

Ethics Communication - November - 2023



Que :- What are fake reimbursement claims ?

Ans :- Fake reimbursement claims are those that did not actually occur. Meaning the employees submit expense claims that were not incurred. Employees are generally entitled to reimbursement for certain types of expenses. Hence, while submitting a claim for their out-of-pocket purchases for business purposes, they might slip in some expenses that were not paid for.

Different types of fake expense in business:

- **Fictitious expenses e.g.**
 - Claiming reimbursement for purchases that were never made like office supplies or expenses that were never incurred like client luncheons or gifts
 - Using complementary meals or rides offered by the hotel, and then claiming reimbursement for them without receipts
 - Submitting expenses that never happened, like cancelled air tickets, registration fees for events or workshops, professional subscriptions or payment dues, transportation, or tuition allowances
 - Producing receipts that are fake or tampered with using online receipt makers and design tools
 - Collaborating with the merchant or vendor to obtain receipts for purchases that never occurred
- **Multiple reimbursements e.g.**
 - In manual reimbursement processing, your finance team might not be able to catch these duplicate expense claims. For example, an employee might submit their travel per diem allowance more than once to get extra money in the name reimbursement.
- **Mischaracterized or mislabelled expenses e.g.**
 - There are instances when employees try to pass off personal expenses as business-related ones for reimbursement. reimbursing your employee who has returned from a bleisure trip for their air tickets and accommodation, you might be paying for their family dinner or spa sessions as well. It is not very uncommon for employees to submit expense reports that contain travel-related expenses when the employee is not traveling or receipts that include items for children.
- **Refunded expenses or unused credits e.g.**
 - There are instances where an employee purchases an item, obtains a refund later, and then submits the original purchase receipt for reimbursement. This is refunded expense fraud, and it's most common with cancelled or rescheduled flights/accommodation or refunded products.



Que :- What should you do when you identified such Fake reimbursement Claims?

You should report about such fake reimbursement claims in following manner;

In case you are an employee by login to the website (SGC and ethicsline link) or by an email to ethicsline@gfl.co.in

In case you are any Stakeholder by email to ethicsline@gfl.co.in

Please note that Employee and Stakeholder Grievance or Concern will be directed to the Chief Ethics Officer without disclosing their identity.

