GLOBAL METHODIST CHURCH
UPPER MIDWEST CONFERENCE

Charge Conference 2026

2027 Accountable Reimbursement Policy Form

(Please copy this 2027 Accountable Reimbursement Policy and complete for each pastor under this church's Episcopal appointment or Presiding Elder assignment.)

The following resolution was duly adopted by the Administrative Board/Church Council/Leadership Team (or Charge Conference) of the Global Methodist Church at a meeting held on _____.

Under Internal Revenue Code Section 62(a)(2)(A) gross income does not include reimbursed business expenses or adequately accounted business expense allowances for employees. Internal Revenue Service Regulation 1.162-17(b) provides that an employee need not report on their tax return expenses paid or incurred by them solely for the benefit of their employer, for which they are required to account and do account to their employer, and which are charged directly or indirectly to the employer.
Further, I.R.S. Regulation 1.274-5(e)(4) provides that an adequate accounting means the submission to the employer of an account book, diary, statement of expense, or similar record maintained by the employee in which the information (as to each element of expenditure amount, time and place, business purpose, and business relationship) is recorded at or near the time of the expenditure, together with supporting documentary evidence, in a manner that conforms to all the adequate records requirements as set forth in the regulations.

Therefore, the _____Global Methodist Church hereby establishes an accountable reimbursement policy pursuant to I.R.S. Regulations upon the following terms and conditions:

1. Expenses deemed ordinary and necessary shall be made solely for the benefit of the church and shall be paid directly, whenever possible by the _____Global Methodist Church, or indirectly and reimbursed to the person or entity who does pay the expense. Ordinary expenses include, but are not limited to: automobiles, office supplies, postage, computer supplies, books, subscriptions, professional dues, vestments, continuing education, lodging and meals while traveling and entertainment related to church business.
2. The church must be given an adequate accounting of the expense, which means that there shall be submitted a statement of expense, account book diary, or other similar record showing the amount, date, place, business purpose, and business relationship involved. Appropriate documents, cash receipts, canceled checks, credit card sales slips, and contemporaneous records for those non-receipt expenses less than $25.00 must be attached to a monthly expense report. Both the minister/staff person and the church shall retain copies of the documentary evidence and expense report. Voucher information need not include data that would violate pastoral confidences.
3. Reimbursements or advances must be paid out of budgeted church funds and not by reducing the compensation of a minister/staff person. Budgeted amounts not spent must **not** be paid as a salary bonus or other personal compensation in any fiscal year. *If such payments are made, the entire amount of the accountable reimbursement policy account will be taxable income to the pastor/staff person.*
4. The church may pay amounts in advance of the minister/staff person's actual expenditure on either an as needed basis or by standard monthly expense allowance. However, an adequate accounting of the advances by expense report must be made in the month following an expenditure. Any excess advance must be returned to the church before additional needed or allowance amounts are provided to the minister/staff person.

5. It is understood by the various parties that all elements of this resolution must be carefully followed to prevent the church salary-paying unit from being required by regulation to list total payments for the following items on I.R.S. W-2 as includible compensation. The primary responsibility of expense reporting is the minister/staff person to the church payroll person.
6. The Staff/Parish or Pastor/Parish Relations Committee (SP/PPRC) is responsible for approving vouchers submitted by the pastor. The local church treasurer is responsible for paying approved vouchers.
7. By previous or concurrent resolution, duly adopted by the Administrative Board/Church Council/Leadership Team (or Charge Conference) of the _____Global Methodist Church at a meeting held on _____, the following ordinary and necessary expenses as suggested for the employment needs of the minister/staff person, are included in this accountable reimbursement policy from January 1, 2026 to December 31, 2027.

2027 Accountable Reimbursement Total (annualized) $_____

Attested to this ____day, _____, 2026, the foregoing resolution is hereby accepted.

REQUIRED SIGNATURES:

_____

Chair, Administrative Board/Church Council/Leadership Team

_____

Treasurer, Church or Charge

_____

Pastor

Distribution: This signed document is to be kept on file at the local church, a copy provided to the pastor and submitted to your presiding elder and the Upper Midwest Annual Conference office.