



## ACCOUNTING INSTRUCTION BILLING POLICIES

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The following guidelines will be used, for billing purposes for all clients and customers of TeKnoFirm.

### Scope of Services

Services provided shall include, but not be limited to, all time spent on behalf of a client, regardless of location, in person, remotely by Internet, or by phone, in the following activities: Technical Consulting, programming, training, education, equipment setup, hardware and software configuration, diagnostic analysis, technical or business evaluation, recommendations, documentation, research, project management, status and updating, planning, coordination, troubleshooting, advise and consultation.

### Activity Time Billing Policy

Each billable activity ("Activity Time") will be billed in minimum increments of one-tenth of an hour per activity (*i.e.*, in six (6) minute increments). Time shall be rounded-up to the nearest one-tenth of an hour. For example, if a phone call lasts 10 minutes, time will round up to 12 minutes (two 1/10 of an hour increments).

Billable time begins at the time services begin to be performed or the appointment time, whichever is earlier. For example, a client makes an appointment for 10:00 am. The consultant arrives at 9:50 am. Due to client issues, work does not begin until 10:15 am. Billable time will begin at 10:00 am. Using the same scenario, but work begins at 9:50 am; billable time begins at 9:50 am.

### Travel Time Billing Policy

The client shall be invoiced for travel time when said travel is conducted for the benefit of that client. This time may include travel to or from a client site or another location for the conduct of consulting or training services.

Travel time should be invoiced at one half (½) of the hourly rate for consulting time using the standard or discount rate appropriate for that client.

Example: The client's billing rate is \$100 for Technical Consulting services. The consultant travels to the client after work on day 1, departing at 6:00 pm and arriving by car at a hotel near the client location at 9:00 pm. The consultant spends 6 hours at the client facility on day 2 (8:00 am to 2:00 pm) then departs the client and travels to the consultant's home, arriving at 5:00 pm. The client may be invoiced for: 6 hours consulting time (\$100/hr) and 6 hours of travel time (\$50/hr), for a total of 12 hours which equals \$900.

### Direct Expense Billing Policy

The client may be invoiced for all direct expenses associated with providing consulting or training services. These expenses will be invoiced *at cost without markup*.

Direct expenses (at reasonable costs) may include and are not limited to:

1. Personal vehicle charges including: mileage charged at the rate of IRS defined per mile rate, tolls, and parking
2. Air travel charges including: airfare (un-restricted coach fare), ticket agent fees, parking at airport, baggage carts, baggage storage
3. Lodging and meal costs including: room fee with taxes and surcharges, tips, vehicle parking
4. Rental car charges including: rental fee, fuel, insurance
5. Other travel charges including: shuttle/taxi services
6. Shipping costs including: FedEx, UPS, or USPS
7. Equipment specifically required to complete tasks for the client including technical equipment and accessories, computers, video/audio systems for presentations, and telecommunication systems



### **Payment for Services**

Payment is due and expected when services are rendered. A sales receipt will be emailed to client upon consultant's returning to the office. An invoice or sales receipt may be provided at the time payment is made if Internet access is available and the client requests one.

Hourly Rate Projects - All clients will be invoiced, at the current billable rate, in time increments of tenths of an hour (0.1 hour) for all time spent as defined in "*Scope of Services*" above.

Fixed Cost Project – All clients will be invoiced per the fixed cost project estimate unless specified otherwise in the "*Terms*" of the specified project.

Monthly repeat clients with fixed price service agreements - With prior agreement of TeKnoFirm, will be on credit account and invoiced for all services provided at the beginning of each calendar month. Credit card accounts will automatically be charged on or about the first day of the month services are provided. The total invoiced amount will be due on receipt by the client.

Retainers – Full or partial retainers for the total estimated project cost are required for custom services by the discretion of TeKnoFirm.