



SUBJECT: Reimbursement of Auditor Expenses
ISSUE DATE: January 2024
REF: 001

IATF Global Oversight

IATF Stakeholder Communiqué

The purpose of this Communiqué is to advise all IATF stakeholders of the requirements for reimbursement of audit related expenses incurred while conducting IATF 16949 3rd party audits.

Clients will be invoiced by the certification body for all audit related expenses including auditor travel and accommodation (including but not limited to ground and air travel, meals, hotels, etc.).

IATF auditors must be reimbursed for their audit related expenses through the certification body, and not be paid directly by the client

In this way, there is full transparency of the expenses incurred by the IATF auditors, and the certification bodies can correctly identify the auditor expenses as business expenses in the provision of the audit services to their clients.

IATF Global Oversight are aware of some local practices of clients directly reimbursing auditors for their expenses, including travel, meals, hotels, etc., or even providing prepaid travel, luxury hotels or other benefits to the auditors. This not only eliminates the transparency of auditor expenses to the certification bodies but can also lead to loss of impartiality in the IATF 16949 audits. This practice is not permitted by IATF Global Oversight.

Effective 1 April 2024, IATF approved certification bodies are required to implement global policies to ensure:

- IATF 16949 auditors submit all their audit related expenses incurred while conducting IATF 16949 audits to their certification bodies for processing and reimbursement.
- Validation checks are used that the auditor expenses are reasonable, in line with the certification body process and customary for the market in which the audit was performed.
- The clients are invoiced for the audit related expenses, providing the certification bodies with the revenue to reimburse the auditor expenses.
- Submitted audit related expenses include all services expected for each audit, to ensure that clients are not providing the auditor with pre-paid travel, or other services while conducting audits.

Note: customary and typical meals provided by the clients during the course of the audit are permitted and do not need to be expensed.

If you have any questions, please [contact](#) IATF Oversight.