

**FIRST UNITARIAN UNIVERSALIST CHURCH OF SAN ANTONIO  
ACCOUNTABLE REIMBURSEMENT PROCEDURE FOR PAID STAFF**

Ministers and staff shall be reimbursed for any ordinary and necessary business and professional expenses if the following conditions are satisfied:

- The expense clearly supports the work of the congregation.
- The amount of the claimed expenses is reasonable.
- Receipts are provided showing the amount, date and business purpose.
- Funds are available in the individual's professional expense allowance or in an alternate, appropriate budget line.
- In the case of expenses to be charged to budget lines other than a professional expense allowance, the request must be approved by a committee chair or other person responsible for the budget line to which the expense is being charged.

Reimbursement requests must be submitted to the Administrator for processing at least monthly.

Qualifying expenses include but are not limited to automobile expenses at the IRS standard allowance; conference, meeting and travel expenses; professional development; books, newspapers, periodicals, audio-visual materials and other resources; professional association dues usual and customary for the position; clerical gowns, robes and religious garments; entertainment, meals and gifts within IRS limits; cell phone, long distance calling and internet expenses incurred in the service of First UU Church of San Antonio; equipment necessary for the performance of the minister or staff member's duties. For questions regarding eligibility of expenses, employee should consult the Minister prior to incurring the expense.

Excess reimbursements: Any congregational reimbursement that exceeds the amount of business or professional expenses properly accounted for under this plan must be returned to the church within 120 days of after the associated expenses are paid or incurred by the minister/staff, and shall not be retained by the minister/staff.

Tax reporting: First UU Church shall not include the amount of business or professional expenses on the minister/staff member's W-2 form, and the minister/staff member should not report the amount of any such reimbursements as income on Form 1040.

Separate Check: Reimbursements shall be paid by separate check drawn from appropriately budgeted funds and not by increasing paychecks by the amount of the business expense.

Unused budget: Monies budgeted for professional expenses that have not been expended by the end of the fiscal year may not be carried forward to subsequent years. Such monies shall not be distributed to the minister/staff or reallocated as compensation in any way.

Retention of Records: All receipts and other documentary evidence shall be retained by First UU Church for seven years or as otherwise directed as part of a financial review or audit.

*Developed in accordance with IRS Publication 463, Travel, Entertainment, Gift, and Car Expenses, and with the guidance of Richard Hammar's Church and Clergy Tax Guide (Christianity Today, 2012)*