



Financial Reports 2026:

A Checklist to Ensure You Have Properly Completed Your Report

Following is a list of commonly overlooked items on financial reports. Please review this checklist to ensure you are following all current procedures. This is meant to be an overview. If you have questions, we encourage you to refer to more detailed information in our Procedures Manual and in editions of Headquarter Happenings. Our goal is to remain “above any question” with the IRS in the way that we process all reports, in the hopes that we will not raise any flags that could cause problems for anyone within our missions family. Thank you for understanding our position in these areas. If you ever have questions, please feel free to discuss them with us. Thank you!

Due Dates

- All financial reports are due on the first of the month. Expenses should be reported within 60 days. Therefore, your January report is due March 1, February is due April 1, and so forth. Reports will not be accepted or approved after the 15 day grace period, unless there are providential and extenuating circumstances.

Receipt Logs

- The receipt log should be a record of **exact** receipt amounts for ministry-related purchases; therefore, numbers on the reports should match your actual expenditures. It is never correct to estimate expenses listed on financial reports.
- Receipt logs should include **all** of the information about the purchase - **date of purchase, description of the item(s), location where it was purchased (store name), and cost.**
- Each row of the receipt log should represent a **single** receipt. Please do not lump receipts together on the same line, as this causes confusion when matching with individual receipts.
- Please be sure to list expenses in the appropriate category. If you need additional rows for a certain category, please contact us, and we will be happy to add them to the template for you.
- If it is necessary to split a receipt between two categories (ie, when a single receipt includes both office supplies and equipment), please indicate that split on any accompanying receipts.
- When utilizing the “Foreign Currency” column of the template to calculate the exchange rate, please be sure to **only** enter the foreign amount; do not enter figures in both the US\$ and the Foreign Currency columns for the same receipt. You will need to ensure that the conversion rate is included on the cover sheet of the report, for this to work.

Meal Allowances

- The meal allowance may only be listed when you are away from home overnight for a ministry purpose, or on nights when you return home past midnight (after you have spent at least one full night away from home).
- You may claim a variable Meal Allowance, based on where you spent the night. Refer to the website, www.gsa.gov/perdiem, and enter the zip code for your location. Alternatively, if you do not wish to research the rate, you may claim the standard allowance of \$68 per night. Foreign meal allowances are set by the State Department. To locate those rates, please refer to the GSA website and follow their link to the State Department site for foreign rates.
- Due to the variable rates available, Meal Allowances should be entered as a daily line item, instead of grouping multiple days on a single row of the report.
- Do not claim the actual cost of meals when traveling; they are only claimable as meal allowances for overnight trips.

Business Meals

- This includes situations such as taking a pastor out to discuss ministry, or counseling an individual.
- Your report **must** include the name(s) of the individual(s) and the purpose of the meal (ministry update, counseling, etc.), per the IRS.
- Do not claim a business meal deduction on the same day you claim a meal allowance.

Lodging Expenses

- You may record the actual cost incurred for lodging while you are away from home for ministry purposes.
- Lodging expenses may not be listed if you stay with a relative.
- Paying for groceries or meals for you and your host during your stay is not considered a lodging expense.
- The Vehicle / Mileage Logs provide a column for you to list your lodging expenses.

Vehicle Expenses

- Vehicle & Travel logs must include odometer readings. If you use an app to help you track your travel, please be sure all information is transferred to the provided template, to assist our staff with the review.
- Vehicle & Travel logs must include the ministry purpose for each trip. Simply listing "ministry" does not really define the purpose. Better examples would be visitation, bus route, counseling session, Bible study, deputation meeting, drop in service, etc.
- There should be a separate Vehicle & Travel log for each vehicle driven during the month.
- Vehicle logs should record only ministry related miles traveled, per IRS definitions and our published guidelines. According to the IRS: "Transportation costs which may be deductible include trips for hospital and nursing home visits, attendance at conferences, or other church business. However trips between the minister's personal residence and the church are considered nondeductible commuting expenses."
- Trips to the church/office each day, and trips to regular church services (unless running a 'bus' ministry) are considered personal miles and should not be listed as ministry miles.
- If you use the Actual Expenses method for a vehicle, be sure that to include the ministry mileage in addition to the cost of all expenses related to the vehicle: gas, oil changes, repairs, insurance, license fees, etc. The ministry percentage of your total expenses is then calculated on this form. These items should be listed on the actual vehicle log so the percentage will calculate.
- If you regularly drive a vehicle that is not your own, such as one owned by your church or ministry, and you are the sole or primary driver of the vehicle, you should use the Actual Expense method.

Telephone & Internet Expenses

- Missionaries may report the full cost of their primary cell phone, up to \$120.00 per month.
- Costs for a land line may only be listed if the phone is in a separate location, other than your home.
- You may list the cost of your internet service as a ministry deduction.

Submitting Receipts

- It is your responsibility to obtain a receipt for all items \$75 and above. In case a receipt is not offered, we suggest that you purchase and use a blank receipt book, and request that the vendor sign a receipt for your purchase.
- The purpose of the receipt is an outside verification of the expense. You should never receipt yourself.
- Receipts should be obtained at the time the expense occurs.
- Please be sure the receipt is labeled to match what is recorded on the receipt log. If you have already converted the funds to US\$, it is helpful to indicate the exchange rate on the receipt.
- Per the IRS, "A canceled check, **together with** a bill from the payee, ordinarily establishes the cost. However, a canceled check **by itself** doesn't prove a business expense without other evidence." Based on this, we do not accept cancelled checks in lieu of receipts. Credit card statements are also not preferred. Although they show date and cost, they typically do not show what was purchased or the business purpose of the expense.

Personal Expenses

- ATM or banking fees (including those charged by WWNTBM), dry cleaning bills, immunizations (even if required for travel to the field), "book table" items you sell or give away, Post Office box rentals, tax preparation fees, wills, POAs, personal legal paperwork, vehicle purchases, moving expenses, medical or life insurance, and aid for individuals are always considered to be personal expenses. **EXCEPTION: Covid related costs such as tests, vaccines, and quarantine costs can be listed when required by the government for international travel.**

Overlooked Expenses

We frequently find that some items are not listed on reports, even though they qualify as a ministry expense. Double-check your reports to be sure you include information for each category of that is applicable to you!

All expenses listed on MFRs should be ordinary and necessary expenses to develop the long-term stability of the ministry within the local culture.