

# **Thornton Tomasetti**

## **Travel and Business Expense Policy**

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## **1. POLICY OVERVIEW**

### **Purpose**

Thornton Tomasetti's travel and business expense policy establishes uniform standards and procedures to ensure consistent and fair treatment of all individuals who travel on business and control costs. Control of travel and entertainment expenses is the responsibility of each employee and his or her manager. In all cases, Employees should exercise the same good judgment and care in incurring expenses that they would if traveling on personal business.

### **Objectives**

- To ensure that all travelers traveling on behalf of Thornton Tomasetti have a clear and consistent understanding of the policies and procedures for arranging, approving business travel, entertainment, and other business expenses.
- To provide travelers with a reasonable level of service and comfort at the lowest possible cost.
- To improve control, be compliant with government regulations, and minimize expenses.
- To positively impact departmental and company profitability.

### **Scope of Policy**

This policy applies to all employees of Thornton Tomasetti, consultants of Thornton Tomasetti, job candidates and others traveling on behalf of Thornton Tomasetti.

### **Enforcement**

Thornton Tomasetti assumes no obligation to reimburse employees for expenses that are not in compliance with this policy.

### **Employee Responsibilities:**

- Exercising proper business judgment regarding travel and entertainment expenses.
- Adequately documenting the business purpose for all expenses and charging project expenses to the correct project as either reimbursable or non-reimbursable. Hotels, meals and incidentals generally are unallowable to the company if they exceed on a daily basis the Federal Travel Maximum Per Diem Rates published by the General services Administration (GSA). There are many rules and exceptions in applying this regulation. The following exceptions to per diem will be considered on a case-by-case basis and require supervisor approval:
  - When the employee stays at a seminar or conference location while attending a seminar or conference.

- When a client or potential client requires that the employee stay in a lodging that exceeds standard rate.
- When lodging rates are adjusted seasonally and appropriate accommodations are not available at the standard rate.
- You can find per diem rates at <https://www.gsa.gov/travel/plan-book/per-diem-rates>
- Travel costs related to government contracts that exceed per diem are an unallowable cost to Thornton Tomasetti, Inc. (TT) unless there is an agreement between the client and TT for reimbursement above per diem for special circumstances.
- Paying excess cost incurred beyond those considered reasonable under the guidelines of this policy, unless management determines the circumstances surrounding the excess cost were outside of the employee's control.
- Ensuring expense reports for travel are filled out accurately and completely with appropriate back-up receipts (itemized receipts are required for meals and hotel) and submitted in a timely manner.
- Considering whether physically traveling to a meeting is necessary, or if videoconferencing can appropriately be used to achieve the purpose of the meeting.
- Knowing, adhering and ensuring all submitted expense reports comply with these policies.
- Periodically checking the status of submitted/unpaid expense reports and follow up with approving manager if reports are not approved within 5 business days.
- Bringing to the attention of the Controller or Assistant Controller any special circumstances that could prevent the employee from timely submission immediately.

#### **Manager Responsibilities:**

- Reviewing and approving expense reports within five business days of receipt and ensuring expenses are proper, reasonable, and supported by appropriate documentation.
- Rejecting any non-reimbursable or inappropriate expenses outlined by this policy.
- Checking to insure that project related travel expenses are correctly categorized as reimbursable or non-reimbursable.
- Knowing and adhering to the policies and ensuring employees in their department understand and comply with these policies.

#### **Corporate Accounting Responsibilities:**

- Ensuring that expense reports comply with company policy and the necessary expense support and explanations are provided.
- Ensuring that employees are typically reimbursed within ten working days after receipt of an approved expense report.
- Ensuring that reimbursable project related travel expenses are properly charged to clients.

## **2. MAKING TRAVEL ARRANGEMENTS**

In an effort to improve efficiency of booking, reduce travel expenses and improve reporting, all employees are encouraged to use the services of our corporate travel agency Ovation Travel (Ovation) for their reservations.

Exceptions may include:

- Travelers who have to make last minute arrangements
- Written approval of their Office Director or Practice Leader or Department Head.
- Travelers initiating travel from international offices
- Travelers are able to obtain a lower rate from an alternate provider

### **Instructions for Contacting Ovation Travel:**

To make your travel request by email: [Thorntontomasetti@ovationtravel.com](mailto:Thorntontomasetti@ovationtravel.com)

To use the online booking tool: [www.ovationtravel.com/concursolutions](http://www.ovationtravel.com/concursolutions)

To contact an agent: 469-320-2242

Please use the Thornton Tomasetti dedicated travel number for all calls made during regular service hours (Mon-Fri, 8:30 am - 8:00 pm ET) and also outside of regular service hours.

Online support desk telephone: 877.586.2727

Online technical support email: [Support@ovationtravel.com](mailto:Support@ovationtravel.com)

All employees should log in to Ovation online booking tool to fill out their profile in order to ensure that pertinent details and preferences are considered during the reservation process. Employees are responsible for updating all changes to their profile.

### **Travel To and From Airports**

In general, the preferred method of transportation to and from airports is by personal automobile, Uber/Lyft or taxi. Hotel shuttle service should be used to/from airports when possible and cost-effective. Please refer to page 12 for guidance on documentation requirements.

### **Passports and Visas**

For assistance in obtaining visas/passports, employees should contact their administrative assistant. TT employees are expected to acquire passports at their own expense. The company will reimburse for visas and fees for expediting passports if urgency is due to company business.

### **Foreign Currency**

International travelers can obtain foreign currency by using Credit cards, ATM machines or by other methods that can provide best Exchange rate.

Foreign currency expenditures not translated on a credit card statement will be translated by accounting using documented exchange rates.

### 3. AIR TRAVEL

#### Airline Class of Service

Employees are expected to book their tickets as soon as they are aware of their need to travel. Employees should always purchase the lowest fare available with the following possible exceptions:

Economy Plus, Economy Premium or similar class may be purchased for flights in excess of 6 hours or overnight flights where the cost of the upgrade is deemed nominal in terms of dollar amount or as a percentage of a Coach ticket.

Business or similar class may be purchased under any of the following conditions:

- The cost of the trip is reimbursable by a client
- An upgraded fare does not exceed the lowest priced fare by more than 10%
- Disability or special needs of an employee (must be pre-approved by employee's supervisor)
- The use results in an overall cost savings to the company by avoiding additional subsistence costs, overtime, or lost productive time while awaiting coach-class accommodations
- There are no seats available in coach class and the trip is of an urgent nature and cannot be postponed (must be pre-approved by employee's supervisor)
- The upgrade is at the traveler's personal expense at the sole responsibility of the traveler.
- If approved by the Managing Principal in charge of the Region, Practice or Support Dept., or the Vice President in charge if a project cost, where
  - The cost of the upgrade is not deemed excessive and;
  - The scheduled time of the flight is in excess of 8 hours, and
    - The trip is for a client meeting and the seat location is necessary for the employee to receive the maximum rest or
    - The employee has traveled on flights of this length at least once in the past 30 days.
- The Managing Principals reserve the right to allow employees in senior management positions to upgrade at their discretion.

#### Airline Route

Travelers are expected to book the lowest logical airfare unless an alternate connection or direct route can be found that does not exceed 125% or \$100 of the lowest airfare.

#### Standby Charges

Many airlines are now charging a fee for passengers to fly stand by on a flight within three hours of their scheduled departure time. The Company will reimburse the expense of stand by charges up to \$100 per ticket. Stand by charges could be incurred when business meetings are delayed or when business meetings have ended early and the employee desires to come home. All

additional travel charges (including standby charges, baggage fees, and booking/ovation fees) should be reported under the Plane/Train Fare category.

### **Airline Frequent Flyer Programs**

Traveling employees may retain frequent flyer program benefits. However, participation in these programs must not influence flight selection which would result in incremental cost to the company beyond the lowest available airfare, as defined in this policy.

### **Cancellations or Unused Airline Tickets**

When a trip is canceled after a non-refundable ticket has been issued, the employee should inquire about using the same ticket for future travel. Cancellation fees should be categorized same way as travel expenses.

Rules apply differently depending on where the ticket was purchased. Any questions should be directed to [Thorntontomasetti@ovationtravel.com](mailto:Thorntontomasetti@ovationtravel.com).

## **4. LODGING**

### **Making Hotel Reservations**

Please use the following guidelines when booking hotels:

Employees should choose:

- Properties in the Moderate, Economy, Budget categories depending on availability and rates.
- Properties where there are company-negotiated or Ovation-negotiated rates clearly indicated on our online travel tool...
- Properties that will be reimbursed by the client according with the client contract.
- Ovation Preferred Properties
- Properties listed as "green hotels" can be found on:

<http://www.greenseal.org/findgreensealproductsandservices/hotelsandlodgingproperties.aspx>

When traveling for a conference it is appropriate to stay at the hotel hosting the conference, even if the rate exceeds the guidelines, however the room booked must be at the conference rate.

### **Long-Term Hotel Stays**

Travelers involved in ongoing projects must contact Lyn Stevens (917.661.7830) regarding long-term stay discounts/ leased hotel rooms.

### **Laundry and Dry Cleaning**

Laundry and dry cleaning charges are reimbursable only if the employee is away for six (6) or more consecutive days. All laundry and dry cleaning services, if part of a hotel bill, should be reported separately as a miscellaneous charge on the expense report.



## **Hotel Frequent Guest Programs**

Awards from frequent guest program may be retained by travelers for personal use. However, participation in these programs must not influence hotel selection which would result in incremental cost beyond the company's specially-negotiated rate.

## **5. RENTAL CAR**

If an administrative assistant has booked your airfare, they should make your rental car arrangements as well. If not, please use the following guidelines when making a rental car reservation:

Employees should choose from the category of compact, hybrid or intermediate depending on availability and rates.

The least expensive fuel option should be chosen which is usually a full tank when the vehicle is returned. Rented automobiles should be returned immediately and not held over for personal use.

### **Rental Car Upgrades**

Travelers may book a class of service one-level higher:

- When offered by the rental company at no extra cost
- When three or more company employees are traveling together
- When transporting excess baggage such as booth displays
- When pre-approved for medical reasons (i.e., drivers with disabilities)

### **Preferred Rental Car Suppliers**

Corporate Discounts for car rentals can be found posted on Spark. These include Avis, Hertz and Zip Car but you may use any supplier with a reasonable cost.

### **Rental Car Insurance**

Our company insurance covers the use of rental cars; therefore employees should decline all additional or discretionary insurance coverage.

However, for rental outside the US employees should purchase liability and physical damage—sometimes known as CDW (collision damage waiver) or LDW (loss damage waiver)—and to waive all other coverages.

### **Rental Car Accidents**

Should a rental car accident occur, travelers should immediately contact:

- the rental car company
- local authorities, as required

- Dorian Soler (917.661.8010) or Lyn Stevens (917.661.7830)

### **Personal Car Usage Guidelines**

Employees may, at their discretion, use their personal car for business purposes:

- if it is less expensive than renting a car, taking a taxi or alternate transportation
- if it is more timely than taking public transportation
- when transporting company goods for delivery
- when entertaining clients

### **Reimbursement for Personal Car Usage**

Travelers will be reimbursed for business usage of personal cars:

- At the mileage rate currently allowed by the Internal Revenue Service plus tolls and parking.
- To be reimbursed for use of their personal car for business, travelers must provide purpose of the trip, date and location, receipts for tolls and parking on their expense report.
- Google maps, Mapquest itinerary, or similar backup should be provided as support for mileage reimbursements.

## **6. RAIL TRAVEL**

Please book rail travel directly with Amtrak or other rail lines.

Rail travel should be used:

- when it adds no more than two hours to total travel time
- when it is more timely than driving
- when there is significant environmental benefit to selecting rail travel and not a significant time difference (i.e., Boston-DC corridor), and if the additional cost is not significantly higher.

### **Class of Service**

Unless a higher class is reimbursable from the client, employee's rail travel will be in Coach class.

Thornton Tomasetti will reimburse for the cost of a Business class Acela ticket when traveling in the Boston-Washington corridor.

## **7. MEALS AND ENTERTAINMENT**

### **Personal Meal Expenses**

Travelers will be reimbursed for personal meal expenses according to actual and reasonable cost, including tips based on service and local custom. Travelers are responsible for submitting **itemized** receipts for each meal.

## **Project Meal Expenses**

Employees may be reimbursed for reasonable meal expenses incurred while working on a project in the office if they obtain pre-approval, by their office leader or department head. Travelers are responsible for submitting itemized receipts for each meal.

Examples: when the employee is requested to work through lunch, after 7:00PM, or on weekends.

## **Seminars Sponsored by Other Organizations**

Fees associated with employee attendance at conventions, meetings and seminars sponsored by outside organizations are reimbursable.

Internal Revenue Service (IRS) rules require that the company report separately the cost of meals associated with such events. To comply with this regulation, travelers attending such events must complete their expense reports as follows:

- Record the portion of the cost relating to meals on the appropriate “Meals” line under the Education & training meals category in Deltek Vision.
- Record the remainder of the event costs under “Education & Training” expenses.

## **Business Meal Expenses**

Employees will be reimbursed for business meal expenses according to actual and reasonable cost, including tips based on service and local custom. Business meals are taken with clients, prospects or associates during which a specific and significant business discussion takes place (itemized receipts are required).

## **Business Meals Taken with Other Employees**

Employees will be reimbursed for business-related meals taken with other employees under the following circumstances:

- When a client is present
- If pre-approved by a Principal or Director.

Please note itemized receipt must be provided.

## **Entertaining Clients**

Entertainment expenses should be reasonable in cost and must have a clear business purpose or expectation of business.

Entertainment expenses include events such as theater and sporting events, whereby a business discussion takes place during, immediately before, or immediately after the event. Travelers will be reimbursed for entertaining customers:

- if the person entertained has a potential or actual business relationship with the company and

- if the expenditure directly precedes, includes or follows a business discussion that would benefit the company and
- with prior approval from a principal. Unusual entertainment expenses should be discussed with and agreed upon in advance by the employee's Office Director or Practice Leader or, in case of support staff, Department Head.

Alcohol expense relating to any client entertainment should be recorded separately on expense reports under the "Unallowable Expense" category in Deltek Vision.

### **Payment for Meals and Entertainment**

When more than one employee is present at a business meal, the most senior level employee should pay for the meal and submit for reimbursement. Itemized receipt must be provided listing the names of employees and/or clients attending.

## **8. CREDIT CARD EXPENSES**

If you are a frequent traveler, you may apply for a Thornton Tomasetti American Express card - to be used for business expenses only. Please note that you are directly responsible for timely payments of the card balance due.

## **9. PERSONAL/VACATION TRAVEL**

### **Spouse/Family Travel and expenses**

A spouse or other individual may accompany an employee on a business trip at the employee's expense. The employee will be responsible for any and all incremental expenses (airfare, additional hotel cost, meal costs) attributable to the other individual.

## **10. WORKING LATE/WEEKENDS: TRANSPORTATION**

### **Taxi/Uber/Lyft**

Employees should use least expensive alternative for car service like Uber/Lyft or local taxi service if it's available.

The company will reimburse employees for additional travel costs to and from the office or a work site before dawn or after 9PM for safety considerations, subject to the manager's pre-approval.

The incremental cost of traveling on weekends will be reimbursed if the travel is approved in advance by the employee's office leader or department head. This includes mileage, parking and tolls if the employee uses their own vehicle.

## 11. EXPENSE REPORTS

**Please follow the expense report manual for guidance on expense report submission. Any cancellation or modification resulting in a credit should be communicated to the Accounts Payable Department immediately so it can be processed accordingly.**

### Documentation Requirements

Employees must provide the following information in order to be reimbursed for expenditures:

- Description of expense incurred.
- Specific purpose of meeting.
- Names of individuals present (including other TT staff), their titles and company name.
- Name and location of where the meal or event took place.
- Exact amount and date of the expense.
- Itemized receipts must be provided for meal reimbursements.

**Company policy requires receipts for all expenditures. Expenditures under \$25 without proper support will be paid at the discretion of the approving manager except for billable project expenditures which always require proper support.**

Employees must submit the following documentation along with their expense report:

- Air/Rail/Taxi - original passenger coupon or on-line receipt indicating paid in full or other proof of payment. Itinerary must be included there-in.
- Hotel - hotel folio accompanied by a charge card receipt or other proof of payment.
- Car Rental - rental car agreement that indicates paid in full or charge/credit card receipt or other proof of payment.
- Meals - charge/credit card receipt or cash register receipt (restaurant tear Tabs are not acceptable). Employees must provide itemized receipt for meals.

Bills/receipts must be uploaded for each expense; Credit card statements should only be used when one of the above is not available, but are not acceptable for hotel or meals due to insufficient detail, and will only be acceptable for air travel if they include dates, travel points and class of travel.

Online printouts of your "credit card payment history" should only be used if all other documentation listed above is not available (including your credit card statement), and are only acceptable if it provides the name of the cardholder and all other required information subject to rules for credit card statements above.

When documentation is not available, an explanation of the expense and the reason for the missing receipt is required. **Reimbursement may be denied if the support is not adequate.**

### Timeliness of Submission

- Expense reports for reimbursable expenses received more than four (4) weeks after the expense is incurred - or the final billing date if the job closes sooner -

will only be reimbursed upon payment by the client.

- Expense reports for non-reimbursable expenses received more than eight (8) weeks after the expense is incurred will be reimbursed subject to the discretion of the Principal in Charge and Chief Financial Officer.

Employees should periodically check on the status of unpaid expense reports and follow up with their approver if reports are not approved within 5 business days.

Any special circumstances that could prevent the employee from timely submission should be brought to the attention of the Controller or Assistant Controller immediately.

(Note: the date incurred refers to, for example, the date when the trip is taken or the meal purchased, not when the credit card bill is paid). A properly completed expense report must be submitted in Deltek Vision with the required documentation and approval to obtain reimbursement.

## **Approval Process**

The expense report will automatically be sent to the appropriate manager for approval:

- Payment will be processed no later than 10 working days after approval.

## **Incorrect or Incomplete Expense Reports**

Expense reports missing substantiation, incorrectly classified or incomplete:

- Will be returned to the employee for corrective action.
- May result in delay or deduction of the item in question.

Disregard for Company policy or altering of receipts can result in disciplinary action up to and including termination from employment without notice.

## **Items That Are Typically Not Reimbursable**

Employees typically will **NOT** be reimbursed for the following expenses:

- Airline executive usage membership dues
- Annual fees for personal credit cards (Company will pay for corporate AMEX annual fees)
- Baby-sitting/Pet-sitting
- Barbers, hairdressers, manicurist, masseur
- Car washes for personally owned vehicles, unless required by business use of the vehicle.
- Clothing (i.e., socks, pantyhose) unless job-related and not attire that is normally worn.
- Contributions to public officials or candidates for public office. (The company is prohibited by its Code of Conduct from either reimbursing employees or making such contributions on its own).
- Country club dues
- Entertainment expenses when not accompanied by a client
- Excess baggage charges when not directly business related
- Expenses for travel companions/family members
- Expenses related to vacation or personal days while on a business trip
- Golf fees (when not part of client entertainment)
- In-flight telephone charges, unless necessary to make an emergency call for

business purposes.

- Loss/theft or damage of personal funds or property including baggage
- Luggage and briefcases.
- Movies (including in-flight and hotel in-house movies)
- “No show” charges for hotel or car service, unless necessitated by company business.
- Personal trip, accident or property insurance
- Rental car upgrades not in accordance with company policy.
- Repairs due to accidents unless insurance deductibles when a personal vehicle was required to be used for company business
- Shoeshine
- Traffic fines
- Daily transportation to/from office