

One Mission Society Inc

EXPENSE REPORTS

As a missionary with OMS, you are required to give adequate accounting for all business expenses before OMS will reimburse you. The expense report form and this procedure statement are provided to aid you in giving the required adequate accounting.

Separate expense claims need to be made for claims to missionary support accounts from project accounts.

Missionary support account expenses: expenses which are not personal but are incurred in the course of the missionary pursuing their missionary assignment.

Project account expenses: Project accounts can only be charged expense claims when the expense is for an item or items which are directly and solely used to benefit the project. This would normally only include items which will be used at the location of the project implementation. For tools such as office supplies, only items which are purchased for the benefit of and used in regular operations for the project are chargeable to the project. Office supplies purchased to allow a missionary to support a project through fundraising or communication with project coordinators are considered part of the missionary's ministry and should be expended from the missionary support account.

Due care and diligence should be made to purchase project-related items which are of a reasonable quality but are comparable cost wise to that which may be available to project coordinators in the case that OMS is no longer able to fund them directly.

- I. The expense report form is designed to cover a one-month period.
 - A. In order to keep records current, please try to submit expense claims monthly.
 - B. All expenses on a given report should have been incurred during the time period covered by the report.

- II. The expense report is an important record for tax purposes and must be filled out accurately.
 - A. When the expense report is reviewed with the required documentation, the amount, date, place, and character of the expenditure must be evident.

 - B. Receipts for all expenditures must be filed with the expense report.
 1. Affix them to the report form in the order you list the expenses. This makes for much more efficient authorizing of your report and thus quicker processing.
 - 2a. On rare occasions, a receipt might not be available. Your handwritten receipt is acceptable only if the expenditure was not over **\$100 AUD**. GST cannot be claimed without a tax invoice which states the GST (or 'GST Included').
 - 2b. On some occasions tax receipts are not available for larger items. These must be supported by other evidence such as bank statements, transfer receipts, etc. Expenses with no supporting documentation must be pre-approved in writing / email and a copy must be provided each time a claim is made.
 3. No receipt for business expenses, including office utilities, will be accepted if over 60 days old.
 4. If the amount you claim is less than the amount of the receipt, the lower amount will be reimbursed.
 5. If a lower amount is claimed, enter that amount on the receipt and circle it. A note of explanation would be helpful.
 6. Credit Cards
 - The original customer copy may be turned in with the expense report as a receipt for claiming expenses, however, GST will not be claimable as these

are not GST receipts.

- It (the customer copy) must include the amount, date, place, and character of the expenditure.

III. OMS desires to reimburse you for all legitimate business expenses as defined by this policy.

A. There are two primary sources from which to learn what is considered legitimate:

- The One Mission Society Australia Policy and Procedure Manual
- Periodic communications such as memos which may be sent to clarify policy and procedure

B. If uncertain whether a particular expense will qualify for reimbursement:

- Contact your authorizer prior to making the expenditure
- If your authorizer agrees the expense is appropriate but is outside the normal policy, your authorizer should first secure written approval from the OMS Australia Board; after which they should provide you with specific written approval to accompany your expense report.

Procedures for Completion

The following step-by-step procedures have been developed to aid you in completing your expense report, and to assist the person who is authorizing it. Each section of the report is discussed separately. A list of allowable and disallowable items is also provided. If you have any questions, contact the person who authorizes your expense report.

Section 1: Enter the missionary or support account to be claimed against and the month / year.

Section 2: For authorised medical expenses, enter the total amount of the medical expense. The form will calculate 80% of your total medical expenses.

Section 3: Enter expenses by type. For example Receipts 1-3, Tuition, Receipt 4, Travel/Land. Calculate and enter the total amount of each expense type and GST if incurred.

Section 4: Enter the kms driven (and recorded on a separate mileage form) under 'mileage.' Choose the appropriate claimable cents/km range according to car size: micro, small, medium, large. Cents for km claimable amounts are updated from time to time.

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1. Travel / Air

- Air travel must have prior written approval from authorizer.

- All ministry related travel is claimable.
- Bereavement travel is allowable when the missionary support account balance is strong. This should be discussed with your director.

a. Tolls/Parking is claimable when on OMS funding and ministry business

b. Travel by trains, buses, taxis, etc. are claimable when on OMS funding and ministry business.

c. Hotels may be used and are claimable when necessary. Hotel stays should be restricted to necessary length of stay. Any extension of stay for leisure purposes is a personal expense. Missionary discretion is expected when deciding if 'an extra night' is needed at a hotel. An example may be where it is possible to complete an

appointment in the afternoon and drive home late into the night but it may not be the wisest choice to have a long drive into the night.

d. Members may choose to use a mileage calculation or claim fuel costs. Mileage calculations for Australia are taken from RACV published figures and are available upon request from the office. Mileage calculations may be used outside Australia if figures can be sourced from a reputable organisation. For fuel-based claims, members should estimate the percentage of kilometres driven for ministry purposes and personal purposes. This figure needs to be authorized by the executive director. The same percentage can be used and claimed on an ongoing basis.

2. Meals

- Some meals are claimable when on OMS funding and ministry business. Meals can only be claimed up to an amount which can be considered to be a reasonable local cost for a normal meal.
- Meals may be given to **assigned guests** and are claimable to the Head Quarters General account. (An assigned guest is a guest of OMS who you have been assigned to show hospitality to or who you have received authorization to show hospitality to)
- Project funds cannot be claimed for hospitality expenses.
- When dining with an assigned guest, both the member's meal and the assigned guest's meal can be claimed as hospitality. Meals can only be claimed up to an amount which can be considered to be a reasonable local cost for a normal meal.
- Hospitality meals may be given to **supporters** only when the member is away from home on deputation and would not normally need to eat out.
- When dining with a supporter in the member's own local area, only the supporter's meal can be claimed as hospitality.

3. Utilities

- For those on the needs-based plan, enter the amount of utility bills. 100% of the installation fees will be reimbursed, but deposits will not.

4. Telephone

• Phone expenses such as home, office, and mobile, phone and call expenses may be claimed to a missionary support account when the majority of calls are for OMS business. Personal mobile phone purchases may not be claimed as an OMS expense.

5. Deputation

- Enter expenses for items used in deputation, such as displays and presentation materials, slide trays, printer cartridges, and other similar items.

6. Education

- For those under the needs-based system, all education expenses, whether for children or approved study, go on this line. Enter expenses for tuition, books, supplies, laboratory fees, and similar items.

7. Printing

- Most printing is handled through headquarters. If approval is given for you to secure printing, enter the amount paid on this line and include two copies of the completed item with an explanation of its use.

8. Postage

- Record expenses for postage.

9. Office supplies

- Enter amounts spent for office supplies. This includes stationaries, printers and printer cartridges, modems and networking equipment and lap top computers.
- Laptop computers may only be replaced after three years except for in the case of theft or irreparable damage.
- The maximum allowable expense claim for a laptop computer is \$2000. This includes optional extras such as extra keyboard, mouse, carry bags etc. Director's discretion is to be used when assessing the needs to the missionary regarding laptop or desk top computers.
- Home office expenses must be approved by the executive director and may require Board approval.

10. Repair/maintenance-equipment, repair/maintenance-building

- Any repair of support account purchased items requires prior written approval of the Executive Director.

11. House help & laundry (services)

12. Residential appliances / furniture can be claimed only if the member has a 'One Time Set Up' sum in their MSR. All items purchased through the MSR remain the property of OMS. If they are later sold, the proceeds must be returned to the member's support account.

13. Miscellaneous

- Enter all allowable expenses for which a separate line has not been provided. Clearly indicate the nature of the expenditure. The following are examples of miscellaneous expenses:
 - a. Special exceptions to policy given in writing by your department head and the Chief Financial Officer;
 - b. Membership fees which will result in reduced charges to OMS such as senior citizen airlines reductions. Your authorizer must agree that the benefit to OMS will be sufficient to warrant the reimbursement.

• For the purpose of economy and proper appearance, there will be no reimbursement for 'business meals' for OMS missionaries. There is ample opportunity to discuss OMS business within normal working hours. Such meal costs will be treated as personal expenses. Exception: department heads and above may judiciously entertain other OMS missionaries with a meal when OMS business is conducted. Expenses should be as economical as possible.

• Gifts for supporters of a missionary shall be described in the expense report with the number of gifts being purchased, a description of the gift, and the date on which the gift was purchased. The acceptable amount for a gift for a supporter shall be up to \$15 (husband and wife are considered one supporter). Gifts for supporters with a cost greater than this amount shall be approved by the Executive Director prior to reimbursement. Normally gifts above this amount should be paid out of personal funds. In keeping with a modest lifestyle, gifts for supporters should be occasional only.