

## Going the extra mile to save

Startup firm CompanyMileage.com uses software to track employee road travel  
Dallas Business Journal - by Jeff Bounds Staff writer

If you've ever fudged the mileage on an expense report, watch out — a Dallas startup plans to roll out a service to keep you honest.

Incorporated in July, CompanyMileage.com LLC is developing technology that calculates precisely how much mileage employees run up when they're driving to and fro on the company dime. It also keeps tabs on why workers are going from point A to B. That's important not only for reporting expenses to the Internal Revenue Service, but also because the company's software keeps managers in the loop so they can maintain a better handle on employee mileage and related expenses.



**KEEPING TRACK:** Kevin Winters, left, and Jon Verhaeghe plan to take the guesswork — and trust — out of corporate-mileage reimbursements with their Dallas startup, CompanyMileage.com LLC.

"This idea came to me in late June," says President Kevin Winters, who co-founded the four-employee firm with Vice President Jon Verhaeghe. "What it's built with is the same mind-set as a time-and-attendance system. It's clock-in, clock-out on a car, without being intrusive."

The idea is to help companies save on mileage reimbursements, which are becoming increasingly costly with the IRS recently increasing optional standard rates 15.8%, from 50.5 cents to 58.5 cents per mile.

A host of companies offer technology to vet expense reports, such as Atlanta-based **TRX Inc.** CompanyMileage.com executives say they are looking to partner with some of those companies down the road.

The CompanyMileage.com system does not involve the installation of any tracking technology on employee cars.

Rather, it is a Web-based system through which employees input their trip and schedule data into CompanyMileage.com's Web site.

The system verifies mileage down to a 10th of a mile, and spits out a report on the person's reimbursed trips to whomever is supposed to get them, whether that is the worker, his or her supervisor or human resources. Winters and Verhaeghe say the system can handle changing

variables like an employee opting for a new route to avoid traffic, and can ensure that a supervisor approves the altered mileage.

If a change to mileage must be made, the system allows the worker, with a click of the mouse, to manually override the previous mileage that was entered. The worker must enter a memo describing why the change was made, an effort to comply with IRS regulations.

The company is then able to launch the reimbursement process with a mouse click, CompanyMileage.com officials say.

To speed up the process of inputting trips, CompanyMileage.com keeps an "address book" of locations that workers frequently drive to, enabling them to enter their trips faster.

### **Final testing**

Winters says CompanyMileage.com plans to go to market with its offering this month, targeting mid- to large-sized businesses with a system on which the company recently completed programming. The product will cost a maximum of \$5 per employee per month, with that cost being proportionately lower the larger the client business is. Executives say their goal is to generate about \$1.5 million to \$2 million in revenue in the first year of operations.

CompanyMileage.com will soon start final testing on its offering with a dozen or so potential customers. Officials say those would-be clients will likely pay little or nothing for the remainder of the year in order to get them on board.

Before co-founding CompanyMileage.com, Winters sold a local payroll-processing firm he co-founded, Payroll Associates, for an undisclosed sum to New Jersey-based Paychoice. Verhaeghe spent 11 years as president of Dallas-based Voyager Trading Co., a home-furnishings retailer, and also was president of a data-entry firm called Digital Process & Storage.

Stephen Fox, a principal in the Dallas office of law firm Fish & Richardson, says he believes that with gas prices being what they are, more employees are likely seeking mileage reimbursement than a year ago.

Fox, who typically represents employers in employment-law matters, says that while clients sometimes seek to fire workers over expense-reimbursement issues, he hasn't seen any cases where mileage was the problem.

Still, he cautions employers to be consistent in how they treat mileage versus reimbursement for, say, cell phones.

"It's not a bad idea for an employer to send out a (reminder) memo saying, 'Hey, we know gas is more expensive. You're entitled to submit (mileage) for reimbursement, but as we do in all reimbursement situations, we expect you to be honest and accurate,'" Fox says.



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