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Reimbursement Guidelines

Expenses that are incurred as part of an Associate's ministry may be written off on their taxes on an IRS Schedule C form. We suggest that Associates consider this option since it is in line with their IRS status as an independent contractor.

Another option for Associates would be to reimburse their ministry expenses. This is only possible if they choose to not write off the expenses on their taxes – they may not do both. For examples of expenses that would qualify, see the “*Reimbursable Ministry Expenses*” (pg 8). We are unable to reimburse medical expenses.

Reimbursable expenses must be submitted **within three months (90 days)** of occurrence. ALL expenses must be accompanied by a receipt, BUT the receipt does not need to be the original. If the expense is OVER \$75, then the actual receipt must be attached to the corresponding expense.

Highly recommend keeping all receipts and a copy of submitted reimbursements for your personal records.

Reimbursements must be submitted by the 15th of the month in order to be received on the 25th of the month. Reimbursements will only be paid when funds are available in the Associate's account. It is possible to submit a reimbursement if the funds are not available in the Associate's account if the reimbursement needs to be submitted for approval before a certain deadline. The Associate should fill out the form online (expensify.com) and in the “email section” of the “submit report” indicate when they would like the reimbursement processed or any other instructions.

Reimbursement Policy

INTRODUCTION

Global Service Network, Inc. reimbursement policies and procedures are intended to enable Employee and Associates to reimburse expenses they have incurred related to the performance of their ministry assignments.

The policies and procedures for filing a reimbursement are provided on the following pages. These instructions should be read and carefully followed to give each Employee and Associate the maximum benefit from reimbursement policies.

REIMBURSABLE EXPENSES

Ministry expenses: All ordinary and necessary expenses incurred in connection with the Employee 's and Associate's ministry assignment, including transportation, lodging, meals, materials, meeting fees, and correspondence with those involved in that ministry. Global Service Network follows the IRS guidelines in determining expenses which can be considered business related and therefore non-taxable when reimbursed.

FILING A REIMBURSEMENT

Who May File a Reimbursement

- a. All full-time Employees
- b. All Associates in Ministry
- c. All Program Participants (funded through GSN)

When to File Reimbursements

Reimbursements need to be approved within 90 days of incurring the expense. If there are insufficient funds in the account to cover the payment of a reimbursement, the Associate or Employee must wait to submit it until they have adequate funds. However, the reimbursement must still be approved by their approver within 90 days of incurring the expenses. **IMPORTANT: If the Financial Department receives a reimbursement that has been approved more than 90 days after the date one or more of the expenses, they are required to remove all expenses that are older than the 90 days. This is true even if they are legitimate ministry expenses.**

Approval of Reimbursements

All reimbursement expenses must also be approved by the supervisor to whom the Employee or Associate reports or by any person that the supervisor has designated to approve reimbursements on their behalf. The supervisor must have the administration department approve their reimbursement. No approval is required for advance requests or reimbursements which have a subtotal of less than \$250 for an Employee. Associates are unable to receive an advance. Even though no approval is needed for a reimbursement that is less than \$250, the Employee and Associates must the reimbursement before any of the expenses are more than 90 days old. All requests for reimbursements whether requiring approval or not will be reviewed for appropriate ministry expense by the administration department.

Submission of Reimbursements

Electronic - All personal Employee and Associates reimbursements **must be** entered over the Internet through [Expensify.com](https://www.expensify.com). Please refer to the "Set-up Instructions for Expensify" for instructions on using [Expensify.com](https://www.expensify.com).

Paper - Program participants may fill out a paper reimbursement form and must submit all receipts with the reimbursement. Only expenses related to the purpose of the ministry trip are permitted.

Records the Employee and Associate Should Keep

Employees and Associates should keep copies of their reimbursement and their accompanying documents (receipts, etc.). Original receipts for items of any amount should always be attached to their copy of the reimbursement form in the event that they need to send the reimbursement to the mailing address. This practice should provide a satisfactory record in the event of an examination by the IRS, provided the Employee can properly explain each expenditure. Copies of reimbursements are also helpful, if the original reimbursement gets lost.

Documents to Submit with the Reimbursements Request

We require receipts for **ALL** expenses.

- Expenses that are over \$75 should have the original receipt attached
- Lodging and Transportation expenses should have the original receipt attached regardless of amount.
- Electronic Receipts may be used for expenses under \$75 that are **NOT** lodging and transportation related.
- If the Employee or Associate does not have electronic receipts for expenses under \$75, they will need to attached the original receipts to the expenses.

NOTE: If an original receipt has been lost, the canceled check or credit card slip/statement with an explanation that the original receipt has been lost may be submitted instead.

Receiving the Reimbursement Payment

Reimbursements will be made payable to the Employee or Associate on whose memo account they are drawn. If receiving a check, it will be mailed to the address on the reimbursement form. *Employee and Associates who are on direct deposit for their paychecks will also have their reimbursements automatically deposited into their bank account.* Direct deposit funds will be available in one's account for Employees and Associates by the 25th of the month, provided the reimbursement was received before the 15th.

Account Balances and Payment of Reimbursements

Employees and Associates should submit reimbursements for payment when they know they have not developed sufficient funds to cover them. The Reimbursement will be approved but held for payment until there is enough funds to cover the Reimbursement. Reimbursements are not paid in partial lots; i.e., splitting up the total and paying it in several checks over a period of time.

Due to the 90 day time frame for expenses to be submitted, if you are not able to take full reimbursements due to account balance issues, you could submit partial reimbursements to allow for reimbursement payments to be made. Please indicate your purpose in submitting multiple small reimbursements. If you have the available funds to take a full reimbursements, it is preferable that they only submit one reimbursement a month.

Terminated Employees and Associates must submit reimbursements within 30 days of termination regardless of their account balance. Ministry expenses incurred within 30 days of terminating such as the expenses of sending a last prayer letter can be included in the reimbursement(s) submitted. Partial payment may be made on a final reimbursement based on the Employee / Associate account balance. There will be no reimbursement of expenses if there are insufficient funds in the Employee account.

Returns Policy

Reimbursements submitted that are incomplete or incorrect in documentation, amounts, or other information will not be paid. They will be returned to the Employee or Associate with a letter requesting the necessary information.

Items that are not reimbursable or are incomplete in documentation will be deleted from the reimbursement and the balance will be paid. In the reimbursement system, you will receive an explanation of reason.

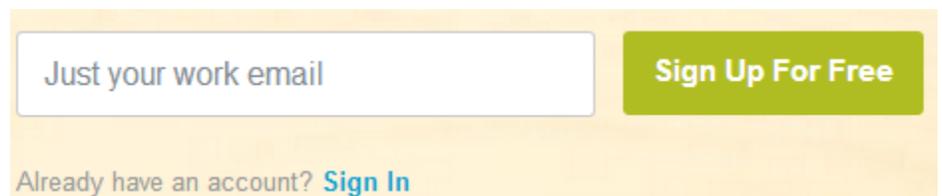
Set-up Instructions for Expensify

Expensify.com is very user friendly. Please take a moment to read through the instructions, then go back through the instructions following the various steps. It might take a reimbursement or two to feel comfortable with using this system, but once you get the hang of it, you will love it.

If at any time you have any questions, feel free to email reimbursements@globalservicenet.org or call 919-249-0146.

Step One - connect to the internet and go to www.expensify.com

Step Two - Sign-up. Just enter your email address that you will use to correspond with Global Service Network.



Just your work email

Sign Up For Free

Already have an account? [Sign In](#)

Step Three - Once you have “Signed-up”, email reimbursements@globalservicenet.org from the same email address that you used. Global Service Network will set you up with the reimbursement policy called “GSN Associates Reimbursement Policy”. This will be your default policy for submitting reimbursements.

Step Four - Now that you have an account with Expensify.com, you will need to attach your Credit Card information. Now this is not required, but will make submitting reimbursements very easy. Highly recommend that you have one Credit Card that you use exclusively for ministry expenses.

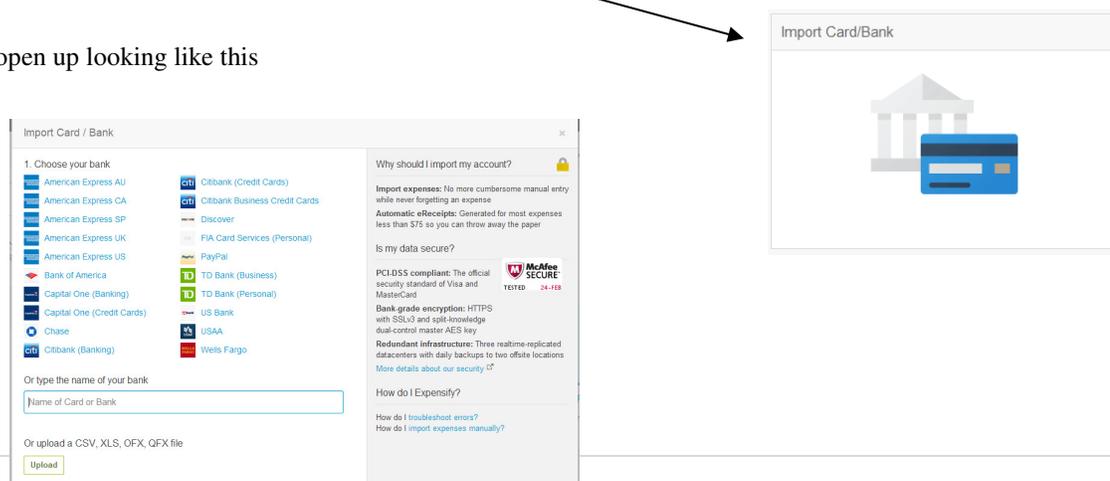
The **Benefits** for having one Credit Card for ministry expenses and attaching this credit card to your Expensify account are:

- All your expenses will automatically be uploaded into the system
- You don't need to manually add your expenses
- If you don't have one card exclusively for ministry expenses, you will need to delete all unnecessary expenses from the system
- Your receipts are automatically attached to your reimbursement form, therefore you don't need to upload any receipts for expenses that are under \$75.00

After you registered, if it doesn't give you the option to Import Card/Bank after you log into the system, click on

“” (top left) to see the dashboard. In the dashboard, click on “Import Card/Bank”

Next a window will open up looking like this



Import Card / Bank

1. Choose your bank

American Express AU	Citibank (Credit Cards)
American Express CA	Citibank Business Credit Cards
American Express SP	Discover
American Express UK	FIA Card Services (Personal)
American Express US	PayPal
Bank of America	TD Bank (Business)
Capital One (Banking)	TD Bank (Personal)
Capital One (Credit Cards)	US Bank
Chase	USAA
Citibank (Banking)	Wells Fargo

Or type the name of your bank

Or upload a CSV, XLS, OFX, QFX file

Why should I import my account?

Import expenses: No more cumbersome manual entry while never forgetting an expense

Automatic eReceipts: Generated for most expenses less than \$75 so you can throw away the paper

Is my data secure?

PCI DSS compliant: The official security standard of Visa and MasterCard

Bank-grade encryption: HTTPS with SSLv3 and split-knowledge dual-control master AES key

Redundant infrastructure: Three real-time-replicated datacenters with daily backups to two offsite locations

More details about our security

How do I Expensify?

How do I troubleshoot errors?

How do I import expenses manually?

Follow the instructions from here.

After you have attached your Credit Card, all expenses from the past 90 days will be uploaded to your account. You can view this expenses under the “Expenses” tab at the top.

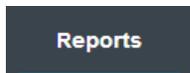


Now you should be good to go! Now you can submit Reimbursements through Expensify.com. Remember, you need to send an email to reimbursements@globalservicenetwork.com indicating you have sign-up up at expensify.com in order to submit a reimbursement. If you don't then your reimbursements will be rejected and not processed.

Your First Reimbursement

Now, let's walk through how to fill out the expense form and submit the form for processing.

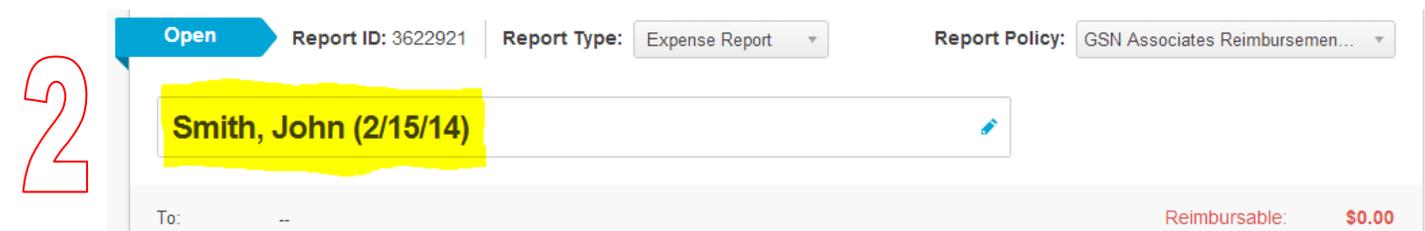
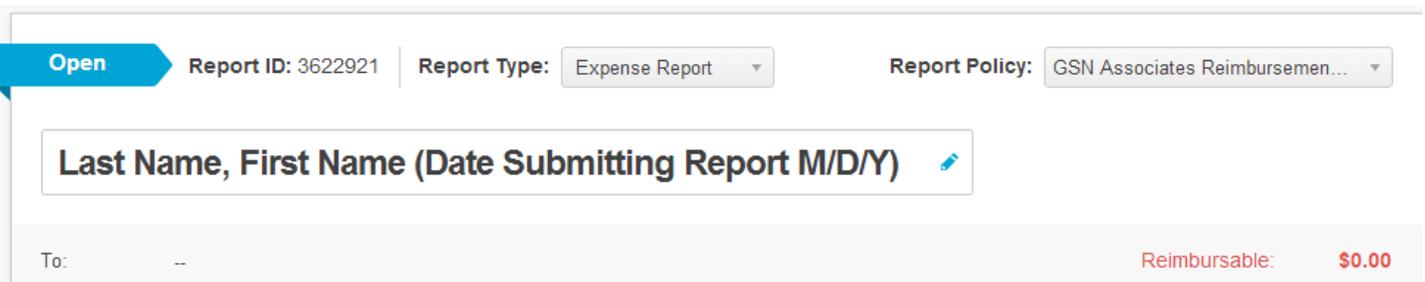
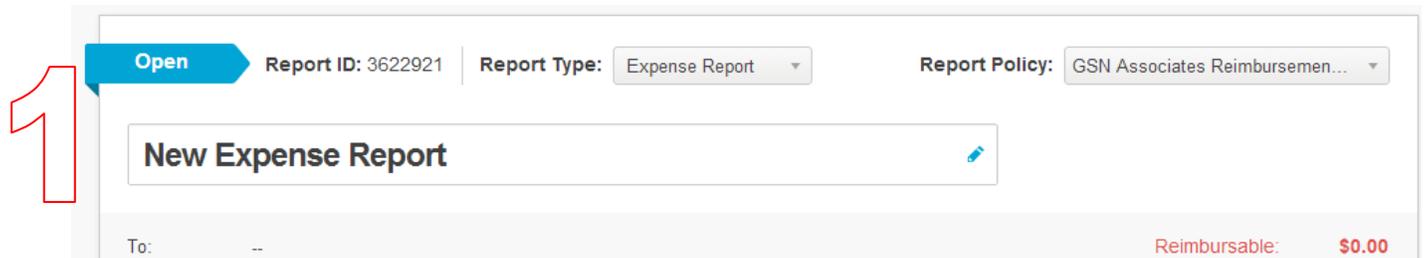
Step One - Go to the “Reports” tab at the top



Step Two - Click “New Report”



Step Three - Labeling the Expense Report: 1) Delete “New Expense Report” and 2) label the Expense Report with **“Last Name, First Name (Date Submitting Report)”**



Step Four - Click  "Add Expense" located on the right side

Step Five - A window will open up with all your expenses that have been uploaded from your Credit Card. If you did not attach a credit card to your account, then go to **Step 11**. If your Credit Card is attached, then you can stop after step 10, unless you need to know how to manually enter expenses.

The window will look like this:

<input type="checkbox"/>	Date	Merchant	Total	Category	Tag	Comment
<input type="checkbox"/>	Feb 4	Rackspace Cloud 210-312-4000 Tx	\$309.83	Uncategorized		
<input type="checkbox"/>	Feb 2	8x8, Inc. 888-898-8733 888-89887	\$5.89	AIM Ministry Expenses		
<input type="checkbox"/>	Feb 1	Celito Communications Inc 919-26	\$105.50	Uncategorized		

Now, click the box on the left for the expenses you are reimbursing, go to "Category" and highlight the "1099 Ministry Expense," then go to "Tag" and indicated what type of expense, then under "comment", write the purpose of the expense.

Example:

<input type="checkbox"/>	Date	Merchant	Total	Category	Tag	Comment
<input checked="" type="checkbox"/>	Feb 4	Rackspace Cloud 210-312-4000 Tx	\$309.83	Uncategorized		
<input checked="" type="checkbox"/>	Feb 2	8x8, Inc. 888-898-8733 888-89887	\$5.89	AIM Ministry Expenses		
<input checked="" type="checkbox"/>	Feb 1	Celito Communications Inc 919-26	\$105.50	Uncategorized		



If you see this symbol next to an expense, this means that your expense is over \$75.00 and you need to upload a copy of your receipt to this expense.



If you see this symbol next to an expense, this means your expenses has an electronic receipt and you don't need to do anything further.

Step 7 - After you have highlighted your expenses and filled out the necessary information (Category, Tag, Comment) then click "Add to Report"

Step 8 - Your Reimbursement is Complete and should look like this

At this point, if you need to edit a particular expense, simply click on the expense and make the necessary changes.

Step 9 - Hit the button when ready to submit your report.

Smith - 04-15-2011 **\$86.77**
Reimbursable: \$0.00

Special Instructions ^A

To: --
From: reimbursements@globalservicenet.org
Dates: May 6, 2011 to May 9, 2011

11-Entertainment - Food - \$49.93

Date	Merchant	Category	Comment	Amount
May 7, 2011	Cary Loop The Loop Pizza Cary Nc	1 Program Services:AIM Ministry Expenses	Social with students	\$49.93 ↑
				\$49.93

07-Postage and shipping - \$10.91

Date	Merchant	Category	Comment	Amount
May 9, 2011	FedEx Office	2 Program Services:AIM Ministry Expenses	Postage for Mailing Prayer Letters	\$10.91 ↑
				\$10.91

06-Conferences/seminars/retreats - \$25.93

Date	Merchant	Category	Comment	Amount
May 9, 2011	Qdoba #215 Apex Nc	3 Program Services:AIM Ministry Expenses	Meeting with Ministry Partner	\$25.93 ↑
				\$25.93

^A Report fields are required. [↑] Non-reimbursable expense.

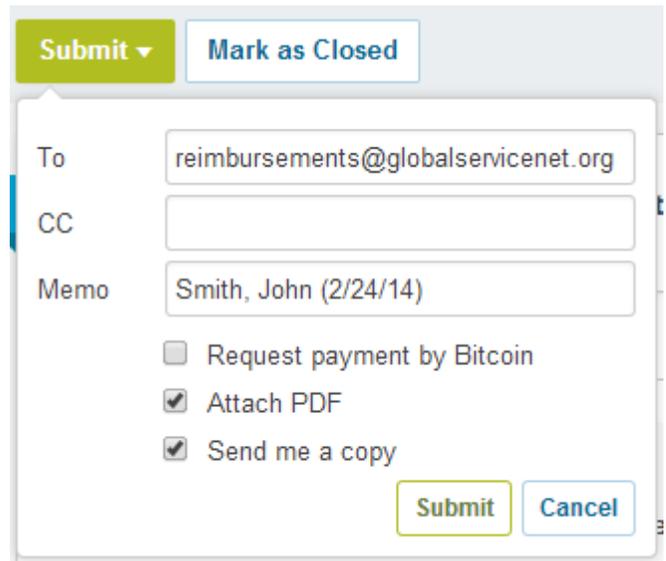
Step 10 - After hitting the “submit...” button, the following will drop down. Simply make sure you: 1) put the name of the report in the memo and 2) check “Attach PDF” and “Send me a copy” then hit the “submit” button.

Congratulations!

You have just submitted your first Reimbursement through Expensify.com.

Remember, if you reimbursement is received before the 15th of the month, then you will receive payment on the 25th of that month, if after the 15th, then the payment will be made on the following month.

If you find any errors in the directions, please let us know so we can make the necessary adjustments.

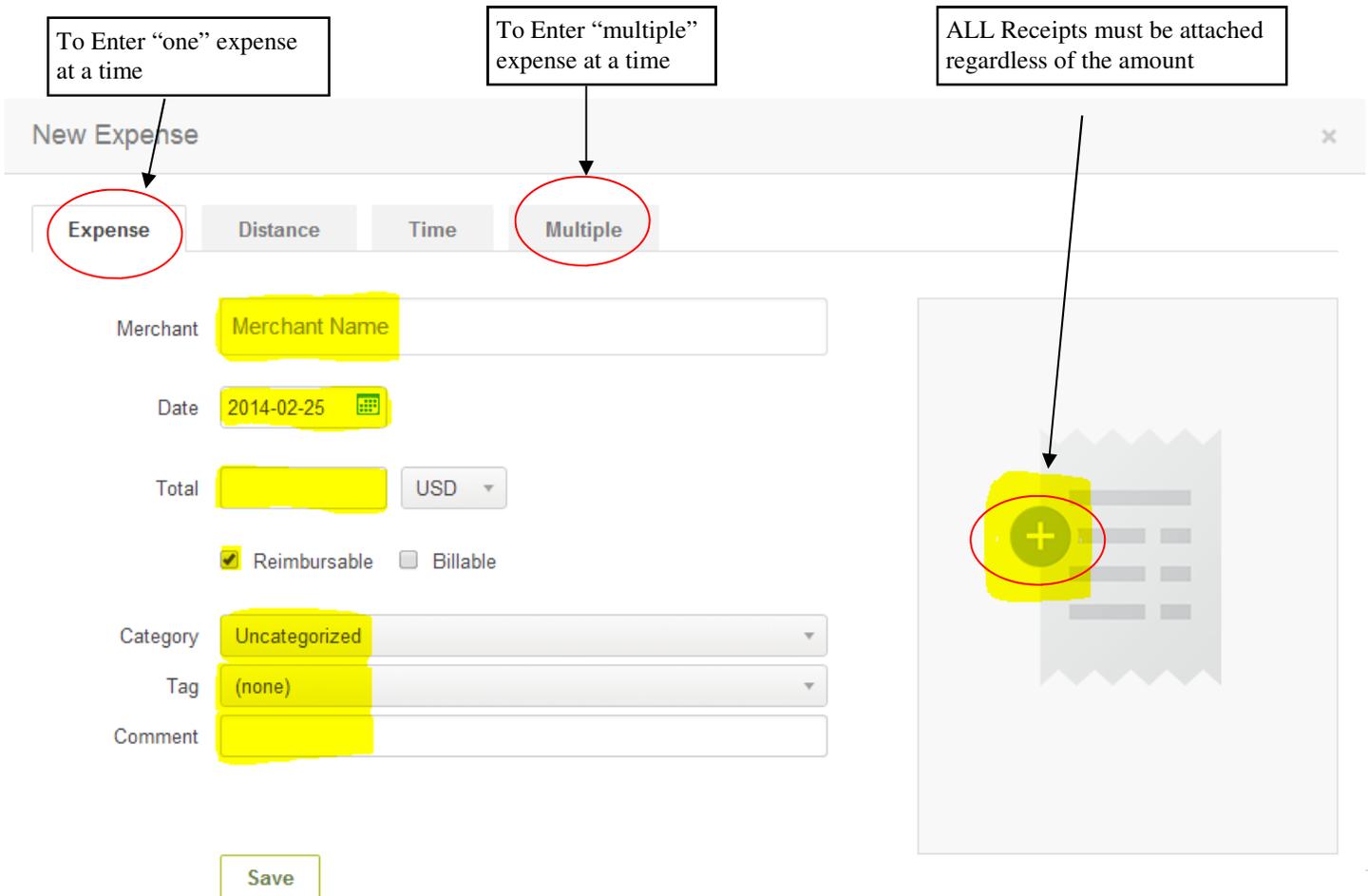


Manually Entering Expenses

Step 11 - Manually entering expenses into the system. Click  “Add Expense” located on the right side

Then click,      “new expense”

The following screen will appear for Expenses. All Highlighted Fields must be filled out as it is on the receipt. After you have entered ALL the Manual Expenses, Please refer to **Steps 5 - 10** for further instructions.



To Enter “one” expense at a time

To Enter “multiple” expense at a time

ALL Receipts must be attached regardless of the amount

New Expense

Expense Distance Time Multiple

Merchant **Merchant Name**

Date **2014-02-25**

Total **USD**

Reimbursable Billable

Category **Uncategorized**

Tag **(none)**

Comment

Save

Reimbursable Ministry Expenses

1. Ministry Auto Mileage

This involves any travel in your personal vehicle for ministry purposes. It does NOT include travel to your regular place of business (i.e. office, regular part of campus where you work, your church, etc.). It is for travel that is outside of your daily commute. Examples would be driving to conferences, appointments for raising support, and other ministry meetings outside of your regular place of work.

To reimburse your mileage, you must report the date, destination, ministry purpose, and miles traveled.

Mileage is reimbursed at the current IRS rate. Please see the annual rate chart for the mileage rate.

2. Travel – Air, Bus, etc.

This category is to reimburse trips you took by airplane, bus, train, taxi, etc. for ministry purposes. To reimburse any related to this line item, you MUST include your receipt.

3. Travel – Auto

This category is for expenses incurred while using a car for ministry purposes. Examples would include using a rental car, paying a driver such as in a limo or taxi, tolls, and parking fees.

4. Lodging

To reimburse any lodging for ministry travel, you MUST include your receipt.

5. Meals/per diem

This category is for meals that you eat during ministry travel that includes an overnight stay. You may choose to reimburse individual meals or to reimburse your costs within the daily per diem rate. For the current per diem rate, see the rate chart.

6. Meetings and retreats

You may reimburse the cost of any meetings, retreats, or conferences that you attend for ministry purposes.

7. Postage and shipping

You may reimburse any postage that you incur for ministry purposes. Usually the bulk of this category is used for communicating with your ministry partners.

8. Printing, stationary, and copying

Examples of things that would be reimbursable in this category are:

- Monthly newsletters (envelopes, copies, prayer letter service)

- Thank-you notes to supporters

- Christmas cards

- Photo magnets for supporters

- Paper for your printer

9. Telephone

You may reimburse the portion of your cell phone bill that is used for ministry calls. Estimate the monthly percentage of your phone use for ministry and apply that percentage to your monthly bill to determine what part is reimbursable.

10. Entertainment – Gifts

This category enables you to reimburse gifts that you may give in the course of your ministry to people such as ministry partners, key contacts, or those under your ministry. There is an annual limit on the amount you may spend on gifts to a ministry partner. Please see the rate chart for the current amount.

11. Entertainment – Meals

This category differs from per diem in that it covers meals and food you eat in the course of ministry when you are not traveling overnight. Examples of things that would fall under this category are:

Eating a meal or getting coffee with someone you minister to

The cost of making dinner or dessert for those you minister to

Getting coffee or having a meal with someone during a support appointment

Having a meal with your supervisor or staff you work with who are visiting from out of town

Unlike per diem, there is no daily rate for this category. You may only reimburse the expenses you incur.

12. Supplies and materials

You may reimburse supplies and materials that are needed for your ministry. Examples are:

Books that are needed for ministry (please include name and author of book)

Ink cartridges for your printer

Internet service

Planner/calendar

15. Internet – Internet services (see current year rate chart for maximum allowed)

21. Miscellaneous

Few of your expenses will fall into the “miscellaneous” category. If you have things you file under this category, please explain clearly what the item is and its ministry purpose.

Submit Questions, Comments, Suggestions, Reimbursements to

associates@globalservicenetwork.org