

ACCOUNTABLE REIMBURSEMENT POLICY WOODS CHAPEL BAPTIST CHURCH

Woods Chapel Baptist Church hereby establishes an accountable reimbursement plan for all ministers and employees with the following terms and conditions intended to comply with all applicable tax rules:

1. The church will reimburse only reasonable ministry-related business expenses incurred by a minister or employee. Subject to budget limitations, these expenses will include:
 - a. Business use of automobile, up to the current IRS standard mileage rate
 - b. Business travel away from home including transportation, lodging and meals on overnight trips
 - c. Convention, conference and workshop expenses
 - d. Continuing education expenses
 - e. Subscriptions, books and media resources, if related to ministry or employment
 - f. Entertainment/hospitality expenses if business connection requirement is met
 - g. Monthly reimbursement for use of personal cell phone for church related business – a monthly reimbursement amount is to be determined by the Finance Committee and included in the church’s annual budget
2. The minister or employee will account for each allowable expense in writing at least every 30 days. Documentation will include the amount, date, place, business purpose and business relationship of any person entertained for each expense. A receipt will accompany the documentation.
3. The minister or employee will submit requests for reimbursement of expenses through the “Woods Chapel Baptist Church Expense Report” form. All requests must be approved by the minister’s or employee’s immediate supervisor, usually the Pastor (in the absence of the Pastor, expenses may be approved by the Minister of Education). Expenses of the Pastor (or person acting on behalf of the Pastor) must be approved by a member of either the Finance Committee or Personnel Committee.
4. The minister or employee will return advances that exceed actual business expenses within 30 days.
5. Under this accountable arrangement the church will not report reimbursed amounts as taxable income on the minister’s or employee’s Form W-2. The minister or employee should not report reimbursed amounts as income on Form 1040.
6. The total amount reimbursed to ministers and employees annually will be limited to the amount budgeted under Ministry Related Expenses for each individual minister or employee, as approved in the church’s annual budget.

