

# Business Expense Reimbursement Policy

## Table of Contents

- Overview ..... 2**
- Business Purpose ..... 2**
- Travel Expenses ..... 3**
  - Mileage ..... 3
  - Airfare, Hotel, Rental Cars ..... 3
  - Airfare ..... 3
  - Hotel ..... 3
  - Airport Transportation ..... 4
  - Rental Cars ..... 4
  - Meal Reimbursement ..... 4
- Business Entertainment ..... 5**
- Personal Travel Expenses ..... 5**
- Team Outings/Offsite Events ..... 5**
- Employee Gifting ..... 6**
- Office Equipment, FF&E ..... 6**

## Overview

The following provides an update on our business expense processes and reimbursement policies for business travel and other expenses.

The Business Expense Reimbursement Policy provides guidelines to reimburse staff for reasonable and necessary business expenses. All expense reports must be submitted through Concur. Please be timely in submitting your reimbursement request; reimbursements should be submitted within 60 days.

As a *general guideline*, an expense must meet the following criteria to qualify for reimbursement. The expense should be:

1. Necessary for the employee to perform their job and documented as such, *and*
2. Reasonable in cost – as always, common sense prevails

To streamline the process, employees will now book all airfare exclusively through Concur Travel. To assist with travel arrangements, we have added a dedicated travel resource who can assist with needs related to business travel. The travel service can be reached at [Travel@49ers.com](mailto:Travel@49ers.com).

**Employee expense reimbursements will no longer be accepted for air travel booked outside of the Concur Travel system.** This update applies only to air travel and has no impact on hotel, auto, etc. As a reminder, **your supervisor with budget authority must pre-approve airfare and hotel reservations.**

Additionally, the importance of documenting a clear and concise business purpose for each expense line item cannot be overstated. The business purpose should be stated clearly and should relate directly to the employee's job responsibilities. This is necessary to help accounting determine the appropriate disposition of individual expense reimbursements. Failure to provide sufficient documentation will result in a delay in reimbursement. Below are general guidelines on the information that should be included when submitting expenses for reimbursement:

## Business Purpose

When an expense report is submitted, you must provide a clear and detailed business purpose to support the expense.

Examples:

- Why was the expense incurred?
- What was purchased?
- What type of event does the business purpose relate to?
- When/where was the event?
- Please avoid using acronyms in the business purpose field.

The business purpose must be entered for each expense line on your Concur report. If there is not enough room, please continue your explanation in the Comments field. Incomplete information will delay reimbursement.

## Travel Expenses

The Concur tool helps make managing business travel less time consuming. Concur will also help employees stay in compliance with the travel expense policies. As noted above, it is important for you to state a clear business purpose for all reimbursement requests.

**Mileage:** Mileage reimbursement is based on the maximum IRS standard mileage rate (56 cents per mile as of January 1, 2021) for use of a personal vehicle to travel from your normal place of work to another location for work (e.g., the airport for business travel). Current mileage rates can be found at <https://www.irs.gov/tax-professionals/standard-mileage-rates>.

- As a reminder, mileage from home to Levi's Stadium (i.e., normal commute) is not reimbursable per IRS guidelines. Mileage to and from a temporary place of work (meeting or conference) is reimbursable, less the mileage of the employee's normal commute.

**Airfare, Hotel, Rental Cars:** As noted above, airfare accommodations can only be booked through Concur via our travel partner, Direct Travel ([Travel@49ers.com](mailto:Travel@49ers.com)). Please work with Direct Travel or the individual in your department responsible for booking travel for assistance.

**Airfare:** Ensure that your Concur Profile is up to date with your legal name, address, DOB, and Travel Preference section filled out. Business purpose should be stated clearly as mentioned above. Some guidelines when booking airfare:

- The lowest coach/economy airfare with major carriers that works for the employee's travel schedule should be booked.
- Business Class and First-Class flights are not permitted. The only exception is if such travel is pre-approved by the President before purchase.
- Have flights booked as far in advance as possible to get reasonable fares.
- Any airfare of \$500 or more requires pre-approval by your supervisor with budget authority.
- Avoid booking flights and hotels based primarily on frequent flyer accounts if the cost is not reasonably close to comparable alternatives. Fees for airport clubs or frequent flyer programs are not reimbursable.
- Submit receipts for baggage fees, Wi-Fi, meals, etc.

**Note:** Airfare booked through Concur & Direct Travel will be paid by the Company directly. **The employee will not need to submit an expense report for airfare.**

**Hotel:** If needed, email [Travel@49ers.com](mailto:Travel@49ers.com) for booking assistance. The itemized hotel folio must be submitted; a hotel confirmation or other receipt showing payment is **not** considered to be sufficient documentation for reimbursement by the IRS.

- Hotel stays must be pre-approved by the budget manager. While high hotel costs are occasionally unavoidable (e.g., NFL-mandated meetings in NYC), as a general guideline, hotel stays for business travel should not exceed \$250 per night (plus taxes & fees). Attach supervisor email approval when submitting your expense report.
- Hotel stays can be booked via Concur. Unlike Concur's partnership with airlines through which the Company can pay airfare directly, hotels cannot be paid through Concur. Employees will pay for their own hotel stay and submit an expense report for reimbursement.
- Hotel stays for a conference in the Bay Area are generally not reimbursable.

- Other hotel expenses:
  - Parking – please self-park rather than valet whenever self-parking is available.
  - Room service – see *Meal Reimbursement* policy below.
  - Phone calls - reasonable phone charges are reimbursable if the employee has not been issued a company phone. Avoid excessive hotel long-distance charges.

**Airport Transportation:** In general, the mode of transportation used should be the most economical one suitable for the purpose of the trip.

- Mileage and economy parking will be reimbursed if parking at a Bay Area airport for business travel.
- Please use a shuttle, ride sharing service, or BART if the round-trip cost is less than economy parking at the airport.

**Rental Cars:**

- In general, the mode of transportation used should be the most economical one suitable for the purpose of the trip.
- When renting a car, employees should use the 49ers rental company accounts through Concur, unless these options are not available.
- As a general guideline, rentals should be mid-sized or full-sized cars. Please use your judgment and consider Lyft and Uber as alternative options.
- Employees booking rental cars through Concur can have the rental direct billed to the 49ers if using Hertz or Avis.
- If not booked through Concur, the employee will be responsible for the charges and will need to submit an expense report for reimbursement.
- Do not accept any insurance on rental vehicles – these charges will not be reimbursed.
- Please fill the vehicle with gas prior to returning it to avoid excessive “fill-up” charges added to the rental.
- Please reserve rental cars well in advance due to the high demand and lack of supply in the current market.

**Meal Reimbursement:**

- The employee in attendance who has the highest level of authority in a group should always pay for the expense (e.g., if a VP and a Director are at a business meal, the VP should pay).
- Staff meals are reimbursable up to a maximum of \$76 per full day (\$18 maximum for breakfast, \$22 maximum for lunch and \$36 maximum for dinner).
- Itemized receipts are required for reimbursement. Missing receipts will result in reimbursement delay.
- Overages for meals in certain high-cost cities will be reviewed on a case-by-case basis.
- Employees should note the business purpose of the meal, including the name/company of the person(s) in attendance, and submit the itemized receipt.

## **Business Entertainment**

Business meals include reasonable amounts spent on food and other refreshments purchased in surroundings conducive to and including a business discussion with existing or prospective customers.

Entertainment expenses are reimbursable only if the entertainment will directly benefit Forty Niners Stadium Management Company or one of its clients (e.g. SCSA, StadCo, etc.), or if it directly precedes or follows a substantial and bona fide business discussion for the purposes of obtaining income or another business benefit.

Business entertainment expenses include, but are not limited to, such items as the cost of meals and beverages, and the cost of transportation directly related to the above.

If the employee is dining with others for business purposes, the meal and related expenses incurred are "entertainment," not "meals."

- "Entertainment" expenses require additional explanation on the expense reimbursement report.
- The expense report will include date, names of individuals, titles, and companies, as well as the business purpose (for example: "Lunch with SBL Customer prospect". This will allow Accounting to charge the expense to the correct client.
- The most senior employee present should pay all business entertainment expenses.

Employees should always use their judgment and common sense when charging business meals and entertainment expenses.

## **Personal Travel Expenses**

- As a reminder, airfare along with other personal travel expenses should not be booked on Concur or requested as a payroll deduction (AR1). Any such personal expenses (flights, hotel, meals, incidentals, etc.) should be paid directly by the employee (e.g., personal expenses incurred during hotel stay should be paid to hotel by employee via personal credit card). The only exception to the above is if personal expenses are pre-approved for payroll deduction via email by President AND the employee's VP level manager. Personal expenses can also be pre-approved for payroll deduction by President AND ownership.

## **Team Outings/Offsite Events**

- Team outings should be pre-approved by the budget manager and department VP prior to booking hotel and airfare.
- Expenses for the outing/event should follow the guidelines set above regarding hotel, airfare, meals, etc.

## **Employee Gifting**

- Recognition for employees in the form of company gifts is administered through our Human Resources (HR) department. Expenses submitted for any “company” gifts that are not part of an HR initiative cannot be reimbursed. This includes gifts given in recognition of personal events or achievements unrelated to work (e.g., birthdays, weddings, baby showers) or in recognition of holidays (e.g., holiday gifts for employees are coordinated through HR).
- Please avoid using gift cards as incentives or employee gifts for work-related achievement. Gift cards and other non-cash gifts should be viewed as income and are taxable to the employee, even though they are not “cash.”

## **Office Equipment, FF&E**

- Purchases of furniture, fixtures and equipment should be coordinated through your department VP and facilities (Bill Howell for SAP Performance Center or Stadium Operations for stadium purchases) and/or IT (computers and handheld devices).

Thank you for your assistance and cooperation. Please contact Esther Chi, Vice President, Controller or Chris Steele, Director, Accounting if you have any questions regarding the policy.