

Office Reimbursement Policy

Since office related expenses are central to operations, we'd like you to take the time up-front to establish a structure for payment and reimbursement that can then expedite your future expenses.

Please read these guidelines carefully to determine both the type and extent to which you, as the Program Manager, or your consultants or employees, may be reimbursed for office related expenses. The important aspect to evaluate here is the portion (if any) that you use these items or services for your own personal use. These expenses include: rent, Internet service, cell phones and computers. Read through these guidelines, and then fill out the pertinent information in the worksheet below that we will maintain on file. Always give us a call if you need help or have questions!

Rent & Office Utilities- You may request payment for rent for your program in two cases:

- 1)**Commercial office space.** United Charitable must see and approve any lease agreement. It is important that the rental agreement or contract **does NOT list United Charitable** or your program name as the renter. You, as the Program Manager, must be the designee and, as such, take full financial responsibility for paying rent. United Charitable will not be liable for paying rent if your program cannot. To pay a landlord or to reimburse you, we will need a completed W-9 Form as IRS rules require a 1099 to be filed for rent payments to individuals. If the landlord is a company or agency, we do not need the W-9. With our approval, a copy of the rental agreement, and a W-9 form (if applicable), rent may be paid in full or reimbursed.
- 2)**Dedicated area in your home.** This space must be used 100% for your program and only for your program (not a computer in the dining room, for example). To determine a fair "rent" payment for your home office, calculate roughly the square footage of the space compared with the whole (**limited to 25% or less**)

For Example: The basement of a home is used to conduct an after school program for kids. The house is 2000 square feet, with 500 square feet of space solely for program use. The percentage of dedicated space, therefore, is 25%. Then, use this factor to calculate a total of your rent or mortgage payment, plus major utilities (Internet service, electricity, water, gas, etc.) to determine one total fee.

The resultant fee will be the monthly rent payment (which includes utilities) and be considered taxable income. You may request rent payments from available funds in your program's account. As above, we must have a W-9 form on file so that we can file this as rental income to you. This will be considered a sub-lease and the rental income will be listed on your 1099Misc for taxable income reporting.

Cell Phones

Many Program Managers combine personal use with program use on devices such as these. Because personal use of this equipment is a taxable benefit to you, we obviously cannot reimburse you in full for these costs. We must determine the personal use portion before you may be reimbursed for the program-related portion.

The reimbursable portion is limited to 50% or less. The IRS allows you to use a representative month to estimate your usage.

Send us the representative invoice with your personal calls marked. The staff at United Charitable will evaluate the invoice to determine an average percentage of personal use and simply subtract that percentage amount from the total invoice. We will use this percentage each time you submit a phone bill and subtract it from the

total invoice. You will be reimbursed for the balance. Submit the full invoice, once, showing personal calling history. Subsequently, send only the summary and remittance portion of the bill for payment or reimbursement.

If you have a program dedicated cell phone that is not used for any personal or other calls, it can be fully reimbursed or paid for from available program funds. Please indicate this information below in the worksheet.

Laptops and Computers

If you rent space outside your home, you may ask for reimbursement or payment for the full price of a computer. However, if your program is run inside your home or outside of an office setting, you can only ask for reimbursement or payment of **up to 90%** of the value of the computer. Like with cell phone use, we must determine a fair estimate of personal use. Submit the full invoice with a reasonable estimate of personal use. If you terminate your program, you may buy back the equipment or return it to United Charitable's office. Talk to us about the details if this situation arises.

Office Related Expenses Worksheet (must be filled out for all office related expenses)

Cell Phone: Please choose only one option, A or B.

Option A: Program Use Only Cell Phone

- I have a cell phone that is used for Program use only. Tel #: _____
- I understand that I will submit a monthly bill from my cell phone provider with a completed Disbursement Request Form.

Option B: Personal and Program Use Cell Phone

- I have one cell phone that is used for both Personal and Program use. Tel #: _____
- Representative Month Cell Phone Bill with Personal Use Highlighted Attached
__% Average Percentage of Program Use that will be reimbursed (# of Program Use Calls divided by Total # of Calls)
- I understand that I will submit a completed Disbursement Request Form for the adjusted amount along with the first page of my monthly cell phone bill (i.e. the bill summary page).

Rent: Please choose only one option, A or B.

Option A: Program Office Separate from Home

- A copy of my lease/rental agreement is attached
- Utilities are included in the rent and not listed separately below
- Utility Bills will be presented to United Charitable on a Monthly Basis for direct payment to the vendor

Or

- List of Office Related Bills (cell phone not included): _____

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- I understand that I will submit a monthly invoice from the landlord for rent with a completed Disbursement Request Form. If I pay the rent directly to the landlord, I understand that I will submit a receipt for proof of payment with a completed Disbursement Request Form.

