

*Reimbi*



*the*  
Definitive Guide  
*to* Candidate  
Reimbursements

*Reimbursement Reimagined*

# The Definitive Guide to Candidate Reimbursements

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# The Definitive Guide to Candidate Reimbursements

# The Definitive Guide to Candidate Reimbursements

## Introduction

Reimbi has issued millions of dollars in reimbursements to thousands of job candidates. We've done this on behalf of leading, growing companies across industries, geographic location, and maturity levels. This work has given us visibility into practices and data that can help you create or improve your candidate reimbursement program in support of your company's broader hiring and employer brand efforts.

This guide exists to help you. You may be tasked with writing your company's first candidate reimbursement policy or improving an existing one. Maybe you want to benchmark your company's data against a larger dataset to see where you stand.

We believe that candidates should be reimbursed quickly, accurately, and in compliance with your company policies. Our hope is that this guide will equip you with the information to help make that happen at your company and thousands of others.

The data used in this guide is accurate as of April 30, 2020. That data is anonymized and cannot be tied to any particular company or candidate.

## Yes, you should reimburse your candidates.

Companies reimburse job candidates because doing so attracts more qualified candidates resulting in better hiring.

The alternative to reimbursing is to not reimburse; it's a binary decision. If a company chooses not to reimburse, that company is making a decision to limit their candidate pool. Your office may be in a thriving city where people are eager to move or that has exceptional universities. That leads to a great candidate pool. However even in cities like New York, Boston, London, or Tokyo the odds that your best candidate lives in your city are small. If your office is in a smaller community, with all of the draws and benefits that come with that environment, it is nearly

***Reimbursing candidates can also help drive diversity in your candidate pool and allows companies to be more inclusive during the hiring process."***

*- Brianna Streeter,  
Candidate Experience  
Program Manager, Toast*



**“ A poor reimbursement process will lead to a negative experience and thus, a negative association with a company’s brand. This is important for candidates you want to hire, but also for the candidates you reject throughout the process. Depending on the company type, they could be a buyer or client one day.”**

*- Lauren Santimauro,  
Campus Recruiting  
Manager, Kearney*

guaranteed that your best candidate is not local. That means to get your best candidates in for an interview they may need to travel. (Side note on video interviewing: how many successful relationships come from a 100% video dating experience?)

A candidate that travels is taking time away from a job, school, family and other parts of life. Choosing to not reimburse candidates for their travel expenses only limits your candidate pool. It gives candidates reason to turn down the interview when the goal is to reach and attract the best candidates for your company. Reimbi has issued reimbursements for a wide range of amounts with \$205 as the average reimbursement.

Is it worth saving \$205 only to lose out on the candidate that is going to best fill a critical role in your company’s success?

## Characteristics of a great candidate reimbursement process

### Be Upfront

It is very common for companies to pay for or reimburse at least some interview travel expenses. If your company falls into this category, make sure to mention in the job posting that interview expenses will be paid for when applicable. However, some companies believe their positions can be filled from talent in their local communities, so paying for interview expenses is unnecessary. If this is where your company stands, it is crucial to include this in the job posting. Let candidates know they will be responsible for any expenses related to the interview process. This way, when you move forward with interviewees, they won’t be blindsided.

# The Definitive Guide to Candidate Reimbursements

## Be Precise

No matter your company's stance on reimbursing candidates, it needs to be presented in a transparent manner before interviews are conducted. This gives candidates a sense of trust and improves their relationship with the company.

Some companies prefer to pay or reimburse only for airfare and hotel fees, while others will include meals and other transportation expenses. Some prefer to give candidates a daily limit for smaller expenses like meals. Whatever your policy is, be precise.

If there is something your company is not comfortable paying for (flight upgrades, alcohol, baggage fees, etc.) be sure to include that in your policy. If you require interviewees to provide receipts, make sure they know that before they begin traveling. It is better for all parties involved to know what to expect before interview times and travel plans are arranged.

## Be Prompt

Now that the reimbursement policy is clear and understandable, the actual process of reimbursing candidates should be as well. You should aim to make the reimbursement process as concise and simple as possible for candidates. Make it easy to submit expenses. If your process includes a fax machine you may not be on the right path. Provide an estimate of how long it will take your company to reimburse the candidate. Obviously, the quicker the turnaround the better.

Reimbursement policies vary from company to company, but it always pays to be upfront, precise, and prompt. Having an understandable reimbursement policy helps improve the recruitment process for companies and the interview experience for candidates.

**Reimbi**

*One of the many benefits to using Reimbi is that your reimbursement policy is pushed to your candidate automatically and is also displayed in the application sent to the candidate.*



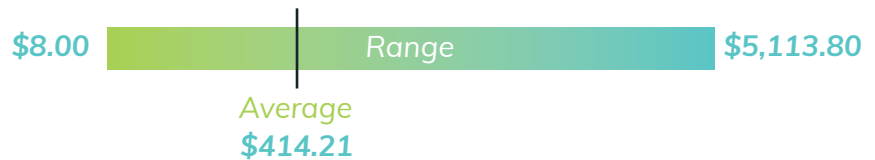
## What is reimbursable?

In this section we get into the types of expenses generally seen on a candidate expense report. Using anonymized data from the millions of dollars reimbursed through Reimbi, we show the range and average amounts in USD. Please note that the range may include associated expenses, for example a baggage fee categorized as an 'Airfare' expense.

Each expense type section contains details you will want to consider for your company's policy. For many expense types we will include an example sentence or two that you can use and modify for your company policy.



### Airfare

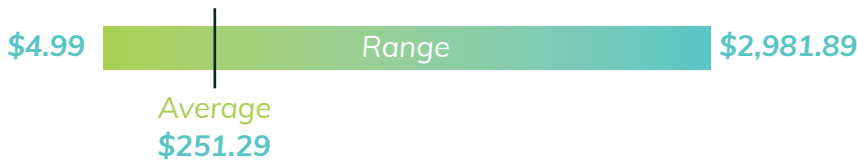


The majority of companies using Reimbi direct bill airfare costs. This means that the company pays for the airfare directly. The candidate does not normally need to be reimbursed for this type of expense. If you are going to have your candidate pay for their airfare and then be reimbursed, you should be specific on what class of airfare (coach, upgraded economy, business, etc.) will be reimbursed.

Even if your company is direct billing airfare you should specify whether baggage fees or seat upgrades are reimbursable. Our data shows that seat upgrades are rarely reimbursable. Baggage fees are more often reimbursable but there are many companies that specifically exclude baggage fees from their approved expense type list.

# The Definitive Guide to Candidate Reimbursements

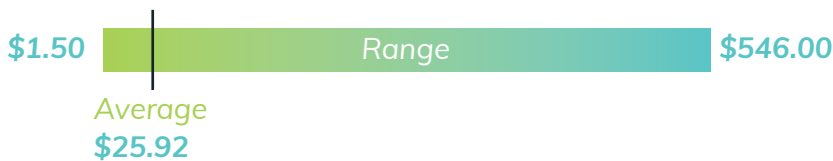
## Lodging



Lodging is another expense type that very often is directly billed. If the candidate will be paying for their hotel accommodations and then reimbursed, consider including guidance and instruction regarding the use of AirBnB reservations. If your company has preferred hotels, be sure to include the code needed to get your company discounted rate. Let the candidate know if it is required that they stay at a preferred hotel.

It is important to list the daily limit for lodging expenses, and whether that amount is the base rate or if it includes all taxes and fees. A hotel showing a base rate of \$169 a night can easily result in a per night charge of over \$200 when all taxes and fees are included.

## Public Transit



Some companies choose to just list “Ground Transportation” as a generic expense type, but it can be helpful to understand how your candidates navigate to and from the interview.

Whether it’s by bus, subway, train, or another type of public transportation, most companies don’t set specific dollar limits on this expense type. However with all transportation you should specify when transportation costs will be reimbursed.

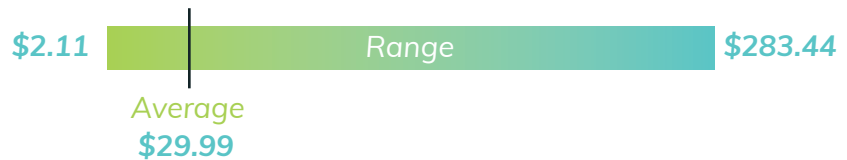
### Sample text for your policy:

Transportation expenses for travel between your residence, airports, hotels, and your interview location are reimbursable. Transportation expenses to and from other locations are not reimbursable.





## Taxi / Ride Sharing

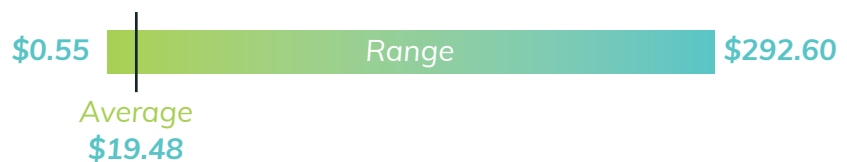


Very similar to the public transit expense type, a Taxi/Ride Sharing expense type is an improvement over just listing a generic Ground Transportation expense type. One decision we will introduce here is the need to collect vendor information on the candidate's expense report. Is it useful to know if your candidates are taking Uber or Lyft? Potentially, if you would like to have your procurement team negotiate a business discount with a rideshare company. You will have this information already on the receipt provided by the candidate, but having it included as a data field will make reporting much easier.

See the policy sample in Public Transit expense type for language to use in your policy.



## Meals



If you are like most companies, this will be the most frequently used expense type. Candidates eating breakfast the morning before an interview, dinner at the airport before flying home or even just a coffee for a little boost after a long day of travel are very typical expenses. You have several choices when setting up your policy regarding meals.

Will your company reimburse for alcohol? There is no standard or even a "most companies" statement we can make here. Some companies have no problem with a candidate having a beer or glass of wine with dinner. Other companies specifically exclude any alcohol purchases from being reimbursable. If your company does not reimburse for alcohol then be very specific about that in your policy.

# The Definitive Guide to Candidate Reimbursements

Meals, cont.

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*Sample text for your policy:*

*Alcohol (beer, wine, cider, liquor, etc) purchases are not reimbursable. Please subtract these charges from any meal expenses as needed. Expense reports submitted with alcohol charges will be rejected.*

---

Many companies have a single daily limit for meals rather than specific limits per meal. It can be tempting to set up a policy that has limits by meal type; \$10 for breakfast and \$15 for lunch for example. However, we have no evidence that a per meal type limit results in less expense. A daily limit is easier to manage and approve for the company, and a friendly method for the candidate. Is a meal at 10:30 am breakfast or lunch? How about candidates that only eat breakfast or dinner in a day due to fasting requirements? Go with the daily limit.

Another meal related statement for your policy addresses other people's meal expenses which may be on the receipt:

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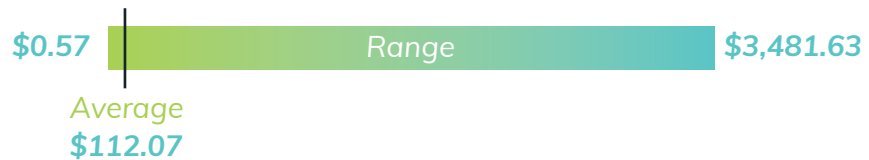
*Sample text for your policy:*

*When dining with others you should request separate receipts for the purpose of your expense report. If a receipt contains meal expenses for another person those expenses must be subtracted so that you only request reimbursement for your own meal expense.*

---



## Mileage



In some cases it may be more convenient and cost effective to have a candidate drive their personal vehicle rather than renting a car, flying, or taking other modes of transportation. It is typical, in the United States, to use the current IRS mileage rate (<https://www.irs.gov/tax-professionals/standard-mileage-rates>) as the amount you will reimburse candidates for each mile driven. This rate is inclusive, so candidates should not be reimbursed for mileage and for gasoline.

It is suggested to put lower and upper limits in place to avoid needing to process reimbursement for very short trips or to pay out excessive reimbursements for mileage when another mode of transportation should have been used.

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### Sample text for your policy:

Mileage when driving your personal vehicle to the interview is reimbursable if the one way distance between your residence and the interview location is greater than 25 miles but less than 175 miles. You will be reimbursed the current IRS mileage rate. When claiming mileage reimbursement do not include costs for gasoline or any other driving expenses.

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# The Definitive Guide to Candidate Reimbursements

## Other types of reimbursable expenses

There are other types of expenses that you may want to specify as reimbursable. Examples of these are parking, tolls, internet fees, and tips. It is important to be clear what is reimbursable or not.

## Non-reimbursable expenses

Equally important is to be explicit about expenses that are not reimbursable. With the tens of thousands of expenses that have passed through Reimbi, there are some interesting items that candidates will include in an expense report. Some items you may want to specifically call out as not reimbursable:

Speeding tickets, parking tickets, personal grooming projects, luggage, medicine, mini-bar charges, trip insurance, movie charges.

## Receipt requirements

Almost all companies require receipts for at least some expense types. Some companies decide it is not worth the effort to have candidates provide receipts in some cases. Meals under \$10 (or a similar small amount) is the most common example of an expense where receipts are usually not required..

You should plan for candidates who lose or were not provided a receipt. A Missing Receipt Affidavit is the most common way of handling this situation. See Appendix C for an example that can be used at your company.

## *Reimbi*

*Reimbi allows you to specify, for example, that meals over \$10 require a receipt. This ensures that receipts are attached when required.*



## Collecting the expense report

Your policy should specify how and to whom the expense report should be submitted. The legacy method of collecting expenses and receipts is a combination of email and Excel. The data used for this guide utilizes expense reports submitted via [Reimbi](#), a web application built specifically for candidate reimbursements.

## Approving the expense report

As part of your candidate reimbursement program it will need to be decided who must approve the expense report. This depends on your company's approval policies and signature limits. It is ideal to have the approver be someone who understands the reimbursement policy and can easily confirm which candidates are eligible for reimbursement. If possible, separate the responsibility of coordinating with the candidate on the submission of the expense report and the approval. These should be done by different people. With this in place and a single level of approval, you will have taken a step to prevent fraud and a simple, quick approval process to speed up payouts.

## *Reimbi*

*Reimbi not only provides status notifications via SMS and/or email to the candidate but also to approvers when an expense report needs review."*

## Providing status to your candidate

One of the main complaints from candidates related to reimbursements is the lack of information regarding status.

- » Was my expense report approved?
- » When will it be paid?
- » Was the check sent?

Having a system or process in place that provides this information is not just good for the candidate, but also you and your team who might currently be on the hook for answering those status questions. Push notifications via email or SMS work well here.

# The Definitive Guide to Candidate Reimbursements

## Issuing the reimbursement payout

There are two things that matter here: speed and accuracy. If your company has a process where candidates have to be created as vendors before they can be issued a payment, then you are probably looking at 30-45 days before your candidate is going to receive their reimbursement. That isn't great. As part of your program you may want to look at getting exceptions in place for your candidates to be treated with "Net 0" payment terms. This means they won't get caught up in the 30 or 45 day payment terms that actual vendors are subject to.

Work with your accounts payable team on what options are available for payment. Inside most companies the payout is done via direct deposit or check. For direct deposit you will need to ensure you have a secure way of collecting the candidate's bank account information and guidance for the candidate to ensure you receive accurate information.

## *Reimbi*

*Reimbi issues the candidate payout the same day the expense is approved and gives the candidate the choice of Venmo, PayPal, Cash App direct deposit and check as payout options*

## Reporting

For your program there are key metrics you can collect to provide to your team and management. Here are some examples:

- » How many candidates are being reimbursed each month?
- » What is the average expense report amount?
- » What is the average amount per expense type?
- » On average, how long does it take to get an expense report approved?
- » On average, how long does it take to payout an expense report?

When constructing your report, consider breaking out metrics by division, department, or cost center as appropriate for your company.



## Closing

We hope this guide has been helpful to you. Reimbursement of interview expenses is an often overlooked step in a company's evaluation of their candidate journey. Kudos to you for making sure that doesn't happen in your organization!

Any feedback or suggestions for the book should be sent to [guide\\_ideas@reimbi.com](mailto:guide_ideas@reimbi.com)

Reimbi is a software platform built specifically for candidate reimbursements. Learn more at [reimbi.com](https://reimbi.com).

## Acknowledgments

Thank you to these people that reviewed drafts, edited, designed and provided suggestions: Sarah Donovan, Scott Johnson, Kristen Kafka, Greg Rochford, Lauren Santimauro, Molly Scott, Michael Stalle, Brianna Streeter

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## Appendix A:

# Long form reimbursement policy example

## Job Candidate Travel Policy

Acceptance of the Company job candidate travel policy is required in order to be reimbursed for interview expenses

### Questions

If you have a question regarding an expense, please contact your Interview Scheduler prior to accepting the terms of this policy.

### Objective

To ensure you have a clear understanding of the requirements and procedures.

### Scope

This document applies to all candidates and provides requirements and established procedures when incurring travel expenses while interviewing with the Company. The Company uses Reimbi to collect information for the sole purpose of processing your reimbursement and will not be shared with other internal or external third parties.

### Candidate Responsibility

Once you have read and accepted the terms of this policy, please submit all of your expenses via [Reimbi](#) on a single expense report within 30 days of your interview date.





## **Receipts are required for all expenses.**

Candidates are responsible for complying with the candidate travel policy. Interview Schedulers are responsible for monitoring compliance with policy when reviewing expense reports.

The Company assumes no obligation to reimburse candidates for expenses that are not in compliance with this policy.

Candidates who do not comply with this travel policy may be subject to delay or withholding of reimbursement.

## **Air Travel Expenses**

Upgrades are permitted at the candidate's personal expense and are not reimbursable.

## **Lost or Excess Baggage**

The Company will not reimburse candidates for personal items lost while traveling for interviews. The ultimate responsibility for retrieving and compensating for lost baggage lies with the airlines.

## **Hotel Expenses**

Candidates are required to present a valid credit card upon check-in at hotels to cover non-reimbursable incidentals (refer to non-reimbursable items). The daily limit for hotel expenses is \$175 USD

## **Telephone and Internet Access Expenses**

Company will reimburse up to \$20 USD per day for long distance calls and internet access charges.

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## Transportation Expenses

The following transportation related expenses are reimbursable:

- » Parking fees at airport facilities
- » Taxi fares: home to/from airport, airport to hotel, airport to Company campus or hotel to Company campus.
- » Personal mileage is reimbursed at the current IRS standard mileage rate.
- » Miscellaneous gratuities - 20%.
- » Mid-size or smaller car rental. If you rent a car, you are encouraged to refuel the vehicle prior to returning and expensing the fuel cost.

## Personal Meal Expenses

Candidates will be reimbursed for personal meal expenses according to actual and reasonable costs not to exceed a daily amount of \$75 USD or equivalent currency.

## Non-Reimbursable Items

What follows is a list of partial non-reimbursable items. If an item is not listed in previous sections as a reimbursable item, then you should assume the item is not reimbursable.

Hotel mini-bar charges	Babysitting and child care	Car rental GPS
Barber, hair stylist and other grooming charges	Personal entertainment including in-flight and hotel movie rentals	Massage and other spa charges
Traffic and parking tickets	Trip or flight insurance	Travel expenses for individuals other than the candidate



## Appendix B:

# Short form reimbursement policy example

Thank you for your interest in Awesome Company. We look forward to meeting you!

Please keep the following guidelines in mind while traveling to ensure a smooth experience.

### Only the following expenses are reimbursable:

- » Airfare - generally booked and paid by Awesome Company directly.
- » Hotel - generally booked and paid by Awesome Company directly. Incidentals such as in-room movies, mini bar purchases, etc. are not reimbursable.
- » Transportation from your home to your local airport up to \$50 each way.
- » Airport parking.
- » For interviews in Gotham City, transportation from GC Airport to Awesome Company HQ up to \$35. For your return to GC Airport, we will provide a taxi voucher.
- » Meals up to \$70 per day.
- » If using your personal vehicle, miles will be reimbursed at the current IRS rate, plus any toll charges.

All expenses require a receipt. A credit card statement is not an acceptable receipt.

Please do not include details for any expenses already reimbursed or paid on your behalf (such as airfare or lodging directly paid by Awesome Company).

## Appendix C:

# Missing receipt affidavit

## Missing or Lost Receipt Affidavit

Reimbursement Amount:

Date of Expense:

Description of Expense:

Reason Receipt is Not Available:

I affirm that the claimed expense was incurred within the policy provided and that a reasonable effort to secure the receipt was made.

---

Signature

Date