LOCAL CHURCH TREASURER’S GUIDE

Last Revised: January 4, 2021
Introduction

The information provided in the local church treasurer’s guide is meant to provide local churches with a resource to answer some frequently asked questions and provide additional resources that may be helpful in conducting normal church business. If you have any questions on the topics discussed within this document, please contact the Treasurer’s office directly. The Conference Center staff is here to help, please don’t hesitate to pick up the phone and give us a call at 724-776-2300.

In addition to this document, you will find a lot of helpful information on our website:

- GENERAL: www.wpaumc.org
- FINANCE: www.wpaumc.org/finance
- BENEFITS: www.wpaumc.org/benefits

The Conference is not engaged in providing legal or accounting services. The service of a competent professional should be sought for legal and tax advice.
Conference Treasurer’s Office
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• Agency and Ministry Issues
• Wage and Tax Reporting
• Policy and Procedure Questions
• Monthly Financial Statements
• Monthly Board of Pension Reports
• Cabinet and Trustee Reports
• General Finance/Accounting Questions

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• Payments to Missions/Missionaries
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• Healthcare questions
• Benefits questions

Websites
www.wpaumc.org/finance
www.wpaumc.org/benefits

Mailing Address (General)
P.O. Box 5002
Cranberry Twp., PA 16066

Mailing Address (Healthcare/Pension)
P.O. Box 1804
Cranberry Twp., PA 16066
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REMITTANCES
CONNECTIONAL APPORTIONMENT

One of the unique and defining factors of the United Methodist Church is that we are Connectional. One way we show this connection is through apportioned giving.

Apportioned giving is a term which describes how the money you give to your church each week is divided and distributed throughout the United Methodist Church. Through you and your support of apportioned giving, we are able to participate in the ministry and mission of the United Methodist Church both locally and around the world.

Apportions are the primary financial way we live out our connection. According to The Book of Discipline, payment in full of these apportionments by local churches is the first benevolent responsibility of the church (¶247.14). By contributing its share, each local church, no matter its size, is engaged in ministry locally, regionally and globally.

How is my church’s apportionment calculated?

Through the year ending December 31, 2019, an expense-based formula will be used to apportion the Conference budget to the local church. As part of the legislation that was passed at the June 2019 Annual Conference, an income-based formula was adopted, beginning January 1, 2020. In addition to being a more Biblically sound method of giving, the income-based formula is intended to better align with a church’s ability to pay based on its income (i.e., congregational giving and funds raised to support the Annual Budget / Spending Plan of the church).

Each church is apportioned a percentage of its Annual Budget / Spending Plan income (lines 52a-52g). Given the timing of the Conference budgeting cycle and availability of the statistical data, there will be 2-year lag in the data used for the calculation and the apportionment year. For example, the 2018 statistical data is used for the calculation of the 2020 connectional apportionments.

The base percentage is set each year relative to the aggregate income of the Conference (i.e., total of lines 52a – 52g for all WPAUMC churches) divided by the funding requirements of the Conference Budget.

As such, the formula to apportion local churches is as follows…

Formula: Total Annual Budget / Spending Plan Income x Base Percentage = Connectional Apportionment
All data used to calculate your church’s Connectional Apportionment is taken directly from Table 3 of the statistical report as reported by your church (see page 31 for more information about the statistical report).

**When is my apportionment due?**

The best way to pay your Connectional Apportionment is to make 12 equal monthly payments. Connectional Apportionment payments made to the Conference Center are distributed on a monthly basis according to the approved budget. By paying your portion monthly, it ensures that money that is budgeted for important connectional ministries is distributed equally throughout the year.

Your total apportionment must be paid in full by mid-January of the following year. Each year a specific cut-off date will be established and communicated to the local churches through the monthly statements and on the website at [www.wpaumc.org/apportionments](http://www.wpaumc.org/apportionments).

**How do I know my church’s apportionment total?**

To find your current year total...

1.) A monthly statement is sent to the local church treasurer with totals.

2.) Visit [www.wpaumc.org/apportionments](http://www.wpaumc.org/apportionments) and click the year. This will provide an up to date list of connectional apportionment totals that is updated daily.
To find your next year total…

1.) The proposed Connectional Apportionment for your church will be included in the pre-conference journal ahead of Annual Conference.

2.) After the Connectional Budget has been approved at Annual Conference, and any necessary adjustments are made, your Connectional Apportionment Worksheet will be mailed to you by the end of August each year (see Appendix A for a sample worksheet). If you misplace your worksheet, call the Conference Center to request a new one.

Who do I call with questions about…

Apportionment Calculations: Roger White @ x239
Payments: Kristin Poerschke @ x261

STATEMENTS

The Conference Center produces a monthly statement that is distributed to the local church treasurers. (See Appendix B). The statements include a record of activity of the previous month as well as an update on your Connectional Apportionment balance. Please review your statements each month to ensure your gifts have been recorded correctly. At the end of each quarter both the church treasurer and the pastor will receive a quarterly statement that will list all activity for the previous quarter. In mid to late January, both the treasurer and the pastor will receive a year-end statement listing all of your church’s activity for the previous year.

Statements can be mailed or emailed. To receive your statement via email, return the bottom portion of your statement with your email address in the appropriate spot or contact Kristin Poerschke. If you are the church treasurer and are not receiving a monthly statement, or if your pastor is not receiving a quarterly statement, please contact Kristin to update your contact information.

Who do I call with questions about…

Statement Issues/Update Contact Info: Kristin Poerschke @ x261
LOCAL CHURCH REMITTANCE

In addition to your Connectional Apportionment payments, your church may remit additional payments to the Conference Center throughout the year (Special Sundays, Conference & General Advances, the Camping Campaign, etc.). How you choose to participate in these special offerings is decided at your local church.

The Conference Center provides a local church remittance form that church treasurers can use to remit their payments (see Appendix C). The form includes a line for your Connectional Apportionment, a listing of all of the Special Sundays, some commonly used Special Offerings, and a space to enter your own offerings. A hard copy of the form will be mailed out at the beginning of each year as well as posted on the website at www.wpaumc.org/formsandinformation. When completing the form, please be sure to include your contact information in case we need to contact you with questions regarding your payment.

To remit a payment to the Conference Center…

1.) Send a check (with your Church ID # in the memo line) made payable to WPAUMC along with a local church remittance form to the Conference Center at P.O. Box 5002/Cranberry Twp., PA 16066. If you are making a Connectional Apportionment only payment you can include the bottom portion of your statement in lieu of a local church remittance form. (If you use online bill pay through your local bank to send in your payments, please ensure your Church ID # is included on the check.)

   OR…

2.) Pay online at www.wpaumc.org/onlinepayments (see next section for more info)

* If you are remitting payment for more than one purpose, you can submit one check for the entire worksheet. It is not necessary to send a separate check for each item.

* Your Church ID # (aka GCFA #) can be found on your statement.

Who do I call with questions about…

Payments: Kristin Poerschke @ x261
ONLINE PAYMENTS

The Conference Center offers an online payment capability. This service allows churches to submit Connectional Apportionment and other offerings to the Conference Center directly online instead of writing checks. Online payments are processed securely through a third-party company (Vanco).

To begin making online remittance payments…

1.) Visit www.wpaumc.org/onlinepayments

![Image](https://example.com/image1)

2.) Find the section for Local Church Remittance and click the green button labeled “Make a Remittance or other Payment”

![Image](https://example.com/image2)
3.) If you haven’t already done so, you must create a profile for your church by clicking the “Create Profile” button and follow the steps necessary to complete the profile. If you have already created a profile, you must log-in using your email address and password.
4.) Once logged in, you will be taken to the payment form where you can set up payments for Connectional Apportionment and other purposes on a one-time or recurring basis.

Who do I call with questions about…

Payments: Kristin Poerschke @ x261

Log-In Issues: Jason Dix @ x240
WORKERS’ COMPENSATION

The Conference Center maintains a workers’ compensation policy that covers all of the churches within the Conference. Every year the Conference Center will produce a workers’ compensation worksheet that must be completed and returned to the Conference Center along with the payment due. The payment due is determined by the worksheet and may change year to year based on the premium due to the insurance carrier. In addition to the workers’ compensation premium, each church must pay a mandatory $35 for the RS402 Short-Term Incapacity Fund (per legislation passed each year at Annual Conference).

The workers’ compensation worksheet will be mailed out to churches in January with instructions for completing the form and the due date (typically March 31). You will also find a copy of the worksheet online at www.wpaumc.org/formsandinformation.

See Appendix D for a sample worksheet.

Additional Notes

- If you submit your workers’ compensation payment online, you still must complete the form and return it to the Conference Center.
- If your church has no paid employees, you still must complete the form and return it along with your mandatory $35 fee.
- If you are part of a charge, all churches within the charge must submit a worksheet and the $35. How your charge decides to calculate and pay for any additional shared costs is determined by the charge, as long as 100% of all paid staff are accounted for. (Potential scenario: Church A & Church B are a two point charge and equally split the cost of 1 pastor that makes $30,000/yr. Payment option #1: Both Church A & Church B list their salary cost at $15,000 and pay the appropriate premium due. Payment option #2: Church A lists their salary as $30,000 and pays the appropriate premium & Church B lists their salary costs at $0 and only pays the $35 to the Conference Center and pays Church A whatever amount is established by the charge.)
To submit a workers' compensation claim, contact Jervais Carr at the Conference Center as soon as possible after the injury occurs.

Who's Covered Under the Policy?

- All paid employees of your church
- Volunteers that are doing work that you would normally pay someone to do (i.e. the church secretary is on vacation and a volunteer fills in, someone volunteers to paint the sanctuary, etc.)

Who's Not Covered Under the Policy?

- Self-employed workers/independent contractors (i.e. a cleaning company that receives a 1099.)
- Volunteers that are doing work that you would not normally pay someone to do (i.e. someone working in the kitchen for a luncheon, a Sunday School teacher, etc.)

Who do I call with questions about...

Payments: Kristin Poerschke @ x261
Worksheet: Jason Dix @ x240
Filing a Claim: Jervais Carr @ x235
PENSION & HEALTHCARE
PENSION

The Conference Center provides a comprehensive pension plan to active clergy. Pension plan eligibility depends on your pastor’s appointment status. Pension billing amounts are based on eligibility and your pastor’s total plan compensation. Listed below are four components for which the local church may be billed, or be required to make direct contributions. While the Pre-1982 Plan and the Ministerial Pension Plan (“MPP”) are part of the comprehensive pension plans, they are not included in this discussion.

Clergy Retirement Security Program (CRSP): 403(b) retirement plan, administered by Wespath, offered to clergy serving full-time, half-time, or three-quarters time.

Benefit Reserve Fund (BRF): Reserve amount to be utilized for retirement and healthcare benefits funding needs. Billed with CRSP.

Comprehensive Protection Program (CPP): 414(e) welfare benefit plan offering both a disability benefit and death benefit to eligible clergy (full time clergy or three-quarter time clergy with a status).

United Methodist Personal Investment Plan (UMPIP): 403(b) retirement plan offered to all clergy who elect to make before tax, after tax, and/or Roth personal contributions. Must be a payroll deduction and submitted directly to Wespath by the church. Clergy must make a minimum 1% contribution to UMPIP to receive matching 1% contribution to CRSP. Clergy must fill out a new contribution election form for each appointment change or to change their contribution amount.

Your church’s pension obligation will be calculated based on you pastor’s appointment status and total plan compensation (TPC) as reported in the Statement of Understanding. TPC includes salary AND housing benefits. (Cash Salary + 25% if residing in a parsonage, or, Cash Salary + Cash Housing). To determine your pastor’s total plan compensation and your church’s pension obligation, you can visit www.wpaumc.org/benefits to find a fillable pension obligation calculator. See Appendix E for more details.

Who do I call with questions about…
Pension obligation/calculations: Kathleen Lasky @ x274
Pension obligation/calculations: Alexis Soohy @ x278
HEALTHCARE

All full-time appointed clergy must participate in the Conference’s healthcare plan. Each year, the Conference Board of Pensions will establish the monthly billing rate that will be charged to all churches. The rate is posted on the website at www.wpaumc.org/benefits. All churches pay the same rate regardless of the pastor’s plan status (single, family, etc.). This measure is in place to provide consistency in appointment costs regardless of family status.

Less than full-time clergy may participate in healthcare if the church agrees to pay the monthly obligation. This is established by the appointment agreement as outlined in the Statement of Understanding.

Who do I call with questions about…
Healthcare: Kathleen Lasky @ x274
Healthcare: Alexis Soohy @ x278

UNDERSTANDING YOUR INVOICE

If your church has a pension and/or healthcare obligation, you will receive a monthly invoice from the Conference Center. The invoice can be mailed or emailed depending on your preference (see Paperless Billing). Mailed invoices are printed on blue paper and will include a blue return envelope to remit your payment. Bills are typically run the first week of the month and have a due date in the middle of the month.

Your church will be billed a month in advance for all pension and healthcare obligations, but the employee cost-share for healthcare is billed in the current month. For example, your January invoice will include your pastor’s January cost-share obligation and your church’s February pension/healthcare obligation.

See Appendix F for a sample invoice.
Who Pays What?

CHURCH PAYS

Some or all of the following line items may appear on your monthly pension/healthcare bill that you will receive from the Conference Center depending on your pastor’s appointment status. The church is responsible to pay these line items:

- Medical
- Dental
- CRSP
- BRF
- CPP

PASTOR PAYS

The following costs (when applicable) are paid by the pastor and should be paid by the church through a payroll deduction of the pastor’s salary.

- Employee Medical Cost Share – If your pastor is enrolled in the Conference’s healthcare plan, they are responsible for the appropriate cost share as billed on the monthly invoice. You will remit this payment to the Conference Center along with the church’s healthcare obligation.

- HSA Contributions – Participation in the Conference health plan offers the opportunity to participate in a Health Savings Account (HSA) through the CommonRoots Federal Credit Union. Though not required, your pastor may elect to make pre-tax payroll deductions to contribute to their HSA. Contributions are sent directly to the Credit Union through a payroll deduction as directed by your pastor. For HSA questions, contact the Credit Union at 724-252-3200.

- UMPIP Contributions – UMPIP is a personal investment plan that clergy can elect to make before-tax, Roth and/or after-tax contributions. You will do this through a payroll deduction as directed by your pastor’s elections. You will receive a monthly invoice from Wespath stating the amount due and if the contributions should be before or after tax. It is important to pay the amount on the invoice to ensure your pastor receives all eligible matching contributions. Payments are sent directly to Wespath (1-800-851-2201).
This section refers to handling clergy pension/healthcare; if your church has lay employees that participate in the Conference’s pension or healthcare plan, the church’s obligation is based on the adoption agreement that was established for lay employees of your local church.

Who do I call with questions about...

General Invoice Questions: Kathleen Lasky @ x274
General Invoice Questions: Alexis Soohy @ x278
Paying Your Invoice: Kristin Poerschke @ x261

PAYING YOUR INVOICE

There are two options for paying your monthly pension/healthcare invoice.

Online

The Conference offers two options for making secure online payments; recurring or one-time. With the recurring option, you can elect to make an automatic payment each month on a date you choose. The money will automatically be drafted from your account and applied to your invoice. With the one-time option, you will log in each month to initiate a one-time payment on the date you choose. Online payments are processed securely through a third-party company (Vanco).
To begin making online pension/healthcare payments…

1.) Visit [www.wpaumc.org/onlinepayments](http://www.wpaumc.org/onlinepayments)

![Image of website screen](image.png)

Online Payments

The Conference Center offers online payment capability. This service will allow churches and individuals to submit payments electronically instead of mailing checks to the Conference Center.

Separate webpages have been set-up as indicated by the sections below.

2.) Find the section for Pension & Healthcare Payments and click the blue button labeled “Make a Pension & Healthcare Payment”

![Image of Pension & Healthcare Payments section](image2.png)

Pension & Healthcare Payments

Churches and individuals may pay their Conference-issued blue Pension & Healthcare invoices online by establishing an electronic funds transfer from a checking or savings account.

**UMPIP contributions (payroll deductions) cannot be paid through this system. Please continue to remit UMPIP contributions directly to the General Board of Pension and Health Benefits**

By clicking the **blue button** below you will connect to the Pension & Healthcare Payments page. If you are a first time user you will need to follow the simple steps to create your Online Profile and begin managing your payments electronically – either one payment at a time, or as a recurring monthly payment, the choice is yours. **Even if you set up an Online Profile under the Local Church Remittances page, you will need to do so again here as each page requires a unique Profile.**
3.) If you haven’t already done so, you must create a profile for your church by clicking the “Create Profile” button and follow the steps necessary to complete the profile. If you have already created a profile, you must log-in using your email address and password. Please note that even if you set up an Online Profile under the Local Church Remittances page, you will need to do so again here as each page requires a unique Profile.
4.) Once logged in, you will be taken to the payment form where you can set up an invoice payment on a one-time or recurring basis.

Mail

If you are not making online payments you must mail your payment to the Conference Center.

To remit a pension/healthcare payment to the Conference Center…

1.) Send a check (with your ID # in the memo line) made payable to WPAUMC Benefits along with the top portion of your invoice to the Conference Center at P.O. Box 1804/Cranberry Twp., PA 16066. If you receive your invoice via mail, please remit payment in the blue return envelope provided with your invoice. (If you use online bill pay through your local bank to send in your payments, please ensure your ID # is included on the check.)

Who do I call with questions about…

Pension/Healthcare Payments: Kristin Poerschke @ x261
PAPERLESS BILLING

In an effort to save resources, the Conference Center also offers a paperless billing option. If you do not require a return envelope, please consider receiving your invoice via email. To sign-up for paperless billing simply include your email address on the top portion of your invoice when you remit your payment or contact Kristin Poerschke at 724-776-2300 x261.

Note that online payments and paperless billing are not the same. If you sign-up for online payments you will still receive an invoice in the mail unless you inform us you would like to receive your invoice via email.

Who do I call with questions about...
Paperless Billing: Kristin Poerschke @ x261
PAYROLL, TAXES, AND OTHER RELATED MATTERS
Payroll

There are numerous payroll providers that can handle your payroll and tax reporting at a reasonable cost. The Conference Center uses Ministry Works, a company that specializes in clergy, church, and ministry tax law. We have been very pleased with both the cost and service we receive from them. If interested, you can contact them at 866-215-5540 or visit their website at [www.ministryworks.com](http://www.ministryworks.com). In addition to Ministry Works, there are several other payroll providers on the market and we encourage you to shop around to find the provider that works best for your situation.

If you decide to handle payroll and payroll tax reporting internally, the next few sections will provide answers to some common questions.

*Who do I call with questions about…*

*Payroll: Jervais Carr @ x235*
**W-2 INSTRUCTIONS**

The IRS considers clergy employees for income tax purposes and self-employed for social security tax purposes. This means the pastor must receive a W-2 reporting wages earned, not a 1099, and they are not subject to FICA-type social security. The pastor is responsible for reporting and paying social security tax under the Self-Employment Contributions Act (SECA). Below is a sample W-2 form with some helpful information that may apply to your situation.

**Deduct From Federal Wages:**
- Housing Allowance
- UMPIP – if it is before tax
- HSA
- Participant Healthcare Cost Share

**Box 2 is left blank for clergy unless they request voluntary federal income tax withholding**

**Deduct From State Wages:**
- HSA
- Healthcare Cost Share

(Housing Allowance and UMPIP contributions are considered taxable income in the state of Pennsylvania)

**Deduct From Local Wages:**
- Housing Allowance
- HSA
- Healthcare Cost Share

(UMPIP contributions are considered taxable income at the local level)

**Use Box 14 to report:**
- Housing Allowance
- Healthcare Cost Share

**Use Box 12 to report:**
- Before Tax UMPIP (Code E)
- Roth UMPIP (Code BB)
- HSA (Code W)

**Boxes 3-6 are left blank for clergy**

**Report local LST tax or other applicable local taxes here**
Example of Form W-2 for Clergy

Rev. Sue Service serves as pastor of a local United Methodist church. During the preceding year, Rev. Service lived in a church parsonage furnished by her church, and:

(1) she received a cash salary of $50,000 from her church;

(2) her church properly designated $10,000 of her $50,000 cash salary as a housing allowance;

(3) she made a voluntary, pre-tax, salary reduction contribution of $900 to the United Methodist Personal Investment Plan (UMPIP);

(4) she made salary reduction contributions of $1,200 to her Health Savings Account (HSA);

(5) she paid $420 for her participant healthcare cost share;

(6) her church paid $16,620 on her behalf for medical insurance premiums;

(7) she received reimbursements from her church of $2,500 for expenses pursuant to an accountable plan; and

(8) her church contributed $3,050 on her behalf to her pension.

The local church should complete Rev. Service’s Form W-2 as follows:

Box 1: (1) – (2) – (3) – (4) - (5): $50,000 – $10,000 – $900 – $1,200 - $420 = $37,480

Box 2: Leave blank (Here we assume Rev. Service did not request voluntary federal income tax withholding by the church.)

Box 3-11: Leave blank

Box 12: Enter the Code E for the $900 UMPIP contribution and Code W for the $1,200 HSA contribution.

Box 13: Check the box labeled Retirement Plan

Box 14: Enter the housing allowance and healthcare cost share

Box 16: (1) – (4) – (5): $50,000 - $1,200 - $420 = $48,380

Box 17: Enter amount withheld
Box 18: (1) – (2) – (4) – (5): $50,000 - $10,000 - $1,200 - $420 = $38,380

Box 19: Enter amount withheld

Sue Service’s W-2 would be filled out as follows…

[Form W-2 Wage and Tax Statement]

* The information provided above is intended to serve as general guidance and should not be construed as legal advice. You should consult a tax professional regarding your particular circumstances. The example here is merely illustrative.

Who do I call with questions about…

Filling out the W2: Jervais Carr @ x235
Other W2 questions: Tax professional
MOVING EXPENSE

A new tax law signed in 2017 eliminated the moving expense exclusion and the individual deduction for tax years 2018 through 2025. This means that any moving expense payments made on behalf of a pastor will be subject to income taxes and SECA.

Beginning in 2021, pastor moves will be paid for by the Conference Center through the Connectional Apportionment budget. Pastors will receive a 1099 from the Conference Center outlining the income he/she must report when filing their taxes. No additional steps will be needed to account for the move when completing the pastor’s W-2.

Note that because pension payments are based off a percentage of compensation, you will also see a slight increase on one of your healthcare/pension bills during the year you experience a pastor move.

Who do I call with questions about…
Moving Expense: Jervais Carr @ x235
Pension Increase: Kathleen Lasky @ x274

ANNUAL FILING

FEDERAL: The Form W-3 - Transmittal of Wage and Tax Statements must be filed annually by employers together with Copy A of the Forms W-2. The information contained in the Forms W-2 and Forms 941 (filed quarterly) are the basis for the information to be supplied on Form W-3. The Form W-3 must be filed with the Social Security Administration by January 31. When completing the W-3 you will check the box “501c non-govt” as the Kind of Employer. The employer should make sure the Form W-3 wage and withholding information agrees with the total amounts from the Forms W-2 and that the Form W-3 is reconciled with the quarterly Form 941 returns.

Note: According to the IRS instructions for Form W-3, in Box b – Kind of Payer, a church or church organization should check the “941” box even if it is not required to file Form 941 or Form 944 (for example, because the church staff consists of only the pastor).

For more complete information, refer to the Form W-3 instructions available at the IRS website (www.irs.gov).
**STATE:** The Annual Withholding Reconciliation Statement (REV-1667) along with the individual Wage and Tax Statement/Information Statement (W-2/1099) for each employee/distribution recipient must be submitted annually on or before January 31 following the year in which wages were paid or distributions occurred. These documents must be filed at the same time and via the same method.

Additional information can be found on the State’s website at [www.revenue.pa.gov](http://www.revenue.pa.gov)

**LOCAL:** Check with your local government.

*Who do I call with questions about…*

*Annual Reporting: Tax professional*

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**QUARTERLY FILING**

**FEDERAL:** IRS Form 941 is the Employer’s Quarterly Federal Tax Return. The first report for the year must be filed by April 30 (for the pay period ending March 31). Subsequent filing dates are July 31, October 31 and January 31. Form 941 reports the number of employees, the amount of Social Security and Medicare wages and taxes, as well as the income taxes, which are withheld in each quarterly period.

It is the position of the IRS that a church which has only a pastor (and no other staff) need not file a Form 941. However, if the pastor should file a Form W-4, electing to have voluntary income tax withholding, Form 941 is required. Any amounts withheld are reported as income tax on Line 3.

For more complete information, refer to the Form 941 instructions available at the IRS website ([www.irs.gov](http://www.irs.gov)).

**STATE:** PA W-3 quarterly reconciliation returns must be filed online at [www.etides.state.pa.us](http://www.etides.state.pa.us) or by phone using TeleFile (1-800-748-8299). Every employer required to deduct and withhold tax must file a quarterly return of income tax withheld on or before the last day of April, July, October and January for each three month period ending the last day of March, June, September and December. Employers that remit withheld taxes on a monthly, semi-monthly, or semi-weekly schedule must file the quarterly reconciliation return, PA W-3.

Additional information can be found on the State’s website at [www.revenue.pa.gov](http://www.revenue.pa.gov)
LOCAL: Check with your local government.

Who do I call with questions about...
Quarterly Filing: Tax professional

1099

Any individual, independent contractor or company to whom you make payments is required to fill out Form W-9. These forms should be kept on file at the church. Form 1099-MISC must be given to individuals or companies who receive compensation from you in a calendar year of $600 or more. All Forms 1099-MISC must be filed annually with the IRS along with Form 1096.

For more complete information, refer to the Form 1096 instructions available at the IRS website (www.irs.gov).

Who do I call with questions about...
1099: Tax professional

HOUSING ALLOWANCE

For income tax purposes, the Administrative Council/Board of each charge should designate a portion of the pastor’s salary as a "housing exclusion" as noted in RS 308 CLERGY HOUSING ALLOWANCE RESOLUTION as approved at Annual Conference to the extent that is used for the cost of utilities, furniture, equipment, and other appurtenance in connection with the parsonage, not otherwise provided. This satisfies Section 107, Internal Revenue Code. This action must be taken each year to be applicable to the next calendar year for income tax purposes. Thus the exact amount of the housing allowance must be approved in writing before the beginning of each calendar year. Housing allowance for a change made during the calendar year must be approved at the start of a new appointment. The recommended housing exclusion is $10,000.

Who do I call with questions about...
Housing Allowance: Jervais Carr @ x235
STATE SALES TAX EXEMPTION

To renew or apply for a Pennsylvania Sales Tax Exempt Number for your local church you can email your request to Kristin Poerschke at kristin.poerschke@wpaumc.org. In your email please include your Church Name, Church Physical Address, Church Mailing Address (if different), and Church EIN Number. You can also make your request over the phone by calling Kristin at 724-776-2300 x261.

Who do I call with questions about…
Tax Exemption Certificates: Kristin Poerschke @ x261

GCFA TAX PACKET

The General Council on Finance and Administration (GCFA) has a webpage that provides additional information on some of these topics and more. To access the GCFA Tax Packet, visit www.wpaumc.org/formsandinformation. Under the heading “Tax Information” click GCFA Tax Packet.
**APPOINTMENT CHANGE CHECKLIST**

While this is not a comprehensive list, below are several items to consider anytime you experience an appointment change:

- **Moving Expenses** - Moving expenses are now paid for by the Conference Center. Pastors will receive a 1099 reporting their taxable income. You do not need to add this amount to their W-2.

- **Address/Name Changes** - Be sure to update all relevant contact information.

- **Parsonage Checklist** - While this is not a Treasurer issue, it’s good to be aware that there is a parsonage checklist that must be completed on move day and returned to the District Superintendent’s office immediately. The checklist can be found at [www.wpaumc.org/annualforms](http://www.wpaumc.org/annualforms).

- **New UMPIP Form** - Clergy must fill out a new UMPIP form for every appointment change. The form can be found at [www.wpaumc.org/pensions](http://www.wpaumc.org/pensions).

- **HSA Contributions** - Your pastor may request that you submit HSA contributions directly to the Credit Union through a payroll deduction. For HSA questions, contact the Credit Union at 724-252-3200.

- **Insurance/Pension Billing** - Be sure to review your insurance/pension bill after any appointment changes to make note of any changes (including the employee cost-share).

- **Housing Resolution** - Housing allowance for a change made during the calendar year must be approved at the start of a new appointment and must be approved in writing before the beginning of each calendar year.

- **Accountable Reimbursement Policy** - Be sure to reconcile the departing pastor’s accountable reimbursement account and establish an accountable reimbursement policy for the incoming pastor.

- **I-9** - As the new salary-paying unit you should have the incoming pastor complete an I-9 and provide appropriate documentation. You should file all employee I-9s separate from other personnel record. I-9s should be kept on file for the greater of 3 years after hire or 1 year after termination.
MISCELLANEOUS
501(C)3

Your local church’s 501(c)3 status falls under a Group Tax Exemption Ruling for the United Methodist Church. The General Council on Finance and Administration (GCFA) has automated the process of obtaining the group ruling documentation for your local church. If you need 501(c)3 documentation for your local church, visit www.umgroupruling.org to begin your application. You will need your church’s EIN number to complete the application.

Who do I call with questions about…
501(c)3 Application: Jason Dix @ x240

ANNUAL FORMS AND WORKSHEETS

On our website you will find a page that provides a list of annual forms and worksheets and when they are due. While the majority of the forms and worksheets are for the clergy and church council, you will find important treasurer information as well. You can visit the page at https://www.wpaumc.org/annualforms.

Who do I call with questions about…
Annual Forms/Worksheet: District Office

EZRA/STATISTICAL TABLES

Every year, all United Methodist Churches must complete Year-End Statistical Reports. The reports are completed online through Ezra, the online database management system of the GCFA. While it is ultimately the pastor’s responsibility to ensure the reports are complete before the deadline, the church treasurer is instrumental in providing accurate data required to complete the reports by January 31 each year. The pastor will be notified when the online forms are open for the new year. Note that certain fields in the report will be grayed out as these will be automatically filled in by the Conference Center after we close the books for the year.
The current version of the report includes three tables (Table 1: Membership & Participation, Table 2: Assets and Expenses, and Table 3: Income). The data required for Table 1 comes from numbers collected throughout the year by the local church membership secretary. The data required for Table 2 come from the local church treasurer expense reports. The data required for Table 3 comes from the local church financial secretary income reports. Keeping track of the expenses separate from income by different officers in the local church is an important check and balance for keeping financial records secure.

It is important that you enter accurate data as this data is used for various purposes including determining your church’s Connectional Apportionment figures. See Appendix G for answers to frequently asked questions about completing Table 3 (This document can also be found on our website at https://www.wpaumc.org/formsandinformation).

Who do I call with questions about…
Ezra System/Log-In Issues: John Wilson @ x248
What Line to Record Income/Expenses: Roger White @ 239

LOCAL CHURCH AUDIT

The United Methodist Book of Discipline assigns the responsibility for the annual audit of financial records to the committee on finance. The committee “shall make provisions for an annual audit of the financial statements of the local church and all its organizations and accounts. The committee shall make a full and complete report to the annual charge conference”

The type of auditor selected and the type of audit performed at each church each year will be dependent on the amount of funds received by the church. In general, the following guidelines should be used…

- For churches that are considered very small (e.g., those with 10 to 20 members and with minimal funding and asset balances), the processes and internal controls in place may vary greatly. For those churches, an independent qualified member of the church or other volunteer from another church can perform audit procedures and evaluate internal controls and report the results directly to the church’s finance committee.
• For churches with less than $500K in receipts, an independent qualified member of the church or other volunteer can perform audit procedures and evaluate internal controls and report the results directly to the church’s finance committee.

• For churches with between $500K and $1M in receipts, the recommended procedures outlined in Appendix A of the Local Church Audit Guide (which can be found at www.wpaumc.org/formsandinformation) or a financial statement audit conducted in accordance with generally accepted auditing standards (GAAS) should be completed and reported on by an external Certified Public Accountant (CPA) every three years. If the recommended procedures are performed by the CPA, the procedures would be performed as part of an Agreed Upon Procedures (AUP) engagement. As part of either type of engagement, the auditor would be expected to communicate any internal control deficiencies that are identified during the audit procedures. In the alternate years, a review similar to number one in this list should be conducted. A volunteer or member of the church could perform and report on the procedures and perform the internal control evaluation.

• For churches between $1M and $2M in receipts, a financial statement audit conducted in accordance with generally accepted auditing standards (GAAS) should be completed and reported on by an external Certified Public Accountant at least every two years. An agreed upon procedures engagement is not permitted in the place of the GAAS audit. Similar to above, in the alternate years when the GAAS audit is not performed, a volunteer or member of the church could perform and report on the recommended procedures and perform the internal control evaluation.

• For churches with receipts greater than $2M, an external financial statement audit conducted by an independent CPA in accordance with GAAS should be performed every year. Any identified internal control deficiencies should be reported by the independent CPA. An agreed upon procedures engagement is not permitted in the place of the GAAS audit.

Each of the scope amounts included above should be calculated as the average for each of the last three fiscal years for the church. Further, the applicable procedure or audit reports should be presented within six months of the fiscal year end.
For more information about the local church audit process go to www.wpaumc.org/formsandinformation and visit the Local Church Audit Guide and Local Church Audit FAQ pages (or call the Conference Center to request a copy).

Who do I call with questions about…
Local Church Audit: Roger White @ x239

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**FUND BALANCE REPORT**

As part of the audit process each church must complete a Fund Balance Report every year. The report should be completed between January 1 and February 1. Copies of the report should be filed with the recording secretary, pastor, district superintendent and chairperson of the committee on finance. Do not send to the Conference Center. The Fund Balance Report can be found on our website at www.wpaumc.org/annualforms.

(See Appendix H)

Who do I call with questions about…
Fund Balance Report: District Superintendent’s Office

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**ACCOUNTABLE REIMBURSEMENT ACCOUNTS**

For business and tax reasons, in most instances, it is in the best interests of the church and its staff to have in place an accountable reimbursement policy to pay for the business expenses that are necessary to do the ministry of the church. These policies are simply a method for claiming and reimbursing professional or business expenses rather than providing an expense allowance. This works by the church setting up a budget for the pastor’s (and/or lay employees’) professional and business expenses, such as travel, continuing education, subscriptions, etc. When the pastor (or lay employee) incurs a professional or business expense, s/he submits a claim with backup substantiation. The church either pays the expense directly or reimburses the pastor.

To establish an accountable reimbursement policy, all you need is a written policy, which can be as simple as a short paragraph in the form of a resolution or a detailed plan, depending on the church’s own needs and structure. Most churches will want to have a budget amount which will “cap” the allowed amount for each staff person. It can
be helpful (but it is not required) for the pastor, SPR committee, and finance committee to develop the budget together, with an idea of the types of expenses that can be expected. The policy should be set up and funded when the church is doing the budget for the upcoming year. Once a written policy is in place, the church only needs to examine the budget funding for the accountable reimbursement policy each year.

For more information, including some examples of proper and improper reimbursement items as well as sample accountable reimbursement policies, visit our website at [www.wpaumc.org/formsandinformation](http://www.wpaumc.org/formsandinformation) and find the “Tax Information” section.

Who do I call with questions about…

Accountable Reimbursement: Jason Dix @ x240
UPDATING CONTACT INFORMATION

If you are a new treasurer or if any of your contact information needs updated, it is important that you inform the Conference Center of any changes. If you are not receiving a monthly remittance statement from the Conference Center in the mail or via email, we do not have your correct contact information. This is especially important in situations where the previous treasurer was having mail delivered to their home as opposed to the church.

Who do I call with questions about…
Updating Contact Information: Kristin Poerschke @ x261

ID NUMBERS

Your church is assigned two unique identification numbers. As many churches share similar names these numbers allow us to easily identify your church within our systems. We encourage you to include your Church ID # on all correspondence and have it ready if you make a call to the Conference Center.

Church ID # (aka GCFA #): This is your church’s primary identification number. Every church within the denomination has been assigned a unique GCFA number. This is often referred to as your Church ID #. The Church ID # can be found on your monthly statement.

Name ID #: The Name ID # is only relevant to your church if you receive a pension and healthcare bill. Since both individuals and churches receive pension and healthcare bills we use the Name ID # in lieu of the Church ID # on these invoices. You will only find your Name ID # on your monthly pension and healthcare invoice.

Who do I call with questions about…
ID Numbers: Jason Dix @ x240
ADDITIONAL RESOURCES
HELPFUL WEBSITES

2016 Book of Discipline

Apportionment Dollars at Work
https://www.wpaumc.org/DollarsAtWork

Conference Advance List

General Advance Information
https://www.umcmission.org

General Council on Finance and Administration
http://www.gcfa.org

CommonRoots Federal Credit Union
https://www.commonrootsfcu.com

Record Retention

Special Sundays with Offerings
https://www.wpaumc.org/SpecialSundays

The United Methodist Church Homepage
http://www.umc.org
APPENDICES
**APPENDIX A**

### 2021 Connectional Apportionment Worksheet

Reflects unedited 2019 Table 3 Data

<table>
<thead>
<tr>
<th>First U M Church</th>
<th>Western Pennsylvania Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Church # 99999</td>
<td>Pittsburgh District</td>
</tr>
</tbody>
</table>

All data taken directly from Table 3 of the 2019 statistical report as reported by your church, or subsequently adjusted.

<table>
<thead>
<tr>
<th>The 2020 Connectional Apportionment is calculated using 2018 income as reported on the year-end statistical report</th>
<th>Reported in 2019</th>
<th>Corrected amount (write in corrected amount if needed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 52a - Amount received through pledges</td>
<td>$189,284</td>
<td></td>
</tr>
<tr>
<td>Line 52b - Amount received from non-pledging, but identified givers</td>
<td>$66,516</td>
<td></td>
</tr>
<tr>
<td>Line 52c - Amount received from unidentified givers</td>
<td>$2,659</td>
<td></td>
</tr>
<tr>
<td>Line 52d - Amount received from interest and dividends and/or transferred from liquid assets</td>
<td>$11</td>
<td></td>
</tr>
<tr>
<td>Line 52e - Amount received from sale of church assets</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Line 52f - Amount received through building use fees, contributions, and rentals</td>
<td>$13,500</td>
<td></td>
</tr>
<tr>
<td>Line 52g - Amount received through fundraisers and other sources</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td><strong>52t Total income for annual budget/spending plan</strong>&lt;sup&gt;(sum 52a through 52g)&lt;/sup&gt;</td>
<td><strong>$271,970</strong></td>
<td></td>
</tr>
</tbody>
</table>

Formula: Total Income x Base Percentage = Connectional Apportionment

Conference Base Percentage: 10.60%

$$271,970 \times 0.1060 = 28,829$$

Your 2021 Connectional Apportionment is $28,829

with Stretch Goal (additional 1% of income): $31,549

Your 2020 Connectional apportionment was $28,965

*Formula effective for 2021; call the Conference Center for current formula.*
APPENDIX B

July 2020 Statement

First U M Church
Treasurer
123 Main Street
Cranberry Twp, PA 16066

2020 Connectional Apportionment Goal: $14,255.00
2020 Connectional Apportionment Paid: $4,751.68
2020 Balance: $9,503.32

Statement of activity between Jul 01, 2020 and Jul 31, 2020

<table>
<thead>
<tr>
<th>Date</th>
<th>Check #</th>
<th>Connectional Apportionment</th>
<th>Other Gifts</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/19/2020</td>
<td>3800</td>
<td>$1,187.92</td>
<td>Prison Outreach Minist</td>
<td>$100.00</td>
</tr>
<tr>
<td>7/19/2020</td>
<td>3800</td>
<td></td>
<td>Johnstown District</td>
<td>$50.00</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>$1,187.92</td>
<td></td>
<td>$150.00</td>
</tr>
</tbody>
</table>

This form is for Connectional Apportionment payments only. Please use the Local Church Remittance form for advances and all other payments. MAKE CHECKS PAYABLE TO "WPAUMC" and mail to P.O. Box 5002, Cranberry Twp., PA 16066-0002 OR visit www.wpaumc.org/onlinepayments to make your payment online.

TO RECEIVE THIS STATEMENT BY EMAIL PLEASE PROVIDE YOUR EMAIL ADDRESS: ____________________________

First U M Church
Church ID: 99999

2020 Connectional Apportionment Goal: $14,255.00
2020 Balance: $9,503.32

AMOUNT ENCLOSED $________________
APPENDIX C

2021 Local Church Remittance Form

Instructions: Use this form to submit payments for more than one area of ministry. For example, you can pay your apportionment and other offerings on this sheet. Only submit one check for the entire sheet. It is not necessary to send a separate check for each item.

Return one copy of this form with your check made payable to WPAUMC

Online payment available at wpaumc.org/OnlinePayments

<table>
<thead>
<tr>
<th>Conference Special Sundays</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Awareness</td>
<td></td>
</tr>
<tr>
<td>Golden Cross</td>
<td></td>
</tr>
<tr>
<td>Rural Life</td>
<td></td>
</tr>
<tr>
<td>Christian Education</td>
<td></td>
</tr>
<tr>
<td>Retired Clergy</td>
<td></td>
</tr>
<tr>
<td>Camping Sunday</td>
<td></td>
</tr>
<tr>
<td>Volunteers in Mission</td>
<td></td>
</tr>
<tr>
<td>Youth Service Fund</td>
<td></td>
</tr>
<tr>
<td>Doorways to Hope at Home</td>
<td></td>
</tr>
<tr>
<td>Red Stocking</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Special Sundays</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Relations Sunday</td>
<td></td>
</tr>
<tr>
<td>UMCOR Sunday</td>
<td></td>
</tr>
<tr>
<td>Native American Ministry</td>
<td></td>
</tr>
<tr>
<td>Peace with Justice</td>
<td></td>
</tr>
<tr>
<td>World Communion</td>
<td></td>
</tr>
<tr>
<td>UM Student Day</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Special Offerings</th>
<th>Adv #</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deeply Rooted, Upward Reaching (Bishop's Camping Campaign)</td>
<td>CAMP2020</td>
<td></td>
</tr>
<tr>
<td>UMCOR General</td>
<td>996895</td>
<td></td>
</tr>
<tr>
<td>UMCOR US Disaster Response</td>
<td>901070</td>
<td></td>
</tr>
<tr>
<td>UMCOR International Disaster</td>
<td>982450</td>
<td></td>
</tr>
<tr>
<td>Ruth M. Smith Center</td>
<td>0011007</td>
<td></td>
</tr>
<tr>
<td>Prison Outreach Ministries</td>
<td>003300J</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL $ ______________________

Church Treasurer:

Name ____________________________ Phone ____________________________
Address __________________________ City ____________________________ Zip ____________
Email ____________________________ □ Check the box if any Treasurer contact information is new

For more information on Advances and Special Sundays, go to wpaumc.org/finance

* This form can be found on our website at:

https://www.wpaumc.org/files/finance/forms+and+info/remittance+form.pdf
APPENDIX D

### 2021 Workers’ Compensation Worksheet

**Western PA Annual Conference**

**Church Name:** ___________________________  **Senior Pastor:** ___________________________

**Church ID:** ___________________________  **Employer ID Number (EIN):** ___________________________

**Enter the number of Parsonages occupied by the pastor(s):**

(Enter a fraction or percentage if your church contributes less than 100% to the parsonage)

(e.g. if you are on a 2 point charge and split the costs evenly, enter 1/2 or 50% or 0.5)

<table>
<thead>
<tr>
<th>Enter the number...</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Senior Pastor Anticipated Annual 2021 Salary:</td>
<td>1</td>
</tr>
<tr>
<td>2) All Associate Pastors Anticipated Annual 2021 Salaries:</td>
<td>2</td>
</tr>
<tr>
<td>Staff Salaries:</td>
<td></td>
</tr>
<tr>
<td>3) All Pre-School/Childcare Anticipated 2021 Annual Salaries:</td>
<td>3</td>
</tr>
<tr>
<td>4) All other Anticipated 2021 Annual Church Staff Salaries:</td>
<td>4</td>
</tr>
</tbody>
</table>

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Salaries (Clergy + All Staff)</td>
</tr>
<tr>
<td>5) Add boxes 1+2+3+4 and enter result in box 5</td>
</tr>
</tbody>
</table>

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium Rate for 2021 is .8%</td>
</tr>
<tr>
<td>6) Multiply Box 5 by 0.008 and enter result in box 6</td>
</tr>
</tbody>
</table>

| Assessment – Short Term Incapacity Fund – mandatory $35.00 + $35.00 |
|  |

**Total Payment Due (Box 6 plus $35.00)**  **Total:**

### Payment Procedure

- Return this form and a check payable to WPAUMC for the Total Payment Due to: Western PA Annual Conference, c/o Treasurers Office, P.O. BOX 5002, Cranberry Twp., PA 16066-0002

### Prepared By:

- **Name:** ___________________________
- **Check Number:** ___________________________
- **Phone:** ___________________________
- **Email:** ___________________________

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* Rates shown are effective for 2021; check the website or call the Conference Center for current rates.

This worksheet can be found on our website at:
[https://www.wpaumc.org/files/finance/forms+and+info/workers+comp+form.pdf](https://www.wpaumc.org/files/finance/forms+and+info/workers+comp+form.pdf)

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Payment Due March 31, 2021
APPENDIX E

WHAT MAKES UP THE PENSION BILL TO THE LOCAL CHURCH?

Pension Billing consists of:
✓ 3% of TPC for CRSP
✓ 0.5% of TPC for BRF
✓ 3% of TPC for CPP

What are all those acronyms? Read on to find out!

BILLING AMOUNTS ARE BASED ON THE TOTAL PLAN COMPENSATION (TPC).

TPC = Cash Salary + 25% if residing in a parsonage, or, Cash Salary + Cash Housing.
If no parsonage or cash housing, the TPC is the cash salary amount.

✓ Clergy Retirement Security Program (CRSP) 403(b)
Retirement plan, administered by Wespath, offered to clergy serving full, half, or three-quarter time. This plan includes both a defined benefit and defined contribution component. The defined contribution is paid by the local church through conference billing of 3% of total plan compensation. *If clergy do not make a 1% personal contribution to their UMPIP only 2% is contributed to their CRSP.

✓ Benefit Reserve Fund (BRF)
Reserve amount to ensure pension plans are continuously funded. Billed with CRSP at a rate of 0.5% of the participants’ total plan compensation.

✓ Comprehensive Protection Plan (CPP) 414(e)
Welfare benefit plan offering both a disability benefit and death benefit to eligible clergy (fulltime appointed clergy and three-quarter appointed with a status such as FE, provisional, etc. PT locals are not eligible). CPP is paid by the local church through conference billing at 3% of the total plan compensation.

Example 1:
Pastor Barb, fulltime Associate Member in a parsonage with $40,000 annual salary.
Pastor Barb’s TPC = $50,000 (cash salary + 25% of cash salary for parsonage).
CRSP: $50,000 x .03 = $1,500.00
CPP: $50,000 x .03 = $1,500.00
BRF: $50,000 x .005 = $250.00
Total Annual Pension Obligation = $3,250.00
Divide by 12 for Monthly Bill = $270.83

Example 2:
Pastor Bob, fulltime Associate Member with $40,000 salary and $5,000 cash housing.
Pastor Bob’s TPC = $45,000 (cash salary + cash housing).
CRSP: $45,000 x .03 = $1,350.00
CPP: $45,000 x .03 = $1,350.00
BRF: $45,000 x .005 = $225.00
Total Annual Pension Obligation = $2,925.00
Divide by 12 for Monthly Bill = $243.75

* Rates shown are effective for 2021; check the website or call the Conference Center for current rates.
United Methodist Personal Investment Plan (UMPIP) 403(b)

Personal investment plan offered to all clergy who elect to make personal before tax, after tax, and/or Roth personal contributions. **Must be a payroll deduction and submitted directly to Wespath.** Clergy must fill out a new contribution election form for every appointment change! Clergy must make a minimum 1% contribution to UMPIP to receive matching 1% church contribution to CRSP. One-quarter time clergy receive a 10% contribution to UMPIP plus an additional 1% employer match if they make a 1% personal contribution.

Extended plan information, including plan summaries, is available on the Benefits Page: [www.wpaumc.org/benefits](http://www.wpaumc.org/benefits)

### Clergy Pension Eligibility Summary

<table>
<thead>
<tr>
<th>Appointment %</th>
<th>CRSP Pension</th>
<th>UMPIP Pension</th>
<th>CPP Death/Disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time</td>
<td>YES¹</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Part-Time 75%</td>
<td>YES¹</td>
<td>YES</td>
<td>YES³</td>
</tr>
<tr>
<td>Part-Time 50%</td>
<td>YES¹</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Part-Time 25%</td>
<td>NO</td>
<td>YES²</td>
<td>NO</td>
</tr>
</tbody>
</table>

¹ CRSP - Clergy receive a 3% contribution to CRSP if they make a 1% personal contribution to UMPIP. Clergy who do not contribute 1% to UMPIP only receive a 2% contribution to CRSP.

² UMPIP - Clergy serving quarter-time receive a 10% contribution. If clergy elects to make a 1% personal contribution to UMPIP, the Conference matches the 1% for a potential 11% employer contribution.

³ CPP – Clergy serving 75% time must have a status (FE, Provisional, Associate, etc.) to be eligible for CPP. Part-time local pastors are not eligible.

**Percentages are based on Total Plan Compensation**

(Salary + 25% if living in parsonage, OR, Salary + Cash Housing Allowance)

*If no parsonage and no cash housing, TPC is cash salary only.*

* Rates shown are effective for 2021; check the website or call the Conference Center for current rates.
**APPENDIX F**

Western PA Conference  
The United Methodist Church  
P.O. Box 1804  
Cranberry Township, PA 16066

Statement Date: 1/7/2021  
Due Date: 1/17/2021  
Payment Due: 1,743.89

**FIRST UM CHURCH**  
PAPERLESS BILLING  
TREASURER@FIRSTUMC.ORG

ID #: 999

AMOUNT ENCLOSED: $________________

TO RECEIVE YOUR INVOICE BY EMAIL PLEASE PROVIDE YOUR EMAIL ADDRESS:

This form is for PENSION & HEALTHCARE Payments only

---

**Statement for benefit month of February 2021**

<table>
<thead>
<tr>
<th>Date</th>
<th>Invoice #</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/2/2021</td>
<td>266526</td>
<td>Medical UPMC: UPMC F, Sue Johnson</td>
<td>1,353.04</td>
</tr>
<tr>
<td>1/2/2021</td>
<td>266526</td>
<td>Dental FAMILY: Sue Johnson</td>
<td>60.00</td>
</tr>
<tr>
<td>1/2/2021</td>
<td>268207</td>
<td>Employee Medical Cost Share FAMILY: Sue Johnson</td>
<td>70.00</td>
</tr>
<tr>
<td>1/2/2021</td>
<td>261632</td>
<td>DRSF: Sue Johnson</td>
<td>101.95</td>
</tr>
<tr>
<td>1/2/2021</td>
<td>201603</td>
<td>BPF: Sue Johnson</td>
<td>16.89</td>
</tr>
<tr>
<td>1/2/2021</td>
<td>201604</td>
<td>CPP: Sue Johnson</td>
<td>101.95</td>
</tr>
</tbody>
</table>

---

Current Due: 1,743.89  
Over 60 Days: .00  
Over 30 Days: .00  
Over 90 Days: .00  
Total Due: 1,743.89

---

Return the top portion of your invoice with your check made payable to WPAUMC Benefits or visit www.wpaumc.org/onlinepayments to make your payment online. Have questions about your invoice? Contact Kristin Poerschke at arpayments@wpaumc.org or 724-776-2300 x261.

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* Rates shown are effective for 2021; check the website or call the Conference Center for current rates.
APPENDIX G


What constitutes a giving unit (Line 51)?
Any giver (household) that can be identified by name should be counted. Additionally, as part of tracking this information, your church will have a good handle on who should receive a year-end giving statement.

How are transfers from savings and/or other cash accounts reported?
The primary objective is that congregational giving is not double counted for apportionment purposes. If funds are transferred from a savings account (that were from prior congregational giving), these amounts are essentially embedded in the change in the “Market value of financial and other liquid assets” (Line 29), and NOT reported on Line 52d. Income generated from investments that are used to support the operating budget SHOULD BE reported on Line 52d.

When endowed funds are used, how are they reported?
If the income generated from endowment funds are used to support the annual operating budget, they should be reported on Line 52d. If the Principal is being drawn down, it would essentially be reflected in the change in the “Market value of financial and other liquid asset” (Line 25).

We utilize a “One Fund” stewardship model, and do not run Capital Campaigns to pay for capital expenditures (e.g., building projects, mortgage payments, etc.). Should we be making any adjustments to our Annual Budget / Spending Plan numbers?
Yes. If income reported in Lines 52a-52g is to be used for current or future capital projects, or to pay down existing mortgages, these amounts can be reported on Line 53a (“Capital Campaigns”). Please be advised, that funds that are used to support regular / recurring maintenance and upkeep of property are part of the Annual Budget / Spending Plan, for which no adjustment should be made. Additionally, any funds raised from the sale of buildings should be netted against expenses when making adjustments to lines 52a-52g. For example, if your church incurs $75,000 of capital expenditures, but also sells a building for $50,000, then the adjustment to income originally reported in lines 52a-52g should be no more than $25,000. The $25,000 would be reported on line 53a, and the $50,000 from the sale of the building would be reported on line 53c.

How should income from fundraising efforts be reported?
In general, the net income (gross income less fundraising expenses) from fundraising events should be reported on line 52g. However, if the income from the fundraising event is designated for capital projects, including mortgage payments, then it should be reported on line 53a (“Capital Campaigns”).

Our church operates a Pre-School and/or Day Care; where do we report this income?
The net income from your Pre-School or Day Care operation should be reported on line 53c (“Funds from other sources and projects, including sale of buildings”).

We have dedicated offerings for missional giving, how should these be reported?
Offerings that are taken for specific benevolent causes (e.g., Special Sundays, Conference/General Advances, other designated gifts) for which the church is simply acting as a pass-through should be reported on line 53d.

We have a variety of designated offerings, how should these be reported?
It depends on how the funds raised from designated offerings are used. For example, designated offerings to a ‘Building Fund’ that are used to pay utilities and the regular maintenance and upkeep of the building should be reported in the Annual Budget/Spending Plan section (lines 52a-52g), as would any other designated offering that would go to support the operating expenses of the church (e.g., youth programs, books and supplies, flowers, etc.), including any collections that support the payment of the annual connectional apportionment obligation. Only those designated offerings that are used for benevolent purposes outside the Church should be reported on line 53d.

* Guidelines shown here refer to the Local Church Report for 2017-2020 Quadrennium. This page can be found on our website at:

Are amounts received from Sale of Church Assets (Line 52e) in effect being double counted?
No. A gift or donation to the church, and a subsequent sale of property by the church are two separate transactions, and the church is receiving benefit from both. If the funds raised from the sale of church assets are used to support the Annual Budget / Spending Plan, then inclusion on Line 52e is proper. Please note that the sale of church buildings (including parsonages) should be reported on line 53c.

Our Church receives funds from other churches on our Charge for salary, benefits and other shared expenses? How should we record the reimbursements from other churches?
For situations in which a single Church is acting as the “Paying Agent” for a group of churches, the cleanest way to handle this situation is to EXCLUDE those amounts from the income reported in Table 3 of the EZRA system. Conversely, each Church should report their portion of the “shared” expenses on the appropriate Table 2 expense line item.

Our Church received a Paycheck Protection Program (“PPP”) loan. Is the PPP loan proceeds counted as income when calculating our Connectional Apportionment amount?
Absolutely, not! Please report your Church’s PPP loan proceeds on Table 3 / line 54c (Other grants and financial support from institutional sources).

In April 2020, our Church received a Mission Support Grant from the Conference Board of Pensions. Is this grant counted as income when calculating our Connectional Apportionment amount?
Same as with the PPP loan proceeds, this will amount will not be included in the apportionment calculation. Please report this grant on Table 3 / line 54c (Other grants and financial support from institutional sources).

* Guidelines shown here refer to the Local Church Report for 2017-2020 Quadrennium. This page can be found on our website at: https://www.wpaumc.org/files/finance_and_benefits/finance/files/table+3+reporting+guidelines+and+faq_updated+11-07-19.pdf
APPENDIX H

THE UNITED METHODIST CHURCH

Fund Balance Report

The Committee on Finance is required to make provision for an annual audit of the records of all the financial officers (including the financial secretary or church business manager and treasurers) of the church and all its organizations and shall report to the Charge Conference. Guidelines for handling of an accountability of funds can be found in the 2017-2020 United Methodist Church Financial Records Handbook and in Guidelines for Leading Your Congregation: FINANCE available at http://www.colesbury.com, and The Local Church Audit Guide, available at http://umc.org/audits.

THIS REPORT IS TO BE COMPLETED BETWEEN JAN. 1 AND FEB. 1
THIS REPORT SHOULD NOT BE INCLUDED WITH YOUR OTHER CHARGE CONFERENCE FORMS

Copies of this report should be filed with the recording secretary, pastor, district superintendent and chairperson of the committee on finance - ***DO NOT send to the Conference Center***

<table>
<thead>
<tr>
<th>Church</th>
<th>District</th>
<th>Charge</th>
<th>Annual Conference</th>
</tr>
</thead>
</table>

For the period beginning __________ and ending December 31, __________

1. Receipts, Disbursements, and Balances (Round to the nearest dollar)

<table>
<thead>
<tr>
<th>LOCAL CHURCH FUNDS (Use those applicable to your church.)</th>
<th>(a) Balance at Beginning of Period</th>
<th>(b) Cash Received and Recorded</th>
<th>(c) Total Disbursements for Period (-)</th>
<th>(d) Transfers + (-)</th>
<th>(e) Balance End Of Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benevolence Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building or Improvement Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board of Trustees’ Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Methodist Women</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Methodist Youth Fellowship</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Methodist Men</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Church School</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Organizations or Funds (enter name):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total amount of cash in all treasuries of the church</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

* This report can be found on our website at:

2. The Auditors □ Auditing Committee □ (check one) has examined the accounts listed on the front side; reviewed procedures of counting and accounting under the current Book of Discipline; has reconciled receipts and disbursements with bank deposits and bank balances; and has found the balances displayed to be correct, procedures proper, and records properly kept, except as noted below (attach additional pages as needed).

3. Recommendations for changes in financial policies and practices (attach additional pages as needed):

Signatures of the Church Audit Committee, (if applicable)

__________________________, Chairperson

__________________________, Member

Printed Name: ____________________________  Printed Name: ____________________________

Date: ____________________________  Date: ____________________________

* This report can be found on our website at: