

## **Fitness Reimbursement Guideline**

### **Purpose:**

To provide a benefit that promotes a healthy and active lifestyle for Dermalogica employees.

### **Eligibility:**

- This policy applies to all active regular full-time employees working 30 or more hours per week.
- Employees are eligible to receive a Fitness Reimbursement after successfully completing the 90-day introductory period.

### **Definitions:**

- Fitness Clubs are defined as establishments where members pay dues for use of fitness equipment, classes, and fitness-related activities.
- Fitness Centers are defined as establishments where members pay for classes and fitness related activities, including yoga, pilates, kickboxing, boot camp, zumba, cross-fit, etc.
- Certified health instructor is defined as someone who holds credentials through a national association such as Aerobic and Fitness American Association or National Exercise and Sports Trainers Association.
- Fitness equipment can be split into two basic categories: 1) aerobic/cardio fitness equipment which is designed to provide a fitness workout to burn off calories and lose weight; 2) strength/muscular fitness equipment which is designed to tone, or increase in size, your body's muscles. Examples of eligible items include: fitness DVDs, exercise bike, weights, and treadmill.

### **Guidelines:**

- Regular full-time employees are eligible to receive up to \$250 expense reimbursement per calendar year for dues and initiation fees, fitness classes, and/or the purchase of fitness equipment and/or fitness related items.
- For newly hired employees, the eligible item must be purchased after date of hire and reimbursement may be submitted after 90-day introductory period.
- Only employees who are actively employed and in good standing with the company are eligible for reimbursement.
  - Employees on a leave of absence should submit their fitness reimbursement prior to the start of their leave or after they have returned from their leave. If the employee returns from leave after the second Friday in January, their fitness reimbursement for the prior year will be considered ineligible as it has passed the deadline. In these instances, employee going on a leave should plan to submit their fitness reimbursement prior to their leave.
- Employees who have tendered a resignation are not eligible to submit a fitness reimbursement request.
- Some items that are considered ineligible under this benefit include: fitness apparel, supplements, books, etc.
- **We recommend checking with Human Resources to determine eligibility of item(s) before making the purchase(s).**
- Employees will be reimbursed only once during the calendar year. Multiple requests will not be processed for this benefit.
- Eligible purchases should be intended for the employee's use.
- Reimbursement is provided with proof of the employee's payment for services rendered in the year of reimbursement.
- Fitness Club Reimbursement is paid only for the employee. Membership portions including spouses, domestic partners, children, parents, etc. are not considered eligible and will not be reimbursed.
  - Multi-year fitness contracts paid in excess of \$250 in one calendar year may be submitted for reimbursement in the following calendar year by providing a copy of the prior year's reimbursement and submitting proof of the remaining amount/balance for the new calendar year.
  - Open ended fitness contracts will require a payment history/receipt from the fitness facility showing proof of total amount paid for the calendar year. Bank statements are not accepted due to the confidential nature of the information contained.

- Shared fitness contracts must show the individual breakdown for all members or show total number of members on the plan. Only the employee's membership fee is eligible for the reimbursement. If individual breakdowns are not available, the total amount paid will be divided by the number of members on the plan.
- Fitness items ordered online should be purchased in the employee's name and shipped to the employee's residence. If the purchase is made under the spouse's/partner's credit card, please provide explanation for clarification purposes only.
- Fitness items purchased at garage sales, Craigslist, and other similar private sellers must provide ad or picture of equipment, confirmation from seller (i.e. signature), date and method of payment.

**Procedure:**

- Submission of proof of purchase, and any additional supporting documentation are due by the second Friday in January (in the preceding calendar year). Reimbursement requests submitted after the second Friday in January will not be processed.
  - Employees with a Concur account will provide proof of purchase, and any additional supporting documentation to the Human Resources Service Center at [esc.hr@dermalogica.com](mailto:esc.hr@dermalogica.com). Human Resources will respond via e-mail confirming approval amount.
  - Employee will be responsible for uploading proof of purchase, and any additional supporting documentation, and the approval e-mail sent by Human Resources directly into Concur for processing.
  - This benefit will be charged to the employee's department under "employee benefits."
- Employees without a Concur account will complete a Payment Requisition Form found on the Dermalogica Intranet.
  - Attach proof of purchase, and any additional supporting documentation to the Payment Requisition Form and submit to Human Resources. Human Resources will approve the request and submit to Finance for reimbursement processing.
- Reimbursement will be issued within 2 weeks of processing by Finance.