

## Disbursement of funds to guest speakers | International Guests and Local Pastors

The following information was shared with your pastors a few weeks ago. We want to take this opportunity to bring additional clarity to the disbursement of funds to guest speakers. Please read carefully as we are referring to International and National guest speakers.

### 1. Payment to International Guest Speakers:

- International guest speakers are prohibited from receiving payments, including money orders, cash, or gift cards. - It is crucial to be aware that the IRS code states that payments in exchange.
- therefore, should be reported, making it unlawful to pay honorariums to individuals lacking U.S. work authorization documentation. You can pay Per Diem instead and reimburse hotel and travel expenses.
- The IRS unequivocally forbids payments in exchange for services provided in the USA to individuals who lack proper documentation.

### 2. Per Diem and Reimbursement:

- Treasurers are authorized to issue a per diem at the daily rate of \$58.00 (starting 01/01/2024) and to facilitate the reimbursement of travel expenses to guest speakers.
- The new auto travel rate for mileage reimbursement is \$0.50 per mile starting 01/01/2024.
- A gift card, not exceeding \$100.00, may be provided to guest speakers not excluded by point 1 above in acknowledgment of their services.

### 3. Texas Conference Pastors Providing Evangelistic Meetings:

- Texas Conference pastors must not, under any circumstances, receive direct compensation for their involvement in providing evangelistic meetings from local churches within the Texas Conference. Preaching is an integral part of their job for which they are compensated by the employer.
- Texas Conference policy allows employees to claim reimbursements for equipment purchased for use in evangelism.
- Treasurers must proactively report instances of Texas Conference pastors offering these services, as accurate documentation is essential for income reporting.

### 4. Payment Methods:

- It is imperative to understand that payments to guest speakers cannot be made through money orders, gift cards, checks payable to cash, cash from the offering plate, direct transfers, or wire

transactions. Such actions undermine financial accountability and may lead to serious legal consequences.

#### 5. Honorariums for Texas Conference Local Church Pastors:

- Local church pastors may accept honorariums or gifts. In this case, we refer to an honorarium as an ex-gratia payment, i.e., a payment made without the recipient expecting it. (Pastor's Recognition Month is an example.)
- It is paramount that all honorariums or gifts extended to local church pastors are promptly reported to the Texas Conference payroll. Treasurers must file a copy of the email or honorarium form for financial review.

#### 6. Denominationally Employed Pastors from outside Texas Conference:

- Unless Pastors are using vacation time to conduct evangelism meetings, they should not be receiving any additional compensation. You can pay Per Diem, and reimburse hotel and travel expenses, but they cannot receive any other compensation in addition to that.

These guidelines are not open to interpretation, and strict adherence is mandated to ensure compliance with legal requirements and the preservation of financial transparency. Should you have any inquiries or require further clarification, please contact us.

We appreciate your unwavering dedication as church treasurers and your commitment to upholding these non-negotiable regulations.