

## NEWS FROM ADMINISTRATIVE SERVICES

A Newsletter for Church Treasurers, Financial Leaders and Pastors

### *From the Treasurer/Director of Administrative Services*

In this edition of "News from Administrative Services" you will find important information about health insurance for clergy in local churches. It is critically important that clergy and lay officers of local churches go to the link noted in that release and examine there the materials about this change. Clergy, pay particular attention to the document "Instructions and Guidelines Overview." Contained in it is an offer of assistance to you as you prepare to shop for health insurance. Note that taking advantage of this service does not cost you or the conference anything! And at the end of it note good news regarding pension bills in 2015!

Also included in this issue is an end-of-year checklist for local church financial officers. Along with that please note the year-end deadline that is announced for receipt in the Treasurer's Office any money you wish to have credited to the year 2014.

Since our next newsletter will come out after January 1 I want to take an opportunity to wish all of you a joyous holiday season! May the hustle and bustle not overshadow Jesus, the reason for the season!

*Gary A. Beach*

### Conference Votes a Change in Pastors Health Insurance

Bishop Scott Jones has reviewed the tally of the votes cast by clergy and lay members of the Annual Conference. An overwhelming majority approved the use of the mail/email ballot instead of asking for a special session. The vote was also overwhelming to approve the recommendation of the Connecting Council to end the Conference health plan for clergy appointed to local churches and enrolled lay staff. (Remember that employees of the Conference and clergy appointed to our largest church will continue to be covered by their employers which is required of any business with 50 or more fulltime equivalent employees.) The results of the ballot are as follows:

**1. Do you approve the use of this mail ballot?**

**1149 Yes      59 No**

**2. Do you approve the Connecting Council recommendation to end our Conference health insurance plan to pastors appointed to the local churches and enrolled lay employees of local churches?**

**1066 Yes      158 No**

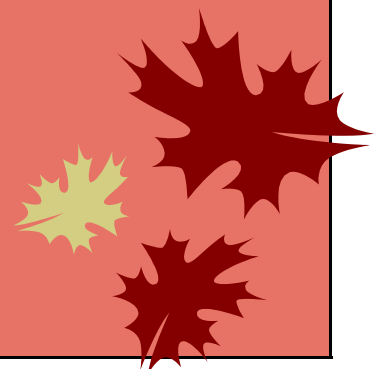
Thus, there was no special session of the Annual Conference on Oct. 25. And therefore, the Conference health plan will no longer be in effect on Jan. 1, 2015.

To help clergy and local church leaders in this transition, a resource called "Guidelines and Instructions for Great Plains Clergy Health Insurance" can be found at [www.GreatPlainsUMC.org/HealthInsurance](http://www.GreatPlainsUMC.org/HealthInsurance). This web page will supply information on how to complete clergy compensation forms as well as all the background leading up to the vote. The Frequently Asked Questions document is updated regularly.

"This has been a difficult and complex decision, but I am proud of our Pensions and Health Benefits Team, the Conference staff, the Cabinet and all of us for the way we have carefully considered our options and taken a clear and timely decision," said Jones.

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## Year-End Checklist

**Year-end Contributions:** Any money received by the church (in the offering plate or otherwise) after December 31 must be reported as 2015 giving for tax purposes. This is true even if the check is dated in 2014. The only exception is for checks that are mailed and bear a 2014 postmark.

**Charitable Contribution Acknowledgement Requirements:** Based on IRS publication 1771 churches should follow certain guidelines for providing acknowledgements to their members for contributions that are made to the church. The following is a brief summary of information from Publication 1771. <http://www.irs.gov/pub/irs-pdf/p1771.pdf>

Requirement on when to provide a written acknowledgement:

- ★ a donor must have a bank record or written communication from a charity for any monetary contribution before the donor can claim a charitable contribution on his/her federal income tax return
- ★ a donor is responsible for obtaining a written acknowledgment from a charity for any single contribution of \$250 or more before the donor can claim a charitable contribution on his/her federal income tax return
- ★ a charitable organization is required to provide a written disclosure to a donor who receives goods or services in exchange for a single payment in excess of \$75

The church should provide statements to donors for cash or checks to assist the donor with their tax deductions. Although the church will incur no penalty if it does not provide these statements, without a written acknowledgment, the donor cannot claim a tax deduction greater than \$250. The statement should include the following for cash or check contributions:

- ★ Name of organization
- ★ Amount of cash contribution
- ★ Statement that **no goods or services were provided by the organization in return for the contribution**, if that was the case

If the donor provided non cash contributions, the statement should include the following:

- ★ Name of the organization
- ★ Description (not the value) of non-cash contributions
- ★ Description of good faith estimate of the value of goods or services, if any, that an organization provided in return for the contribution
- ★ Statement that goods or services, if any, that an organization provided in return for the contribution consisted entirely of intangible religious benefits (described later in pub 1771), if that was the case

Please refer to publication 1771 for more in depth information regarding Contribution acknowledgements.

Consider including a note in your bulletin or newsletter advising people to delay filing their tax return until after they have received their contribution receipt from the church. A sample bulletin notice may read as follows:

***"To ensure the deductibility of your church contributions, do not file your 2014 income tax return until you have received a written acknowledgment of your contributions from the church. Some of your contributions may not be tax-deductible if you file your tax return before receiving a written acknowledgement of your contributions from the church."***

*(continued on page 3)*

**Christmas Gifts:** Be sure to correctly report cash Christmas gifts to the pastor or paid staff. If the payment is made, collected or suggested by the church (e.g. love offering), it is taxable and should be reported as income on the Form W-2.

**2015 Housing Resolution:** Is your pastor's Housing Resolution in place for next year? The resolution cannot be made retroactive. A copy should be given to the treasurer or business administrator in addition to the pastor. Go to <http://www.greatplainsumc.org/chargeconferenceresources> for more information.

**2015 Clergy Support Worksheet:** A copy of the Clergy Support Worksheet should be given to the church treasurer and/or business administrator. Go to <http://www.greatplainsumc.org/chargeconferenceresources> for more information.

**Pension Contribution:** Do you have a pastor or lay employee that wishes to increase their personal pension (UMPIP) contribution? A new Salary Reduction Agreement must be completed and kept on file. In addition, you will need to complete a UMPIP Billing Change Form and send it to the General Board of Pension. Billing change forms may be downloaded from the conference website, or contact Carol Fusaro at 1-877-972-9111 (272-9111 in Topeka calling area) or Carol Jackson at 1-800-745-2350 (684-0266 in Wichita calling area).

**Tax Forms:** Don't forget to order tax forms. All pastors and lay employees must receive a Form W-2 by January 31. The church should issue a Form 1099 for fees paid to contractors and companies that are not incorporated. Forms can be obtained from office supply stores or by calling the IRS toll-free number 1-800-829-3676 or visiting the IRS web site at [www.irs.gov](http://www.irs.gov). You may file online with the Social Security Administration for free. You must register to use this service. Go to <http://www.ssa.gov/employer/> to take advantage of this service.

**2015 Mileage Rate:** Watch for the announcement of the 2015 mileage rate for miles driven for business (business standard mileage rate) by the pastor. <http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates>



## Mission Share Deadline

All 2014 remittances must be received by **5:00 PM January 8, 2015. Remittance sent after January 1 must clearly be marked with "December 2014" if you are remitting 2014 money.** Money received after January 8 will be considered 2015 money regardless of how the remittance is marked. Tips for submitting final payment:

- ★ **Do not hand deliver to the bank.** They will not be able to process the payment.
- ★ *Verify that the total of your remittance form and the check amount agree.*
- ★ *Make check payable to GREAT PLAINS CONFERENCE.*
- ★ *If you are mailing, be sure to allow extra mail time to ensure delivery by deadline. Exceptions will not be made for mail delayed by the postal service.*
- ★ *If you are unable to meet the mailing deadline contact the office in Topeka (877-972-9111) to authorize a one-time automatic debit out of your church account. You must turn in the ACH withdrawal form no later than 10 a.m. January 7 to ensure the payment is received at the bank by the deadline.*

Mission Share letters for 2015 are already posted on the website. Remittance forms for 2015 will be loaded there January 8, 2015 after 2014 remittances close.

## Minimum Salaries Set for 2015

The Great Plains Conference set minimum salaries for clergy serving churches (or as conference staff) in 2015. These minimums were raised just slightly more than 2%, a figure that represented the actual average raise churches gave to full member/elders serving churches fulltime at the beginning of 2014.

The new figures for 2015 are:

Full-time local pastors	\$34,750
Associate Members	\$37,000
Provisional Members	\$39,250
Full Members	\$41,500

The above minimums are inclusive of utilities. Churches that currently pay parsonage utilities either directly or as a separate allowance are encouraged to include this amount in the pastor's base salary in 2015.

## Federal/State Workplace Posters

Posters that need to be displayed in the workplace are free from the government agency. For information on those that churches are required to post for their employees to see go to

<http://www.greatplainsumc.org/workplacepostingrequirements>

## Giving for Mission thru September 2014

Mission Share	59.05%
Mission Agency Support	39.48%
NE Retiree Health	52.16%

### District Mission Share:

Blue River	68.57%
Elkhorn Valley	73.63%
Gateway	64.35%
Great West	66.28%
Missouri River	66.48%
Prairie Rivers	74.92%

Special Sundays	\$241,323
General Advance	\$407,896
KS Bridges to the Future	\$53,241
Conference Advance	\$317,787
Mission Agency Advance	\$64,515

Please share this newsletter with anyone in your church you believe would be interested. To add additional persons to the mailing list, email

[jmcgranahan@greatplainsumc.org](mailto:jmcgranahan@greatplainsumc.org)

## Benefit Bill Payment

Wish to sign up for automatic bank draft? Or, do you want to learn about how to pay your benefit bill online—a new service just started around September 1? Contact Peggy Mihoover at the Topeka office by emailing [pmihoover@greatplainsumc.org](mailto:pmihoover@greatplainsumc.org) or calling 1-877-972-9111.

## Great Plains United Methodist Conference

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## Local Church Report to Annual Conference (Statistical Report)

This report will be submitted online via a link on the conference website. Contact your district office if internet access is not available. Information to help churches complete this report will be sent to church pastors. Additional information is available at [www.greatplainsumc.org/statisticalreportresources](http://www.greatplainsumc.org/statisticalreportresources) and will be updated in early December.

The deadline for submitting reports is **5:00 PM January 30, 2015.**