



Resolution on Accountable Reimbursement Plan for Appointment Year 2019

This resolution is required whenever there is a change of the following: Clergy, or Travel Expenses, or Total Non-Travel Reimbursements on the Form I (Pastoral Support Form) from the prior year.

Please note all questions marked with an asterisk (*) are required fields.

*Church/Charge Name:

Whereas, the above listed United Methodist Church desires to establish an Accountable Reimbursement Plan pursuant to income tax regulations 1.162-17 and 1.274-5T(f) and **Resolved**, the above listed United Methodist Church hereby establishes an accountable reimbursement plan for the benefit of the pastor for the calendar year 2019 and all future years unless specifically revoked or superseded.

*Pastor Name:

ADDENDUM

It is important to note that the categories on the worksheet are suggestions for budgeting, not rigid expense categories; the staff person, in consultation with the SPR chair and/or treasurer, or finance committee chair, may shift expenses during the year from one category to another. (FAQ from GCFA)

Can the church increase the funding of the accountable reimbursement policy during the year?

Yes. If the church has additional funds or wants to shift budgeted funds from one account to another, it may do so. (No shifting is allowed from salary to an accountable policy). (FAQ from GCFA)

May a church tell a pastor not to spend funds even if the expense may be a proper business expense?

Yes. The question suggests a conflict between the pastor and the treasurer's or the SPR committee's view of necessary or authorized expenses as they relate to the mission of the church. The best way to resolve most conflicts is to try to understand them, discuss them, and come to some agreement.

For example, it is hoped that most churches would agree that annual conference related committee work and travel are part of each church and pastor's commitment to the connectional system (these would be legitimate business expenses). If a conflict over such conference expenses exists, the DS may be able to facilitate some meeting of minds (or pocketbooks). A difficult problem may arise when the church and the pastor view their mission differently. If the church does not approve of the clergy's involvement in an international mission project and finds it to be outside of the church's mission, the pastor should not submit travel or related expenses for such an activity. These issues should be explored ahead of time with the SPRC to avoid misunderstandings.

PASTORAL SUPPORT REPORT (Form I)

*Travel Expenses

*Total Non-Travel Reimbursed Expenses

Resolved, the following terms and conditions shall govern both the church and the pastor:

1. The pastor shall be reimbursed for the expenses deemed ordinary and necessary for the conduct of his/her ministerial office if these conditions are satisfied:
 - a. The expenses are reasonable in amount.
 - b. The pastor documents the date, amount, place, description and business purpose of such expenses with sufficient evidence that would support a federal income tax deduction, including the submission of original receipts for

reimbursement of purchases.

- c. The pastor documents miles for reimbursement associated with the conduct of ministry, not including miles driven to and from work once a day – including miles driven, date and business purpose of miles driven (stated generally so as not to compromise confidentiality).
 - d. The pastor provides the documentation of such expenses no less frequently than monthly, however, in no event will an expense be reimbursed if substantiated more than 60 days after the expense is paid or incurred.
2. The church may provide advances to cover anticipated expenses; however, the pastor must provide an accounting for such advances as well as the refunding of any excess amounts to the church treasurer within 90 days from the issuance of any such advance.
 3. In the case of any questions regarding the appropriateness of any expense submitted for reimbursement, the discretion of the Staff-Pastor Parish Relations Chair, subject to the approval of the Staff-Pastor Parish Relations Committee, shall prevail.
 4. No unspent balances in the reimbursement budget shall be paid to the pastor as additional compensation.

*Adopted this day

*Administrative Council Chair Signature

Date

*S/PPRC Chair - Signature

Date