



Travel and Expense Reimbursement Guidelines

It is the policy of Hephzibah Ministries, Inc. to reimburse only reasonable and necessary expenses, and to adhere to the Internal Revenue Code and other rules and regulations of Hephzibah Ministries, Inc. and as approved by the Director or Board Chair. When incurring expenses for reimbursement, you are expected to:

- Exercise discretion and good business judgment with respect to expenses
- Be cost conscious and spend ministry money as carefully and judiciously as the individual would spend his or her own funds
- Report expenses, supported by required documentation, as they were actually spent

Expense Reports and Documentation:

Original receipts or digital images are required for expenditures billed directly or reimbursed by Hephzibah Ministries, Inc.

Documentation should include information showing the vendor's name, a description of the services provided (if not otherwise obvious), the date and the total expenses, including tips (if applicable). A credit card receipt or statement may be used to document the vendor and date of an expense, provided other required details of the expenditure are fully documented. If a receipt is not provided or is lost, a missing receipt form must be completed to substantiate the expenditure. The only exception is for an expenditure of less than \$25 in which case a missing receipt form is not required.

Non-reimbursable Expenditures:

Hephzibah Ministries, Inc. maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed. Expenses that are not reimbursable include, but are not limited to:

- Travel and accident insurance, unless Director or Board Chair approval is obtained in advance
- Hotel provided in-room entertainment; valet service
- Car washes for personal vehicles

Ground Transportation:

It is the individual's responsibility, before making travel arrangements, to research the price differences between driving a personal car, driving a rental car, and purchasing airline tickets. The individual should select the lowest cost travel option and be able to substantiate they have done so. If the individual chooses an option other than the lowest cost option, due to personal preference or other personal factors, the Ministry will only reimburse up to the cost of the lowest price option.

Please note that driving a rental car can be less expensive than mileage reimbursement for driving a personal car. Compensation for use of a personal car when used for ministry business is available at the current approved IRS mileage rate. Mileage reimbursement is intended to cover the costs of gas, oil, repairs, tires, insurance, registration fees, licenses, and depreciation or lease payments (IRS Topic 510-Business Use of Car). The intent of this change is to clarify that Hephzibah Ministries, Inc. will not reimburse for damages to personal property.

Personal Travel Expenses

Any additional expenses incurred because of personal travel, including, but not limited to extra hotel nights, additional stopovers, meals, or transportation, are the sole responsibility of the individual and will not be reimbursed. Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed.

Air Travel

Hephzibah Ministries, Inc. prohibits reimbursement/use of paid first-class or business-class air travel unless extenuating circumstances exist, and Director or Board Chair approval is obtained in advance.

Lodging

Individuals traveling on behalf of Hephzibah Ministries, Inc. may be reimbursed at the standard room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the meeting/conference is located and proximity to other venues on the individual's itinerary factors in determining reasonableness. Please make use of available discount rates for hotels when possible.

Meals

Hephzibah Ministries, Inc. operates in adherence to the Internal Revenue Service Code. Consequently, there are different standards for different types of expenditures.

- **Meals while traveling:** When overnight travel is required, meals are reimbursed on an actual and reasonable basis. On travel days when individuals have an early departure from or late arrival to their residence, breakfast and/or dinner will be reimbursed. Early/late is defined as a "significant departure" from normal business hours.

Please note, Hephzibah Ministries, Inc. reserves the right to deny reimbursement for unreasonable or non-qualifying expenditures.