Travel and Entertainment Expense Reimbursement Policy

Purpose: The purpose of this policy is to provide guidelines for employees of MFR Consultants, Inc. regarding travel and entertainment expenses incurred during business activities. This policy aims to ensure that all expenses are necessary, reasonable, and comply with company standards, including adherence to GSA per diem rates.

Scope: This policy applies to all employees of MFR Consultants, Inc. who incur travel and entertainment expenses on behalf of the company.

1. General Guidelines:

- All expenses must have a valid business purpose that is necessary and reasonable to conduct MFR Consultants business. The business purpose must be accurate and descriptive such that Authorized Approvers and any entity reviewing it (i.e. auditors) can understand the circumstances under which you made the purchase and why it was necessary.
- All travel and entertainment expenses must be pre-approved by the employee's manager.
- Employees are expected to exercise good judgment and spend company funds prudently.
- Expenses should be documented with itemized receipts and submitted within 30 days of the expense.

2. Travel Arrangements:

- **Air Travel:** Employees should book the most economical class available and should endeavor to purchase their ticket as far ahead as possible.
- **Accommodation:** Employees should choose reasonably priced hotels that provide safe and comfortable accommodations, within the GSA per diem rates or client regulations.
- **Ground Transportation:** Employees should use the most cost-effective mode of transportation, such as public transit, ride-sharing services, or rental cars.

3. Meals and Entertainment:

- **Meals:** Employees will be reimbursed for reasonable meal expenses incurred during business travel, limited by the GSA per diem rates or client regulations.
- **Entertainment:** Business-related entertainment expenses must be pre-approved and should be directly related to company business. Examples include client dinners and event tickets.

4. Local Travel:

A. Daily Commute

- Transportation costs between an employee's home and primary office location are considered personal expenses and not reimbursable. This includes but is not limited to:
    - Fuel costs
    - Public transportation fares
    - Rideshare services (e.g. Uber, Lyft) and taxis
    - Toll charges
    - Vehicle maintenance related to commuting
    - Regular parking costs at or near an employees' primary office location.
- If an employee is authorized to work remotely, only the additional cost for work-related transportation (for example, to client meetings at client offices) during normal business hours above what would be spent on a normal commute to the employee's primary office location is eligible for reimbursement. Employees must clearly document the deduction of their normal commute distance and associated costs on their expense reports.

B. Other Local Business Travel During Work Hours

- For travel within 100 miles of an employee's primary office location (other than commuting), the following costs will be reimbursed:
    - **Mileage Reimbursement:** Employees using personal vehicles for business purposes will be reimbursed at the current IRS mileage rate.
    - **Public Transportation:** Employees will use public transportation for local business travel whenever possible and will be reimbursed for reasonable expenses.
    - **Parking and Tolls:** If Public Transportation is not available, employees will be reimbursed for parking and toll expenses incurred during local business travel.

Overnight accommodations are not reimbursable for travel within 100 miles of an employee's primary office location.

C. After-Hours Work

- Transportation and parking expenses for after-hours work (outside regular business hours) may be reimbursable when specifically requested by management.
- Pre-approval from the employee's Manager is required.

5. Other Non-Reimbursable Expenses:

- Other <u>non-reimbursable</u> travel expenses include: alcoholic beverages, personal travel insurance, personal items lost during trip, premium or upgraded seating fees, personal reading materials, childcare, toiletries, cosmetics, or grooming products, passports expenses, personal cell phone bill, in-room movies or video games, sporting activities, shows or personal recreational events.
- Under no circumstance will travel expenses incurred for a personal reason nor travel expenses incurred by an employee's partner or companion be reimbursed.

- Meals amongst MFR employees that occur off-site during workdays and work hours are not reimbursable.

6. Expense Reporting:

- Employees must submit an expense report with itemized receipts for all expenses.
- Expenses should be entered, and receipts uploaded into the Deltek Vantage Point System to be approved by your Manager.
- The report should include the date, location, purpose, and attendees for each expense.
- Expense reports must be submitted within 30 days of the expense.

7. Policy Violations:

- Non-compliance with this policy may result in non-reimbursement of expenses and disciplinary action.

8. Review and Amendments:

- This policy will be reviewed annually and updated as necessary.

I acknowledge receipt of the MFR Travel and Entertainment Expense Reimbursement Policy. I commit to reading and following the guidelines and policies therein.

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Employee's Signature Date