



# OST EXPENSE GUIDELINES

We spend a lot of time in front of clients, investing in training and supporting each other across the country. Which means we are all out on the road living our values at some point in our career at OST.

Honoring each other means that it is our individual responsibility to be good stewards of our resources. Wondering what that look like at OST? Let this document be your guide!

Keep in mind that there are often nuances at play—for teams, clients and more. So, this isn't going to cover every decision in every situation. But, you are smart, discerning people and we are confident you can use your best judgment to apply the general principals described here.

Unsure how to handle a specific situation you run into? Just ask!

## General

No doubt, we all have some experience with expense reporting systems—their handy features and not-so-useful shortfalls. At OST, our expense system is integrated with our time reporting system, Changepoint, which gives us better visibility into client-level expenses for a more complete view of client interactions. Even for expenses that are not tied specifically to client engagements, it makes sense for us to keep all records in Changepoint.

If you are planning to spend **more than about \$500 that is not chargeable to a client** - someone should know about it before the expense is incurred. We do not have formal budgets; but we have provided teams some spending guidelines, and we really encourage our team to use OST resources responsibly. Anything that involves getting on an airplane, or a hotel stay of more than a few nights, or going above-and-beyond on client appreciation or sponsorship should not happen in a vacuum. So, if something like that is coming up, let's talk about it first.

Happily, we're all adults. That means, if you treat our money like your own, we all win! To help clarify the when's and how's, we've created a few general guidelines below for some standard expenses. We get a lot of questions about these items and figured the guidelines would be helpful. We hope you can tell that we're still shooting for maximum flexibility here—all without getting in trouble with the IRS or our auditors(!)

## How long do you have to submit expenses?

### Billable Expenses

Our clients expect timely charges from us. Some of them contractually obligate it. In order to keep those clients delighted, we need to make sure we have all expenses turned around quickly. This means you've got 45 days to get them submitted in Changepoint so we can meet our commitment to our clients. Our system won't accept expenses outside of that window, so any post-45-day



expenses are yours. Highly motivational, right? These expenses also require receipts—even the little ones! Although the IRS only requires amounts over \$75, our clients can be a bit picky on this issue...and we do want to delight them, after all!

### Non-Billable Expenses

We also try to keep a handle on our internal spending; and the auditors can get finicky about making sure that we report all expenses when they're incurred. We allow you 60 days to submit those expenses. But like so many things in life, the sooner the better. Beyond 60 days, we cannot reimburse you.

The IRS does give us some leeway on what requires a receipt, so we have a little flexibility on accounting for smaller expenses. No receipts are needed for charges under \$75 (but if you have one, please submit it). Keep in mind, a credit card statement won't suffice for an actual receipt...napkins either.

Please refer to the attached Non-Billable Expense category cheat sheet for proper entry.

CP Entry Tip - did you know that you can select a company and project even if the expense is not going to be billed to the customer? This may save you some entry time so give it a try! Contact Liz Klinger if you have questions.

### Uploading Receipts & Documents

To keep things organized and moving quickly through the system, please include each expense as a separate line item on your expense report. Scans or photos of receipts are fine, but we do need to see the date/location/amount. And neatness counts, so please keep it legible. If you don't know how to document something, just ask or make a note in the comment field.

### Reimbursement Timing

Once you submit an expense report in CP, it goes through a few layers of approvals before it is ready to be paid. If all time approvers do their thing each day – and you've submitted what you need reimbursed in the manner laid out above, you should have your money from us way before your credit card statement arrives. We will direct deposit your expense check within a couple of weeks, generally on a Friday.

Want to check the status of your report? You can do this by clicking on "View Expense Reports" in Changepoint and see whether it is pending approval or has been approved.

## When eating and entertaining

Here's what we need: Each receipt must have the names of the people eating, the business purpose and date (if it's not visible on the receipt). Pretty straightforward.

Here's what we expect: Eat well, but not extravagantly. A glass of wine (or craft beer) is fine with dinner, but no Chateaux Margeaux. Enjoy an entrée, but the surf-and-turf is probably too much. And sorry, no inappropriate venues on our dime.



### Business Meals Involving Solely OST Personnel

One of the great things about working with friends is that we often get to eat together. What's better than breaking bread with friends? We're all about OST folks coming together to grab a bite, but sometimes it's just a couple people from work looking to catch up. So, here is some help in deciding when a meal that does not include anyone from the outside (client, partner, etc.) is a business expense.

- If you have a formal function or group meeting, expense it.
- If you are taking someone to lunch for a special occasion—new hire, performance review, celebration, that sort of thing, expense it.
- If it is someone you frequently meet with one-on-one, and you just happen to do enjoy doing so over lunch or breakfast, you should not expense it.

When it comes to cost, a good rule of thumb is about \$15/person for breakfast, \$20/person for lunch and \$35/person for dinner.

### Business Meals Involving Others

When we're with people from outside of OST—clients, prospective clients, suppliers, personnel from other OST offices, recruits, personnel from civic and community organizations, etc.—just use good judgment. Generally, meals shouldn't exceed \$60/person.

Also, please keep in mind that your guests may have their own policies or procedures with respect to meals and entertainment; do what you can to support those choices.

## When sleeping

We all know you need a good night's sleep. Otherwise, you start the day cranky...and nobody wants that. But we do expect you to choose a moderate hotel in a standard business room for that good night's sleep. Think Hampton Inn, Courtyard...not JW or the Four Seasons.

And you get extra points for getting creative. Hotels.com can get you that JW room for half price of a Courtyard stay when you play your cards right. If you like that game, feel free to surf that web.

## When Driving

### Using my own car

Sometimes it's just easier to use your own car - hop in, make that drive across the state, head back. When you make that trip over 20 miles round trip for billable purposes, just keep track of the miles and submit it for reimbursement at the IRS guidelines. The IRS wants to know where



you went, why you went, and how many miles you drove, so make sure that's included on your expense report. **Anything under 20 miles roundtrip is not reimbursed.**

If that trip is for non-billable purposes, the process is the same, and reimbursed at the same IRS rate.

When the client office or your home is your workplace – for the day, or week or month. If you aren't in the general vicinity of an OST office, any driving you do is reimbursable. If you are in the greater Michigan area, or in the Twin Cities – or anywhere near an OST office (even if you choose to work most days from the comfort of your living room) - mileage to and from the office is just a normal commute and is not reimbursable.

And, if you are in the vicinity of the office but call a client site “home” for a day, week or month, then that mileage will be reimbursed based on a normal commute to the office.

For example, if Joe lives 25 miles away from the office and he drives to the customer site from home—and the customer site is 50 miles from Joe's place—Joe will expense 25 miles each way. Make sense?

#### When is Mileage Billable vs. Non-Billable

Generally, if clients are in the same city as our OST office, they are not expecting to be charged for mileage. If you are unsure, feel free to ask someone in finance or the project management team what the SOW indicates.

#### Renting a car

If you are making a long trip, or are traveling to another city, you will likely use a rental car. In that instance, just submit the expense for the car and the associated gas. Also, please select a standard vehicle ... nothing sporty or luxury unless you've got a big crew to accommodate.

#### Parking/Tolls

Parking and toll expenses that come up, including charges for hotel parking while on OST business, are all part of the gig. Receipts for these expenses can be tricky, but we need them when you can get them. You can take a pic of the amount/date/time on the machine is adequate as a receipt when the guy or gal in the booth isn't there (if you do it with them there, it might be a little weird). If you're someone who needs their car cleaned daily and really prefers that someone else park it, we're not here to judge, but please know that parking tickets, fines, car washes, valet services, and that sort of thing are your prerogative ... and are on you.

#### Other transportation

We are a creative and technology company, after all, right?!? Uber, taxis, public transportation, are all viable (and sometimes easier and cheaper) options. Those costs are reimbursable



## When Flying

OST will pay all the ordinary costs of commercial transportation—things like air, train, boat, bus, and taxi fares—including a nice tip for the operators. Your journey starts with getting to the airport, so if you need to Uber or taxi to the airport, that's cool.

### Air Transportation

This is by far the most expensive item in our travel bucket. And when it comes to controlling this cost, advance notice and airport selection are the two big differentiators. The ask is: keep it affordable; stick to the lowest available airfare that reasonably meets your business travel needs. Coach class or economy tickets are absolutely the expectation ... and you frequent-fliers will sometimes have the advantage of free upgrades. If you're all about the extras, please know that upgrades for airline seats and car rentals are on you. Air travel and vehicle rental should be booked at least 30 days in advance when possible (which can obviously be a challenge with client engagements), to avoid all the premium pricing nonsense.

If Ali or someone else in the office books your airfare, your expense report will be all taken care of! If you book your own, an original itemized airline receipt, an e-ticket receipt/statement or an Internet receipt/statement needs to be included on your expense report. The receipt should show the dates you traveled, where you went, and how you paid.

### Flight Change Fees/Cancelations

Stuff happens, plans change. Flight change fees are reimbursable when they're business related. Please include your reason for the change/cancelation on your expense report.

### Travel between OST Offices

When we fly between offices (like GRR and MSP), we want to use rewards travel. That's why we collect those points. Why spend money when you don't have to?!? So, please reach out to Ali Sorensen when these trips come up. We may also get creative with airports and airlines – it's amazing the difference in fares!

### International Expenses

For all of you globetrotters, international expenses need to include receipts along with your credit card statement to show conversion rates. If any of your expenses are paid for with cash, please include a receipt and a print-out of conversion rates showing foreign amounts converted to US dollars. Expenses will be reimbursed at the current rate.

## When Learning

We're big on investing in our capabilities - it's one of the things that clients love about us. We hope you already get that about us. Once you've cleared the travel and conference/training plan, you are ready to book it! Charge things like training/conference registration fees, mileage, transportation, meals, and hotel charges. Itemized receipts are the key – and please make sure to include the

description of what you attended. For guidelines on how to make the best selections, see the earlier sections on airfare and meal expectations. For hotels, we get that it's generally most convenient to stay at the conference hotel. Get the group rate and schedule as early as possible!

## Other things that come up

### Companion / Spouse Travel

If you are bringing someone else along for a trip—partner, spouse, kid, your favorite SNL cast member— just keep track of the additional charges above the standard single occupancy room, so you can cover those. Things like meals and other incidental expenses associated with your travelling companion should be estimated and separated as best as possible. So, they are welcome to join you, they just need to cover their own food and the like.

### Things that are not covered

You may (or may not) be surprised by some of the outrageous things that come up from our creative folks. Just to be super-clear, we want to share with you a few things that are out-of- bounds for reimbursement. This surely isn't meant to be comprehensive, but here are things that have come up in the past, and that will be sent back if they are submitted:

- First class tickets or upgrades
- Valet services
- Car washes
- Parking tickets and fines
- Personal items
- Commuting between home and the primary work location
- Costs incurred by failure to cancel travel or hotel reservations in a timely fashion
- Laundry and dry cleaning
- Animal expenses (think kennels)
- Personal entertainment expenses, including in-flight movies, headsets, health club facilities, hotel pay-per-view movies, in-theater movies, social activities, and related incidental costs.
- Travel accident insurance premiums or purchase of additional travel insurance
- Other expenses not directly related to the business travel

### Hardware, Software & Technology Accessories

Looking for a show of hands. Who doesn't love tech? That said, these requests DO need to be run through Internal Systems. Please allow the Internal Support team to serve you by purchasing your software, hardware and commodity items. Just send a note to [help@ostusa.com](mailto:help@ostusa.com) and provide the information about the software, hardware, or commodity item that you need! If you want to, you can go directly to the service desk portal, too, at [ostusa.freshservice.com](http://ostusa.freshservice.com) and use the built-in "Request a Service" feature. Requests for cool stuff beyond what is



| outlined will be made by that team as appropriate.



## Where to go for help

We want this to be as painless as possible (I mean, submitting expenses is thrilling, isn't it?), so if you have any questions, just shoot us an email at [expenses@ostusa.com](mailto:expenses@ostusa.com), or reach out to anyone on the Services Support team for some direction.

Also, Ali Sorensen or Wendy Mills are more than happy to help with any of your travel needs. Some of you are frequent travelers and can do this in your sleep. For the rest of you who can get lost in a stream of options, just give them your details, and they will take good care of you!

Thanks for being a great OST steward! We are all better when we are working together!