

SOP Template: Acceptable and Non-reimbursable Expense Guidelines

This SOP establishes **acceptable and non-reimbursable expense guidelines** to ensure consistent and transparent expense management within the organization. It details which expenses employees can submit for reimbursement, outlines specific categories of non-reimbursable costs, and provides instructions for proper documentation and approval processes. The goal is to promote responsible spending, prevent misuse of company funds, and streamline the expense reimbursement workflow.

1. Purpose

To define which work-related expenses are acceptable for reimbursement, specify non-reimbursable items, and provide a clear process for submitting, documenting, and approving expenses.

2. Scope

This SOP applies to all employees, contractors, and managers seeking reimbursement for business-related expenditures.

3. Acceptable Expenses

Examples of expenses that are generally eligible for reimbursement include:

- Business travel (airfare, rail, mileage, taxis, car rentals, tolls)
- Accommodation (hotel stays during approved business trips)
- Meals (within established per diem or company policy limits)
- Conference fees and registration costs
- Office supplies purchased for work needs
- Client entertainment (with prior approval)

4. Non-reimbursable Expenses

The following expenses are not eligible for reimbursement:

- Personal travel and leisure costs
- Alcoholic beverages (unless pre-approved for client entertainment)
- Fines/penalties (traffic violations, parking tickets, etc.)
- Personal items (toiletries, clothing, magazines, etc.)
- First-class or business-class travel upgrades (unless pre-approved)
- Home internet, utilities, or rent/mortgage costs (unless covered by remote work policy)
- Unauthorized expenses or items not directly related to work activity

5. Documentation Requirements

- **Receipts:** Submit original, itemized receipts for all expenses. Credit card statements are not sufficient.
- **Expense Report:** Complete the company's expense reimbursement form with accurate details.
- **Approvals:** Obtain supervisor or authorized manager approval on all expense reports.

6. Reimbursement Process

1. Submit expense report with required receipts within 30 days of incurring the expense.
2. Supervisor/manager reviews and approves submitted expenses.
3. Finance processes approved expenses and issues reimbursement in the next payroll cycle.

7. Exceptions

Exceptions to these guidelines require pre-approval from a department head or executive management, and must be clearly documented in the expense report submission.

8. Compliance

Failure to comply with these guidelines may result in denial of reimbursement and/or disciplinary action.

Document Revision History

Date	Version	Description	Author
2024-06-15	1.0	Initial release of SOP template	Finance Team