### Template Training Tuesday: Expense Policy, Expense Reports & Monthly Financials

### 25 May 2021



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### Overview

- 1. Welcome
- **2. What is an Expense Policy? What are**

**Expense Reports & Monthly Financials?** 

- 3. Why should God's workers use it?
- 4. How can you adapt it to your organization?
- 5. What if you used it? (Testimony)
- 6. Q & A
- 7. Wrap-up



# What is an Expense Policy?

It is a document that (1) ensures adequate cost controls, (2) describes appropriate travel and ministry related expenses, and (3) provides a consistent approach for the reimbursement of authorized expenses.

### **TRAVEL AND EXPENSE POLICY**

### Purpose of the Travel and Expense Policy

The Board of Directors of GTP recognizes that board members, officers, and employees ("Personnel") of the ministry may be required to travel or incur other expenses from time to time to conduct ministry business and to further the mission of our organization. The purpose of this Policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Personnel. It is the policy of GTP to reimburse only reasonable and necessary expenses actually incurred by Personnel.

When incurring business expenses, GTP expects Personnel to

- exercise discretion and good business judgment with respect to those expenses;
- be cost-conscious and spend ministry money as carefully and judiciously as the individual would spend his or her own funds; and
- report expenses, supported by required documentation, as they were actually spent.

### Expense Report

Ministry expenses will not be reimbursed unless the individual requesting reimbursement submits a written Expense Report. If reimbursement is requested, the expense report must be submitted at least monthly or within two weeks of the completion of travel and include:

- the individual's name;
- if reimbursement for travel is requested, the date, origin, destination and purpose of the trip, including a description of each ministry-related activity during the trip;
- the name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is
- spent (e.g., gifts, meals) in order to conduct ministry business); and
   an itemized list of all expenses for which reimbursement is requested.
- an itemized list of all expenses for which reimbursement is request

### Receipts

Reccipts are required for all expenditures billed directly to the ministry, such as airfare and hotel charges. No expense in excess of \$75 will be reimbursed to Personnel unless the individual requesting reimbursement submits with the Expense Report written reccipts from each vendor 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 reccipt or statement may be used to document the vendor and date of an expense, provided other required details of the expenditure are fully documented.

### Ministry Credit Cards

If a corporate credit card is issued to personnel for travel (and other) ministry-related expenses, the requirements for regular expense reports, explaining charges, as described above under "Expense Reports" must still be met, and charges may not be made for "Non-Reimbursable Expenditures" as described below. Failure to meet the Expense Report requirements or making of inappropriate charges will result in forfeiture of corporate credit card privileges.

### **General Travel Requirements**

Necessity of travel. In determining the reasonableness and necessity of travel expense. Personnel and the person authorizing the travel hald consider the ways in which the ministry will benefit from the travel and weigh those benefits against the anticipated costs of the travel and alternatives. Less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or maining opportunities, shall be considered in this precess

Personal and spousal travel expenses. With advance approval from the CEO, individuals traveling on behalf of GTP may incorporate personal travel or business with their ministry-related trips; however, Personnel shall not arrange

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## What is an Expense Report?

It is a document that (1) enables staff to account for expenses incurred, (2) allocates those expenses to budget lines, and (3) positions supervisors to approve expenses that fit with the expense policy. For the CEO, both the board treasurer and CFO approve expenses for accountability.





## How can you adapt the **Expense Report?**

Period:			_ Date: _								
Date	Description / Business Purpose	Entertainment	Meals	Transportation	Fees, Tolls, Parking, or Tips	Lodging	Other	Account #	Total		
									\$ -		
									\$ - \$ -		
L									\$ -		
									\$ -		
									\$ -		
									\$ -		
									\$ - \$ -		
									\$ -		
									\$ -		
									\$ -		
									\$ -		
									\$ -		
									\$ -		

Notes: Employee's Name Employee's Signature

Approved by (Name)

Approved by (Signature)

ŝ \$ -

\$ -

Ŝ -

\$ -

\$

Total



### What are Monthly Financials?

It is a set of monthly statements generated by a tool like Quickbooks with 4 parts: (1) balance sheet (2) income statement (3) actual vs. budget (4) expenses by class.

		al Trust Par								
		salance Shee			_		_		_	
		As of 30 April 2021					-		_	
			_						_	
	3	10-Apr-21		31-Mar-21		Change	31	I-Dec-19	(	Change
ASSETS										
Current Assets										
Bank Accounts										
10000 Key Bank Checking		32,616.16		17,406.57		15,209.59		20,588.38		12,927.7
11000 Key Bank Savings		221,207.86		233,205.98		-11,998.12		56,885.70		64,322.14
11100 Key Bank Savings II		1,000.16		1,000.14		0.02		1,000.04		0.1
11200 Petty Cash 11300 Heartland PPP Funds		200.00	-	200.00	_	00.0		2,000.00		-2,000.0
11400 Entrust		10,271,04	-	10,271.04		0.00		0.00	_	10,271.0-
Total Bank Accounts		265,295,22		262,083.73		3,211,49		80,474.12		84.821.10
Other Current Assets	3					5,011,49	-	- operada		
12000 Prepaid Expenses		640.35	-	640.35		0.00	-	5,206,15		-4.565.80
TotalOther Current Assets	5	640.35	5	640.35	5	0.00	5	5,206.15	-5	4.565.80
TotalCurrent Assets	5	265,935.57		262,724.08		3,211.49		85,680.27		80,255.30
Fixed Assets										
15000 Website		5,000.00		5,000.00		0.00		5,000.00		0.00
15100 Computers		4,978.39		4,978.39		0.00		4,978.39		0.00
15200 Fixed Asset Equipment		9,607.56		9,607.56		0.00		2,824.37		6,783.15
16000 Accumulated Depreciation		-6,322.91		-6,322.91		0.00		-2,055.33		-4,267.51
Total Fixed Assets	5	13,263.04		13,263.04		0.00		10,747.43		2,515.61
TOTAL ASSETS	5	279,198.61	\$	275,987.12	\$	3,211.49	5	96,427.70	\$ 1	82,770.91
LIABILITIES AND EQUITY										
Liabilities			-		_		-		_	
Current Liabilities Accounts Payable			-		_		-		_	
20500 Accounts Payable 20500 Accounts Payable (A/P)		735.69	-	732.63		3.06	-	3.096.24		-236055
Total Accounts Payable	5	735.69	\$	732.63	5	3.06	5	3,096.24	.5	2360.5
Credit Cards	,	133.89	-	132.03		2.00	-	201024	-4	200033
20000 American Express			-		-		-		-	
20005 Am Ex #1001	-	2,687.26	-	1,330.83	-	1,356.43	-	6,969.88	-	-4,282.62
20010 Am Ex #1019	-	99.48	-	99.48	-	0.00	-	3,999.98	-	-3,900.50
20015 Am Ex #1027		0.00		0.00		0.00	-	0.00		0.00
20020 Am Ex #1043		43.95		43.95		0.00		0.00		43.95
20025 Am Ex #1035		0.00		0.00		0.00		0.00		0.00
Total20000 American Express	5	2,830.69	\$	1,474.26	\$	1,356.43	5	10,969.86	-5	8,139.17
20100 Key Bank Mastercard #9193		0.00		0.00		0.00		-1,953.00		1,953.00
20200 CapitalOne										
20205 Cap One #9640		1,143.57		1,559.07	_	-415.50		1,393.96		-250.35
20210 Cap One#7822		-696.50 -851.88	-	-696.50 -851.88	_	0.00	-	-199.70	_	-496.80
20215 Cap One#6259 20220 Cap One#3161		-851.88 2.034.97	-	-851.88 2.034.97	_	0.00	-	-1,078.25	-	2,034.91
20220 Cap One#3161 20225 Cap One#6807		2,034.97	-	2,034.97		73.15	-	0.00	-	2,034.9
Total20200 CapitalOne	5	3,749,03	\$	4,091.38	-5	342.35	5	116.01	\$	3,633,02
20300 Chase	3	-1.316.18	•	-1,316.18	- 9	344.35		110.01	,	202200
20305 Chase#5878		1,345.01	-	1310.81	-	34.20	-	0.00	-	1.345.01
20310 Chase#5886		389.20	-	244.08	-	145.12	-	0.00	-	389.20
20315 Chase#5894		364.79	-	364.79	-	0.00		0.00		364.75
Total20300 Chase	5	782.82	5	603.50	5	179.32	5	0.00	5	782.82
TotalCredit Cards	5	7,362.54	\$	6,169.14	\$	1,193.40	5	9,132.87	-5	1,770.33
Other Current Liabilities										
21000 Payrol Tax Payabk										
21100 FederalIncome Tax Payable		0.00		0.00		0.00		0.00		0.00
21200 StateLocalIncome Tax Payable		-27.92		1,369.08		-1,397.00		642.44		-670.36
Total21000 Payrol Tax Payable	-5	27.92	\$	1,369.08	-5	1,397.00	5	642.44		-670.36
	5	1,665.00		9,165.00						
22100 PPP Loan Payable		1,637.08		10,534.08		8,897.00	5	642.44		994.64
Total Other Current Liabilities		0.717.11			-5					3.330.24
TotalOther Current Liabilities TotalCurrent Liabilities	5	9,73531				3 366 6 *		1107172		1116 1
Total Other Current Liabilities Total Current Liabilities Total Liabilities		9,73531 9,73531		17,435.85	-5	7,700.54	\$	12,871.55	-5	3,136.24
Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity		9,73531		17,435.85	-5	7,700.54			-5	
Total Other Current Labilities Total Current Liabilities Total Liabilities Equity 30000 Unrestricted Net Assets					-5		1	212,915.63		56,547.67
Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity		9,73531 232,936.69	\$	17,435,85		0.00	-1		4	3,136,24 56,547,67 108,558,05 83,556,15



# Why should God's workers use Monthly Financials?

- Consider 5 reasons related to stakeholders:
  - 1. Staff Promotes transparency and accountability
  - 2. Board Monitors financial position closely
  - 3. Auditors Ensures adequate controls, good management, and oversight of financial matters
    4. Givers - Build confidence in the stewardship of gifts and helps the ministry raise more money
    5. Kingdom - Preserves God's honor as instances of corruption at church or ministry impact all



### Why should God's workers use an Expense Policy and Expense Reports?

There are many reasons. Here are 3 important ones:
1. Empowerment - The policy gives staff spending parameters to put God's money to work.
2. Accountability - The report links compliance with budget oversight in a transparent manner.
3. Reporting - The expense reports position the church or ministry to produce financial reports.



### How can you adapt the Expense Policy and Expense Report?

### **Four Steps:**

 Discuss the template with your board treasurer
 Adapt it to fit your setting
 Have the board treasure motion the board to adopt it
 Train the staff to comply

### TRAVEL AND EXPENSE POLICY



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### How can you adapt the Monthly Financials?

### **Four Steps:**

 Set up system to input expense report figures
 Use a tool like Quickbooks
 Discuss standard printouts with the board treasurer
 Adapt reports as needed

		al Trust Par		5						
		Salance Shee			_		-		_	
		As of 90 April 2021								
		0-Apr-21		I-Mar-21		Change		1-Dec-19		Change
SSETS	-	w-Apr-21		1-3421-21	-	change	,	1-Dec-19	-	casage
SSE15 Current Assets					-		-			
Bank Accounts					-				-	
10000 Key Bank Checking		32,616.16		17,406.57	-	1520959	-	20,588,38	-	12.027.7
11000 Key Bank Savings		221,207.86	-	233,205,98		-11,998.12		56,885.70	-	164,322.1
11100 Key Bank Savings II		1,000.16		1,000.14		0.02		1,000.04		0.1
11200 Petty Cash		0.00		0.00		0.00		2,000.00		-2,000.0
11300 Heartland PPP Funds		200.00		200.00		0.00		0.00		200.0
11400 Entrust	-	10,271.04	_	10,271.04	_	0.00	_	0.00	_	10,271.0
Total Bank Accounts	5	265,295.22	5	262,083.73	\$	3,211,49	5	80,474.12	5	184,821.1
Other Current Assets 12000 Prepaid Expenses		640.35		640.35		0.00		5,206,15	_	-4,565,80
TotalOther Current Assets	5	640.35		640.35		0.00		5,206.15		4.565.8
Total Other Current Assets	3	265,935.57		262,724.08		3,211.49		5,206.15		4,565.8
Fixed Assets	3			-441.44.08	-	5,011.49	-			
15000 Website		5,000.00	-	5,000.00	-	0.00	-	5,000.00	-	0.0
15100 Computers		4,978.39		4,978.39		0.00		4,978.39		0.0
15200 Fixed Asset Equipment		9,607.56		9,607.56		0.00		2,824.37		6,783.1
16000 Accumulated Depreciation		-6,322.91		-6,322.91		0.00		-2,055.33		-4,267.5
To tal Fix ed Assets	5	13,263.04		13,263.04		0.00		10,747.43	\$	2,515.6
OTALASSETS	5	279,198.61	\$	275,987.12	\$	3,211.49	5	96,427.70	\$	182,770.9
IABILITIES AND EQUITY Liabilities			_		-		-		-	
Liabilities Current Liabilities			_		_		-		_	
Accounts Payable			-		_		-			_
20500 Accounts Payable (A.P)		735.69	_	732.63		3.06	-	3.096.24	-	-2.360.5
Total Accounts Payabk	5	735.69	5	732.63	5	3.06	5	3,096.24	-5	2360.5
Credit Cards			-		-		-		-	
20000 American Express										
20005 Am Ex #1001		2,687.26		1,330.83		1,356.43		6,969.88		-4,282.6
20010 Am Ex #1019		99.48		99,48		0.00		3,999.98		-3,900.5
20015 Am Ex #1027		0.00		0.00		0.00		0.00		0.0
20020 Am Ex #1043		43.95		43.95		0.00		0.00		43.9
20025 Am Ex #1035	5	0.00		0.00	_	0.00	_	0.00	_	0.0
Total20000 American Express 20100 Key Bank Mastercard #9193	3	2,830.69	3	0.00	3	1,356,43	3	-1.953.00	-3	1.953.0
20200 CapitalOne		0.00		0.00	-	0.00	-	-1,955.00		1,955,01
20205 Cap One #9640		1.143.57	-	1559.07	-	-415.50		1.191.96	-	-250.3
20210 Cap One#7822		-696.50	-	-696.50	-	0.00	-	-199.70	-	-496.80
20215 Cap One#6259		-851.88	1	-851.88		0.00	-	-1,078.25	-	226.3
20220 Cap One#3161		2,034.97		2,034.97		0.00		0.00		2,034.9
20225 Cap One#6807		2,118.87		2,045.72		73.15		0.00		2,118.8
Total20200 CapitalOne	5	3,749.03	5	4,091.38	-5	342.35	5	116.01	\$	3,633.0
20300 Chase		-1,316.18		-1,316.18						1.1.4
20305 Chase#5878 20310 Chase#5886		1,345.01 389.20	_	1,310.81 244.08	-	34.20	-	0.00	-	1,345.0
20310 Chase#5886 20315 Chase#5894		389.20	_	244.08 364.79	-	0.00	-	0.00	_	389.20
20315 Chase#5894 Total20300 Chase	5	364.79		364.79		0.00	\$	00.0		364.7
TotalCredit Cards	5	7362.54		6,169.14		1,193.40		9,132,87		1,770.3.
Other Current Linbilities	3	1,041.54		4,147.14	-	2,000,000	-	100001	- 4	
21000 Payroll Tax Payabk					-		-		-	
21100 FederalIncome Tax Payable		0.00		0.00		0.00		0.00		0.0
21200 StateLocalIncome Tax Payable		-27.92		1,369.08		-1,397.00		642.44		-670.34
Total21000 PayrollTax Payable	-5	27.92	\$	1,369.08	-5	1,397.00	\$	642.44		-670.3
22100 PPP Loan Payable		1,665.00		9,165.00						
TotalOther Current Liabilities	\$	1,637.08		10,534.08		8,897.00		642.44		994.6
TotalCurrent Liabilities	5	9,73531		17,435.85		7,700.54		12,871.55		3,136.24
fotal Liabilities Gaulty	5	9,73531	2	17,435.85	-5	7,700.54	\$	12,871.55	-5	3,136.24
30000 Unrestricted Net Assets		232.936.69	_	232,936.69	-	0.00	-	212.915.63	-	56.547.6
Net Income		36,526.61		25,687.73		10,838,88		129,359.48		408,558.0
TotalEouky	5	269,463.30	\$	258,624,42	5	10,838,88		83,556.15		83,556.1
OTAL LIABILITIES AND EQUITY		279,198,61		276.060.27				96,427.70	-	96.427.70



### What if you used the Expense Policy, Expense Reports and Monthly Financials?

### What outcomes can your church or ministry anticipate?



**SANJAY PATRA** GTP Board Member



### **Questions & Answers**



MATTHEW GADSDEN GTP CFO & Strategy Catalyst



**PAULA MENDOZA** GTP Global Administrator



**SANJAY PATRA** GTP Board Member

## Next Template Training Tuesday...

### 1 June 2021 12 noon GMT

### WEBSITE, EMAIL & SOCIAL MEDIA ANALYTICS



**ERENY MONIR** 



**RUTHIE CRISTOBAL** 



JAIME SCHELL



# Email inquiries and send impact stories to mail@gtp.org.



# GlobalTrustPartners

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