



8th District Sample Policies for Local Churches



Local Church Accountable Reimbursement Policy

123 A.M.E. Church of Neverland, Missiana

Adopted on _____

I. Purpose and Overview

123 A.M.E. Church adopts this Accountable Reimbursement Policy to provide an IRS-compliant process for reimbursing legitimate ministry-related business expenses incurred by clergy, staff, and authorized volunteers. Reimbursements under this policy are not taxable and are not treated as income.

II. Persons Covered

This policy applies to pastors, ministerial staff, church employees, and authorized volunteers.

III. Funding and Budgeting

The Church shall annually budget funds for reimbursable business expenses. Unused funds may not be paid out as income or bonuses and remain church property.

IV. Eligible Reimbursable Expenses

Reimbursable expenses must be ordinary, necessary, and directly related to church ministry. Examples: travel, mileage, continuing education, office supplies, ministry-related books, vestments, professional dues, technology used for ministry, and authorized business meals.

V. Non-Reimbursable Expenses

Non-reimbursable items include commuting mileage, vacations, personal meals, family travel, alcohol, medical expenses, personal clothing, childcare, charitable gifts, and any expense primarily personal.

VI. Substantiation Requirements

Original receipts (for items over \$75 or lower threshold if church requires) must include the date, vendor, amount, and ministry purpose. Travel logs must include miles, destinations, and purpose.

VII. Timing for Submissions

Receipts must be submitted within 60 days of the expense. Advances must be reconciled within 120 days, with unused advances returned promptly.

VIII. Method of Payment

The church may reimburse the staff member directly or pay vendors directly. Credit card statements alone do not qualify as documentation.



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IX. Review and Approval Process

The Treasurer, Finance Committee Chair, or Steward Board Chair reviews submissions. The Treasurer issues reimbursement after approval.

X. Ownership of Purchased Items

Items purchased with church funds remain church property (e.g., computers, equipment, furniture).

XI. Confidentiality

All reimbursement information will be handled confidentially.

XII. Prohibition on Year-End Payments

Unused budget funds may not be paid out to staff as bonuses or compensation.

XIII. Amendments and Annual Review

The policy shall be reviewed annually by the Finance Committee and Steward Board.



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Reimbursement Request Form

Name:

Position:

Date Submitted:

Description of Expense:

Business Purpose:

Date of Expense:

Vendor / Location:

Amount:

Mileage (if applicable):

Total Reimbursement Requested:

Attached Receipts: Yes / No

Employee Signature: _____ Date: _____

Reviewer Approval: _____ Date: _____

Treasurer Processing: _____ Date: _____