COMPANIES

Expense Reports

Expense Reporting Procedures and User Guide

Revised 11/10/2022

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Expense Reporting Procedures

Policies and Procedures

The following is a set of guidelines that we need each person to use for reimbursement of out-of-pocket expenses, please.

Effective as of 6/2022: Go to expense.mccorvey.com to enter your expense report online.

1. **TRAVEL EXPENSES**: You **MUST** contact **travel@mccorvey.com** to set up hotel rooms, rental cars, flights, etc. and in doing so you will not have out of pocket travel expenses except potentially for gas for the rental car, baggage charge for flying, etc. Travel has a guide for money that is to be spent on hotels and they have worked out deals with certain hotel chains, etc. so in the long run this saves you the trouble of looking for something, it saves the company money, and it is required that you do not make these arrangements on your own, please. Please contact travel during working hours, if possible, but you can still get help after hours if you are at a job and it becomes apparent you need to stay the night, etc. Very important, if you have permission from your supervisor to drive your own vehicle and receive mileage: **Mileage is reimbursed at $0.585 cents per mile.** You can add **parking** and **tolls** for each trip, but you must have receipts attached.
2. **All receipts must be turned in along with your expense report.** If you are being reimbursed for meals with permission from your supervisor, **you must provide the itemized receipt** that shows all items that were ordered and in addition, the receipt that shows you paid cash or credit card. Alcohol is not reimbursed and if you are out in the evening and order it, please do so on a separate receipt, this would be a personal item. The same goes for turning in receipts from gas stations or places where you purchase company materials like Home Depot. Please do not buy any **personal items** like Red Bull or Dr. Pepper on the company receipt, buy it separately please.
3. **Tipping & what can be spent on meals:**
   Without prior approval from your immediate supervisor, no one is to exceed these parameters on meal expenses:
   - We will not reimburse any tips over 15%. You are welcome to tip more out of your own pocket with cash, but the company will not cover the difference and the increased tip should not reflect on the receipt.
   - The company will cover up to $10.00 per breakfast per person daily.
   - The company will cover up to $18.00 per lunch per person daily.
   - The company will cover up to $28.00 per dinner per person daily.
   - ALL reimbursements will be denied if you do not have the itemized receipts for each transaction.
   - *For entertaining customers, check with your immediate supervisor for the expectations on reimbursement."

4. **Entertainment Expenses – again all expenses must have itemized receipts.**
    - The purchase of alcohol is strictly **prohibited**. If any alcoholic beverages are listed on the receipt, the cost will be **deducted from your paycheck.**
    - List the date for the person/s you entertained, the company they work for, location is the name of the restaurant or place, nature and purpose can be for employee relations or business development, etc. Instead use **63600 for Employee Relations** and **63300 for Business Development**. Reminder, all employee or customer events/meals/outings must have supervisor approval prior to the date of the expense.
5. Coding must be provided for all charges. Please include either a job number and cost code or overhead account and sub-account. Job numbers and cost codes are preferred. All OH charges must be approved by a supervisor prior to the date of the charge. Only one project permitted per expense report submission. Please get with someone such as your supervisor for information on cost codes. It varies from office to office (see example below). Example: Home Depot purchase of nails - First you list the **job number** for example 750129 which in Dynamics must be entered with two extra zeroes at the beginning as 00750129. Then you are using the 1951 cost code for consumables, so you put 00750129-1951. If you purchased meals to get future business, an example for Way Engineering would be the overhead code which would be 63300-6400. 63300 for Business Development and 6400 indicating it was the Houston Way Engineering division. Dallas would be 63300-1000. Austin would be 63300-7000. Kirlin Way would be 63300-3000. San Antonio is 63300-6700.
6. Your expense report once submitted electronically will go thru several approval stages and checks for matching receipts, accuracy, etc. Once that is done, payroll will add the approved amount to your direct deposit. You can check the status of your reimbursement at any time online. When a paper check is required (company being charged is different from your payroll company) checks can take 3 to 4 weeks to reach you allotting time for process for approvals, check entry, signature process and mail. Please go to Existing Expense items on expense.mccorvey.com to check the status of all submitted expense reports.
7. **Please turn in your expense reports weekly, <u>receipts after 90 days are not reimbursable</u>.**

Expense Reporting User Guide

Expense Reporting Portal

The Expense Reporting Portal is where you can access all expense report-related functions. This applies to any expenses that require reimbursement… expenses where you have spent your own money. It does not apply to company credit cards expenses.

As a prerequisite to submitting expense reports you will need to have a Smartsheet account and have logged in.

https://expense.mccorvey.com

Note: Please add the above URL to your favorites as the main point of entry.

There are three sections of the Expense Reporting Portal:

1. Expense Report Procedures
2. New Expense Item
3. Existing Expense Item

Expense Reporting Procedures and User Guide

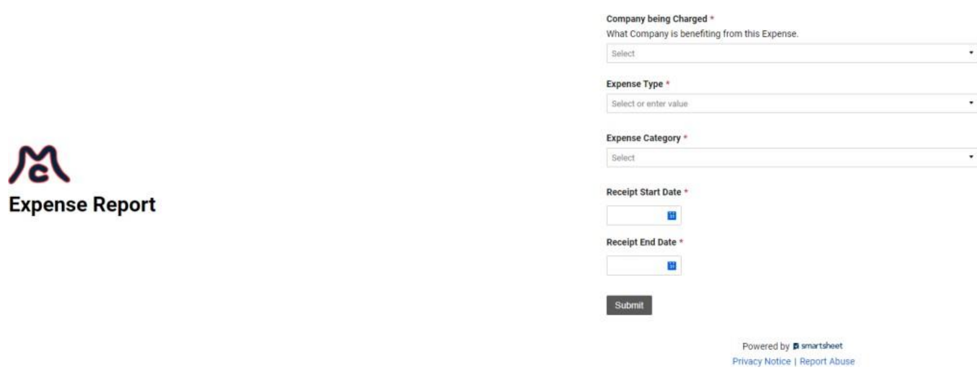
Click the Expense Reporting Procedures and User Guide link to view expense reporting policies and this user guide. Please contact Kathy McCorvey Patton with any questions regarding the expense reporting policies.

[Expense Reporting Procedures and User Guide]

New Expense Item

Click this link to submit a new expense report.

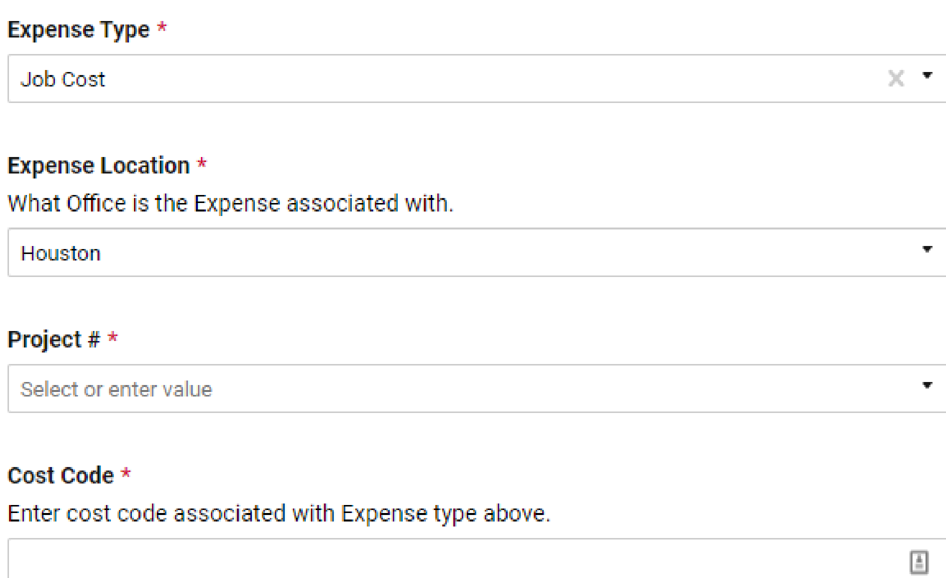
[New Expense Item]



On opening the Expense Report form will display the base input fields. As information is entered on the form other fields will appear on the form based on what is needed to submit the report.

- Company Being Charged
  - What company is benefitting from this expense?
- Expense Type
  - Overhead or Job Cost
  - If Overhead
    - Select Expense Location, Account, and Sub Account

- If Job Cost
  - Select Expense Location
  - Select Project #
    - Only one project permitted per expense report submission
    - An unlimited number of expenses permitted per submission provided they apply to a single project
  - Enter Cost Code
    - Enter all project-specific cost codes associated with the selected Expense Categories



- Expense Category
    - Select the expense category that applies to this expense report submission and the receipts that you will be attaching to this expense report
    - Only one expense category can be selected and applied to an expense report submission
    - Additional expense reports should be submitted for additional expenses that fall under different expense categories
    - Categories
        - Customer Relations
        - Employee Relations
        - Mileage, Parking, Tolls
        - Travel
        - Other
- Other Expense Type Information – included on form only if the corresponding Expense Type(s) are included on the submission
    - Customer Relations
        - Meals – provide itemized receipt
        - Person Entertained
        - Company Affiliation
        - Nature and Purpose
        - Entertainment Amount
    - Employee Relations
        - Meals – provide itemized receipt
        - Person Entertained
        - Company Affiliation
        - Nature and Purpose
        - Entertainment Amount
    - Mileage
        - Total Miles
        - Miles Breakdown – Date, Description, Distance for each segment

Expense Category *

Mileage, Parking, Tolls

Select all that apply *

- [x] Milage
- [ ] Parking
- [ ] Toll

Receipt Start Date *

Receipt End Date *

Total Miles *

0

Miles breakdown *

Date, Description, Distance

0

- Parking
  - Parking Fees

Expense Category *

Mileage, Parking, Tolls

Select all that apply *

- [ ] Milage
- [x] Parking
- [ ] Toll

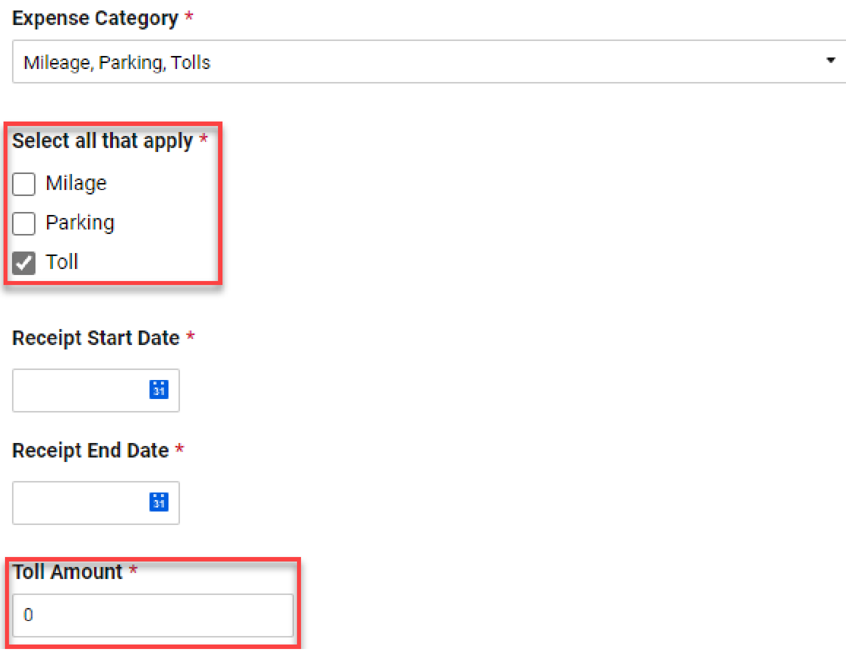
Receipt Start Date *

Receipt End Date *

Parking Amount *

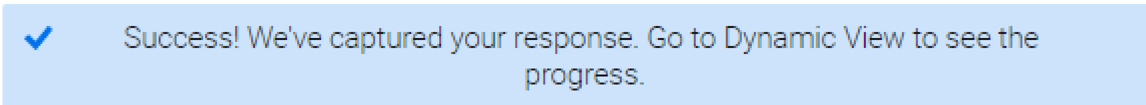
0

    - Tolls
        - Tolls ($)



    - Travel
        - Please explain why the travel portal was not used
        - Airfare
        - Hotel
        - Rental Car
- Receipt Start Date
    - Enter earliest receipt date from expense items included in this report
- Receipt End Date
    - Enter latest receipt date from expense items included in this report
- Additional Notes
    - Provide any additional notes relevant to the expense report for clarification and approval purposes
- Receipt Uploads
    - Upload all receipts and/or supporting documents relevant to the items included on the expense report
    - Note: at least one file upload is required for each expense report submission unless *only* Mileage is being submitted.
        - If a receipt is not available or applicable, upload any supporting documentation for the expense (toll statement, Google Map route, etc.)
        - If there are no applicable expense-specific files to upload, you can upload a company logo or any other file/image.
- Submit
    - Click the Submit button when you have finished entering all items associated with the expense report

- The report will not enter the approval process until the form is submitted
- Upon submission a new, blank copy of the Expense Report form is opened to expedite submission of multiple expense reports
- A form submission success message is also displayed at the top of the new form



After submission, return to the Expense Report Portal and access the Existing Expense Item section to track approval status.

Existing Expense Item

Click this link to view previously submitted expense reports, view expense report approval status, and edit/resubmit declined expense reports.

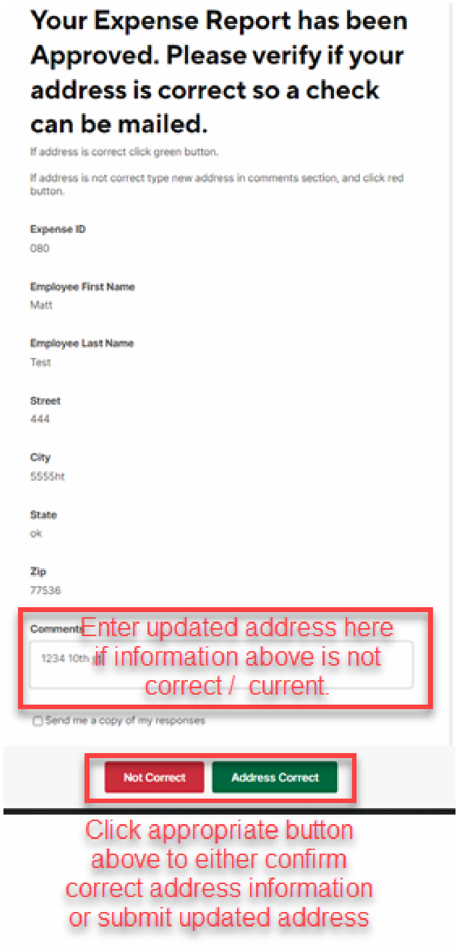
Existing Expense Item

The link will open the Expense Report view in Smartsheet Dynamic View. There will be line item for every expense report you have submitted.

Every expense report has a unique Expense ID. You can use this ID as a reference value for any expense report related questions specific to that submission.

The following are key fields in the report for monitoring the progress of expense reports:

- Expense ID – unique value assigned to each expense report
- Payroll – shows the status of the expense report
    - Waiting on Approvals – in progress, pending approvals
    - Submitted to Payroll – approval process completed, submitted to payroll for payment
        - If your company payroll is the same as the company charged, the approved reimbursement amount will be included on your paycheck via Direct Deposit
        - If your company payroll is NOT the same as the company being charged, a check will be mailed for the approved reimbursement amount
    - Direct Deposited – approved reimbursement amount has been processed for Direct Deposit
        - Direct Deposited date field is populated
    - AP Check Requested – as referenced above, if your company payroll is NOT the same as the company being charged, then the reimbursement will be paid via check
        - When this condition exists, you will receive an additional email and approval to confirm the mailing address for the check. Refer to example below.
        - If the address on this approval request is not correct, enter the correct address in the Comments section and click the ‘Not Correct’ box on the form.
        - If the address is correct, click the ‘Address Correct’ box on the form.

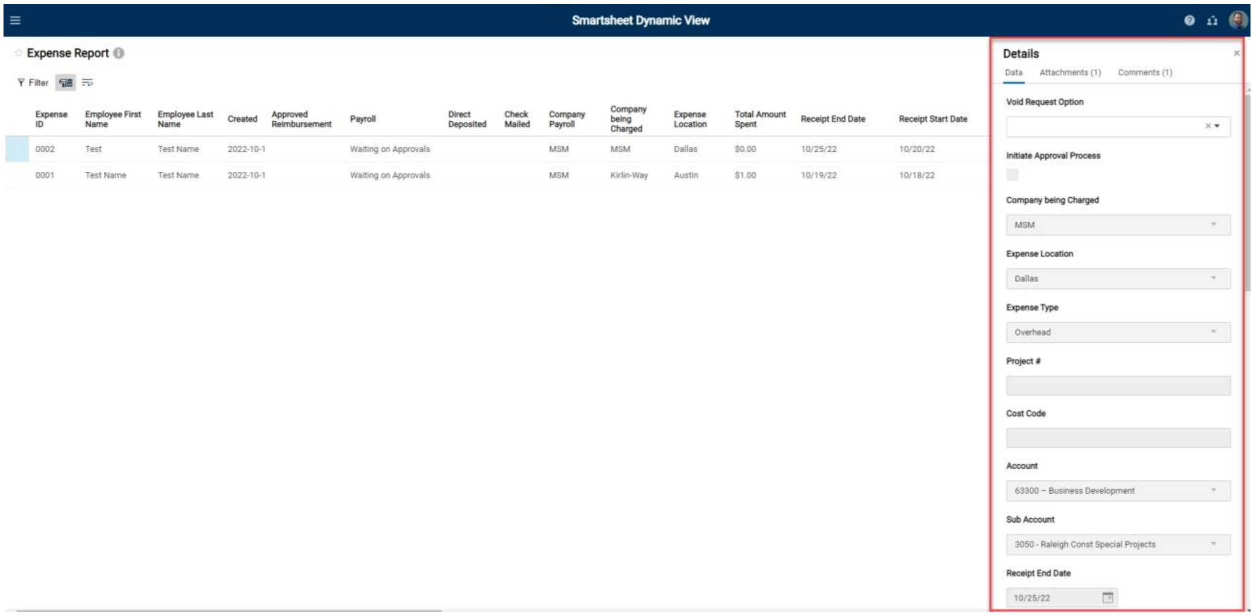


- Check in Progress – check generation in progress
- Check Mailed
  - Check Mailed date field is populated
- Approved Reimbursement

Updating Previously Submitted Expense Reports

You can make updates to previously submitted expense reports via the Expense Report view, up until when the first supervisor in the approval process approves the expense report.

To update a submission, click on the row in the report for the submission you want to edit. This will open the details section on the right side of the screen.

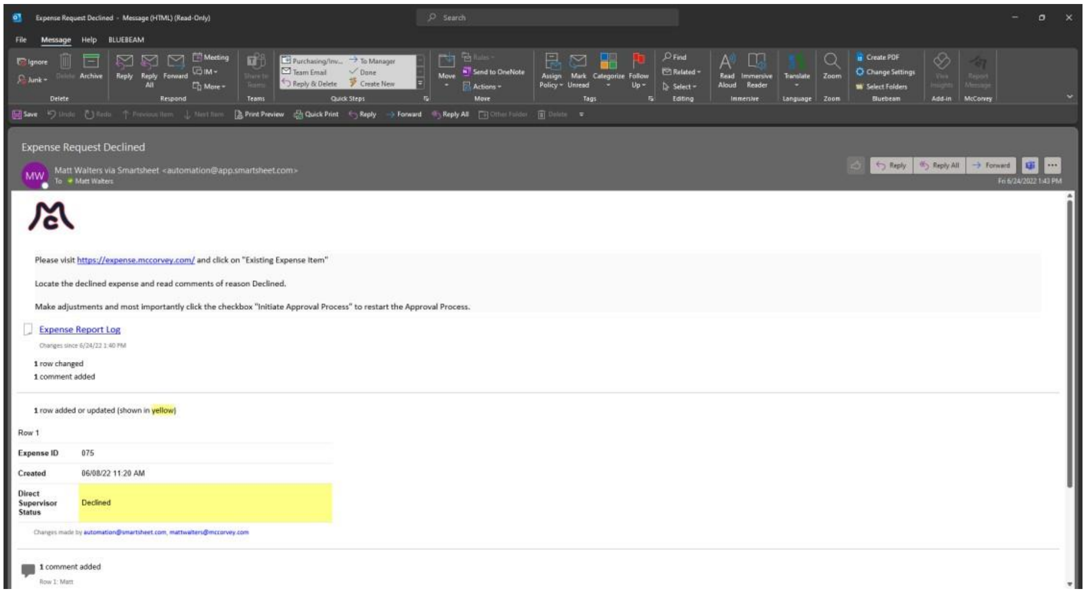


Navigate through Data, Attachments, and Comments via the tabs at the top of the Details section.

Declined Expense Reports

If an expense report is declined you will receive an email. Review all comments and make required adjustments to the report via the Expense Report view. When you have completed the adjustments, click the ‘Initiate Approval Process’ checkbox at the top of the Details section to reactive the approval request process.

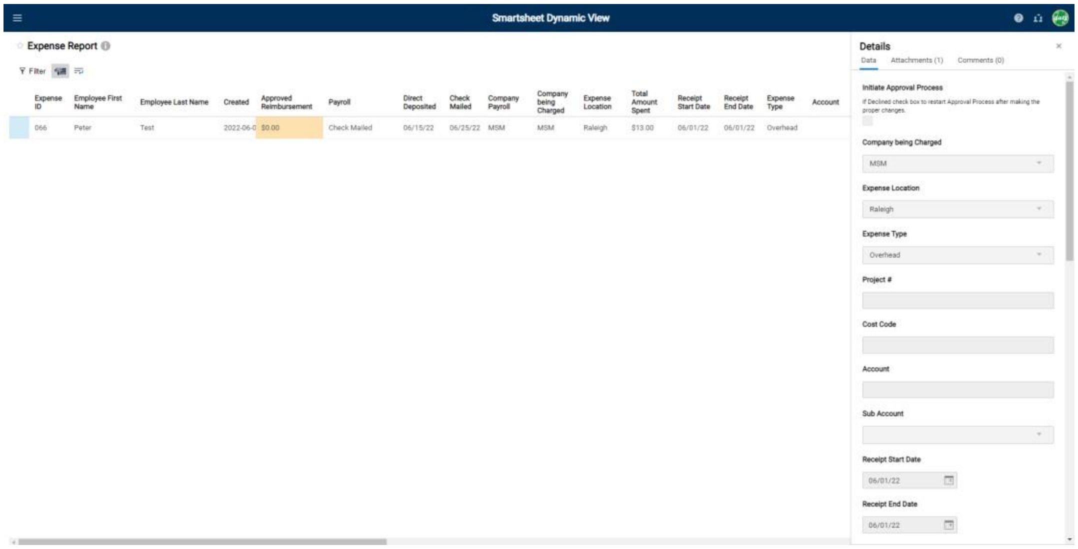
Sample Email – Expense Request Declined



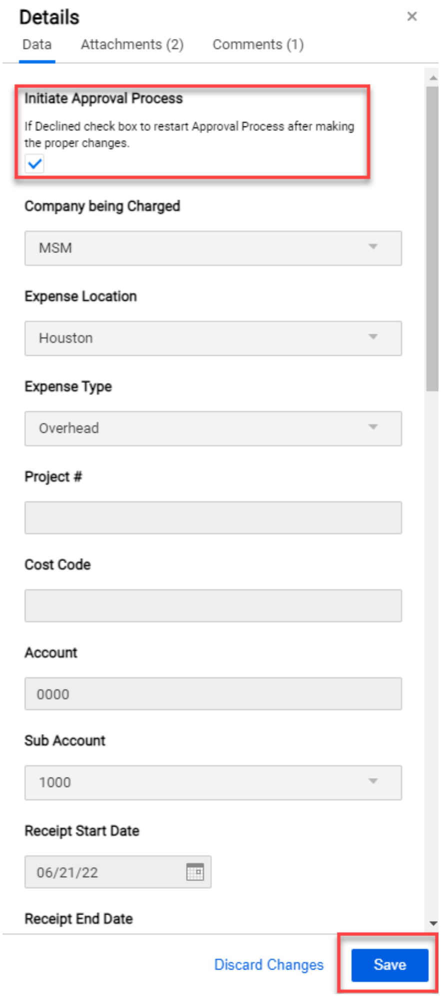
Declined Expense Report Resubmission Process Overview

- Receive Declined Expense Report email
- Access Expense Report view via Existing Expense Item section of Expense Report portal
- Click on the declined expense report to review to access the Details section
    - Review the Comments
    - Make appropriate changes to Data and Attachments
    - Enter any additional Comments
    - Check the ‘Initiate Approval Process’ checkbox
    - Click ‘Save’

Expense Report Portal – Expense Report Dynamic View



Expense Report View – Expense Details / Initiate Approval Process

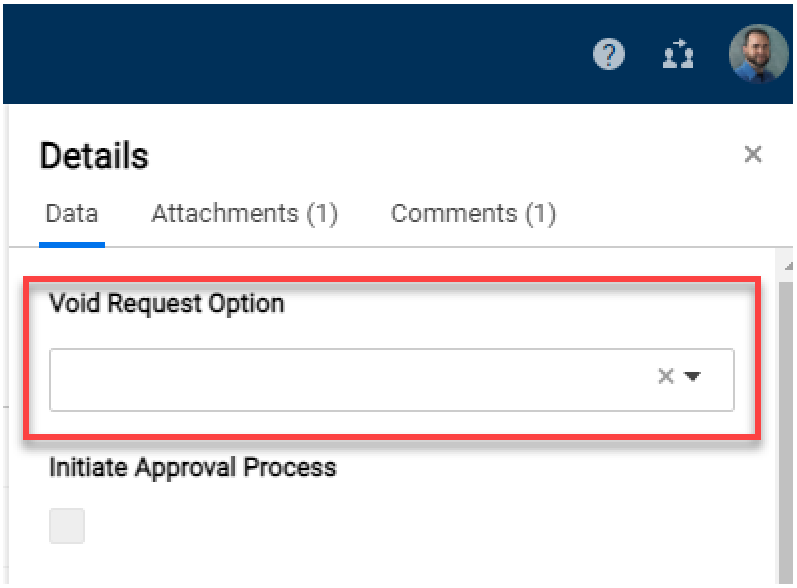


Note: clicking 'Save' is required to resubmit the expense report… it will NOT be submitted unless checkbox is checked AND 'Save' button is clicked!

After resubmission, the approval process restarts from the beginning. Status can be monitored in same manner as with the original submission.

Voiding a Submitted Expense Report

You can also cancel a previously submitted expense report at any time during the approval phase by using the 'Void Request' option found in the Expense Report Details.



Change the dropdown value to "Void Expense" and click 'Save' to cancel the submitted expense report. The Payroll Status will change to "Voided Expense.