

July 2010
 Volume 2, Issue 2
 Office of Stewardship, Finance &
 Administration, Central TX Conference UMC

A newsletter for Local Church
 Treasurers and Finance Committee
 Chairpersons.



Lord, our God, all this abundance that we have provided to build you a house for Your Holy Name, it is from Your hand, and all is Yours. 1 Chronicles 29:16

Financially Speaking...

- * "A deficit spanning Kingdomtide cannot be overcome by reducing expenses. A systematic deficit can only be filled by increased income."
- * "Every church has an income curve as faithful and unique as a fingerprint."
- * "Full disclosure means accurate reports, understandable by non-financial people, given to everyone."

Inside This Issue:

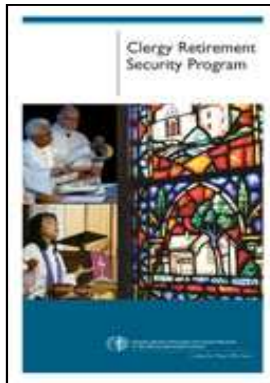
Reimbursement of Business Mileage	2
Payroll Q & A	2
Thank You Letter Africa University	3
Mission Dollars Making A Difference—What One Church Can Do	3
Stewardship Is...	4
Online Payments—UPDATE!	4
Contact Info / Helpful Websites	5

2011 Billing Changes For Pension and CPP

Rev. Harvey Ozmer

Treasurers and Finance Chairs, as you look toward your local church 2011 budget, I want you to be aware of several changes approved at Annual Conference. These are specifically related to Pensions and the Comprehensive Protection Plan (CPP).

A. **Clergy Retirement Security Plan (CRSP)**, the current United Methodist Pension Plan, is direct billed to your local church in twelve (12)



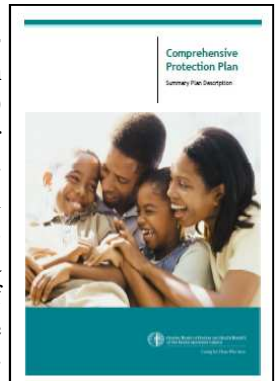
equal installments. In 2011, the amount billed to your church/charge will change. As has always been the case, there will be two (2) components included in the one (1) amount you will see. They are:

1. **Defined Benefit:**
 Full-time clergy —\$7,300
 3/4 time clergy —\$5,475
 1/2 time clergy —\$3,650
 1/4 time clergy —\$1,825
2. **Defined Contribution:**
 3% of plan compensation: You can figure plan compensation by multiplying line D on the Pastor's Support and Compensation Form by 25% if the pastor lives in a parson-

age and then take 3% of that total, or if the church provides a Housing Allowance in lieu of a parsonage, add that amount to line D and take 3% of the total.

* The pastors Personal Investment Plan (PIP) is a separate issue and is withheld from his/her salary. You will receive a separate billing for PIP just as has always been the case.

B. **Comprehensive Protection Plan (CPP)** will no longer be an apportioned item. In the past it was included as a component of the Conference Claimants Apportionment.

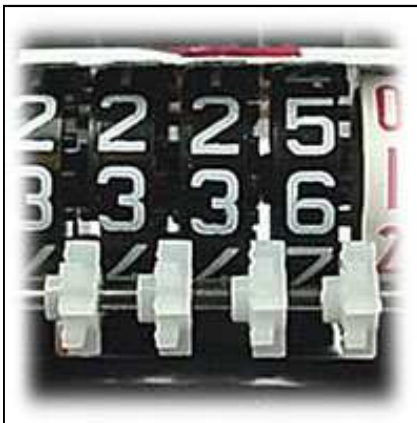


Beginning in January 2011, the local church/charge will be direct billed for eligible clergy at 3.1% of Plan Compensation. (If your pastor is not eligible, your church/charge will not receive a billing for CPP.)

Once your 2011 salaries are set, feel free to contact us here in the Conference Office if you question whether or not your pastor is eligible for this death and disability program.

As always, I encourage you to contact us with any questions or concerns you might have. We are more than happy to help!

Reimbursement of Business Mileage David Stinson



The most common and easiest way of reimbursing automobile costs for business travel is by the mileage rate. The IRS rate

(currently at \$0.50 per mile) is often used as the standard reimbursement for business miles driven, but organizations, including churches, can set their own reimbursement rate (e.g., the Conference reimbursement rate for volunteers is \$0.25 per mile). An organization could reimburse at a rate more than the IRS rate, but the excess over the IRS rate would have to be reported as taxable income. The IRS recalculates its rate every year, and sometimes twice a year when the price of gasoline skyrockets (see rate history). If you use the actual IRS rate or just use it as a reference setting your own rate, you can find the rate on the IRS website: www.irs.gov.

January 1, 2005 40.5¢ per mile
 September 1, 2005. . . 48.5¢ per mile
 January 1, 2006 44.5¢ per mile
 January 1, 2007 48.5¢ per mile
 January 1, 2008 50.5¢ per mile
 July 1, 2008 58.5¢ per mile
 January 1, 2009 55.0¢ per mile
 January 1, 2010 50.0¢ per mile

Payroll Question and Answer

David Stinson

Q: The church received an email from the IRS that says we are eligible for a refund by just clicking on the link requesting information. How do I know if this is really from the IRS?

A: The IRS does not communicate via email. Any email you receive from the IRS it is a “phishing” scam. Do not reply or respond.

Q: Why spend money on outsourcing payroll when it costs nothing to do it “in house”?

A: The cost of processing payroll is more than just dollars. The time it takes to manually prepare payroll checks, the quarterly reports, and annual W-2s can be substantial, adding up to many hours a month. A quarterly report not filed on time with the IRS can mean penalties and interest. Using a payroll service means paychecks come already stuffed in envelopes ready to distribute. (A direct deposit option is available like the Conference office uses, so that there are no paychecks at all – totally paperless. Employees look at and print their pay records online.) The payroll service deposits the payroll taxes and files the reports to the IRS. It also reports new hires to the state as required by law. Several payroll processing companies are listed on the Conference website: <http://cts.site.brickriver.com/pages/detail/1287> (Click on “Administration:”, then “Local Church Treasurer Information”). The Conference uses Paycom and has arranged for a discount and initial savings for member churches. Contact Paycom for a quote: <http://www.paycomdfw.com>.

A Thank You Letter From Africa University

Rev. Harvey Ozmer

Dear Church Leader:

Whether your conference refers to your giving to Africa University Fund as “apportionment,” “shared ministries” or another name, we greatly appreciate your 100-percent giving to Africa University in 2009. Because of you, African men and women become global leaders who stand poised to change the continent and the world. Faithful United Methodists like you keep Africa University going during tough economic times. You have always been there for Africa University. Thank you for your support.

One of our apportionments is directed to the support of Africa University, the first fully accredited United Methodist-related educational institution on the African continent estab-



lished by action of the General Conference. It offers bachelor’s and master’s degree programs in six areas of learning: agricul-

ture and natural resources, education, health sciences, humanities and social studies, management and administration and theology. In 2010, Africa University celebrates 20 years of realized dreams.

From the beginning, Central Texas United Methodists have led the way in supporting the development of this great ministry. You, through your generous giving, have ensured 100% apportionment support from Central Texas once again in 2009. We are one of twenty-four conferences to achieve this goal.

In appreciation, please share this thank you letter with your church. The letter comes from Bishop Ernest Lyght who chairs the Africa University Board Development Committee.

Mission Dollars Making A Difference—What One Church Can Do

Rev. Judy Richmond



In December 2000 at First United Methodist Church of Watauga, a group of six women opened The Shepherd’s Shop to bring low cost clothing, small household articles, linens, toys and books to the residents of the Watauga community. The Shepherd’s

Shop has been open Fridays and Saturdays since then serving many repeat customers and gaining new ones. The women see it as a calling. One hundred per cent of their proceeds go directly to the churches apportionments. The majority of sales are on items with a price tag of \$.25 to \$1.00 and they have given over \$25,000.00 to apportionments since they opened.

Not only do those who come to the shop to buy benefit, but so do those who work there, the church members

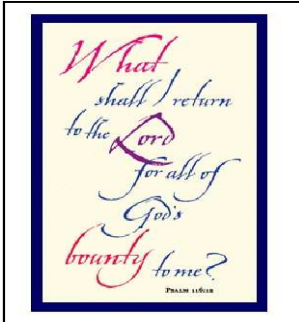
and community who are able to give gently used items, those who need clothes and household items for themselves or their children who are given items, and so does the broader world church through the money that goes to stop malaria, gives benefits to people in Haiti and countless missions around the world through the connection of The United Methodist Church.

In the past year, First United Methodist of Watauga has been in mission for the community under the leadership of the First Baptist Church of Watauga. Because they do not have a clothing ministry, they have donated clothes and sent people to The Shepherd’s Shop who needed our help.

So often when one has a vision they think it might be impossible or a “small thing;” one should never underestimate the way God uses those who are willing to give of themselves and say yes to God!

Stewardship Is...

Rev. Harvey Ozmer



As you begin planning for your Fall Stewardship Campaigns, here are some quotes for use in your weekly bulletins, newsletters, etc., that might spur some thoughts. Think on these for a bit and feel free to contact me at the Conference Office if you need assistance. I am avail-

able for any kind of support you need in planning for your campaigns. ~ Harvey

Stewardship is...

- ◆ thanking God for the blessings he gives us, and then giving as lavishly as we can out of the abundance.
- ◆ putting your faith into action. Stewardship is not just putting money in the offering plate. Take time to reflect on how much of your stewardship is just a habit and how much is your active choice to put your faith into action.
- ◆ “what I do after I say I believe.” Clarence Stoughton
- ◆ being a “Keeper of the Flame.” You are the keepers of the flame. What will you give to keep the light glowing?
- ◆ helping our church grow for those that will follow after us.
- ◆ serving one master faithfully. Many demands are placed on our time, energy and wealth. In the midst of all this, stewards remember who they are, whose they are, and why they were put upon the earth.
- ◆ “working for the good of all, and especially those of the family of faith.” (Galatians 6:10) Stewards work and serve for the good of all.
- ◆ a year-round focus that involves the entire life of the Christian.
- ◆ your chance to reflect the image of a loving God.
- ◆ not only providing for the present, but also helping to build and provide for the future.
- ◆ our response to God as we use our individual, unique talents and gifts.
- ◆ “the name we give to the practiced expressions of faith.” Thomas Rieke

Online Payments - UPDATE!

David Stinson

In April the Conference office offered the option to churches to pay apportionments and invoices online via electronic funds transfer. The response has been positive as evidenced by the following:

April 8 payments
May 17 payments
June 26 payments



Fifteen churches have now begun making payments online. We expect and want this trend to continue. The Finance and Administration department is exploring a way to let the electronic payments automatically post to the remittance system, eliminating the need for keying in each of the apportionment fund payments.

Paying online is easy:

Go to the Conference webpage, click “Administration”, then click “Apportionments”, then click “Online Payments”:

Screen #1: Create profile to track payment history or make recurring payments (same amount each time). Enter an amount beside the fund(s) you wish to pay. Write-in funds require description. If making an invoice payment, include invoice number. Tab between funds. Click “Continue”

Screen #2: Payment information. Some fields are required. Click “Process”.

Screen #3: Print copy of transaction.



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The purpose of the Office of Stewardship, Finance and Administration is to provide for the functions of the ministries of the Central Texas Annual Conference, to maintain connectional relationships and to develop, maintain, and administer a comprehensive and coordinated plan of fiscal and administrative policies, procedures, and management services for the annual conference.

Back issues of the FAITH newsletter are available on the Conference website on the Local Church Treasurer Information web page found under the Administration Tab.

CORRECTIONS OR SUGGESTIONS

Please contact Harvey Ozmer at harvey@ctcumc.org or David Stinson at david@ctcumc.org if your email address or any other information needs correcting, or if you have suggestions for future articles.

Helpful Websites

Connectional Giving
www.umcgiving.org

General Council on Finance and Administration
www.gcfa.org

Internal Revenue Service
www.irs.gov

United States Department of Labor
www.dol.gov