|  |
| --- |
|  |
| Business Expense Policy |
|  |
| A detailed summary of exempted and non-exempted expenses |

**ABC Limited**

January 1, 2022

Prepared by: \_\_\_\_\_\_\_\_\_\_\_\_\_

**The Purpose:**

The purpose of this policy is to spell out under what circumstances reimbursement of expenses may occur on behalf of the health service, and the process for doing so.

|  |  |
| --- | --- |
| Business expenses | Reasonable business expenses incurred by staff in the course of performing their official duties. These can include travel, meals, accommodation, hospitality, etc. |
| Executives | Members of the health service’s leadership team which includes but is not limited to the Chief Executive Officer, the Chief Financial Officer and the Director of Clinical Services |
| Hospitality | The provision of food, beverage, accommodation, transportation and other amenities at the health service’s expense to persons who are not employed by the health service |
| Receipt or Tax Invoice | An original document which includes details of the issuer, the expenditure, amount (inclusive or exclusive of GST), date and indication of proof of payment |

**Application of Policy:**

This policy applies to all executives, employees and contractors of the health service (referred to as staff in this policy).

**Policy:**

The health service will reimburse its staff (including volunteers) expenses incurred by them on behalf of the Health Service or in the course of health service business so long as such expenses are:

1. For the benefit of the health service;
2. Modest, appropriate and reasonable;
3. Based on value for money; and
4. Supported by the appropriate approvals and supporting documentation.

Reimbursement of reasonable but unauthorized expenses may be made on an *ex gratia* basis at the discretion of the CEO in exceptional circumstances only. Staff incurring authorized expenditure must, wherever possible, receive, retain and produce receipts, invoices, vouchers, tickets, or other evidence of such expenditure.

**Role and Burden:**

It is the responsibility of management to ensure that:

* Staff and volunteers are aware of this policy;
* Appropriate controls are in place to ensure the appropriate application of this policy; and
* Any breaches of this policy are dealt with appropriately.

It is the responsibility of all employees and volunteers to ensure that their applications for reimbursement comply with this policy.

**Applicable of Policy Roles:**

**Prohibited reimbursements**

The health service will not reimburse staff for:

* Unauthorized expenses;
* Expenses claimed by an employee as a tax deduction;
* Expenses normally recoverable from a third party;
* Claims for purchases that are required to be made under a health service purchase order;
* Expenses that are not incurred for business purposes;
* Late payment interest on credit cards; and
* Parking, traffic, or other fines and penalties.

**Travel expenses**

Staff should refer to the health service’s Travel Policy for allowable expenses whilst travelling on behalf of the health service. This includes expenses related to ground and air travel, accommodation and meals.

**Provision of hospitality**

Staff may be reimbursed for hospitality expenses incurred in the course of health service business, as appropriate. Pre-approval must be obtained prior to incurring such expenses.

**Payment procedure**

Approval of expenses must be made in accordance with the health service’s Delegations of Authority. Delegates are responsible for determining if the expenses being claimed are reasonable given the circumstances, and for ensuring they are charged against the appropriate account.

Staff incurring authorized expenditure must submit requests for reimbursement to the delegate using the health service’s Expense Claim Form (see Appendix A) describing the nature and purpose of the expenses. The completed form must be signed by the applicant. This form must be accompanied by all relevant original receipts, invoices, vouchers, tickets, or other evidence of such expenditure when seeking reimbursement. Where such evidence is for any reason lacking, statutory declarations must be provided. Claims that have not been properly prepared, authorized, or supported by adequate documentation will be returned to the claimant and the reasons will be given for not processing the claim.

**Defilements of the Policy:**

Conduct which violates this policy is considered to be outside the scope of a person's employment or engagement and could significantly damage the health service and expose it to unintended legal and commercial liabilities. Individuals who breach this policy are subject to appropriate disciplinary action by the health service including, but not limited to one or more of the following:

* Counseling;
* Further training and development;
* Demotion;
* Suspension;
* Warning;
* Termination of employment (with or without notice or any payment); or
* Termination of engagement (in the case of contractors).

In some circumstances, the health service may also report the person’s conduct to external authorities such as the Independent Broad-based Anti-Corruption Commission, police and the Department for appropriate action.

**Implementation:**

This policy is not to be considered in isolation. It is to be read in conjunction with all related policies and other documents, including, but not limited to, those specifically listed in the body of this policy. This policy is not contractual and does not confer any entitlement. The health service reserves the right to review, change, update, or withdraw this policy. Compliance with this policy is mandatory; however, this policy does not impose any binding obligations on the health service. Persons who have employees or contractors reporting to them are required to take all necessary steps to ensure such individuals know, understand, and follow this policy.

**Concerned Documents:**

* Delegations of Authority
* Travel Policy
* Purchasing Card Policy
* Protected Disclosure Policy

**Document History:**

|  |  |  |  |
| --- | --- | --- | --- |
| Version | Altered by | Approved by  | Comments |
| 1 |  |  | Initial Release |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |