

expend

The Ultimate Expense Policy Playbook

Practical Solutions for Control, Compliance
and Cost Efficiency



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Introduction



Imagine a business where every pound spent has purpose, compliance feels effortless, and employees know exactly what they can claim. With a well-defined expense policy, this becomes reality.

This guide explains how to build an expense policy that increases transparency, strengthens accountability, and improves financial clarity across your organisation. Learn how Expend's innovative tools make it easy to set policies, track expenses in real time, and eliminate manual oversight.

30%

reduction in non-compliant spending

60%

fewer errors in submissions

25%

faster employee reimbursement time

98%

customer satisfaction with Expend



Johnny Vowles
Expend CEO

Why Expense Policies Matter



A Foundation for Financial Health

Expense policies are more than guidelines - they're essential tools for managing business costs and maintaining financial discipline.

By establishing clear financial boundaries, companies can significantly increase accountability, drive cost savings, and empower teams to make smarter spending choices.

Accountability in Business Spending

Clear policies help employees make smarter spending choices that align with business goals, streamlining budget management and fostering responsibility.

Preventing Fraud and Overspending

Expense fraud costs companies millions. Strong policies curb this risk by defining expectations and catching misuse early, protecting the company's finances.

Did you know?

Expense fraud is responsible for around **5%** of revenue losses for average companies.

→ Use specific policy rules, like pre-approval for high-value expenses, or requiring receipts for all claims.

Key Elements of a Strong Expense Policy

Establishing Clear Spending Guidelines

A strong expense policy removes confusion by defining what counts as a business expense. Outline essential categories - such as travel, meals, and mileage - and specify allowable costs within each to prevent misunderstandings.

For instance, under "Meals," clarify that breakfast, lunch, and dinner are covered on business trips. This detail helps employees understand exactly what's covered.



Define Expense Categories



Set Spending Limits



Use Clear Language



Clarify Approval Processes



Outline Documentation Requirements

Setting Spending Limits & Using Clear Language

Setting spending caps ensures budgets stay intact and guides employees in making choices that support company goals. Use clear, plain language in the policy - avoiding jargon - to make it easy for everyone to understand and follow, which boosts compliance and reduces errors.



Specify Non-Reimbursable Items



Establish Mileage and Travel Guidelines



Set Submission Rules and Consequences



Integrate with Expense Management Software



Provide Regular Policy Updates

Steps to Develop an Expense Policy



Setting Policy Goals

Engaging Stakeholders

Gather input from finance, HR, and employees to cover every angle. This inclusive approach builds understanding and support for the policy.



Clarifying Specific Rules

Define what you want your policy to achieve. Whether the goal is cost control, compliance, or accountability, each priority shapes the policy.

Be clear around what is not acceptable, where claims should be submitted, and required timeframes for submissions. Also add policy violation consequences.



Creating Accessible Guidelines



Complex policies create confusion. Keep it simple with clear, concise language, allowing employees to easily follow.

Enforcing an Expense Policy



Challenge

An unenforced policy has no impact.
Make enforcement straightforward and effective.

Leverage Technology for Compliance



Automated compliance checks ensure every expense aligns with policy. With Expend, non-compliance expenses are flagged for easy review.

Role of Finance Teams & Managers



Effective enforcement requires collaboration. Finance teams and managers work together to ensure compliance - without creating delays.

Address Violations with Clear Consequences



Enforce consequences to reduce repeat offences, fostering a culture of responsibility and compliance.

Did you know?

Expend's software automatically flags non-compliant expense submissions, saving time for finance teams.

- You can establish specific rules that dictate which details must be included in every expense submission. Whether it's requiring notes on each line item, or ensuring receipts or invoices are attached, you can enforce these requirements automatically.
- If any required detail is missing, you can choose to either block the expense submission entirely or display a warning, ensuring that both the submitter and reviewer are aware of the discrepancy.

Examples: Minor and Major Violations



➤ Minor Violations: Examples

Missing receipts, small expenses exceeding limits, unintentional miscategorisation.

➤ Major Violations: Examples

Repeated offences, large expenses without prior approval, personal expenses claimed as business expenses, intentional misreporting.

➤ Minor Violations: Consequences

Address immediately with a warning or gentle reminder.

e.g. Missing receipt → Notify the employee, asking them to submit the receipt within 3 days. Follow this up on a regular basis. If they do not, request an explanation and mark the expense for tracking.

Tip: Use Expend to set up automatic receipt reminder emails and schedule them to be sent as frequently as you would like, while saving you time chasing individuals.

➤ Major Violations: Consequences

Escalate and treat with seriousness, as these may indicate intentional disregard of the policy. e.g. Exceeding approved budget without authorisation → Deny the reimbursement and request a justification for exceeding the budget without prior approval. If the explanation is inadequate, issue a formal warning and flag the incident for finance review. Consider additional expense training, meeting with the employee's manager or temporary suspension of expense privileges.

Tip: If you provide Expend cards to employees for business expenses, you can set individual spending limits for each user, ensuring they stay within approved budgets.

Best Practices for Policy Roll-Out

A step-by-step guide

-  **Finalise and Approve Policy**
Confirm policy content and practicality with final approval from key stakeholders (HR, finance, etc).
-  **Develop Training Materials**
Prepare quick-reference guides, an FAQ document, or training videos to make it easily digestible.
-  **Send Executive Announcement Email**
Kick off the roll-out with an email from a senior leader to introduce the policy, its purpose and importance.
-  **Distribute Summary Email with Resources**
Follow up with a detailed email including key points, training materials, FAQs and resources.
-  **Add to the Company Intranet**
Ensure 24/7 access to policy resources via the company's intranet or shared drive.
-  **Display Policy Reminders in Common Areas**
Place notices in visible areas (e.g. break rooms, finance office) to reinforce compliance reminders.
-  **Establish a Communications Channel**
Set up a dedicated messaging channel or email where employees can direct questions to HR or finance.
-  **Send Follow-Up Reminders and Updates**
Periodically remind employees of key policy points, updates and common questions following the roll-out.

Using Technology

Imagine a policy that enforces itself. Expend makes this possible.



Automated Compliance Checks

Instantly flag or block compliance issues to the employee at the time of expense submission, giving them the option to rectify the issues before submitting for review.



Customisable Approval Flows

Every expense submitted flows to the relevant leader for approval, eliminating bottlenecks and improving efficiency. Audit logs provide a trail of all related activity for each expense.



Automated Receipt Chasing

Employees are encouraged to add receipts at the time of the purchase, easily in the mobile app. If an employee forgets, we will automatically chase them regularly until uploaded.



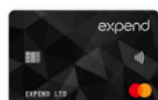
Expense Payment Cards

Gain control of employee expense purchases while providing flexibility, with customisable spending budgets and real-time tracking of purchases for every card.



Real-time Expense Tracking

Expense purchases, subscriptions, mileage claims and more can be monitored and reviewed instantly as they happen, by assigned managers. This gives real-time insights into expenses.



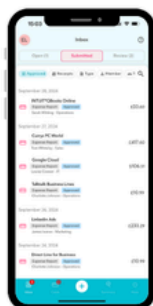
Purchase made within allocated expense budget

Employee



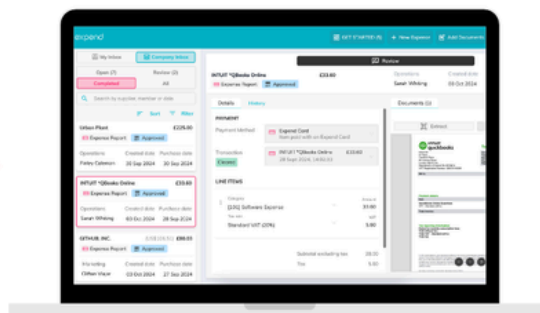
Receipt or invoice added, plus other info

Employee



Automated compliance checks for approval flow

Manager



Real-time tracking and visibility into expense purchases and mileage claims

Manager / Finance Team

Conclusion

The word "expend" is written in a white, lowercase, sans-serif font. It is centered within a large teal rectangle that occupies the upper half of the page. To the right of this rectangle, there is a dark grey diagonal shape and a smaller teal shape above it, creating a modern, geometric design.

A strong expense policy does more than track spending; it drives accountability, ensures transparency, and boosts compliance.

With Expend, businesses can set, enforce and monitor policies seamlessly, creating a culture of financial responsibility and efficiency.

Discover how Expend can support your company's expense needs - visit our website or book a call with our friendly team of Expenders:



Website

www.expend.com/learn-more



Book a call with us

[Click here to see the diary](#)
