

Eaton Pagosa Estates Property Owners Association

Accountable Reimbursement Policy Version 1

The IRS has specified rules associated with expense reimbursement. **Eaton Pagosa Estates Property Owners Association (“the Association”)** has written this policy to comply with those rules, which applies to the reimbursement of expenses incurred by property owners, board members and volunteers. This policy does not apply to vendors, contractors, and property owners who have a service agreement with EPEPOA, and any other organization that will be submitting detailed invoices requesting payment

All expenses that are reimbursed by **the Association** must meet the following IRS requirements.

- 1) Must have a legitimate business purpose for every reimbursement.
- 2) Must require members and volunteers to substantiate expenses.
- 3) Must require members and volunteers to return all excess reimbursements.

In order to comply with these requirements, Appendix A “*Expense Reimbursement Form*” contains an expense reimbursement form which may be used for this purpose.

This form requires all expenses to have original receipts, and all expenses for reimbursement must be approved by the Treasurer. It is preferred that most incurred expenses be approved prior to incurring the expense, but such approval is left to the discretion of the Treasurer. All expenses that are incurred in categories that are over budget must receive prior approval from the Treasurer.

If there is no original receipt, then the form should be so documented, and payment for the incurred expense is at the discretion of the Treasurer.

Time and Travel Associated with Incurring Expenses

It is recognized that members will expend time and may incur mileage costs when locally purchasing items for or providing services for **the Association**. Such time and travel is greatly appreciated by **the Association**, but under normal circumstances neither time nor travel will be reimbursed and should not be included on the Expense Reimbursement Form. In special circumstances travel expenses may be approved by the Treasurer, but must be approved by the Treasurer in writing and in advance.

Advances and Petty Cash Fund

The Association does not maintain a petty cash fund nor does **the Association** provide advances for anticipated expenses. All expenses are reimbursed only after the expense has been incurred.

Use this form to document Association expenses that were paid by individuals that do not have some other form of bill or invoice

Date of Expense	Description ¹	Amount to Reimburse	Purpose/Budget Category ²
1/1/2018	Miscellaneous office supplies from Walmart	\$ 45.65	Office Expenses
1/14/2018	Stamps	\$ 9.80	Postage & Shipping
1/14/2018	Mail annual tax filing to state	\$ 2.14	Postage & shipping
		\$ 57.59	

Sample

Staple all original receipts to this form. Each receipt should be listed separately. In compliance with **the Associations** Accountable Reimbursement Policy, expenses without receipts must be separately addressed by the Treasurer.

- Note 1) The "Description" is to clearly identify the item(s) that was purchased
- Note 2) The "Purpose" is to identify the budget category for which the expense was incurred, such as "Office Expense" or "Postage" or "Maintenance", etc.
- Note 3) It is not intended to use this form to list items on a receipt. Separate items on the same receipt only if they are for different purposes. For example, if the receipt has 5 items purchased for office expenses and 1 item for postage associated with purchasing stamps, then the form should show two line items. One line for "Office Expenses" and a second line for "Postage and Shipping."

For a complete list of "Budget Categories," please refer to the annual Proposed Budget Report or contact the Treasurer to obtain guidance.

Requester Name
Requester Signature
Date

Approved for Payment: _____

Treasurer
Date

Payment Information: Amt. Paid: _____ Date Paid: _____ Check No: _____