



MILEAGE REIMBURSEMENT POLICY

Introduction

At times employees may be required to use their personal car for business purposes. Reimbursement for the operating expenses of the car will be calculated by multiplying the number of miles traveled by the currently approved Standard Mileage Rate published by the IRS. Other expenses must be substantiated by receipts. The costs of commuting (travel between home and the work site) will not be reimbursed.

Policy

All C3 Industrial Blasting & Coatings, Inc. (hereafter referred to as "C3 Industrial" or "the Company") employees who use their cars for business purposes must have current and adequate automobile/liability insurance coverage. Employees must not transport volunteers or clients in their personal vehicles. If transportation of this type is necessary, approval from Management is required.

Mileage will be reimbursed for the round-trip distance between the employee's work site and the location of the business function being attended. If employees depart from or return to their home instead of their work site, only the miles in excess of the normal daily commute can be claimed as an expense.

Mileage amounts must be verifiable through the use of commercially available websites (ex. Google Maps) using the "shortest route" option.

Other expenses such as parking will be reimbursed at the actual costs. Original, itemized receipts must be provided.

Employees must document their travel on the Mileage Reimbursement Form.

Examples

Example #1: An employee travels from the main office to a meeting at the Knoxville Convention Center. The employee then stops for lunch on the way to another meeting at the Knoxville Chamber of Commerce. Finally, the employee returns to the main office. The entire mileage for this trip can be reimbursed.

Example #2: An employee travels from home to a conference and back to home again. The total trip (RT) was 65 miles. The employee's normal commute (RT) is 10 miles. In this case 55 miles can be reimbursed.



An employee travels from the main office to attend meetings at several locations and then returns home. The normal commute is 5 miles one-way. Mileage reimbursement would be 25 miles which is calculated as follows:

- | | | |
|--------------------------------------|----------|----------------|
| ➤ Trip 1 – main office to location A | 10 miles | reimbursed |
| ➤ Trip 2 – location A to location B | 15 miles | reimbursed |
| ➤ Trip 3 – location B to home | 2 miles | not reimbursed |

Allowable Mileage Expenses

Examples of allowable business purposes include:

- Meetings
- Conferences/Presentations
- Travel between C3 Industrial sites
- Site visits
- Work-related errands (post office, office supply store, etc)
- Classes and workshops if job related and approved by the manager

Unallowable Mileage Expenses

Examples of unallowable business purposes include:

- Commuting between home and the work site
- Elective continuing education

Procedure

Timing

In order to comply with IRS documentation requirements, a complete and accurate Mileage Reimbursement Form must be submitted monthly.

Approval

Forms will be reviewed by the employee's supervisor and submitted to the Payroll Department.

Documenting the Location

Enter the location name in the "to" and "from" columns:

- If the location is a C3 Industrial site, then no further information is necessary;
- If the location is an infrequent destination then enter the address or street intersection and the city;
- If the location is a frequent destination then enter the program name only and provide the address in the "Notes" section of the Mileage Reimbursement Form.



Documenting the Business Purpose

Indicate the purpose of the travel as briefly as possible in the “Purpose of Trip” section. If additional room is required, use the “Notes” section of the form.

Notes

Keep in mind that these forms will be reviewed by outside auditors. If more clarification is required, enter the details in the “Notes” section of the form. This is especially important if the number of miles claimed does not match commercially available websites for calculating mileage. Examples of when this may occur include: travel to or from home to a meeting or conference; car pooling in which several stops are required before the final destination; getting lost.



***MILEAGE REIMBURSEMENT POLICY
ACKNOWLEDGMENT***

By signing this statement, I acknowledge that I have received a copy of the C3 INDUSTRIAL Mileage Reimbursement Policy. I have read and understand the policy and have had the opportunity to ask questions concerning the policy.

EMPLOYEE NAME (PRINT)

EMPLOYEE SIGNATURE

DATE