



FPG Business Expense Policy

Last Updated:

2/11/2026

By: Sue Phillips

Guiding Statement

As per standard IRS principles regarding business expenses, one should verify that an expense is *ordinary and necessary* in the execution of the subject business. Anything that deviates from this requires approval.

The same shall apply for individual expenses – e.g., the allowable amount for a meal. The questions should be asked, “Is this expenditure ordinary and necessary for what is needed to accomplish the business objective? Or is it excessive?”

Our salespeople must follow this *ordinary and necessary rule* whenever deciding to use the company’s money.

It is important that we record expenditures to the correct account and with sufficient documentation to meet auditing requirements. Otherwise, we risk significant company expenses associated with audits, fines, restatements of our tax filings and the associated late fees with any monies due from past periods.

Travel Expenses

FPG will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All overnight business travel must be approved in advance by the President or, in his absence, the Inside Sales Manager. Employees whose travel plans have been approved are responsible for making their own travel arrangements according to FPG’s Self Booking Travel Policy.

The Self-booking Policy Statement

The justification for *The Self-booking Policy* is based on allowing employees increased flexibility for their flight times and the ability to manage their own travel. The exception to this is group travel, which is defined as 3 or more employees traveling to an event. Based on these criteria, Laura Paris will be organizing the travel arrangements.

- Employees are expected to be conservative in their spending and mindful of the type of expense and establishments at which these expenses take place.
- Employees should plan and book their business trip well in advance, avoiding last-minute reservations whenever possible to secure better fares and availability, and to help manage company travel costs effectively.
- Employees are expected to use the lowest available airfare. Expenses incurred for a selected seat or preferred seating will not be reimbursed.
- Employees will utilize a ride sharing service (Uber, Lyft) as their means of transportation.
- Rental cars as a means of transportation will only be permitted if the use of ridesharing (Uber) is more costly or impractical.
- Standard hotel rooms or the least expensive rate should be utilized when arranging lodging. Exception would include special rates in conjunction with an event that the employee is attending.
- Employees are required to present original itemized receipts for all travel expenses charged to the corporate credit card. Unjustifiable expenses are not acceptable, thus any expense deemed as will be considered payable through a payroll or commission deduction.

When approved, the actual costs of travel, meals, lodging and other expenses directly related to accomplishing business travel objectives will be paid using the company credit card assigned to an employee incurring an expense. The use of one's personal credit card or funds for business expenses is prohibited and will not be reimbursed.

A company card is to be used by and for the individual and only the individual to whom it was issued, without approval to do otherwise. Further, the company card should be used for approved personal expenses and other expenses associated with business being conducted by that individual. The President or, in his absence, the Accounting Manager are the only persons with the authority to provide permission for alternative usage of the employee's assigned credit card.

Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include the following:

- Airfare or train fare for travel in coach or economy class or the lowest available fare.
- Car rental fees, when applicable, are only for compact or mid-sized cars.
 - Employees will utilize a ride sharing service (Uber, Lyft) as their means of transportation, unless the option is costly or impractical.

- Vehicles owned, leased or rented by FPG may not be used for personal use without prior approval.
- Fares for shuttle or airport bus service, where available, costs of public transportation for other ground travel.
- Taxi fares only when there is no less expensive alternative.
- Cost of standard accommodation in low to mid-priced hotels, motels or similar lodgings.
- Tips do not exceed 20% of the total cost of a meal or 10% of a taxi fare.
- When you travel for business and stay overnight, you're allowed to charge for breakfast and lunch on the day following an overnight stay. Dinner is paid for on the day of an overnight stay. These rules apply, in general, unless the hotel or other party (such as a manufacturer who provides lunch as part of a training function) is to provide food for one or more meals. Only reasonable charges for food will be reimbursed.
- You are allowed to expense business meals when you take a customer with a direct association to your business function and when it complements your business goals.
 - If you are a commission salesperson, these charges will be treated as a reduction of the personal P&L gross margin prior to the commission calculation and payment process.
 - The person with whom the meal was spent, as well as the reason for the expense, is to be placed on the expense report.
- Meals during a normal travel day will not be reimbursed without prior approval.
- Any expense of \$250 or more must have prior approval, even if the expense is ordinary and necessary for an individual's function.
- All invoices or receipts for an expense must be itemized. A credit card receipt or final page of an invoice showing only its total will not be accepted.
- If documentation is not provided for an expense, it is at the reviewing manager's discretion to decide if an expense report is accepted or denied.
- Outside designated territory travel conducted using a personal vehicle must be approved.
- Outside salespeople do not need to obtain approval for most travel to be conducted, as this is an ordinary and necessary function of their duties.

The Employee-Owned Vehicle Used for Business Policy Statement

This policy sets out the terms and conditions associated with employee-owned vehicles used for the purpose of traveling to and from destinations for the sole purpose of conducting FPG business. The employee's commute "to and from" work is not considered business. Only miles more than the employee's commute are considered business use and are eligible for reimbursement.

- This policy is intended as a guide and may be changed at any time.
- Most trips will be to customers, which are to be recorded in Odoo using the "Log Notes" functionality under the customer's record. Including (1) the person visited, (2) the purpose of the visit and (3) activities/accomplishments.
- A fixed car allowance of \$600.00 a month will be provided for Sales Representatives for the use of their own personal vehicle while traveling for business. This allowance is intended to supplement the expenses incurred using your personal vehicle for work, such as depreciation, maintenance and insurance.
- The car allowance will be paid on the 1st paycheck of every month. To be eligible to receive a monthly car allowance, all Sales Representatives will be held accountable to the below requirements:
 - Salespeople are expected to use the same vehicle for all sales calls.
 - Business mileage must be logged and tracked via Mapsly.
 - A monthly screen shot of the vehicle's odometer reading is required. Upon completion of the last working day of each month, please send Sue Phillips a photo. The payout of your car allowance will be contingent upon this requirement.
- Fuel costs associated with business travel using your personal vehicle will be paid by FPG.
 - It is mandatory that all Salespeople utilize the issued Fleet fuel card, along with the submission of receipts for all gas purchases.
- It is mandatory that all Salespeople utilize the issued fuel card, along with the submission of receipts for all gas purchases.
- "Fleet Card assignment" means that the fleet card issued is specific to that authorized user and their vehicle, used for business purposes exclusively.

- The fleet card is restricted to fuel purchases. The limit on the card is set at \$300 per transaction and up to 3 transactions a day.
- All Fleet card users must obtain receipts for fuel purchases. If a receipt is not obtained at the time of sale, a photo of the gallons purchased, and the amount of the sale is sufficient.
- On the last working day of each month, all gas receipts, along with a screen shot of the vehicle's odometer, must be submitted via email to the Accounting Manager.
- WEX fleet cards are accepted at 95% of U.S. fuel stations and 45,000 service locations. However, on the rare occasion that you must fuel up at a non- participating location, you may do so by utilizing your FPG corporate credit card. A gas receipt must be submitted.
- How to use your WEX Fleet Card: ***Appendix A—WEX Fleet Card***

Expense Reporting

Expense reports are a necessity and need to be filed during FPG's monthly accounting period.

All employees are required to file complete expense reports within 10 days following the end of each accounting period (monthly). *All supporting receipts necessary for reviewing and approving individual expenses are to be included.* These receipts are to be submitted per the accounting administrator's direction. A report will not be considered complete if the supporting documentation is missing. The President and/or Accounting Manager may modify the expenses listed on an employee's expense report as necessary to correctly account for her/his expense by the company. All expense reports must be approved by the Accounting Manager.

All expenses filed by an individual will be coded using "Tags" by the purpose the expense serves in the organization. There are tags for each outside sales resource – e.g. outside salesperson or outside support person – and each division of the company. Each inside salesperson or inside support person will use the most relevant tag for an expense. For outside sales resources, there are a few considerations for tag assignments:

- Sales resources are to code an expense for their division (House Water or House Industrial) if, and only if, it serves the division.
- If a sales resource makes an expense that serves themselves or a customer, then this is an expense that serves the salesperson and should be coded with that person's tag.
- An outside sales resource may require that an expense or part of an expense be reallocated to another individual or division. However, this must be explicitly approved through management prior to coding an expense on a report.

All employee expenses will be coded to the appropriate general ledger account in our ERP. A list of all general ledger accounts and a description of their use:

Appendix B- Expense Categories

Expenses should be charged on the specific employee's credit card to whom it serves whenever possible. This simplifies the expense assignment task within our ERP system. This will not always be possible. Please carefully note any deviation from this expectation.

When travel is completed that accrues more than \$1000 in expenses, then employees should submit completed travel expense reports within three days following the trip.

Employees should contact their manager for guidance and assistance on procedures related to travel arrangements, travel advances, expense reports, reimbursement for specific expenses or any other business travel issues.

Expense reports must be submitted on time and in full, meaning no missing entries or supporting documentation (i.e., receipts/invoices). Otherwise, processing will be delayed. Such delays should be expected to affect payment of commissions since the commission balance must be validated prior to payout.

If submitted on time (within 10 days of end of a month), then expense reports are to be reconciled, reviewed for approval, and staged for payment by the 3rd week of the month.

Payment of employee reimbursements may be made by check or ACH direct deposit.

Abuse of this business travel expense policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

This policy document is intended as a guide, not a complete statement of every aspect of this policy. This document may be changed at any time. Comments on the modification of this document are encouraged.

Employee Expense Procedures

The first week of each month, Accounting will email each employee an Excel spreadsheet, itemizing the credit card purchases that were incurred the previous month on their corporate credit card. On that email, a date will be provided for when your expense reports must be entered into the Odoo ERP.

In addition to submitting an expense report for your corporate credit card, you will also be required to submit an expense report for your WEX Fuel credit card at that time. Accounting will email each employee an Excel spreadsheet, itemizing the WEX fuel credit card purchases that were incurred the previous month. Both expense reports, Corporate Credit Card and WEX Fuel, will be due on the same day of the month. However, (3) separate expense reports will need to be created: (1) Corporate Credit Card (2) WEX Fuel Credit Card and (3) Home Internet Reimbursement.

It is each employee's responsibility to ensure that their expense reports match the purchases reflected on the provided Excel spreadsheet and the TOTAL of your expense report matches the TOTAL represented on the Excel spreadsheet. Submitted expense reports with any discrepancies will be rejected.

Overview

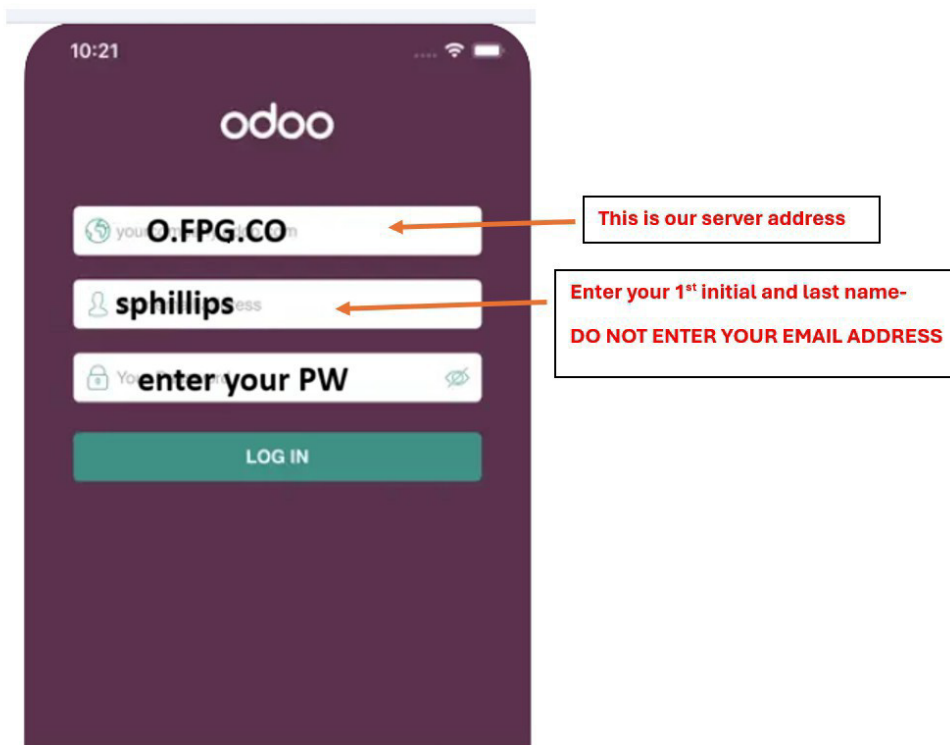
- Receipts must be submitted as an attachment file with your expenses. A photo of the receipt or a photo of the gas pump reading when purchasing fuel is allowable.
- All receipts for an expense must be itemized. A credit card receipt showing only its total will not be accepted.
- Fuel expense reports and corporate credit card reports will always be due on the same day.
- FPG allows employees who work from home to submit a expense reimbursement report for 50% of their home internet monthly bill. A copy of the bill must accompany the expense reimbursement request.
- FPG allows outside sales to expense a quarterly oil change, up to \$120.00, for the vehicle being used for your sale travels. Any cost over the \$120 .00 limit will be your responsibility. You will use your corporate credit card for this expense, and a copy of the bill must accompany the expense reimbursement request.

Entering Expenses via Odoo Mobile App

1. Download mobile Odoo S.A. app from Apple or Google Play Store.



2. To Log in Odoo see below.

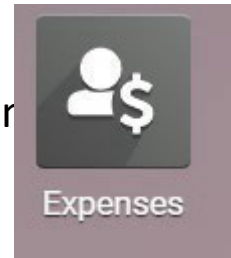


3. Take a photo of your expense receipt on your phone and continue to enter your expense as you have done in the past.

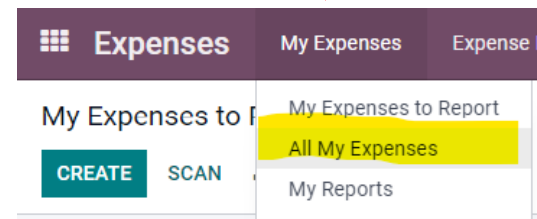
Entering Expenses into Odoo

Before entering your expenses, be sure your receipts are downloaded somewhere on your computer to attach the receipt to the expense claim.

1. Odoo dashboard/Expenses r



2. Go to My Expenses tab/
Click on drop down:
All My Expenses tab



3. Click on the Filters/Add Custom Filter/On the drop-down menu, scroll down to Expense Date/drop down to “is between” enter your expense range/Click Apply.

The screenshot shows a software interface with a 'Filters' menu on the left. The menu is open, showing options like 'My Expenses', 'My Team', 'To Report', 'Refused', 'Expense Date', 'Former Employees', and 'Add Custom Filter'. The 'Add Custom Filter' option is highlighted in yellow. A sub-menu is open for 'Add Custom Filter', showing a list of fields. The 'Expense Date' field is highlighted in blue and circled in red. To the right of the sub-menu, a configuration panel is visible, showing the following settings:

- Expense Date
- is between
- 05/01/2024
- 05/31/2024

At the bottom of the configuration panel, there are two buttons: 'APPLY' and '+ ADD A CONDITION'.

To Report	Total
Refused	\$ 208.36
Expense Date	\$ 1.00
Former Employees	\$ 334.95

4. Click/open the individual expense line you are creating an expense for
5. A new window will open for that expense item.
 - a. Click on “Edit”.
 - b. Complete the form items as shown below with yellow highlighting.

All My Expenses / USPS KIOSK 1763039550

← **SAVE** DISCARD

ATTACH RECEIPT CREATE REPORT

TO SUBMIT SUBMITTED APPROVED PAID REFUSED

0 Receipts

Description

USPS KIOSK 1763039550

Product [EXP_GEN] Expenses

Total \$20.40

Taxes

Notes...

Bill Reference 3.20.2024 Chase CC/Bought stamps for office

Expense Date 03/20/2024

Account 651000 Postage

Analytic Account

Analytic Tags (FPG - Common ✕)

Paid By

Employee (to reimburse)

Company

[EXP_GEN] Expenses will always be used.

Taxes field will never be used. Total will always be inclusive of taxes

Label with date/Chase CC/description of expense

Expenses purchased on Corporate Credit Card = Company

Expenses purchased on your own account to be reimbursed = Employee

6. Click SAVE tab.
 - a. Click ATTACH RECEIPT tab.
 - b. Attach receipt from file folder on your computer.

Click SAVE tab.

7. **IMPORTANT STEP: DO NOT CLICK “CREATE REPORT” at this point.**

You will return back to “All My Expenses” and continue entering ALL the expense lines for the month following steps 4 – 6.

8. After you complete/enter the last expense line item for the month:
 - a. Return to the “All My Expenses” screen.
 - b. Click on each expense line that you want to include in that month’s expense report. The total should equal the total on the Chase transactions report I email you the first week of every month.
 - c. Click on “Create Report” tab in upper left corner of screen

\$0.00 to report

\$0.00 to be reimbursed

\$0.00 to be reimbursed

ExpenseDate	Description	Employee	PaidBy	Next Activity	AAlyticAccount	Total	Tot.InnCurrency	Status
<ul style="list-style-type: none"> Bruce Caraway (10) Chris Allen (32) Chris Dobrota (7) Greta L. Young (8) Inside Sales (7) Mark Lewis (1) Michael Schrenker (39) Ryan Davis (36) Scott Young (132) Sue Phillips (27) 								
<input type="checkbox"/>	04/12/2024	HflizRent-a-Car	◆Phllhps	Errt>lo/ (lo r omburse)		\$265.10	\$265.10	oSubmit
<input type="checkbox"/>	04/18/2024	COOETWO	SutPhibps	E◆layee(to reimburse)		\$021	\$0.21	To&ilmit
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<input type="checkbox"/>	04/11/2024	Amazon.com*OF88J<2M	SWPhillps	En-f-loree(10re1mburse)		\$ 17.11	\$17.11	ToSubmit
<input type="checkbox"/>	04/11/2024	WESCALE NETWORKSINC	StrePhl11ps	EfmllO'fcc (10reimburse)		\$20408	\$20408	TGStbrlt
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<input type="checkbox"/>	04/03/2024	Amazon	SuePh111ps	Efn1)O)se{10leimburse)		\$3562	\$35.62	ros.-,11
<input type="checkbox"/>	03/30/2024	Mert?Rent-a-Car/M1chfl	SuePh1hps	Comp,ny		\$26510	\$26510	■
<input type="checkbox"/>	03/29/2024	UNTE0016237660SS39IM1chaft	SUePhdf1ps	Company		\$502.64	\$502.64	Tow.m
<input type="checkbox"/>	03/29/2024	Oi;UAAIR0062231:3680VRYanOav,s	SuePhU1ps	Company		\$521.20	\$521.20	ToSianll
<input type="checkbox"/>	03/29/2024	AmericanAirlines	SUePh11ps	Company		\$476.21	\$476.21	ToSubml
<input type="checkbox"/>	03/12/2024	COOETWO	Su<tPh1Tps	Company		\$ 315	\$3.15	ToW>ml
<input checked="" type="checkbox"/>	03/26/2024	Mw-xGSoft E0800R144H	SuePhillips	CO<npony		\$24.00	\$24.00	ToW>ml
<input checked="" type="checkbox"/>	03/12/2024	MtaosofE0800fU44F	SUePhifftps	CO<npony		\$ 147.13	\$147.13	ToW>ml
<input checked="" type="checkbox"/>	03/25/2024	MtaosofE0800fU44G	◆Phillips	Company		\$ 16.05	\$16.05	ToW>ml
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<input checked="" type="checkbox"/>	03/20/2024	USPSKl)S(1763039550	SuePh11ps	Company		\$2040	\$2040	ToSullml

9. See below highlighted areas to complete:

All My Expenses / New

← SAVE DISCARD

SUBMIT TO MANAGER

DRAFT SUBMITTED APPROVED POSTED DONE

0 Documents

Expense Report Summary

03/20/2024 - 03/26/2024 The dates will auto populate- don't need to fill in

Employee Sue Phillips Manager Inside Sales

Paid By Company Vendor Bills

Bank Journal Credit Card - Chase CC - Ink

Expense

Expense Date	Product	Description	Vendor	Notes...	Customer to Reinvoice	Bill Reference	Analytic Account	Analytic Tags	Account	Unit Price	Quantity	Taxes	Total In Currency
03/26/2024	[EXP_GEN] Expenses	Microsoft E0800RI44H				Chase Ink CC		FPG - Common	654100 Technology - Software	0	\$ 0.00	1.00	\$ 24.00 ✘
03/26/2024	[EXP_GEN] Expenses	Microsoft E0800RI44F				Chase Ink CC		FPG - Common	654100 Technology - Software	0	\$ 0.00	1.00	\$ 147.13 ✘
03/25/2024	[EXP_GEN] Expenses	Microsoft E0800RI44G				Chase Ink CC		FPG - Common	654100 Technology - Software	0	\$ 0.00	1.00	\$ 16.05 ✘
03/25/2024	[EXP_GEN] Expenses	Microsoft * E0800RI2CR				3.25.2024 Chase		FPG - Common	654100 Technology - Software	0	\$ 0.00	1.00	\$ 99.90 ✘
03/23/2024	[EXP_GEN] Expenses	CREATIVE FRAMING CONCEPT				3.23.2024 Chase Ink CC		FPG - Common	637010 Contributions - Employee's Behalf	0	\$ 0.00	1.00	\$ 201.52 ✘
03/20/2024	[EXP_GEN] Expenses	USPS KIOSK 1763039550				3.20.2024 Chase CC		FPG - Common	651000 Postage	1	\$ 0.00	1.00	\$ 20.40 ✘

Add a line

Total Amount: \$ 509.00

10. Click on tab “Save” and then “Submit to Manager”.
You are done!

Appendix A: WEX Fleet Card

How to use WEX Fuel Cards

- Slide the WEX fuel card just as you would any other credit card.
- Enter your 4-digit Driver ID/PIN number.
- When prompted, enter the current vehicle mileage (not the trip meter reading).
- Fuel the vehicle.

Appendix B: Expense Categories

Expense Account	Expense Category	Description	Example
611000	Travel Expense - Accommodations	Hotels, motels, and other accommodation charges. Typically covered as a single charge for entire stay. Need to have itemized receipt from checkout if meals are charged to hotel.	Holiday Inn, Westin, etc.
611100	Travel Expense - Meals	Meal charges when traveling for business. Need to submit an itemized receipt, not a copy of the credit card bill or signed copy of credit card charge at restaurant.	Applebee's, McDonalds, Chili's
613000	Meals & Entertainment (NON TRAVEL)	Meals provided to individuals who are not traveling but are on official business. Need to submit an itemized receipt, not a copy of the credit card bill or signed copy of credit card charge at restaurant.	Lunch with Taylor WD or Eli Lilly employees associated with a meeting or discussion. Lunch with FPG employees and Scott to discuss business.
611200	Travel - Entertainment	Entertainment and recreational charges (ex: Top Golf, The Escape Room).	Entertainment associated with FPG business
611300	Travel Expense - Public Transportation	Air, rail, bus, car rental, Uber or similar/associated transportation costs.	Flights, Hertz Rental Car, Uber, Lyft,
611400	Travel Expense - Misc	Parking charges, tollways, etc...	Parking charges, tollways, etc.
617000	Project and Bid Expenses	Use for purchase of plans/specs, surety bonds, and other activities/materials in direct support of projects and bids.	Project bids
612100	Fleet Expenses - Fuel	Fuel for one's car.	Fuel
612200	Fleet Expenses - Other	Vehicle maintenance/car washes	Quarterly oil changes
652000	Mobile Phones & Tablets	Cellular phone charges.	Verizon/AT & T
618000	Internet Services - Home Offices	Portion of employee Internet service paid for home offices.	50% reimbursement for home internet
535000	COGS-Freight	Charges for shipping product or RMAs	Ship RMA back to Badger
641000	Postage/Shipping non COGS	Charges for postage through USPS. Includes mailing and stamps.	Mail documents to water utility
675000	Marketing - Advertising - Direct	Direct Advertising expenses to promote FPG and its products/services on various platforms.	Advertising in VRWA Publication

Appendix B: Expense Categories

Expense Account	Expense Category	Description	Example
675500	Marketing- Tradeshows & Sales Support	Sales Support like brochure creation, business cards, tradeshow materials and preparations, and other marketing expenditures that do not support online activities.	Sales line cards, business cards, etc. Trade show registration, give away gifts, trade show activities fees.
639000	Office Supplies	Charges for materials intended to be stored and used at the office. Covers general purpose supplies	Cleaning supplies, staplers, etc.
643200	WH & Shipping Supplies	Boxes, packing tape, shipping labels	Boxes, packing tape, shipping labels
654100	Technology - Software	Software charges. Microsoft Office, PDF software, ERP licensing, etc.	Microsoft,
654200	Technology - Hardware	Hardware charges for computer equipment (PCs, monitors, other electrical hardware)	Dell Laptop
654500	Website Maintenance	GoDaddy, Live Chat, WebScale Networks	GoDaddy, Live Chat, WebScale Networks
683000	Dues & Subscriptions	Dues & Subscriptions	Barrons (WSJ), Adobe