


<b>Policy Name</b>	<b>Travel &amp; Expense Policy</b>	
<b>Version</b>	<b>1.0</b>	
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<b>Owner / Approver</b>	<b>John Rettig, CFO</b>	

## TABLE OF CONTENTS

1. Objective
2. Scope
3. Reimbursable and Non-Reimbursable Expenses
4. Expense Report Process
5. Expense Report Guidelines
6. Reimbursable Expense Details
7. Exceptions
8. Version Chronology

### 1. Objective

This document defines the rules to be followed by all Bill.com ("Company") employees for incurring travel and other expenses on behalf of the Company and for submitting expenses to be reimbursed. Willful violation of this policy, including seeking reimbursement for expenses that the submitter did not pay in full or that were for personal rather than Company benefit, is cause for employment termination.

The CFO has final responsibility for the interpretation of this Travel & Expense Policy.

### 2. Scope

This corporate policy applies to all Company employees and contractors.

### 3. Reimbursable and Non-Reimbursable Expenses

Employees and contractors must exercise good judgment while incurring business expenses.

#### a. Reimbursable Business Expenses

- i. Air travel in Economy class (or "Economy Plus" type seating with extra legroom if flight is over four hours)
- ii. Airport taxes
- iii. Baggage handling
- iv. Business entertainment
- v. Car rental, ride-share and ride-hailing services such as Lyft and Uber
- vi. Public transportation and taxi cabs
- vii. Mileage pursuant to company business in excess of normal commute miles, at the rate published by the IRS
- viii. Tolls and parking
- ix. Copy, internet and fax services for business purposes
- x. Hotel accommodations
- xi. Laundry and valet services for trips over 5 working days
- xii. Meals and beverages (including gratuity) up to \$75 per day while on business trip

- xiii. Reasonable tips/gratuities (gratuities ≤ 20% of the pre-tax total of the bill are reimbursable)
- xiv. Recruiting expenses (related to travel for candidate interviews)
- xv. Corporate credit card yearly membership fees, if approved in advance by the department Executive Team member
- xvi. Team building activities approved by relevant executive team member

For functions involving multiple Company participants, only the highest-ranking employee involved is eligible to submit the related expense for reimbursement.

## **b. Non-Reimbursable Expenses**

Non-reimbursable expenses include, but are not limited to:

- i. Air travel in Business or First class
- ii. Upgrades for auto, hotel, and airlines, except "Economy Plus" type seating with extra legroom for flights over four hours.
- iii. Expense without supporting receipt, other than business travel mileage
- iv. Telephone charges, including those for a mobile phone
- v. Gratuity (tips) over 20% of the charge
- vi. Expense items older than 90 days
- vii. Fees for personal credit cards
- viii. Interest or penalty on late payments
- ix. Dues to airline clubs
- x. Fines for traffic or parking violations while on Company business
- xi. Auto damage or liability related to an employee's vehicle
- xii. Loss of or damage to personal property while on Company business
- xiii. Loss of personal funds
- xiv. Repairs, maintenance and/or insurance on personal vehicles
- xv. Office commute costs
- xvi. Medical expenses (medical costs are subject to the Company's health plans, and are not eligible for expense reporting)
- xvii. Any spouse or partner expenses
- xviii. Gifts to employees and customers are generally not reimbursable, with the exception of gifts described in section 6 below
- xix. Office supplies unless not available through office facilities
- xx. Home services and supplies that are not necessary for Company work or not used predominately for Company work
- xxi. Capital equipment
- xxii. All insurance coverage from car rental agency when renting a vehicle in the U.S.
- xxiii. Travel insurance and life insurance
- xxiv. Personal expenses such as clothing, haircuts, shoeshines, newspaper, magazines and toiletries.
- xxv. Purchase of in-room movies and entertainment
- xxvi. Adult entertainment
- xxvii. Pet kennel or other pet care

## **4. Expense Report Process**

To request reimbursement, employees must submit a report of their business expenses in the Expensify system used by the Company. Expenses should be submitted within 30 days of the expenses being incurred. Expenses over 90 days old will not be reimbursed.

All items in the expense report must have a clearly stated business purpose per IRS regulations.

The receipt and any other proof of expense must be legible and include clear and sufficient information to evidence the method of payment, amount, date, place and the essential character of the expenditure.

Employees are responsible for any delinquent charges incurred due to delay in submitting an expense report.

Employees using a credit card issued through Bill.com (aka Purchase or P-Card) must submit expense reports for all charges within 30 days of a charge.

Expense reports are approved according to the following levels:

<b>Approver</b>	<b>Amount</b>
Supervisor	All
Vice President or above	> \$3,500
CFO, VP Finance or Corporate Controller	> \$10,000

## **5. Expense Report Guidelines**

Company personnel are expected to be economical and spend Company money with care. The following guidelines should be followed when incurring travel related expenses:

- a. Cash should not be used as a payment method to incur a business expense, unless absolutely necessary. If a cash receipt is lost, the expense will NOT be reimbursed by the Company.
- b. Immediate manager should authorize all business trips in advance.
- c. Travel arrangements should be made as far in advance as is practical to minimize costs.
- d. Employee must book economy class, non-refundable and low-cost route tickets for airfare. For flights longer than four hours in duration, "Economy Plus" or similar class may be booked.
- e. Employee must book a standard room at the lowest rate possible. If the room is in excess of \$350 per night (excluding taxes), the employee should expand his or her search options. If no lower rates are found, approval in writing from the immediate manager must be obtained prior to booking the room.
- f. When dining with other employees in the Company, the highest-ranking employee must pay the bill and submit the expense.
- g. Immediate manager must review expense report for proper receipt and adherence to this policy.
- h. The business purpose and list of all attendee names and titles for a group meal must be included in the expense report.
- i. All expense reports must be accompanied by proper receipt that shows method of payment, vendor name, date of purchase, description of items purchased and amount.

## **6. Reimbursable Expense Details**

The following is an in-depth explanation of some reimbursable expenses:

### **a. Airfare travel**

Employees must select the least expensive flight as practical. Employee should also expand the search options while booking the flight online or via a travel agent to search for lowest fares from a variety of airlines and schedules.

The company may not reimburse the traveler for incremental cost greater than \$250 for a flight on a preferred airline. Use of personal miles for business travel is not reimbursable.

Company-paid unused tickets cannot be exchanged or otherwise utilized for travel that is not directly associated with the Company business. Doing so will result in disciplinary action up to and including termination.

Frequent flyer rewards can be retained by the employee, but should not be the basis for switching air schedules, hotel accommodations or car rentals unless such choice is approximately equal in cost to the lowest acceptable alternative. The Company will not reimburse any associate/membership fees for frequent flyer clubs.

Employees may elect to upgrade travel class at any time if they personally pay the additional cost. The company will not pay the cost of an upgrade.

## **b. Transportation Expenses**

Employees using personal vehicles for local business travel (seminars, training, off-site meetings and customer visits) will be reimbursed for tolls, parking and mileage on submission of required documentation.

Employees using their personal vehicle on Company business should carry at least \$100,000 / \$300,000 / \$25,000 liability and personal property coverage. Mileage reimbursement will be based on the currently published IRS rates.

Employees should take the practical transportation option that is the lowest cost when traveling for the Company. Ride-hailing services such as Uber and Lyft are acceptable modes of transportation. Attendance at Company-sponsored events is voluntary in nature. Local participants are responsible for the cost of any transportation to and from such events.

A compact car is the standard for rental vehicles. A mid-size car is allowable when driving clients or carpooling with other employees.

When renting a car in the United States, the driver should decline any insurance coverage (Collision Damage Waiver and personal Accident Insurance). In the event of an accident, the employee must follow the accident instructions listed in the rental car company's rental agreement. Time-permitted refueling of rental cars before returning is mandatory to prevent extra charges. Any refueling cost of a rental car is reimbursable on submission of receipts.

Office commute is not reimbursable.

## **c. Lodging**

Employees must make hotel reservations for a standard room at the lowest rate practical, but not higher than \$350 per night (excluding taxes). If the room is in excess of \$350 per night, the employee should expand his or her search options. If no lower rates are found, approval in writing from the immediate manager must be obtained prior to booking the room. All nearby hotel options must be considered and judgment applied.

For extended stays (seven days or longer), employees should obtain accommodation on a weekly or monthly basis at reduced rates. All hotel reservations include guaranteed payment for late arrival. Should the employee need to change or cancel the reservation it is the employee's responsibility to cancel the reservation in sufficient time to avoid the charge for guaranteed late arrival by either notifying travel agent, or by calling the hotel directly. The Company will not reimburse any charges by the hotel for a "no-show" due to an employee's failure to comply with this requirement.

#### **d. Personal Meals and Beverages**

Reimbursement will be allowed for actual expense of meals and beverages (including alcoholic beverages) within reasonable limits. "Reasonable" is a matter of judgment as the cost of meals will vary by location.

When dining with other traveling employees, the highest-ranking employee must pay the bill and submit the expense report. The same policy applies when two or more employees are entertaining a customer.

#### **e. Indirect Travel for Personal Reasons**

Business trips that also include indirect travel for personal reasons or entertainment will be reimbursed only for the direct or business portion of the trip, based on accommodations actually used for business purposes. Ticket stubs, hotel folios and all other traveler's receipts covering the routing of both the direct and indirect portions of the trip **at the time of original booking** must be enclosed with the expense report and the calculation of both business and personal portions of the trip should be provided for proper accounting. Travel expenses of personal companions should not be included in the expense report as those costs will not be reimbursed.

#### **f. Mobile Telephone Expense**

Mobile phone costs will not be reimbursed. If an employee is required to use a mobile phone extensively for Bill.com work, and both the employee's manager and Executive Team leader approve in writing, the employee may enlist in the company-sponsored mobile phone plan. The employee's manager should submit a request by e-mailing [helpdesk@hq.bill.com](mailto:helpdesk@hq.bill.com) with the approval from E-Team leader included.

#### **g. Remote employees**

Remote employees are eligible for home internet reimbursement of up to \$50 per month.

Note the following specific rules:

- i. If the cost is lower than the allowable limit, claim must be made for the actual cost incurred by the eligible remote employee. This rule also applies to bundle arrangements (such as internet and cable together in one bill or multiple phone lines in one plan) and the claim should be made for the allowable portion of the cost incurred.
- ii. The complete bill must be submitted for documentation.

Purchases by a new remote employee of a desk and chair up to \$400 are reimbursable within 30 days of the hire date. All other equipment and furniture purchases will not be reimbursed. Remote employees should ask the Company IT department to fulfill any of their equipment needs.

Remote employees may be reimbursed for landline telephone charges incurred for work.

HR approval is required to claim the status of a remote employee.

#### **h. Customer Meetings, Business Meetings and Conferences**

Because of potential magnitude, deposits for hotels, restaurants, convention centers and other event providers for company meetings, conferences and other functions should not be paid by an individual and expensed. The provider should be directed to invoice Bill.com at [AP@hq.bill.com](mailto:AP@hq.bill.com).

The Company will reimburse employees for reasonable and proper expenses incurred in connection with Company-sponsored business meetings and attendance at meetings of approved professional societies, associations and trade shows. The department's executive team member must approve in advance all business meeting arrangements and conference attendance.

Expense reports for customer meetings and conference expenses must show the purpose and nature of the expense, the date, place and amount of each separate expense incurred during such events.

Expenses that are "billable to client" should be submitted in detail in the Expensify system. This is crucial for tracking and accurate customer billing.

Employee recognition or other business meetings attended by multiple employees need to be reported in total with all attendees listed. The highest-ranking Company personnel should pay the cost and submit the expense for reimbursement.

#### **i. Business Entertainment**

Expenses are only reimbursable for current or prospective customer or partner entertainment that serves a valid business purpose for the Company. The guideline for business entertainment is not to exceed \$50 per attendee. Expenses greater than \$50 per person should be approved in advance by relevant executive team member. Entertainment expenses should meet these criteria:

- i. Company expects to derive future income or other specific business benefit(s), and
- ii. Business must be conducted before, during or after the meal or event by the employee(s) with the person(s) being entertained

To be eligible for reimbursement, the business purpose, as well as the name, title and company of each attendee must be included on the expense report.

#### **j. Team Building**

Each executive team member has a budget of up to \$25 per month per employee for team building activities. This cost is intended to cover meals outside the office, Company-branded clothing, group activities, etc. The budget may be accumulated over several months. Expenses to be incurred in excess of \$25 per month per employee require Finance and HR approval in advance.

#### **k. Employee Gifts**

Gifts from one employee to another, including from manager to employees, are not reimbursable without prior approval of HR department, with the exception of gifts given during team building exercises (included in the limit of Team Building budget of \$25 per person per month).

The HR department handles all other employee gifts such as:

- i. Gifts/flowers/donations for the birth or death of an immediate family member of an employee
- ii. Gifts given to an employee for his or her marriage
- iii. Gifts given to an employee recovering from a significant illness or accident

The dollar limit for each of these gifts is \$100 per recipient (multiple gifts to the same person are not allowed). In addition, cash must not be given as a gift with the exception of a donation in lieu of flowers for a funeral.

#### **I. Gifts to government affiliates and customers**

Gifts, including personal services, to individuals even remotely affiliated to any branch of government or government agency are strictly prohibited. Providing any such gifts will result in disciplinary action up to and including termination.

Many commercial customers have a policy or practice that disallows or discourages gifts. All gifts to customers require department executive team member's approval prior to provision and must not exceed \$100 per customer.

#### **m. Contractor's Out-of-Pocket Expenses**

The Company does not reimburse any out of pocket expenses incurred by contractors; contractors should invoice the Company instead, according to the terms of the contractor's engagement with the Company.

## **7. EXCEPTIONS**

The VP Finance, Corporate Controller and/or CFO will evaluate any exceptions to this policy on a case-by-case basis.

## **8. VERSION CHRONOLOGY**

### **Revision History:**

<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Change Description</b>
1.0	June 1, 2018	Doug Reed, VP Finance	New policy