

# **Travel and Other Expense Reimbursement Policy\***

## **Purpose**

The Board of [name of church] recognizes that pastors and other staff (“Personnel”) of [name of church] may be required to travel or incur other expenses from time to time to conduct ministry business and to further the mission of this church. The purpose of this Policy is to ensure that (a) adequate cost controls are in place, and that (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Personnel. It is the policy of [name of church] to reimburse only reasonable and necessary expenses actually incurred by Personnel.

When incurring business expenses, [name of church] expects Personnel to

- Exercise discretion and good business judgment with respect to those expenses
- Be cost conscious and spend ministry money as carefully and judiciously as the individual would spend his or her own funds
- Report expenses, supported by required documentation, as they were actually spent

## **Expense Report**

Expenses will not be reimbursed unless the individual requesting reimbursement submits a written Expense Report. The Expense Report, which shall be submitted at least monthly or within two weeks of the completion of travel if travel expense reimbursement is requested, must include

- The individual’s name
- The date, origin, destination, and purpose of the trip, including a description of each organization-related activity during the trip
- The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct [name of church]’s business)
- An itemized list of all expenses for which reimbursement is requested

## **Receipts**

Receipts are required for all expenditures billed directly to [name of church], such as airfare and hotel charges. No expense in excess of \$\_\_\_\_\_ will be reimbursed to Personnel unless the individual requesting reimbursement submits with the Expense Report written receipts from each vendor (not a credit card receipt or statement) showing the vendor’s name, a description of the services provided (if not otherwise obvious), the date, and the total expenses, including tips (if applicable).

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## **General Travel Requirements**

- **Necessity of travel.** In determining the reasonableness and necessity of travel expenses, Personnel and the person authorizing the travel shall consider the ways in which [name of church] will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same factors shall be taken into account in deciding whether the benefits to [name of church] outweigh the costs; less expensive alternatives, such as participation by telephone or video conferencing; or the availability of local programs or training opportunities.
- **Personal and spousal travel expenses.** Individuals traveling on behalf of [name of church] may incorporate personal travel or business with their Company-related trips; however, Personnel shall not arrange Church travel at a time that is less advantageous to [name of church] or involving greater expenses to [name of church] in order to accommodate personal travel plans. Any additional expenses incurred as a result of personal travel, including but not limited to extra hotel nights, additional stopovers, meals, or transportation, are the sole responsibility of the individual and will not be reimbursed by [name of church]. Expenses associated with travel of an individual's spouse, family, or friends will not be reimbursed by [name of church].

## **Air Travel**

Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares.

## **Frequent-Flyer Miles and Compensation for Denied Boarding**

Personnel traveling on behalf of [name of church] may accept and retain frequent-flyer miles and compensation for denied boarding for their personal use. Individuals may not deliberately patronize a single airline to accumulate frequent-flyer miles if less expensive comparable tickets are available through another airline.

## **Lodging**

Personnel traveling on behalf of [name of church] may be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Personnel shall make use of available corporate and discount rates for hotels.

## **Out-of-Town Meals**

Personnel traveling on behalf of [name of church] are reimbursed for the reasonable and actual costs of meals (including tips) subject to a maximum per diem meal allowance of \$\_\_\_\_\_ per day and the terms and conditions established by [name of church] relating to the per diem meal allowance.

## Ground Transportation

Employees are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability:

- **Courtesy cars.** Many hotels have courtesy cars, which will take you to and from the airport at no charge. Employees should take advantage of this free service whenever possible. Another alternative may be a shuttle or bus.
- **Airport shuttle or bus.** Airport shuttles or buses generally travel to and from all major hotels for a small fee. At major airports such services are as quick as a taxi and considerably less expensive. Airport shuttle or bus services are generally located near the airport's baggage claim area.
- **Taxis.** When courtesy cars and airport shuttles are not available, a taxi is often the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved. A taxi may also be the most economical mode of transportation between an individual's home and the airport.
- **Rental cars.** Car rentals are expensive, so other forms of transportation should be considered when practical. Employees will be allowed to rent a car while out of town provided that advance approval has been given by the individual's supervisor and that the cost is less than alternative methods of transportation.

## Personal Cars

Personnel are compensated for use of their personal cars when used for ministry business. When individuals use their personal car for such travel, including travel to and from the airport, mileage will be allowed at the currently approved IRS rate per mile.

In the case of individuals using their personal cars to take a trip that would normally be made by air, mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available round-trip coach airfare.

## Parking/Tolls

Parking and toll expenses, including charges for hotel parking, incurred by Personnel traveling on organization business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, and so on, are the responsibility of the employee and will not be reimbursed.

On-airport parking is permitted for short business trips. For extended trips, Personnel should use off-airport facilities.

## Entertainment and Business Meetings

Reasonable expenses incurred for business meetings or other types of business-related entertainment will be reimbursed only if the expenditures are approved in advance by [the treasurer of other designated staff member] of [name of church] and qualify as tax-deductible expenses. Detailed documentation for any such expense must be provided, including

- Date and place of entertainment
- Nature of the expense
- Names, titles, and corporate affiliation of those entertained
- A complete description of the business purpose for the activity, including the specific business matter discussed
- Vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, date, and total expenses, including tips (if applicable)

## **Other Expenses**

Reasonable ministry-related telephone and fax charges due to absence of Personnel from the individual's place of business are reimbursable. In addition, reasonable and necessary gratuities that are not covered under meals may be reimbursed.

## **Nonreimbursable Expenditures**

[Name of church] maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such expenses are inappropriate for reimbursement by a church. Expenses that are not reimbursable include, but are not limited to

- Travel insurance.
- First-class tickets or upgrades.
- When lodging accommodations have been arranged by [name of church] and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by [name of church]. Reimbursement shall not be made for transportation between the alternate lodging and the meeting site.
- Limousine travel.
- Movie tickets, liquor or bar costs.
- Membership dues at any country club, private club, athletic club, golf club, tennis club, or similar recreational organization.
- Participation in or attendance at golf, tennis, or sporting events, without the advance approval of the chair of the board or his or her designee.
- Purchase of golf clubs or any other sporting equipment.
- Spa or exercise charges.
- Clothing purchases.

- Business conferences and entertainment that are not approved by [treasurer or other designated staff member] of [name of church].
- Valet service.
- Car washes.
- Toiletry articles.
- Expenses for spouses, friends, or relatives. If a spouse, friend, or relative accompanies staff on a trip, it is the responsibility of the staff to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.
- Overnight retreats without the prior approval of the chair of the board or his or her designee.