibility of termination of employment

Rules and responsibilities for Employees and Approving Managers

The guidelines listed below should be followed at all times and sound judgment exercised when said expense is found not to be included in the categories below. Should more clarity be required, please consult with the Finance department, before incurring said expense. It is expected of all Approving Managers to decline any submitted expenses, reviewed for accuracy, from any employee, that do not meet the requirements listed in the Travel policy.

Expense Reporting Requirements

To ensure that all claims are processed correctly for reimbursement all [COMPANY ABC] employees must use the mandated T&E expense reporting system, [EXPENSE MANAGEMENT TOOL]. If any guidance is needed in the use of the [EXPENSE MANAGEMENT TOOL] employees should contact Finance for the necessary guidance. Detailed entry of each expense which includes all the required information listed below, is the responsibility of the employee incurring said expense. Each expense must include, but not be limited to, the following information:

- The correct Vendor/Service Provider's name in the vendor field
- A detailed "Description" field which provides all the relevant detail of the incurred expense. For example: Venue/Client/Purpose/Item etc. Where applicable, the attendees/guests, any clients as well as other [COMPANY ABC] employees. Any applicable reference numbers relating to said expense e.g. Flight Numbers, shipment tracking numbers etc. to support said expense.

Documentation required

Copies of original receipts must be uploaded to the expense report by the employee incurring the expense on behalf of the company. The following documents will NOT be accepted and may result in either a rejected expense report or possible non-reimbursement of the said expense:

- credit card statements or,
- doctored receipts

Reimbursement Rules

Monthly deadlines have been set for the entering and approval of all expense reports by the Accounting Department. Any reports not entered and approved within the monthly deadlines set, will not be reimbursed in the current cycle but will move over to the next monthly cycle. Please note that credit card late fees are not reimbursable.

Expense Guidelines

Airfare

1. All employees are required to fly economy class for any flights less than [X] hours. Business class is only permitted for flights of [X] hours or longer.
2. An airfare budget must be obtained through a corporate travel agency like R&M Global Travel or from your departmental budget administrator prior to booking any air travel.
3. Employees should always attempt to purchase airline tickets 14-30 days in advance of the expected travel date. Always inquire from your service provider what incentives you will receive for booking flights early.
4. All flights without exception should be booked through a corporate travel agency like R&M Global Travel.
5. Although all traveling employees may retain frequent flyer program benefits any participation in these programs should not influence flight selection, which could possibly result in an incremental cost to [COMPANY ABC].
6. No airline club memberships and usage are reimbursable.
7. Under no circumstances may any employees voluntarily get “bumped” from a flight for a cash or cash equivalent incentive.

Hotels

1. A hotel budget for your trip must be obtained through a corporate travel agency like R&M Global Travel or your departmental budget administrator prior to booking any travel.
2. All employees are expected to reserve standard rooms at all times. Employees may accept room upgrades to suites or executive floor rooms only if the upgrade is at no additional cost to [COMPANY ABC].
3. All Hotel reservations should be purchased through a corporate travel agency like R&M Global Travel or from the service provider offering the lowest room rate.
4. Travel reimbursable items include: hotel internet connection (to be reflected on the hotel bill or separate hotel invoice), tips to hotel staff within reason and valet/parking for car rental.
5. Under no circumstances will the Company reimburse the following items:
   - In-room movies or movie channels
   - Cash advances made to the traveller, from the hotel
   - In room Minibar charges
   - Any Laundry and dry cleaning done for the duration of the employee's stay at the hotel

Rental Cars / Rail

1. A budget for incidental car/rail travel must be obtained through a corporate travel agency like R&M Global Travel or from the departmental budget administrator prior to booking any travel.
2. All employees are required to request only a mid-size/intermediate car class when renting a vehicle for business travel. Should none be available at the time of the request approval must be obtained from the departmental budget administrator for higher car class.
3. Loss Damage Waiver (LDW) and Collision Damage Waiver (CDW) must always be accepted when renting a car, unless the employee's personal credit card offers this protection, to reduce the level of risk for the company
4. Any traffic fines, court costs or parking violations resulting from the use of a rental vehicle are not reimbursable.
5. Only Economy class should be used when booking any rail transportation.

Car Service / Taxi / Subway

Please select the most cost-effective solution when using any car transportation if a rental car is not going to be used. Always choose the most cost-effective solution in line with the guideline listed below.

1. When traveling in a metropolitan area on business, employees should always make use of a local taxi service, ride-hailing service (such as Uber), or public transportation whenever possible.

Personal Vehicle Usage

An employee may use his/her personal car for business purposes. The Company will reimburse all employees for business travel using their personal vehicle at the prevailing rate per kilometer. This rate is adjusted as and when the AA rates are updated. (Please check with the Finance department for the current rate before using your personal vehicle for business travel). All charges for bridges, highway tolls, ferries, parking, etc. incurred when using a personal vehicle for business purposes will be reimbursed upon presentation of the documentary proof of said expense. All traffic fines, court costs and parking violations incurred whilst using a personal vehicle for business use, will not be reimbursed to the employee.

Entertainment

All employees should understand that entertainment of business clients or associates may be a responsibility of employees in certain roles or on certain assignments only. It stands to reason that all client entertainment should not be lavish, excessive or inappropriate in nature. The provision of meals, refreshments and other forms of entertainment are permitted so long as there is a justifiable sound business-related purpose. The level of expense

should be reasonable and customary in context of the business, and the frequency not excessive or inappropriate. All entertainment should adhere to the following guidelines:

1. Entertainment [R1,000-R4,999] (all-inclusive cost) requires a completed [XXXXX] form submitted to the Finance Department immediately (or as soon as possible) after the transaction occurs. Although the actual spend does not require pre-approval, it is mandatory that necessary completed forms are provided to the appropriate Department Head, Approving Manager and Finance Department before expenses are submitted in [EXPENSE MANAGEMENT TOOL] for reimbursement.
2. All entertainment estimated to be [R5,000+] (all-inclusive cost) requires a pre-approved [XXXX] form signed by the Department Head and provided to Approving Manager and Finance Department for record keeping.
3. No entertainment may result in a personal financial gain or other benefit for the employee.
4. As mentioned previously all employees must include full details of the Venue/Client/Purpose in the designated description field within [EXPENSE MANAGEMENT TOOL]. Failure to include all required material may result in delayed reimbursement.

Business entertainment expenses may include, but are not limited to, items such as: concert tickets, theater tickets, sporting events (i.e. rugby, soccer, golf, tennis, boxing etc.), and spa treatments and visits. Any employees that is unsure whether a form of entertainment is acceptable, should consult with their Department Head and/or Finance Department before incurring the expense.

Meals

Client-Related Expenses

1. All Employees must adhere to the same ROI guidelines as mentioned above under entertainment.
2. No “Sharing” or “splitting” of meal/drink expenses between Company employees is allowed to make the cost appear smaller.
3. All employees must include a full description of the Venue/Client/Purpose in designated description field within [EXPENSE MANAGEMENT TOOL]. Failure to include all required information may result in delayed reimbursement of the said expense.
4. All expenses for group meals must be submitted for approval and reimbursement by the most senior executive present or by an individual whose Approving Manager is not present.

Employee / Internal Expenses

This includes all food and drink spend incurred either while traveling alone or with [COMPANY ABC] employees only.

1. All employees are expected while traveling for business purposes, to use reasonable judgment for spend on meals. Guidelines are: Breakfast [R35], Lunch [R75], and Dinner [R180] per person.

2. All Team or department meals must be pre-approved by the appropriate Department Head prior to the event.
3. All expenses for group meals must be submitted for approval and reimbursement by the most senior executive present or by an individual whose Approving Manager is not present.

Mobile Phone

There are a certain number of roles where employees are required to be connected and respond to business needs outside of normal office hours. Check with your Department Head to understand whether a specific role applies to you or any of your staff reporting to you. If regular mobile access is required, [COMPANY ABC] will reimburse [A MONTHLY COST OF UP TO R XXXX]. It is the responsibility of the employee to maintain a plan consistent with the needs of the role. [COMPANY ABC] will reimburse [UP TO R XXXXX] toward the purchase of a new phone in the event the old phone is lost or stolen, if pre-approved by his/her manager. The Company will not pay for any phone upgrades for whatever reason.

The Finance Department has the right to decline reimbursement of approved expense reports in the event the expenses are not compliant with anything mandated in this Policy.