

SAMPLE

SHORT FORM

ACCOUNTABLE REIMBURSEMENT POLICY

The following resolution is hereby adopted by the congregation council of _____
Evangelical Lutheran Church. It will be effective for the calendar
year 2009 and all future years unless specifically amended, revoked or superseded.

The pastor (or other employee(s)) will be reimbursed for ordinary and necessary business expenses incurred in the performance of his or her responsibilities when he/she documents the amount, business purpose, date and place of the expense in accordance with IRS regulations.

This substantiation must be provided to the chair of the pastor parish relations committee (or church treasurer) within sixty (60) days of incurring the expense. The individual must return to the church any amounts received in excess of the substantiated expenses within thirty (30) days of receipt.

The church will not report any properly substantiated reimbursement payments as income on any Form W-2.

(The church may wish to designate certain items which it elects to have covered by this policy, such as travel, continuing education, attendance at annual conference, books, subscriptions, work supplies, vestments, etc. There may be a cap or dollar amount on the total reimbursable business expenses that will be paid stating "The reimbursement amount shall be no more than _____". The church may also want to require pre-approvals by the treasurer or Executive Committee business expenses in excess of \$ 500 (or any other amount deemed appropriate). These additional requirements should be included in the policy.)

This is a sample of an accountable reimbursement policy. The specifics of each policy should be reviewed by each church and minister considering their specific concerns. If legal or tax advice is required, the services of a competent professional advisor should be sought.